



ANNUAL REPORT

2021

Financials

(Mio. Euro)	2021	2020
Sales	262.4	192.3
Germany	164.3	122.8
Abroad	98.1	69.5
Gross result	92.3	76.3
EBITDA	37.8	32.1
EBT	23.3	17.2
Net income	16.9	12.3
Earnings per share	1.14	0.83
Employees	518	477
Orders on hand	169.6	142.1
thereof abroad	148.2	141.7
Incoming orders	90.3	59.2
Cancellation of orders	0.3	3.5
Orders completed	62.4	37.8
Capacity installed (MW_{el})	502	484
thereof abroad	206	188
Capacity under construction (MW_{el})	20	27
thereof abroad	20	27

For mathematical reasons, rounding differences may exist in individual cases in the charts and graphs of this annual report.

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GROUP MANAGEMENT REPORT

of EnviTec Biogas AG

EnviTec Biogas AG takes advantage of the relief for small corporations granted under section 326 of the German Commercial Code (HGB) and refrains from preparing and publishing a management report for the fiscal year 2021. The consolidated financial statements, which include the financial statements of EnviTec Biogas AG, do not contain a combined management report for EnviTec Biogas AG and the Group, but only a Group management report.

Fundamentals of the Group

Business model of the EnviTec Group

The EnviTec Biogas Group, headquartered in Lohne, Germany, is one of the leading manufacturers and operators of biogas and biomethane plants. EnviTec is a full-service biogas supplier and covers the entire value chain for the production of biogas. This includes planning and turnkey construction of biogas plants and biogas upgrading plants as well as their commissioning taking into operation. The company takes charge of biological and technical services on demand and also offers full plant and operational management. EnviTec also operates its own plants, making it one of the largest biogas and biomethane producers in Germany.

Our customer-oriented construction has set standards in terms of reliability and profitability. EnviTec plants can produce clean energy from all types of feedstock materials – from organic waste to renewable resources. Established in 2002, the company is today active in 16 countries worldwide (incl. Germany).

Corporate structure and business segments

The Group is structured into three segments, Own Plant Operation, Service and Plant Construction. All segments are closely integrated in strategic, technical and financial terms. The parent company of the Group operates as a holding company, which provides services such as controlling, HR management, legal consulting, treasury and marketing for the three business segments. The business purpose of the parent company also includes the holding of equity investments in the Own Plant Operation segment as well as start-up financing of the respective project companies.

Own Plant Operation

The Own Plant Operation segment handles the generation of electricity, heat and gas in the company's own biogas plants in Germany and abroad. In this segment, EnviTec recently focused increasingly on the production of biomethane. As the next step in the refinement process, the company will press ahead with the production of this advanced biofuel in the form of bio-LNG (liquefied natural gas). The plants are usually operated in cooperation with local partners from the agricultural or energy sectors. These partnerships are characterised by a clear division of tasks, with every partner concentrating on their respective strengths. The local partner makes available the site, procures the feedstock materials and assumes responsibility for the daily operation of the plant. Once the plant is in operation, we perform all necessary maintenance work, provide biological and technical services and take care of the commercial management.

Service

EnviTec's Service segment provides all services related to the operation of biogas plants. As a full-service biogas supplier, we know all biogas generation processes in detail and our experts take care of starting up the plants and constantly control the biological processes. In our lab, feedstock materials and fermentation residues are checked for optimum quality so as to make recommendations on boosting the plant's efficiency. The range of services also includes regular plant inspections and training of the operators and their

employees. EnviTec Biogas also offers partial maintenance services, which are charged by actual expense, or full maintenance including assumption of the repair cost risk.

Plant Construction

The Plant Construction segment builds biogas and biomethane plants for customers such as farmers, industrial enterprises and energy providers. We plan the plant, build it and start up the production of biogas. Our product portfolio covers the complete value chain of biogas plant engineering for plants from 75 kW. Besides large-scale plants, EnviTec also offers a compact plant design, which is marketed under the name of "EnviFarm Compact". EnviThan is the company's highly efficient and innovative technology for the upgrading of biogas. The processed biomethane may be fed directly into the natural gas grid, be used for heating or industrial purposes or as an environmentally friendly fuel alternative (bio-LNG or CNG – compressed natural gas). EnviTec is also involved in the development of photovoltaic projects.

Objectives, strategy and competition

Over the past years, we have attained a leading position in the biogas market and have already built more than 700 biogas and gas upgrading plants in 17 countries. Besides Germany, which is the main market, the Group's most important geographical markets at present are the rest of Europe, the USA and China. Our strategic objective is to achieve sustainable growth and to expand our market position as an integrated supplier and operator of biogas plants. In this context, we attach top priority to the satisfaction of our customers and their involvement in the ongoing development of our plants according to their wishes and requirements. The short to medium-term strategic positioning is strongly influenced by the ongoing discussion about the legal framework in the individual markets. The individual markets are very heterogeneous, which is primarily due to the different subsidisation models. We are closely monitoring developments in the individual countries so as to be able to respond quickly to changes in the operating environment. In the medium term, we want to explore new applications, processes and markets in order to reduce our exposure to the prevailing subsidy conditions

Corporate structure of EnviTec Biogas

OWN PLANT OPERATION		SERVICE		PLANT CONSTRUCTION	
GERMANY	INTERNATIONAL	GERMANY	INTERNATIONAL	GERMANY	INTERNATIONAL
EnviTec Biogas Betriebs GmbH & Co. KG*	Second Biogas Operating Holding, s.r.l.*	EnviTec Service GmbH	EnviTec Biogas Service UK Ltd.	EnviTec Anlagenbau GmbH & Co. KG	EnviTec Nederland BV
EnviTec Beteiligungs GmbH & Co. KG*	Biogas Operating Holding, s.r.l.*		EnviTec Biogas s.r.l.		EnviTec France SARL
Zweite EnviTec Beteiligungs GmbH & Co. KG*			EnviTec Service s.r.o.		EnviTec Biogas UK Ltd.
Fünfte Biogas Bützow Betriebs GmbH & Co. KG*			EnviTec Service ApS		EnviTec Biogas USA, Inc.
EnviTec Energy GmbH & Co. KG					and other sales companies abroad
Fünfte EnviTec Beteiligungs GmbH & Co. KG*					

* various project companies of biogas plants; for details of the equity holdings and their amounts, refer to the notes

and generate a growing share of the Group's earnings outside the subsidised biogas sector. We have defined the following cornerstones for sustainable growth:

Effective expansion of own plant operation

EnviTec Biogas expanded its own plant operation activities in the past years and this segment today makes the biggest contribution to total Group revenues. In Germany, EnviTec primarily relies on the optimisation of the existing plants and on selective capacity expansion. It remains the purpose of this segment to stabilise the Group's revenue streams. The guaranteed feed-in tariffs of the biogas plants operated by EnviTec will expire between 2025 and 2035. In the 9th amendment to the German Renewable Energy Sources Act (EEG), which came into force in 2021, the German government has created a follow-up subsidy, which will permit continued operation of some of the plants.

Additionally, EnviTec intends to start producing advanced biofuels and acquired Germany's largest biogas plant, Bioenergie-Park Güstrow, in the fiscal year 2021 for this purpose.

Expansion as a growth driver

EnviTec closely monitors worldwide developments in the biogas sector. As soon as sustainable structures arise in a market, we review them thoroughly and then make a timely decision as to whether or not we should enter this market. When making inroads into new markets, we rely on regional partners; this way, we combine our long-standing experience in plant construction and operation with their knowledge of the regional specifics. The downstream Service segment is also gaining importance as the international expansion continues. The aim is for the Plant Construction segment and the downstream Service segment to operate profitably also in a difficult market environment while maintaining sufficient capacity to seize market opportunities as they arise. Besides erecting plants for the upgrading of biomethane, the conversion of existing plants is gaining importance in this context.

