

Project Odin

SALE OPPORTUNITY

Opportunity to acquire a highly awarded, patent-holding international waste management and clean energy system provider servicing the food and organic waste producing industries.



Background

- The company has developed and produces a range of patented modular waste management and biogas electricity systems utilising organic waste products as a fuel source.
- Manufacturing and maintenance is outsourced to several different suppliers in strategic regions.
- Since being established they have developed an international network of resellers, installers, agents and suppliers with clients in Europe, North and South America and Australia ranging from universities, bakeries, farms, supermarkets, etc.
- In 2023 the company had a turnover of c.£1.1m which represents a growth of over 50% since 2020.
- In Feb 2024 they signed the first IP licensing deal in APAC which is expected to generate £2.8m revenues from the first year and keep growing.



Opportunity

- Multiple recurring revenue streams including IP licensing, software licensing, maintenance.
- 25 Patents registered in 12 countries for their modular compact biogas electricity solution that is more efficient and effective in smaller sites with a quicker ROI in only 2.5 years of a 20 years lifespan.
- £45m pipeline in North and South America, Europe, Australia and Asia.



Based: International with UK HQ



Sector: Renewable/Green Energy



Sale Opportunity



Benefits to Clients

- Clients eliminate their cost of waste disposal of organic waste materials and reduce their carbon footprint by reducing transportation of the waste off-site.
- Clients also benefit from generating their own green electricity to meet their needs and as a by-product also generate organic fertiliser.
- Ideal for closed-loop systems; installation is quick and relatively inexpensive. Maintenance is also relatively straightforward.
- Clients can apply for power purchase agreements (PPA) to cover the capex costs.



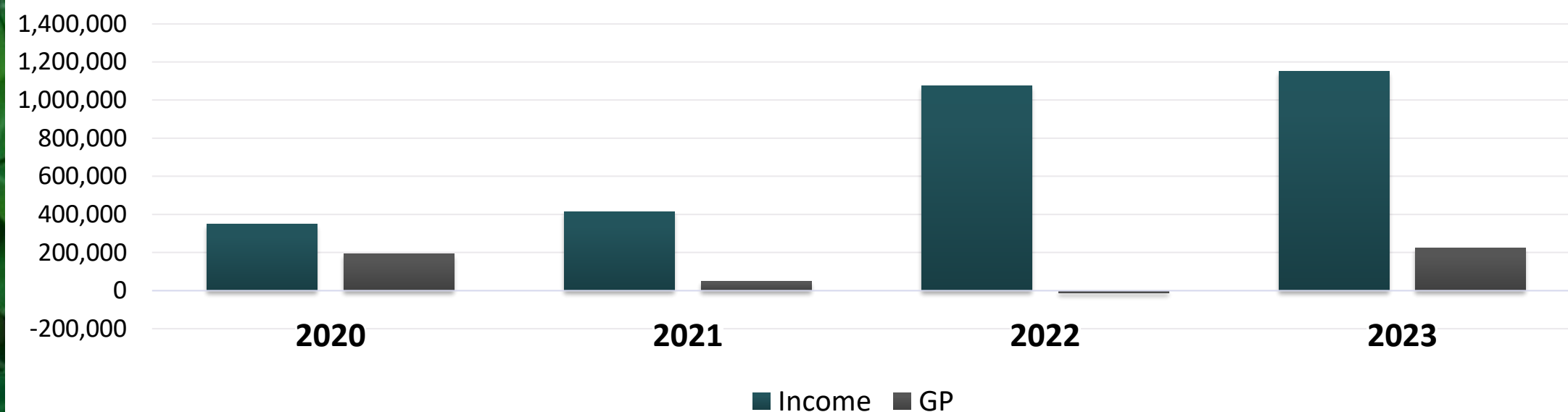
Unique Selling Points

- The system comes with their own proprietary reporting software that allows clients to report on ESG, track performance and production figures and report back on function. The software could be monetized separately.
- Localised outsourced manufacturing in Europe and the US with installation by local installers ensure that carbon footprints are minimised further.

Investment Highlights

Waste Management Biogas Clean Energy system Provider

Income & GP



Financial Overview

- Turnover has more than doubled since 2020. In 2021-22 they took the opportunity to redesign key elements of the product. Since 2023, it has returned to 2020 levels.
- The largest proportion of the costs within the business remains people cost, which represent between 45-55% of total costs.
- Amortisation of the intellectual property also represents a large annual cost; nearly £150k annually.
- 5 year projections see breakeven in 2024/5 with turnover reaching £27.1m by 2027

Awards and Recognition

- Future of Industrial Circularity 2023
- Microsoft AI for Environmental Sustainability Accelerator 2022
- ADBA Industry Awards 2022
- Shell New Energy Challenge 2021



Growth Opportunities

- From 2017-2022 the biogas industry has grown 19% globally with forecasts from the IEA's Net Zero Scenario projecting further growth of 32% from 2023-2028.
- In the US, US\$500m of grants have been made available for biogas production through the Higher Blends Infrastructure Incentive Program (HBIIP)
- As a result of the Ukraine war, energy security has become a priority for most governments and companies with biogas at the forefront.



Sales Channels/Pipeline

- 60% of sales are from direct marketing, with the remaining 40% coming from channel sales.
- The sales pipeline contains over 105 opportunities which represents £56m of opportunity and is a 98% increase over FY2023.
- The Go to Market Strategy is to leverage existing sites in key markets within Europe and the USA.
- The company has also recently signed a licence deal with an Australian group which will represent £2.3m in royalties over the next 18 months.

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