

PRESS RELEASE

Improvements in political climate bring long-awaited turnaround
Positive outlook for all business sectors at EnviTec Biogas

Lohne/Saerbeck, 12 January 2022 The 20th year in business for EnviTec Biogas AG has got off to a very promising start. Olaf von Lehmden, CEO of the German biogas all-rounder from Lohne/Saerbeck, welcomes the “new political climate, an overall rise in demand and the transposition of the EU RED II Directive into national law – all of which is giving us plenty to be optimistic about the coming year.”

Long-term growth is now also clearly visible in all business sectors including plant engineering, the company’s original core division: “In 2021, we posted a total of EUR 67 million in new plant engineering orders – even exceeding our own target figures,” the CEO continues. The company stayed profitable throughout the year thanks to the boom in the French market plus major projects in China and Denmark. The profit situation was also strengthened by excellent prospects in new markets, particularly the USA. Von Lehmden: “For us, plant engineering is clearly once again a growth market.”

In the EU, the impact of the RED II Directive on the fuel market is likely to have a positive effect on the company’s bottom line. “We’re expecting to see a lot of momentum here, both in Germany and other EU member states,” von Lehmden continues. One key milestone in the promotion of advanced novel fuels has been the formation of the BALANCE EnviTec Bio-LNG GmbH joint venture in November. “Together with the Leipzig-based BALANCE Erneuerbare Energien GmbH, we’ll be offering zero-carbon fuel for utility and heavy goods vehicles as an independent supplier from 2023.” Located near Berlin, the planned LNG liquefaction plant will produce around 100t of bio LNG per day from the fourth quarter of 2023. “This new market not only improves prospects in our own business divisions but also offers small and medium-sized plant operators, in particular, the chance to maintain the profitability of their plants as producers of the key resource of biomethane following the expiry of subsidies from German EEG legislation.”

Early last year, EnviTec’s acquisition and conversion of BioenergiePark Güstrow marked the first step in a huge programme of investment in the company’s Own Operations division. By the end of 2022, this biogas plant – the largest to date in Germany – will be supplying upgraded bio LNG

to fuel the green heavy goods vehicle sector, therefore making an important contribution to the decarbonisation of the increasing EU-wide volume of HGV-based freight. Alongside investment in Güstrow, other plants in Own Operations, such as Biogas Forst GmbH & Co. KG, will also be the focus of further expenditure in 2022 and 2023. "We have earmarked over EUR 100 million of capital spending for Own Operations: the biggest programme of investment in our company's history," emphasises von Lehmden.

The Service division enjoyed a steady revenue stream in 2021, with city councils and local authorities now under significant pressure to 'go greener'. Von Lehmden: "For example, we're currently talking to a number of local authorities about potential CHP projects." The company's new sustainability certification service is also proving very popular in this sector: "Our team advises and assists customers throughout the required SURE or REDcert certification process – a very useful addition to our product portfolio," von Lehmden explains. In 2022, the company plans to continue the expansion of its services in Denmark and France, and to establish its own testing lab in France.

"All things considered, we can look forward to a very positive new year in business," concluded von Lehmden at the virtual year-end meeting. This is already reflected in the continuous growth of the EnviTec team in Germany. Vacancies are currently to be found not only in project management, but also in IT, service and electrical engineering. "We are looking forward to welcoming committed future colleagues," says 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 75 of its own plants, making it one of the largest biogas producers in Germany. EnviTec's business interests also include the direct marketing of upgraded biomethane as well as the marketing of electricity and balancing energy. The company is represented in 16 countries worldwide by its own companies, sales offices, strategic partners and joint ventures. In 2020, the EnviTec Group generated revenue of EUR 192.3 million and EBIT of EUR 17.2 million. The Group employs over 500 people worldwide. EnviTec Biogas AG has been listed on the Frankfurt Stock Exchange since July 2007.

Contact:

Katrin Hackfort

EnviTec Biogas AG

Phone: +49 25 74 88 88-810

Email: k.hackfort@envitec-biogas.de