Service segment to expand its offerings

The Service segment has clearly gained importance for EnviTec over the past years. This expansion process is to be continued. It is the declared strategic objective to expand the range of services offered. This includes the expansion of the biological and technical services in other European countries and the extension of the range of services for third-party plants. In addition, the service operations will be expanded successively to include new technologies, also with the help of strategic partnerships.

Strengthening our innovation leadership

By consistently expanding our technological expertise, we aim to consolidate our leading position in the sector and increase the ecological and economic attractiveness of our core product, biogas. Our objective is to continuously improve the operation of our plants and to reduce the amount of substrates they require without affecting their performance. In addition, EnviTec cooperates with established manufacturers to expand the range of applications for biogas. Several plants built by EnviTec today already produce bio-LNG as well as bio-CNG (compressed natural gas) for the transport sector.

Control system

Our corporate aim is to grow profitably. From this basis, we derive our key performance indicators: sales revenues/total output and return on equity. As of the fiscal year 2020, earnings before tax (EBT) have been used as the most important performance indicator. In contrast to earnings before interest and taxes (EBIT), EBT also take into account the results from at-equity investments and the financial result, which primarily results from interest management for these companies. This provides more relevant information about the business performance. The Group is managed operationally and strategically at regular meetings of the Executive Board members. ERP (Enterprise Resource Planning) software is used throughout the Group for the fast and comprehensive presentation of all processes such as materials handling, finance and accounting, project controlling as well as sales and marketing.

The EnviTec Biogas Group is moreover characterised by high quality standards. Since 2016, EnviTec Service GmbH has organised a quality management system according to ISO 9001:2015. The regular recertification took place at the beginning of 2021 and now also includes for the first time the Italian service subsidiary. Excellent quality is also attested to EnviTec's French branch with the French Qualiméthé seal, for which the subsidiary has been certified.

Research and development

Ongoing development is key to sustainable success. We take this very seriously and continue to improve our technologies to increase the gas yield while optimising our quality management and researching potential alternative feedstock materials at the same time. Further focal points of our R&D activities are the production of biogenic hydrogen and thermal pressure hydrolysis for biomass digestion.

Own plants serve as laboratories

Our own plants are an important source of knowledge for the future development, improvement and application of new plant technology. New processes and technologies are immediately tested in practice in our own plants or in close cooperation with manufacturers and customers in the service segment.

EnviThan gas upgrading

In the area of gas upgrading, we are exploring and testing new membrane types in cooperation with a manufacturer in order to increase the efficiency of this technology. Over the past years, the technology has thus been constantly refined.

Ressources

EnviTec focuses on practice-oriented research and development. New projects are driven directly in the business segments and in cooperation with manufacturers and customers. In addition, we cooperate with universities, also with a view to promoting young talent. Total investments in research and development in the fiscal year 2021 amounted to approx. kEUR 499 (previous year: kEUR 300).

Economic Report

Macroeconomic and industry-specific environment

Macroeconomic conditions

According to the International Monetary Fund (IMF), the global economy grew by 6.1% in 2021, compared to -3.1% in the previous year. The experts state that this growth is primarily attributable to the recovery effects following the COVID-19 pandemic, which led to a considerable recession in 2020. In the industrialised countries, the gross domestic product rose by 5.2% (previous year: -4.5%). The emerging and developing economies recorded an economic growth of 6.8%, compared to -2.0% in 2020. The eurozone countries grew by 5.3% in 2021 (previous year: -6.4%). In France and the USA, two important markets for EnviTec, the gross domestic product increased by a noticeable 7.0% and 5.7%, respectively. By contrast, the German economy grew only slightly by 2.8% (previous year: -4.6%).

Development of the biogas market and effects on the EnviTec Group

Technology

Biogas upgrading is currently the most dynamic market for biogas plants. The biomethane generated is fed into the natural gas grid. Biomethane may also be used as a low-carbon fuel, especially in the transport sector. A new study published by the Fraunhofer Institute for Systems and Innovation Research (ISI), the Technical University of Hamburg (TUHH) and the Institute of Resource Efficiency and Energy Strategies IREES GmbH confirms that this would be sensible and necessary. According to this study, biomethane clearly has the best greenhouse gas balance. As a sustainable gaseous (bio-CNG) or liquid (bio-LNG) fuel, biomethane can save more than 90% of climate-damaging greenhouse gas emissions already today, while at the same time avoiding almost 100% of hazardous fine dust and nitrogen oxide emissions. Moreover, the use of biomethane in the mobility sector even has negative greenhouse gas emissions if credits according to European legislation

(RED II) are taken into account. These credits result from the avoidance of emissions in agriculture by using residues in biogas plants.

Commodities market

Prices in the commodities markets hit new records in 2021. After the downward trend in the previous year, the German Agricultural Commodities Index of Agrarmarkt-Informationen-GmbH (AMI) reached new highs in the reporting period. At an average 162 points, the index clearly exceeded the previous year's 124 points in December. In the current fiscal year 2022, prices – e.g. for maize, which is an important feedstock – again picked up noticeably due to the war in Ukraine.

Despite the general high uncertainty in the procurement markets, EnviTec continues to benefit from moderate prices for the agricultural commodities used as feedstock thanks to long-term supply contracts, high inventory levels and close cooperation with regional farmers. Due to the overall good results of the agricultural partners in the 2021 harvest year, a comfortable supply of feedstock is expected at least until into 2023.

Geographic markets

According to data from the Federal Environment Agency, total greenhouse gas emissions in Germany were up by 4.5% on the previous year in 2021. This trend highlights the increasingly important role played by other energy sources such as bioenergy.

For manufacturers and operators of biogas plants, the legal frameworks are of great importance. In Germany, the Renewable Energy Sources Act (EEG) constitutes the relevant basis for the biogas sector. In addition, the feeding of refined biogas into the natural gas grid is governed by the German Gas Grid Access Directive. In early 2021, new subsidy conditions came into force in the context of the reform of the German Renewable Energy Sources Act (EEG). The expansion target for 2030 has since been set at 8.4 GW. Furthermore, the legislator has set the annual tender volume for biomass plants at 600 MW.

The German Biogas Association projects a net addition of 60 biogas plants for 2021. Last year, a total of 97 plants were added to the existing stock. At 3,793 MW, the relevant output projected for 2021 remained at the prior year level. The German Biogas Association

also assumes that 9,692 biogas plants with an installed electrical capacity of 5,787 MW (incl. overbuilding) were in operation in Germany at the end of 2021. This is equivalent to an electrical output of 33.23 TWh or 9.49 million households supplied with biogas. According to the Federal Statistical Office, biogas accounted for 5.8% of total gross electricity generation in Germany in 2021 as a whole (2020: 6.0%).

In November 2020, the German Buildings Energy Act (GEG) also came into force. It implements the EU Buildings Directive, which requires all new buildings erected since 2021 to be constructed as low-energy buildings. This has already applied to public buildings since 2019. Under this act, the energy demand of each building must be very low and covered to a significant extent by renewable energy sources.

The Act on the Further Development of the Greenhouse Gas Reduction Quota (THG), which came into force on 1 January 2022, also prescribes an increase in the use of renewable energy in the transport sector. The THG implements the EU Directive on use of renewable energy in the transport sector (RED II). According to this act, renewable energy must account for at least 14% of the total energy consumption in the transport sector by 2030. The German government intends to exceed this quota by a wide margin and has specified a continuous increase in the mandatory GHG reduction to 25% in 2030.

March 2022 saw the European Commission present its REPowerEU Plan. It shows how Europe can succeed in becoming independent of fossil energy sources from Russia well before 2030. The EU has emphasised that the new geopolitical situation and the situation in the energy markets call for effective measures to accelerate the energy transition. To substitute gas imports, the EU Commission aims, for instance, to increase the volumes of biomethane.

