

Corporate News

EnviTec Biogas continues to grow in H1 2021 and invests in build-up of own biofuel production

- Total output including plants under construction up 8.4% to EUR 116.6 million; revenues up 20.9% to EUR 108.3 million.
- Earnings before taxes (EBT) of EUR 7.9 million (H1 2020: EUR 9.2 million) and earnings per share of EUR 0.49 (H1 2020: EUR 0.55)
- Order backlog in Plant Construction segment reaches ten-year high of EUR 152.5 million as at 30 June 2021 (31 December 2020: EUR 142.1 million)
- Group confirms 2021 forecast of slightly higher total output (or revenues) and EBT of EUR 17-19 million

Lohne, 30 September 2021 – In the first half of 2021, EnviTec Biogas AG (ISIN: DE000A0MVLS8) recorded a very good business performance that was generally in line with the company's plans altogether. Particularly noteworthy is the very pleasing performance of the plant construction business, sustainably manifesting the trend reversal achieved in this segment in recent business periods. At EUR 152.5 million, the order backlog in the Plant Construction segment reached at ten-year high as at the end of June 2021.

Own Plant Operation, which is EnviTec's most important segment, generated noticeably higher revenues in the first six months of 2021, primarily due to a strong increase in electricity trading prices in the Energy division. Segment revenues rose 18.7% to EUR 62.9 million, while total output increased by 13.9% to EUR 63.7 million. Revenues in the Service segment were up by 7.7% to EUR 19.8 million. Total output declined by 2.6% to EUR 20.6 million due to a lower inventory build-up. Sales revenues in the Plant Construction segment rose by 40.6% to EUR 25.6 million in the first half of 2021 as several successful projects were finally invoiced. Total output, which also includes plants under construction via changes in inventories, climbed 5.8% to EUR 32.3 million. The above-described segment performance led to a 20.9% increase in EnviTec Biogas' consolidated revenues to EUR 108.3 million. Total output rose by 8.4% to EUR 116.6 million.

The company's profitability also remained high in the first half of 2021, although the cost base increased due to high capacity utilisation in the Plant Construction segment, a strong expansion of the workforce and increased investments. The Group's earnings before interest and taxes (EBIT) in the first six months of 2021 totalled EUR 7.5 million (H1 2020: EUR 8.8 million). Earnings before taxes (EBT) amounted to EUR 7.9 million (H1 2020: EUR 9.2 million), while consolidated net profit for the period before minority interests came in at EUR 7.3 million (H1 2020: EUR 8.1 million). Earnings per share stood at EUR 0.49 (H1 2020: EUR 0.55).

The EnviTec Group's excellent balance sheet structure was further strengthened during the reporting period. Against the background of reduced liabilities to banks (-26.6%) and total assets of EUR 232.1 million, the equity ratio stood at 60.4% on the balance sheet date (31 December 2020: 55.8%). The good equity base and the further reduced leverage form a strong financial foundation for further expanding the company's position in the international biogas markets in the coming years and for opening up new, promising business fields through selective investments. At the very same time, the company intends to operate clearly profitably in all business segments.

Jörg Fischer, CFO of EnviTec Biogas AG: "As an internationally active and integrated biogas all-rounder, we are benefiting from the global transformation towards a climate-neutral energy supply. There is growing demand for our expertise, experience and technology especially in our international markets. In Germany, new legal regulations have led to great growth potential in the production of advanced biofuels and we want to tap this business field anew by operating our own plants."

By acquiring BioEnergie Park Güstrow, Mecklenburg-Western Pomerania, in spring 2021, the company set a milestone for the production of climate-neutral biofuels. Starting autumn 2022, Germany's largest biogas plant to date is scheduled to produce significant quantities of upgraded bio-LNG (liquefied natural gas) for greener heavy goods transports. The conversion of the Güstrow site requires extensive investments up to and including 2023. Once the conversion is completed, full-load operation of the plant as of 2023 will result in additional annual revenue potential in the low double-digit million range as well as significant positive contributions to earnings.

The Executive Board of EnviTec Biogas AG has confirmed the current forecast for the full financial year 2021 and expects total output (or revenues, depending on the number of finally invoiced projects) to increase slightly. Expectations for earnings before taxes (EBT) remain unchanged at between EUR 17 million and EUR 19 million.

"The conditions for entering biofuel production are ideal. Being one of the largest biogas plant operators in Germany, we are very familiar with operational management and have already erected a large number of upgrading plants in Germany and abroad. The first supply contracts with several major customers have already been concluded," said Olaf von Lehmden, CEO of EnviTec Biogas AG. "Together with our partners, who, in turn, are investing heavily in the expansion of the gas station infrastructure, we are making a significant contribution to the decarbonisation of heavy goods transport and thus to the 'transport sector turnaround' in Germany. We are critical of the one-sided focus on e-mobility that continues to prevail in Germany. We therefore call on political decision-makers in Germany – irrespective of the future composition of the government – to finally adopt a more open attitude towards available technologies in the next legislative period and thus to further facilitate a genuine turnaround in the transport sector."

The full interim report on the first six months of 2021 is available at <https://www.envitec-biogas.com/company/investor-relations/ir-reports>.

About EnviTec Biogas AG

EnviTec Biogas AG covers the entire value chain for the production of biogas, including the planning and turnkey construction of biogas plants and biogas upgrading plants as well as their commissioning. The company takes charge of biological and technical services on demand and also offers operational management. EnviTec operates 75 own plants, making it one of the largest biogas producers in Germany. EnviTec's business activities also include the direct marketing of processed biomethane as well as the marketing of electricity and balancing energy. With a presence in 16 countries worldwide, EnviTec Biogas AG is represented by its own companies, sales offices, strategic partners and joint ventures. In 2020, the EnviTec Group generated revenue of EUR 192.3 million and EBT of EUR 17.2 million. The Group currently employs 509 people. EnviTec Biogas AG has been listed on the Frankfurt Stock Exchange since July 2007.

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