



NEWS RELEASE

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Alfa Laval to acquire Desmet, a world leader in edible oil and biofuel processing

Alfa Laval has signed an agreement to acquire Desmet, part of the Desmet Ballestra Group, a world leader in engineering and supplying processing plants and technologies for edible oils and biofuel sectors. The acquisition will strengthen Alfa Laval's position in the renewable energy arena and complement its offering within edible oils. Closing is expected during Q2 2022.

Headquartered in Brussels, Belgium, Desmet employs around 1,000 people in Europe, India, Southeast Asia, North America and Latin America. The business to be acquired, currently a part of the Desmet Ballestra Group, had a turnover of approx. EUR 300 million in 2021. The operational units and brands of Rosedowns and Stolz are included in the transaction. The Desmet Ballestra Group is currently owned by Financière DSBG, and ultimately controlled by Kartesia and Farallon.

The acquisition will operate as a stand-alone entity within the Food & Water Division of Alfa Laval. It strengthens Alfa Laval's position in the markets for edible oils, biofuels, and plant- and animal-based proteins for food and feed. The acquisition will be fully financed via cash. The closing is expected during the second quarter of 2022, subject to customary conditions. The acquisition will have a positive impact on earnings per share and be marginally decreative to Alfa Laval's EBITA margin.

"The acquisition will be an excellent fit for our offering of specialized processing equipment designed to increase both yield and quality of customers' end products," says Tom Erixon, President and CEO of Alfa Laval. "It will add know-how and expertise to accelerate future innovations within food, feed and biofuels – and strengthen our ability to support the transformation towards renewable fuels."

Philippe Bayet, President of the Desmet Ballestra Group, adds: "I am proud to have contributed to the successful development of sustainable innovations and now I am delighted for Desmet, Rosedowns and Stolz to join forces with Alfa Laval to continue to be a worldwide leader in the oils and fats industry, and continue to serve customers globally."

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Laurent Bouvier, Managing Partner at Kartesia, and Philipp Strepp, Managing Director at Farallon Capital Europe LLP, say: “We are confident that the business is well-positioned to take advantage of the significant growth opportunities that lie ahead, particularly in the HVO pre-treatment market. We believe that Alfa Laval is the natural strategic owner of Desmet, given their technological expertise and compatible culture.”

Did you know... Biofuels are made from renewable, biodegradable sources such as vegetable oil, animal fats, waste crop material, alcohol and algae.

This is Alfa Laval

Alfa Laval is a world leader in heat transfer, centrifugal separation and fluid handling, and is active in the areas of Energy, Marine, and Food & Water, offering its expertise, products, and service to a wide range of industries in some 100 countries. The company is committed to optimizing processes, creating responsible growth, and driving progress to support customers in achieving their business goals and sustainability targets.

Alfa Laval's innovative technologies are dedicated to purifying, refining, and reusing materials, promoting more responsible use of natural resources. They contribute to improved energy efficiency and heat recovery, better water treatment, and reduced emissions. Thereby, Alfa Laval is not only accelerating success for its customers, but also for people and the planet. Making the world better, every day.

Alfa Laval has 17,900 employees. Annual sales in 2021 were SEK 40.9 billion (approx. EUR 4 billion). The company is listed on Nasdaq Stockholm.

www.alfalaval.com

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