The currently discussed 10th reform of the EEG in the context of the "Easter Package" is also intended to accelerate the energy transition and is expected to come into force in early 2023. For the biogas sector, it plans, for instance, to focus the use of biomass on highly flexible peak load power plants. According to the draft bill, the tender volumes for biomass are to be gradually reduced and those for biomethane increased to 600 MW per year from 2023.

While the framework conditions for biomethane at a European level are regarded as favourable, EnviTec believes that the regulations currently proposed to accelerate the energy transition in Germany are still not sufficient. The climate protection potential of advanced fuels of biogenic origin should be leveraged and market players should be given investment and planning security. Moreover, from the biogas industry's point of view, the principle of technology neutrality with regard to the available renewable fuel options and drive technologies is violated in favour of electromobility, even though biogas has demonstrably the best greenhouse gas balance.

According to the German Association for Renewable Resources (FNR), the share of biomethane in fuel consumption was only 0.1% in 2019. However, if the biomethane quantities available today and the exploitable biomethane potential were used, up to 18 million middle class cars – more than one third of the current car fleet – could be powered with it. This is the result of the climate footprint study conducted by the Fraunhofer Institute for Systems and Innovation Research (ISI), the Technical University of Hamburg (TUHH) and the Institute of Resource Efficiency and Energy Strategies IREES GmbH.

On the international markets, bio-LNG is increasingly being used especially in the heavy-duty transport segment. In North America, parts of Europe and China, bio-LNG and bio-CNG are a strategic pillar for tomorrow's environmentally friendly and competitive logistics and are already being used successfully as fuels.

EnviTec was quick to focus on the internationalisation and flexibilisation of its business activities and today generates significant revenues in international markets in all business segments.

In Europe, **France** remains one of the most dynamic countries for the sector. The French government is pushing the production and use of energy from renewable sources. By 2030, renewable energies are to account for 33% of final consumption. According to data from the European Biogas Association, 81 new plants and 950 individual projects with a total capacity of 22.6 TWh were under development in the first half of 2021 alone.

The **US** biogas market has great potential and is one of the most important markets for EnviTec. The Biden

administration is pursuing an ambitious climate protection policy. The Build Back Better framework is designed to drive the transformation to an environmentally friendly US economy. Among other things, it provided for greenhouse gases to be halved by 2050 as well as for about EUR 500 million to be invested in renewable energy. So far, however, implementation of the climate package has failed. EnviTec is currently realising four biogas projects in the United States, with another six already planned for 2022.

Biogas use in **Denmark** continued to increase and even reached a new record level in 2021. Biogas accounted for almost 25% of Denmark's total energy consumption, up from 21% in 2020. State-owned grid operator Energinet expects biogas to cover about 75% of the country's gas production by 2030. In 2034, biogas production is expected to cover Denmark's total demand.

With its ambitious plan to become more environmentally friendly, **China** – the world's largest carbon emitter – offers enormous market potential for renewables. The latest and 13th development plan of the Chinese government provides for more than 3,000 large biogas plants for the use of biogas throughout China.

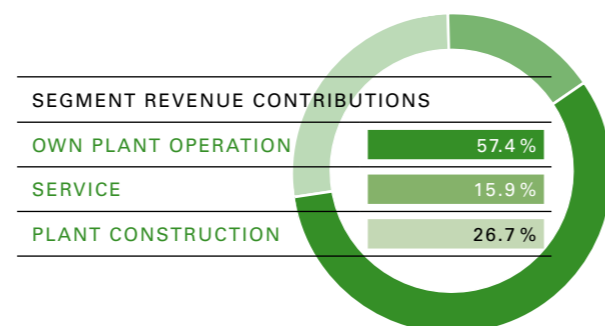
In October 2021, the Chinese government also presented a new "Action plan for reaching carbon dioxide peak before 2030". According to this plan, non-fossil energies are to account for 20% of China's energy consumption by 2025. This share is to be increased to 25% by 2030. Together with the Chinese Finance Ministry and the National Energy Administration, the National Development and Reform Commission intends to make available 2.5 billion Chinese yuan – the equivalent of more than EUR 360 million – for electricity generation from biomass.

In October 2021, the **UK** government announced its Net Zero Strategy to achieve the Paris Agreement targets. According to the strategy, the share of fossil energy is to be reduced to zero by 2050.

Italy is one of the fastest growing biomethane markets in Europe. In a survey by the European Biogas Association, experts assume that, going forward, Italy might become one of the leading countries for bio-LNG in Europe. A total of four bio-LNG plans was taken into operation in Italy, while 32 were under construction and are expected to be operational by 2023.

Business trend and segment performance

The EnviTec Group operates in three segments, Own Plant Operation, Service and Plant Construction. At 57.4%, the Own Plant Operation segment again made the biggest contribution to Group revenues in the fiscal year 2021 (previous year: 57.3%). The Service segment's relative share fell from 20.8% to 15.9%. The share of the Plant Construction segment (including the holding company) increased from 21.9% to 26.7%. The figures and developments presented in this paragraph have been adjusted for intra-Group transactions.



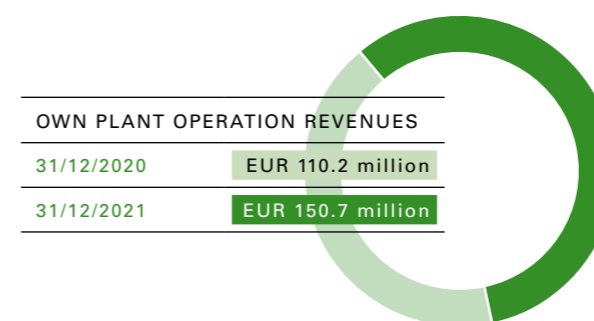
Own Plant Operation

Despite massive conversion, maintenance and repair work, Own Plant Operation again achieved a very good result. At EUR 150.7 million, the segment's revenues clearly exceeded the previous year's level (EUR 110.2 million), driven primarily by the higher energy trading prices. Other operating income declined to EUR 2.8 million (previous year: EUR 5.8 million). Total output improved by 32.3% to EUR 153.5 million. Accordingly, the cost of materials, which comprises not only the cost of buying feedstock materials but also the purchase of electricity, increased strongly from EUR 68.4 million to EUR 101.8 million.

Due to extraordinary maintenance and repair expenses for the newly acquired plant in Güstrow as well as other own plants operated, other operating expenses rose by 47.7% to EUR 13.3 million. The segment's total earnings before interest and taxes (EBIT) declined slightly to EUR 18.8 million (previous year: EUR 19.3 million). Accordingly, the EBIT margin stood at 12.5%. Based on continued strong operating performance, the Group's own plants

were the main earnings and cash flow drivers.

The number of plants operated by EnviTec increased to 89 in the fiscal year (previous year: 88). The total output of the company's own plants climbed from 68.4 MW to 77.8 MW. Plants with a capacity of 53.9 MW were fully consolidated (previous year: 46.3 MW) and 23.9 MW accounted for using the equity method (previous year: 22.1 MW). 8 plants with a total output of 8.7 MW are operated abroad (previous year: 7.0 MW); the remaining 81 plants with a total output of 69.1 MW are operated in Germany.



Service

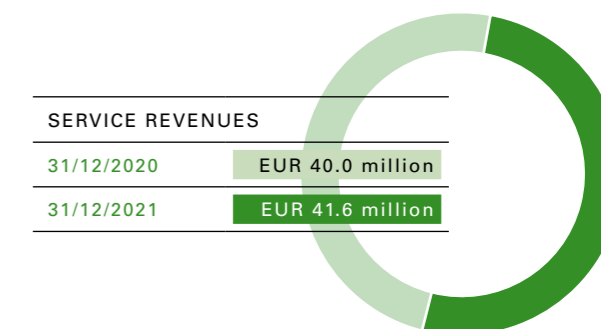
The business trend in the Service segment was good during the reporting period. Italy, the Czech Republic and Great Britain as well as Denmark, France and the USA remain the Service segment's most important markets besides Germany. More than 500 plant operators worldwide meanwhile rely on EnviTec's experience. The range of services and partners plays an important role in the Service segment.

