

PRESS RELEASE

EnviTec Biogas well positioned for a new year of business
Year starts with change of management in plant engineering

18 January 2024 The twenty-second year in business at EnviTec Biogas AG begins with a change at the top for the biogas all-rounder from Lower Saxony, namely in plant engineering, the segment where it all started: “From April 2024, our current trio of directors – Lars von Lehmden, Jörg Fischer and Jürgen Tenbrink – will make way for a new line-up featuring Maurice Markerink, Jakob Falkenstein and CTO Jürgen Tenbrink,” explains Olaf von Lehmden, CEO of the Lohne-/Saerbeck-based company. As managing director of EnviTec Biogas USA Inc., Lars von Lehmden will now be focusing more on the growing US market although he will continue to be active in Plant Engineering alongside CFO Jörg Fischer as members of the newly formed Advisory Board.

In 2023, this mid-sized international company posted positive, healthy growth in the plant engineering segment, with good prospects offered here by both France and the USA. “There are good opportunities for us in Germany again, too, triggered by global efforts to tackle climate change and secure sustainable supplies of energy,” adds CFO Jörg Fischer. Although domestic policymaking has a fickle streak, however. “We still don’t have a framework that offers long-term perspectives and stability,” Fischer continues, “and this lack of investment security is hurting market confidence.”

At EU level, Fischer is hoping to see national goals being implemented in the context of the EU’s REPower initiative that, in line with the European Green Deal, is aiming to cut net greenhouse gas emissions by at least 55% by 2030 and achieve climate neutrality by the year 2050. Fischer: “Basically, we’re betting on the considerable potential in Europe and our broad-based portfolio.” He also notes that, thanks to the company’s own production of heat, power and fuel, the company now enjoys much broader positioning than many other businesses in the renewables sector. “In the future, renewable gases are going to play a key role, and we are very well prepared here, thanks to our know-how in the fields of biogas and biomethane,” Fischer continues.

He also points to the greening of the transport sector as a key growth market for 2024. With the official launch of EnviTec Bioenergie Güstrow GmbH, Germany's biggest integrated bio-LNG plant plus CO₂ liquefaction, the company has also achieved an important milestone for both its own portfolio and its customers. "After starting test operation in August 2023, we're now an independent supplier of carbon-neutral fuel to the utility/truck transport sector," Fischer continues, noting that full-load production is targeted for 2024. "However, as a newcomer to the fuel market, we're also very concerned about the lack of regulation in relation to imports of supposedly advanced biofuels with false customs declarations from China," Fischer continues. Here, EnviTec's CFO stresses that the EU's sustainability criteria must be applied rigorously to all market participants.

Turning to Own Investment, previously the strongest-performing segment for EnviTec Biogas AG, Fischer notes that revenue here will decline year-on-year due to one-time effects in 2023 and falling quota prices. "However, we will obviously continue to roll out our EUR 100 million investment programme within our own plants," Fischer explains, "and both planning and conversion work is now well underway at our plants in Forst, Friedland, Neuburg and Priborn."

Management also expects positive results to continue within Service. "Revenue here rose by 5.9% in the first six months of 2023, with total output simultaneously increasing by no less than 24.5%." Fischer primarily attributes this growth trajectory to inventory build-up from new repowering and conversion projects. "This is why our mood is confident as we start the new financial year, and we also intend to explore further options for growth for our Group. That said, we will not be able to replicate the performance we achieved in '23, which was an exceptional year," concludes CEO von Lehmden.

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 services. EnviTec operates 89 of its own plants, making it one of the largest biogas producers in Germany. EnviTec's business activities also include the production and marketing of climate-neutral fuels (bio-LNG) for the transport sector as well as food-grade liquid carbon dioxide (LCO₂). The company is represented in 16 countries worldwide by its own companies, sales offices, strategic partners and joint ventures. In 2022, the EnviTec Group generated revenue of EUR 382.8 million and EBT of EUR 66.6 million. The Group currently employs about 640 people. EnviTec Biogas AG has been listed on the Frankfurt Stock Exchange since July 2007.

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