

Corporate News

EnviTec Biogas reports strong momentum and high profitability in H1 2022

- Total output (including plants under construction) up 46.7% to EUR 171.1 million
- Sales revenues grow by 33.1% to EUR 144.2 million
- EBT rise to EUR 20.1 million (H1 2021: EUR 7.9 million)
- Earnings per share at EUR 1.19 (H1 2021: EUR 0.49).
- Order backlog in Plant Construction segment at EUR 218.6 million as of 30 June 2022 (31 December 2021: EUR 169.6 million)

Lohne, 30 September 2022 – EnviTec Biogas AG (ISIN: DE000A0MVLS8) recorded an excellent business performance across all of the company’s segments in the first half of 2022. Group sales revenues rose by 33.1% to EUR 144.2 million. The increase is essentially attributable to two factors in the company’s Own Plant Operation segment, namely the already high production volumes of BioEnergie Park Güstrow and other own plant facilities combined with higher purchase prices for certified biomethane (RED II) on the one hand, and the high electricity trading prices in the Energy division on the other hand. Moreover, inventories were built up considerably in the reporting period, primarily due to the strong order situation in the Plant Construction segment and, to a lesser extent, in the Service segment. As a result, total output for the first six months of 2022 rose by 46.7% to EUR 171.1 million.

“We are seeing new, sustainable momentum in the biogas sector,” says Jörg Fischer, Chief Financial Officer of EnviTec Biogas AG. “The most important driver is climate change, which entails new laws as well as government and private sector investments in renewables. This primarily includes the RED II regulations and the very promising REPowerEU plan. In our opinion, the swift decarbonisation of the transport sector and of energy production is only further fueled by the current distortions in the energy market.”

Sales revenues in Own Plant Operation, the company’s most important segment, increased by 71.0% to EUR 107.6 million in the reporting period. Total output rose by 70.4% to EUR 108.5 million. The Service segment saw sales revenues decline slightly by 3.1% to EUR 19.2 million. Total output rose by 3.6% to EUR 21.3 million due to an increase in inventories (+ EUR 2.1 million), essentially repowering and conversion projects (biogas upgrading). While sales revenues in the Plant Construction segment declined by 32.0% to EUR 17.4 million due to a lower number of projects invoiced, total output – which also includes plants under constructions via changes in inventories – climbed 27.6% to EUR 41.3 million.

The Plant Construction segment’s order backlog increased to EUR 218.6 million by the end of June 2022 (31 December 2021: EUR 169.6 million). At EUR 181.8 million, the order backlog is largely attributable to the international biogas markets (mainly France, Denmark, USA and China).

The EnviTec Group also recorded high profitability in the first six months of 2022, as earnings before interest and taxes (EBIT) rose to EUR 18.9 million (H1 2021: EUR 7.5 million). Earnings before taxes (EBT) stood at EUR 20.1 million (H1 2021: EUR 7.9 million). Consolidated net income for the period increased to EUR 17.6 million (H1 2021: EUR 7.3 million). Earnings per share stood at EUR 1.19 at Group level (H1 2021: EUR 0.49). The profit contribution resulting from the general increase in electricity and gas prices caused by the war against Ukraine played only a minor role in the first six months of 2022. This clearly underlines the sustainability of the current market momentum.

The Group's total assets amounted to EUR 278.5 million as of 30 June 2022 (31 December 2021: EUR 252.8 million). The equity ratio climbed to 54.3% at the interim reporting date (31 December 2021: 53.0%).

“The new geopolitical situation and, most importantly, the situation on the energy markets, call for determined action and, above all, for investments,” says Olaf von Lehmden, CEO of EnviTec Biogas AG. “Looking at all the issues currently discussed such as a windfall tax, we therefore plead to exempt profits that are reinvested in renewable energy to finance the urgently required expansion.” With a view to the future, he added: “In spite of all the challenges ahead, we are convinced that we will be able to continue our growth in the coming periods. Supported by strong fundamental factors such as climate change and the transformation of the energy markets, we have created a strong stepping stone for continued growth, in particular by entering bio-LNG production.”

In the year to date, the EnviTec Group's performance has been clearly above the company's original, conservative plans, which is why the earnings forecast has already been upgraded twice. The Executive Board of EnviTec Biogas AG currently projects consolidated total output (or revenues) of between EUR 330 million and EUR 370 million for the fiscal year 2022. Earnings before taxes (EBT) are expected to come in at between EUR 45 million and EUR 50 million.

The war in Ukraine and the resulting consequences for the energy market, supply chains and prices remain the most important factors of uncertainty, especially for the Plant Construction segment.

The full interim report for the first six months of 2022 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 89 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 2021, the EnviTec Group generated revenue of EUR 262.4 million and EBT of EUR 23.3 million. The Group currently employs 531 people. EnviTec Biogas AG has been listed on the Frankfurt Stock Exchange since July 2007.

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