In the fiscal year 2021, revenues in the Own Plant Operation segment rose by 4.1% to EUR 41.6 million. In addition, the portfolio increased by EUR 1.2 million (previous year: 61 thousand). Other operating income amounted to EUR 0.9 million (previous year: EUR 1.7 million). Total output improved by EUR 2.0 million to EUR 43.7 million.

At the end of 2021, the Service segment provided biological services for plants with a total electrical output of 72 MW and 10 MW equivalent (EnviThan) (previous year: 73 MW / 7 MW) and technical services for plants with an electrical output totalling 268 MW and 12.6 MW equivalent (EnviThan) (previous year: 267 MW / 12.6 MW) in Germany. Outside Germany, the EnviTec Group provided services for plants with a total electrical output

of 202 MW (previous year: 189 MW), which break down into technical services for 150 MW (previous year: 143 MW) and biological services for 52 MW (previous year: 46 MW).

Due to the general increase in prices, the cost of materials rose by 13.5% to EUR 35.9 million. Personnel expenses picked up slightly to EUR 8.6 million (previous year: EUR 8.4 million). At EUR -4.4 million, the segment's total earnings before interest and taxes (EBIT) were below the prior year level (2020: EUR -2.5 million). In this context, it should be noted, in particular, that the negative segment result is explained by the fact that revenues were adjusted for business transactions with entities from the Own Plant Operation segment and the Plant Construction segment in the consolidation at Group level. This means that costs, especially the cost of materials, remain in the Service segment, whereas revenues generated with entities from the above segments are no longer included due to consolidation. On a stand-alone basis, the Service segment again generated a clearly positive operating result.



Plant Construction (including the holding company)

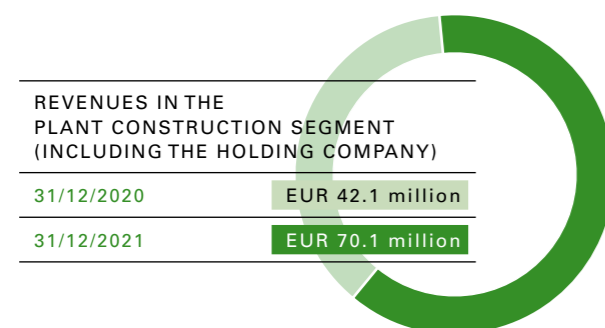
EnviTec's Plant Construction segment clearly increased its productivity in the reporting period. The segment's dynamic development was the main driver of the Group's excellent result in the fiscal year 2021. France remains the most important region for the company. The US market, which has extraordinary potential, is also gaining importance. Four biogas projects are currently being realised in the United States, with another six already planned for 2022.

At the beginning of the past fiscal year, EnviTec made a promising investment in Güstrow.

Production at Germany’s largest biogas plant built by EnviTec is scheduled to start in the first quarter of 2023. The plant will produce 9,600 tons of bio-LNG per year for the transport sector. In the early summer of 2021, the third EnviThan biomethane upgrading plant realised by EnviTec was taken into service in Estonia. The plants are to make an important contribution to transforming Estonia’s local public transport service. The company also built a state-of-the-art EnviThan plant on behalf of a customer in Högholt, Denmark. Its design and technology represent a customised solution for the use of a wide range of feedstock materials. In 2021, EnviTec increased the plant’s feed-in capacity for biomethane to 2,400 Nm³/h. In early 2022, EnviTec took the sixth and seventh biogas plants in China into operation. The eighth plant near the city of Tunliu has already completed the planning stage and is scheduled to start operating in June 2022.

In the reporting period, EnviTec’s Plant Construction segment (incl. the holding company) grew its revenues by 66.5% to EUR 70.1 million. Although a large number of projects were successfully invoiced, work in progress increased by EUR 2.4 million (previous year: EUR 25.4 million). Total output, which also includes plants under construction via changes in inventories, climbed from EUR 69.2 million to EUR 78.6 million. The cost of materials declined by 9.6% to EUR 45.8 million, while personnel expenses increased by EUR 2.0 million to EUR 10.9 million due to the increase in staff. Segment earnings before interest and taxes (EBIT) totalled EUR 8.6 million (previous year: -0.1 million), which is the segment’s first positive result in several years.

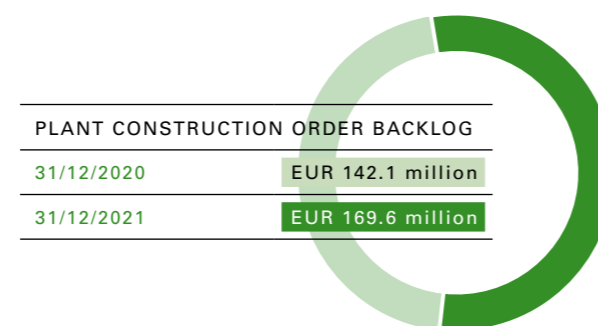
At the end of 2021, EnviTec had a total installed base of approx. 502 MW (previous year: 484 MW).



Order situation in the Plant Construction segment

The order backlog in the Plant Construction segment totalled EUR 169.6 million at the end of December 2021. Of this amount, EUR 112.2 million is already under construction and partially included in changes in inventories. At EUR 148.2 million, the order backlog is largely attributable to the international biogas markets. Most of these are orders in France, the USA, Denmark and China. Estonia and Greece are other important markets. Compared to the end of 2021, the order backlog increased by 19.4% to EUR 169.6 million (31 December 2020: EUR 142.1 million).

EnviTec Biogas has a very broad customer base, which means that the company is not dependent on individual customers. About 87,4% of the orders were placed by customers from the agricultural sector (previous year: 93%). The remaining orders were placed by the Own Plant Operation segment.

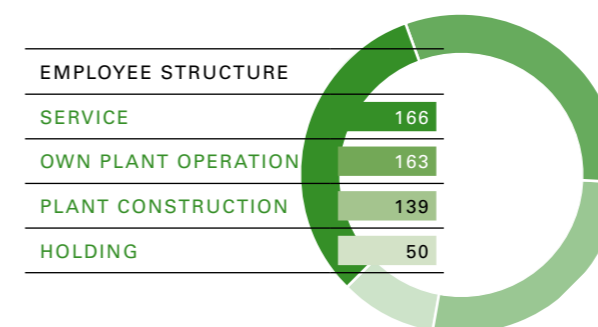
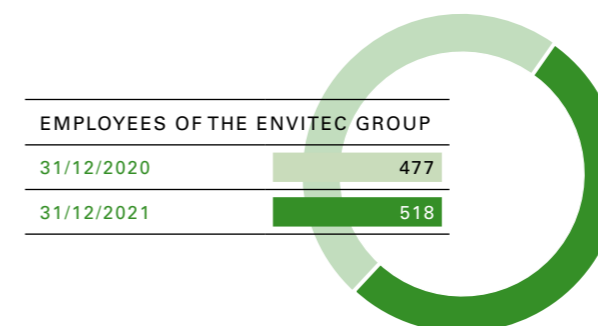


*The Plant Construction segment is special in that, according to the German Commercial Code (HGB), sales revenues are recognised only after project completion.

