

PRESS RELEASE

Own Investment reliably delivers highest revenue share for EnviTec Biogas

EnviTec Biogas AG is Germany's largest biogas producer and continues to invest in expansion

21 March 2024 – The biggest investment programme in the history of EnviTec Biogas AG is currently underway, with a budget of EUR 100 million. “Our company strategy is based around expanding our Own Investment division and massively scaling-up our energy production,” explains Olaf von Lehmden, CEO of the international mid-sized enterprise based in Saerbeck and Lohne, Germany.

Operation of the plants is 100% in-house by EnviTec itself or with partners from the agriculture sector. “These are always partnerships among equals, of course,” adds CFO Jörg Fischer. “At the same time, we have a clear division of responsibilities, with our partner providing the premises and the input materials, for example, while we handle all of the service work and also handle the commercial side of the business.”

“In our domestic market of Germany, we now have 81 plants with an annual biogas generation capacity of around 1,500 GWh per year. In other European countries we operate another seven plants with a nominal annual output of 180 GWh,” Fischer continues. With the completion of the new investments begun in 2023, annual biogas generation capacity will rise to around 1,800 GWh/year in 2025. While biogas upgrading plants now account for around a third of this figure, this proportion is set to rise fast. This also makes EnviTec the biggest biogas producer in Germany, von Lehmden notes.

“As an all-rounder and leading biogas producer in Germany, we are not only a major contributor to the energy transition but are also decarbonising other parts of the energy sector in general, such as the transport sector or in relation to building energy,” says von Lehmden. One such major contribution to the decarbonisation of the transport sector is EnviTec’s acquisition of BioEnergie Park Güstrow and its extensive conversion to Germany’s largest integrated bio-LNG plant plus CO₂ liquefaction (LCO₂). Von Lehmden: “Having acquired this plant, we can now operate as an independent provider of climate-neutral fuel for the utility/heavy goods vehicle transport market, making green LCO₂ available and blazing a trail for the industry as a whole.” The green LCO₂ is utilised in the food industry and will also become indispensable in the

medium term for hydrogen derivatives. “Where biomethanol or biokerosine are needed and produced from hydrogen, a green carbon molecule is always required,” von Lehmden explains. This makes EnviTec already part of the hydrogen transition today.

Urgent appeal to policymakers

In Own Investment, the international mid-sized company has posted healthy growth for many years now. “In terms of policymaking, however, we lack long-term perspectives and a solid framework,” notes CFO Jörg Fischer. “The current downward trend for GHG quota pricing, which has fallen sharply from EUR 430 to EUR 110 per tonne of CO₂ in a single year, is simply not on the radar,” he remarks. This is causing uncertainty in the industry as well as a marked decline in investment in the hydrogen and green mobility markets, as well as the expansion of biogas plants, Fischer points out in conclusion. The brakes need to be applied to this trend as soon as possible, he says. “We hope that policymakers address this situation as a matter of urgency and act accordingly,” appeals the CFO.

Forecast and outlook

- For the 2023 financial year, consolidated earnings (revenue) are again anticipated to range between EUR 400 to 450 million.
- After allowing for a one-time effect in relation to the company’s energy business, earnings before tax (EBT) within the range EUR 85 to 105 million are expected.
- The EnviTec CFO is also looking ahead to 2024 with confidence, notwithstanding the difficulties with some of the regulatory conditions: “As we announced several times in the course of last year, we will not be able to match the results achieved in 2023 – an exceptional year for business. That being said, we will remain profitable in 2024 and we are aiming to develop other medium- and long-term potential growth areas for our Group – not least with the help of the very high level of investment we are making,” Fischer concludes.
- The full annual report for the 2023 financial year, which includes a detailed forecast for the current financial year, will be published on 15 May 2024.

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 88 of its own plants, which currently makes it the largest biogas producer 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 around 640 people worldwide. EnviTec Biogas AG has been listed on the Frankfurt Stock Exchange since July 2007.

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