Employees

By respecting our employees and developing their skills and potentials, we open up future perspectives for each individual and increase the value of the Group as a whole. Well trained, motivated employees are the most important asset and the basis for the success of the EnviTec Biogas Group. In the second fiscal year marked by the Covid-19 pandemic, the company again implemented extensive safety measures such as work from home, hygiene sectors and shift operation. Thanks to its good operating performance, EnviTec did not have to rely on short-time work or other government aid programmes at any time.

In the reporting period, the number of employees climbed from 477 to 518 on 31 December 2021. The Plant Construction’s headcount was increased from 112 to 139 because of the very good capacity utilisation. The number of employees in the Own Plant Operation segment rose from 146 to 163. The Service segment’s headcount declined slightly from 170 to 166. The holding company, EnviTec Biogas AG, had 50 employees (previous year: 49). Most employees (402) again worked in Germany (previous year: 372). As at the balance sheet date, 116 people were employed at the foreign locations of EnviTec Biogas (previous year: 105).



Sustainable human resources development remains the company’s top priority. Due to the rapidly changing environment in which we operate, we need flexible employees who are willing to work abroad, to embrace other cultures and to represent the company appropriately. The human resources policy of EnviTec aims to not only meet our own requirements but to also cater to the interests and potential of our employees. This includes monetary incentive systems in some areas, e.g. performance-based additional compensation. Our internal training and further education measures give employees opportunities for ongoing development and aim to retain them in the long term. These job-oriented measures are complemented by activities fostering the team spirit and communicating our corporate culture, which is characterised by reliability and fairness. In addition, EnviTec offers young people apprenticeships or dual study courses to start their careers. For this purpose, the company cooperates with the Private University of Applied Sciences for Business and Technology (PHWT) in Vechta, Germany.

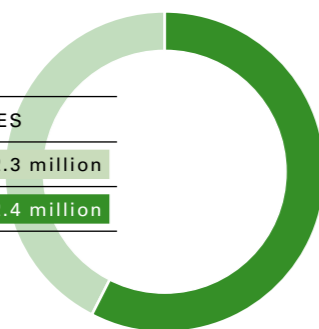
Earnings position

Comparison of the actual performance with the originally projected performance

In the fiscal year 2021, the EnviTec Group delivered a very positive performance, which clearly exceeded the original projections and expectations. Management had initially projected slightly higher total output (or revenues) as well as earnings before taxes (EBT) of between EUR 17 million and EUR 19 million. This forecast was upgraded with the ad-hoc announcement dated 1 February 2022, when the Executive Board projected EBT of between EUR 20 million and 22 million. At this point, it was clear that the better-than-expected performance of the Plant Construction and Own Plant Operation segments would have a clearly positive influence on the result. The figures now presented slightly exceed the upgraded forecast.

Sales revenues

GROUP SALES REVENUES	
31/12/2020	EUR 192.3 million
31/12/2021	EUR 262.4 million



Own Plant Operation remains the Group's largest segment. Revenues in this segment increased by 36.7% to EUR 150.7 million. Total output also picked up noticeably to EUR 153.5 million (previous year: EUR 116.0 million). Sales revenues in the Service segment rose by 4.1% to EUR 41.6 million (previous year: EUR 40.0 million). Total output improved by EUR 2.0 million to EUR 43.7 million (previous year: EUR 41.7 million). The Plant Construction segment (incl. the holding company) showed a particularly good performance, with revenues picking up by 66.5% to EUR 70.1 million. Total output stood at EUR 78.6 million, compared to EUR 69.2 million in the previous year.

The excellent segment performance sent consolidated revenues rising by 36.5% to EUR 262.4 million (previ-

ous year: EUR 192.3 million). The Group's total output, which additionally includes the value of projects under construction, also rose by an impressive 21.5% and reached a new record level of EUR 275.8 million.

Domestic revenues amounted to EUR 164.3 million in the fiscal year 2021 (previous year: EUR 122.8 million). Sales revenues generated outside Germany stood at EUR 98.1 million, compared to EUR 69.5 million in the previous year, with France and Italy accounting for the largest share. Revenues generated in these markets amounted to EUR 54.7 million and EUR 20.8 million, respectively, in the reporting period.

Expenses

The cost of materials is the main expense item of the EnviTec Biogas Group. In the fiscal year 2021, this item increased by 21.8% to EUR 183.5 million at Group level. The increase was mainly driven by the Own Plant Operation segment, where the cost of materials rose sharply due to higher electricity trading prices. Gross profit picked up by 21.0% to EUR 92.3 million as a result of the higher total output. Personnel expenses climbed to EUR 26.1 million (previous year: EUR 22.9 million) due to the Group's increased headcount. Personnel expenses as a percentage of sales revenues stood at 9.9% (previous year: 11.9%). In relation to total output, they stood at 9.5% (previous year: 10.1%). Depreciation and amortisation declined from EUR 15.3 million in the previous year to EUR 14.7 million in the reporting period. Other operating expenses, which include, among other things, operating, administrative and selling expenses, rose by 33.4% to EUR 28.5 million. This increase is essentially attributable to extraordinary maintenance and repair expenses for the newly acquired plant in Güstrow as well as other own plants operated.

Earnings

The EnviTec Group was able to continue its profitable growth also in the fiscal year 2021. The very good operating result is supported by the highly profitable operations of the Own Plant Operation segment, the continued positive result of the Service segment (before consolidation of internal sales) and the very good performance of the Plant Construction segment in the fiscal year.

At EUR 37.8 million, earnings before interest, taxes,

depreciation and amortisation (EBITDA) again exceeded the record level of the previous year (2020: EUR 32.1 million). Earnings before interest and taxes (EBIT) improved noticeably on the previous year, rising from EUR 16.7 million to EUR 23.0 million. The EBIT margin stood at 8.8 % (previous year: 8.7%). Interest expenses fell from EUR 1.5 million to EUR 1.2 million in the fiscal year 2021. Interest income declined from EUR 0.7 million to EUR 0.6 million. This resulted in a net financial result of EUR -0.6 million (previous year: EUR -0.9 million). The result from at-equity investments amounted to EUR 1.4 million (previous year: EUR 1.9 million).

Depreciation on financial assets amounted to EUR 0.5 million, compared to EUR 0.6 million in 2020. The EnviTec Group's earnings before taxes (EBT) totalled EUR 23.3 million, which exceeds the previous year's EUR 17.2 million by a wide margin. Income tax expenses rose to EUR 6.0 million (previous year: EUR 4.4 million).

As a result of these developments, consolidated net income picked up again sharply from EUR 12.3 million to EUR 16.9 million. Earnings per share for the year 2021 reached EUR 1.14 (previous year: EUR 0.83).

In the single financial statements of EnviTec Biogas AG, accumulated profits amounted to EUR 100.9 million. The Executive Board and the Supervisory Board of EnviTec Biogas AG propose to again distribute a dividend of EUR 1.00 per share for the fiscal year 2021.

Net worth position

As of the balance sheet date 31 December 2021, the EnviTec Group's total assets amounted to EUR 252.8 million, up EUR 14.2 million on the prior year reporting date.

On the assets side, fixed assets rose by 2.9% to EUR 118.9 million. Intangible assets increased from EUR 7.5 million to EUR 8.9 million, which is essentially attributable to investments in the Own Plant Operation segment.

The value of property, plant and equipment declined slightly from EUR 81.6 million on 31 December 2020 to EUR 80.2 million. The largest item included in property, plant and equipment is technical equipment and machinery, which decreased from EUR 47.8 million to EUR 43.4 million. Payments on account and plants under construction moved in the opposite direction and rose from EUR 0.8 million to EUR 2.4 million. Investments accounted for using the equity method, which are included in financial assets, climbed by 18.4% to EUR 15.1 million due to investments in the Own Plant Operation segment. Other loans increased from EUR 7.4 million to EUR 8.1 million, while loans to companies in which an interest is held stayed at the prior year level of EUR 6.0 million. As of the balance sheet date, total financial assets amounted to EUR 29.7 million, compared to EUR 26.5 million at the end of 2020.

Current assets picked up by 10.0% to EUR 129.2 million. Inventories increased particularly strongly from EUR 53.2 million to EUR 64.5 million. This was primarily due to the increase in raw materials and supplies from EUR 47.7 million to EUR 54.9 million, which, in turn, is essentially attributable to the build-up of inventories in the Own Plant Operation segment. Work in progress less advance payments received rose from EUR 1.1 million to EUR 5.2 million. At EUR 44.9 million, receivables and other assets were below the previous year's level (31 December 2020: EUR 49.5 million) as at the balance sheet date.

Financial position

On the liabilities side, the still has a comfortable equity base of EUR 134.1 million. Growing by 0.7%, this item remained almost unchanged from the previous year.

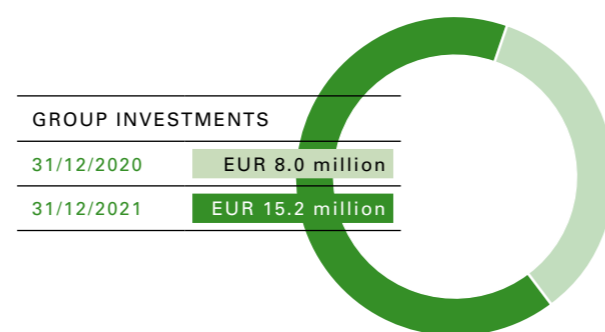
In addition, an exchange of liabilities took place, with a large part of the capital reserve being transferred to accumulated profits. The conversion of the capital reserve had been decided already at the 2020 Annual General Meeting on 7 July 2020. According to its annual financial statements as of 31 December 2019, the company had committed capital reserves pursuant to section 272 para. 2 No. 1 of the German Commercial Code (HGB) in the amount of EUR 89,328,633.67. These mainly originated from the premium received in the course of the company's IPO on 12 July 2007, i.e. the difference between the shares' issue price and the amount paid on the share capital. The conversion was decided because committed capital reserves limit the investment options in the core business and to enable the use of the high cash flows, especially from the Own Plant Operation segment. The conversion was carried out in two steps with a capital increase from company funds without issuing new shares followed by an ordinary capital reduction. This has resulted in accumulated profit of EUR 102.4 million (previous year: EUR 15.6 million).

Total liabilities amounted to EUR 103.3 million (31 December 2020: EUR 91.6 million). While liabilities to banks were reduced by a noticeable 16.0% to EUR 47.8 million, trade liabilities increased by 16.1% to EUR 19.3 million. Liabilities towards companies in which an interest is held rose sharply from EUR 1.7 million to EUR 4.5 million. Payments received on account of orders also picked up to EUR 14.5 million as of the 2021 balance sheet date (31 December 2020: EUR 5.7 million). Other liabilities increased noticeably from EUR 10.6 million to EUR 16.9 million. Provisions amounted to EUR 11.2 million, compared to EUR 9.1 million as of the prior year reporting date.

Although total assets increased, EnviTec still had a comfortable equity ratio of 53.0% as of the balance sheet date (31 December 2020: 55.8%). The company thus has a solid foundation on which to continue its successful expansion in the international biogas markets.

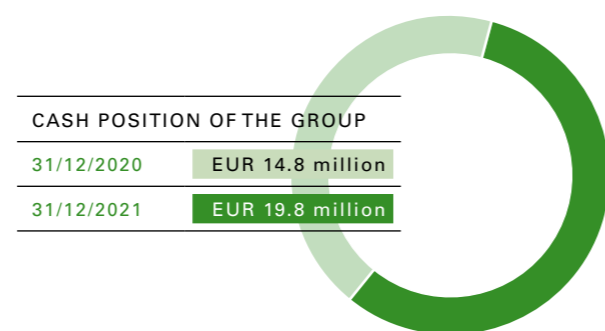
Investments

The Group's investments in intangible assets and property, plant and equipment in 2021 totalled EUR 15.2 million, compared to EUR 8.0 million in 2019. As in the previous years, the biggest portion of the company's investments related to the Own Plant Operation segment. EnviTec projects higher investments for 2022.



Cash position

As of the balance sheet date, cash and cash equivalents of EUR 19.8 million (previous year: EUR 14.8 million) and other current assets of EUR 16.5 million (previous year: EUR 13.6 million) were available. The total amount of EUR 36.3 million fully covers the current liabilities to banks of EUR 20.8 million (previous year: EUR 20.7 million). In addition, EnviTec Biogas had unused overdraft facilities of roughly EUR 8.5 million as of 31 December 2021.



Cashflow

At EUR 37.4 million, the EnviTec Group's net cash flow in the reporting period clearly exceeded the previous year's EUR 27.5 million. With gross cash flow also higher than in the previous year, the decline in trade receivables as well as the increase in other liabilities and trade liabilities led to an increased working capital tie-up. Net cash used in investing activities rose sharply to EUR 12.9 million. Net cash used in financing activities in the reporting period declined noticeably from EUR 28.8 million to EUR 19.7 million, as bank liabilities of EUR 26.2 million were raised, while a dividend payment of EUR 14.9 million was made and funds of EUR 28.8 million were repaid.

Disclosures regarding the purchase and holdings of treasury shares

The parent company of the Group, EnviTec Biogas AG, Lohne, holds 150,000 shares in the company. Please refer to the corresponding disclosures in the notes to the consolidated financial statements pursuant to section 315 para. 2 sentence 2 of the German Commercial Code (HGB) and section 160 para. 1 No. 2 of the German Stock Corporation Act.

Opportunity and Risk Report

The conscious and controlled management of risks and opportunities is the basis for successful long-term corporate development. The changing global energy market opens up opportunities for EnviTec Biogas which the company wants to exploit. Opportunities naturally entail risks, which must be adequately managed and minimised to ensure successful corporate development. EnviTec Biogas has therefore introduced a management system which systematically identifies potential risks and shows measures to minimise these risks. All executive staff are trained in identifying risks and taking appropriate responses. They encourage their employees to think in an entrepreneurial manner and to avoid risks. Risk management forms the basis for corporate control and helps to achieve the company's objectives. It is an integral element of all business processes and business units.

Opportunities

Sector-specific opportunities

The EU Renewable Energy Directive (RED II) and its implementation in Germany within the framework of the Act on the Further Development of the Greenhouse Gas Reduction Quota (THG) have led to a noticeable increase in demand for advanced biofuels. Moreover, energy demand has increased at a global level. Russia's invasion of Ukraine also prompted the European Commission to present its REPowerEU Plan in March 2022. It includes proposals on how Europe can become independent of fossil energy sources from Russia well before 2030. In the past five years, Germany imported about 53% of its average annual gas consumption of approximately 914 TWh from Russia. As part of the diversification of the gas supply, the European Commission's REPowerEU Plan also provides for biomethane to play an important role. Experts assume that the existing plants in Germany could produce up to 132 TWh of gas per year in the short term if they were converted to gas feed-in. In the medium term, as much as 160 TWh are believed to be possible. This represents about one third of the gas imports from Russia. This would open up great growth potential for the biogas sector in the future.

As a renewable energy source which can cover base load and peak load requirements, biogas can be produced locally and is a flexible and reliable supplier of electricity and heat. Moreover, the production of biogas facilitates the intelligent use of biological waste. Its use as a low-carbon fuel (bio-CNG or bio-LNG) also holds great potential for the future. Biomethane is a highly versatile fuel that can make a substantial contribution to decarbonisation in all consumption sectors, especially in the transport and heating sectors, where no satisfactory contributions to carbon reduction have been achieved yet.

This also benefits EnviTec's business. With the acquisition of Bioenergie-Park Güstrow, EnviTec has already secured itself an advantageous position in the upgrading of bio-LNG for the transport sector. As of the first quarter of 2023, the plant should be able to produce 9,600 tons of bio-LNG per year. By continuing to internationalise into the most promising biogas and biomethane markets, EnviTec will endeavour to expand and strengthen its market position at a global level. Opportunities for the construction of new plants arise in established markets such as France, Denmark, Italy and

Great Britain. Outside Europe, the USA and China are the most attractive markets.

In established markets, opportunities arise where competitors are unable to respond appropriately to short-term changes in the general framework or to successfully face the competition. This will open up opportunities primarily for EnviTec's Service segment, in the area of conversion and upgrading of existing plants and for the company's Own Plant Operation segment to win new customers as well as market share. In Germany and Europe, EnviTec Biogas also sees enormous opportunities in the use and further expansion of the existing gas infrastructure in the transport sector.

Strategic corporate opportunities

Strategic opportunities for EnviTec Biogas will arise primarily from the ongoing internationalisation of the business activity. The company will continue to seize opportunities on the international biogas markets. On the one hand, the focus is on markets in which the expansion of biogas production and upgrading plants is progressing and in which EnviTec, as a leading plant manufacturer, can benefit from this general development.

On the other hand, EnviTec sees great opportunities for growth primarily in the USA. The company is currently realising four biogas projects in the United States, with another six already planned for 2022. Also, in early 2022, EnviTec took the sixth and seventh biogas plants in China into operation. The eighth plant near the city of Tunliu has already completed the planning stage and is scheduled to start operating in June 2022.

From a technical point of view, growth opportunities for EnviTec will arise primarily in the bio-LNG market. Bio-LNG is mainly used for medium and heavy trucks covering long distances. By acquiring Bioenergie-Park Güstrow and establishing a joint venture with BALANCE Erneuerbare Energien GmbH from Leipzig, EnviTec has already put itself in a promising position in this market. Existing plants operated by the company will also successively be converted to producing bio-LNG.

Performance-related opportunities

Performance-related opportunities arise for EnviTec Biogas along the value chain from purchasing to production to sales and marketing. Analysis and optimisation open up opportunities to increase profitability.

Risks

Risk management

EnviTec Biogas has laid down the tasks, reporting and organisational structures in a Risk Management Manual. This Manual defines risks and describes the complete risk management process. The task of the Risk Officers is to assess and monitor risks in accordance with defined categories so as to be able to take countermeasures if required. Based on a regularly updated risk inventory, these are reviewed at quarterly intervals. Any risks which arise all of a sudden and have a notable impact on the company's business performance and earnings position as well as on the enterprise value are immediately reported to the Executive Board, which will then take the necessary decisions. In the context of its reports to the Supervisory Board, the Executive Board continuously informs the latter about the main risks and outlines the measures taken to manage these risks.

EnviTec is a company operating in a dynamically changing international market environment. This gives rise to risks which are inextricably linked with our business activities. As a matter of principle, risks arising from changes in general conditions or technological developments cannot be completely avoided. EnviTec's risk management system is therefore constantly being adapted to the latest developments. The Group does not take risks that are unrelated to the key objectives of corporate development.

These key objectives include:

- > development and implementation of the business model and sustainable corporate value creation,
- > securing liquidity.

The Executive Board has no knowledge of any risks jeopardising our continued existence. Individual risks capable of jeopardising our business performance and corporate value are described below.

Procurement risks

Most recently, several developments have caused problems in the procurement markets. The situation has been tight already since the outbreak of the Covid-19 pandemic and has been further aggravated by the war in Ukraine and the lockdowns in China. Procurement risks may arise also in the future and have an impact on EnviTec, especially with regard to the construction of biogas plants. EnviTec sources most of the components required for this purpose from suppliers. Particularly the combined heat and power units are produced and supplied only by a small number of manufacturers worldwide. This could lead to supply shortages for the components. Prices may also increase further. In 2021, the inflation rate in Germany already stood at 3.1%. For 2022 the Federal Statistical Office projects as much as 7.3%. Prices in the commodity markets have also picked up sharply, especially due to the war in Ukraine. EnviTec aims to counteract these developments by maintaining close business relationships and signing fixed-price agreements.

Supply bottlenecks may also result from environmental disasters or poor weather conditions affecting large areas. The latter may lead to lost harvests of the substrates used in the operation of biogas plants, i.e. renewable or organic resources and waste. Prices for the required feedstock materials may rise as a result of the high demand. This could jeopardise the cost-efficiency of the biogas plants operated by EnviTec's Own Plant Operation segment. This risk is being mitigated, among other things, by long-term delivery contracts with regional agricultural operations and high inventories.

In summary, EnviTec currently classifies procurement risks as operational risks that are likely to occur in the Own Plant Operation segment due to rising commodity prices and in the Plant Construction segment due to disrupted supply chains. The potential impact on the Group is expected to be moderate for both the Own Plant Operation segment and the Plant Construction segment.

Risks from access and travel restrictions

Potential risks for EnviTec may continue to arise from access and travel restrictions imposed to fight the coronavirus pandemic due to the company's cross-border business. While most countries across the globe

have eased their restrictions recently, some countries in which EnviTec is active, most importantly China, continue to pursue a restrictive Covid-19 policy. This primarily affects the restricted travel activity of employees in the plant and service segments as well as suppliers and sub-contractors. This may lead to delays in construction and the execution of maintenance contracts. Despite repeated lockdown measures, the course of business has been affected only moderately so far. Nevertheless, it is still not entirely certain that all restrictions worldwide will be lifted.

In summary, EnviTec classifies the above risks arising from the fight against the coronavirus pandemic as strategic risks that are likely to occur but would have a moderate impact on the business activity as well as the financial and earnings position of the Group.

Environmental and industry risks

The financial success of the products and services offered by EnviTec Biogas is dependent on the promotion of renewable energy sources under appropriate policies and regulations. In Germany, these include, first and foremost, the German Renewable Energy Sources Act (EEG). Most of the other member states of the European Union and several non-EU countries have also put in place regulations comparable to the German Renewable Energy Sources Act (EEG).

These regulations are of decisive importance for the success of the biogas sector in these countries. Regulations under construction law and pollution control law must be observed both when building or upgrading biogas plants and when operating such plants. Some of these regulations place biogas plants in a privileged position in relation to other plants; in particular, they provide for size-related simplification of the approval procedure when erecting such plants in outdoor areas as defined by construction law. Any changes in the statutory conditions governing the erection, enlargement and operation of biogas plants, both in Germany and in other countries, may have a negative effect on the net worth, financial and earnings position of EnviTec Biogas.

As a result of the amendments to the EEG adopted in 2014, the German biogas market has come to a virtual standstill. EnviTec believes that even the EEG reform for 2023, which has been discussed in the context of the

“Easter Package”, will not change this situation, as the biogas market plays only a relatively insignificant role in this context. Moreover, the regulations adopted are unattractive. Hence, the framework conditions will not become any better. EnviTec’s plant construction activities therefore focus primarily on foreign growth markets.

Apart from the legal framework, some parts of the general public as well as certain special interest groups have reservations about biogas plants and their construction. This is why, in June 2009, EnviTec Biogas and other companies established the German Biogas Council, which acts as a source of advice and port of call for policy-makers, the corporate sector and special interest groups and aims to eliminate prejudices. The aim is to promote the agricultural and industrial orientation of biogas technology and to represent the industry’s shared interests with regard to legislation and products.

EnviTec Biogas intends to expand its international activities and thus exploit growth opportunities, which gives rise to a number of risks. These include potential changes in the political, economic, social, legal, cultural and fiscal conditions prevailing in individual countries. In addition, there is the risk of unexpected changes in local laws and regulations, which may have an adverse impact on the business activity of EnviTec Biogas.

Some countries in which we are already active or plan to become active are considerably less stable in economic, political and legal terms than the member states of the European Union. Inadequate legal and administrative systems may make it more difficult or even impossible to obtain official permits, hamper the completion of customers’ orders or jeopardise the enforcement of financial and other claims. The company has built up substantial know-how in the foreign representative offices and the Group management team and aims to anticipate potential changes and to prepare itself and its customers accordingly. Management will not contemplate investments in countries in which EnviTec Biogas sees no opportunities following close and continuous monitoring; existing investments in such countries will be terminated.

Existing currency risks were hedged by currency forward contracts (see “Currency risks”). In summary, EnviTec classifies the above environmental and industry risks as risks that are likely to occur but have a moderate

impact on the business activity as well as the financial and earnings position of the Group.

Personnel risks

The growth of EnviTec Biogas depends first and foremost on highly qualified employees. Growth will be slowed if it is not possible to hire well trained employees in a timely manner or to retain key qualifications in the company. The company makes consistent and intensive use of recruitment tools and constantly coordinates the company’s hiring needs with the individual departments. At the same time, the company continues to train and educate its employees and expands its knowledge by cooperating with the scientific departments of technical colleges.

In summary, EnviTec currently considers personnel risks to be unlikely to occur and their impact on the Group to be moderate if they occurred.

Competitive risks

Existing or future competitors may try to win market share by pursuing an aggressive pricing or acquisition policy. This competition is made even fiercer by the continuous reduction in the minimum remuneration paid for electricity which is fed into the public grid from biogas plants in accordance with the German Renewable Energy Sources Act (EEG) and the associated imperative to permanently cut costs. The same trend can be observed in other countries.

In summary, EnviTec currently classifies competitive risks as strategic risks that are likely to occur but would have a small impact on the Group if they occurred.

Technological risks

Biogas plants are subject to rapid technological change. The market for biogas plants is being driven by constantly improved new products and services. It is characterised by short product lifecycles and frequently changing customer requirements. We assume that this will continue to be the case going forward. By introducing new products or services earlier or under more favourable conditions than our company, our competitors could gain a lead or secure exclusive rights to new technologies. The future success of EnviTec Biogas therefore depends on its ability to continuously develop new products and services and to enter into technology

partnerships.

In summary, EnviTec currently classifies technological risks as strategic risks that are likely to occur but would have a small impact on the Group if they occurred.

Order, sales and default risk

The effects of macroeconomic developments on the company’s customers and its order and sales situation are difficult to assess. A decline in the order backlog due to cancellations or a lack of new orders would have an impact on the future sales and earnings position. EnviTec Biogas has intensified its communication with its customers to anticipate any potential postponement of orders and supports its customers in the approval processes. When marketing and selling electricity and gas generated from biogas, the company takes out long-term sales and purchase positions. These positions might incur significant losses in an oversupplied (long) or undersupplied (short) market environment combined with a negative market trend. At this time, all relevant positions are covered by counterparties from within the Group with excellent credit standing. To prevent the loss of receivables, the company has optimised its receivables management process as well as the creditworthiness review. The open positions are reported to the Executive Board in a weekly report. Moreover, every responsible project manager is informed of the outstanding receivables at 14-day intervals so that dunning can be initiated.

In summary, EnviTec currently classifies the order, sales and default risk as a strategic risk that is unlikely to occur. Moreover, the potential impact on the business activity as well as the financial and earnings position of the Group is considered to be low. Overall, EnviTec sees no material risks arising from order and sales management.

Corporate growth and internal risks

The EnviTec Group has an internal controlling and risk management system regarding the accounting process which defines suitable structures that are implemented in the organisation.

This system is designed to ensure timely, consistent and correct accounting of all business processes and transactions. It also guarantees compliance with legal standards, accounting regulations and internal instructions.

The consolidated accounts are produced centrally based on the data of the consolidated subsidiaries. Specially trained employees are responsible for consolidation. The management teams of the Group's member companies are responsible for implementing and monitoring the local internal controlling systems. Generally, it should be noted that an internal controlling system, irrespective of the size and structure, does not provide 100% security that material misstatements in the accounts are avoided or identified. However, it serves to prevent with sufficient certainty that corporate risks have a material effect. The future processes will make high demands on our organisation and will tie down substantial management resources. There is a risk that the company's organisation and structure will be unable to keep pace with the company's requirements. The company therefore attaches top priority to developing and refining the necessary organisational, information and management structures.

Currency risks

All sales and purchases are made in the Group currency, the euro. This does not entail major currency risks. Currency risks may arise in conjunction with transactions of the subsidiaries in Great Britain, the Czech Republic and the USA. Exchange rates are therefore monitored on an ongoing basis to ensure that currency hedging measures can be taken at an early stage.

To hedge risks in conjunction with contracts in the USA, currency forward contracts in an amount of USD 4.7 million were signed. They are used to hedge payments expected to be received by the subsidiaries.

In summary, EnviTec currently classifies currency risks as operational risks that are unlikely to occur due to the conservative hedging strategy of the company and would have a moderate if they occurred.

Risks from financing instruments

All non-current liabilities of the EnviTec Group carry fixed interest rates and are therefore exposed to a fair-value risk, which means that potential interest rate increases do not represent a risk to the company.

Forecast

Macroeconomic and industry-specific environment

Macroeconomic environment: Pessimistic forecasts for the world economy

In April, the IMF had to clearly downgrade its growth forecast for the year 2022. The IMF analysts had originally projected economic growth of 4.4%. This forecast was downgraded to 3.6% in April. The main reason for this is the war in Ukraine. Europe is affected particularly strongly, as the IMF projects only 2.8% growth for the year 2022. This represents a reduction of 1.1 percentage points compared to the January forecast. The gross domestic product of the industrialised countries is expected to grow by 3.3%, with Germany's economic output projected to increase by only 2.1% in 2022. The IMF also downgraded its growth forecast for the emerging countries - from 4.8% to 3.8%.

The biogas market

In the past, EnviTec Biogas repeatedly called for improvements in the biogas sector, especially after the 9th EEG amendment came into force. The current regulations created adequate follow-up tariffs for existing plants and new incentives for plant flexibilisation – but not to the originally planned and desired extent. EnviTec Biogas believes that the currently discussed draft of the 10th EEG amendment, which is scheduled to come into force in 2023, also offers only partial opportunities for the biogas sector.

At the European level, it is primarily the European Commission's REPowerEU Plan which might create new incentives. It includes proposals on how Europe can become independent of fossil energy sources from Russia well before 2030. In the past five years, Germany imported about 53% of its average annual gas consumption of a good 914 TWh from Russia. As part of the diversification of the gas supply, the European Commission's REPowerEU Plan also provides for biomethane to play an important role. Experts assume that the existing plants in Germany could produce up

to 132 TWh of gas per year in the short term if they were converted to gas feed-in. In the medium term, as much as 160 TWh are expected to be possible. This represents about one third of the gas imports from Russia. This would open up great growth potential for the biogas sector in the future.

The conditions in the international markets remain much more attractive, especially for plant construction. Countries such as France or the USA are vigorously pushing ahead with the energy transition at the national level. Other dynamic markets are China as well as currently Southern and Eastern European countries such as Greece and Estonia.

Performance of EnviTec Biogas

By putting its business activities on an international basis at an early stage, the EnviTec Group demonstrated its strategic far-sightedness and can now seize opportunities that arise in the international biogas markets quickly and efficiently. In doing so, the company is building on a sound financial foundation, its technological strengths and a profitable, integrated business model. The aim is to achieve solid revenue and earnings growth in all segments. At the same time, the Group wants to generate a growing share of its consolidated earnings outside the subsidised biogas sector in the medium to long term. The company will also explore applications and processes in new business segments and products outside the biogas sector, e.g. the realisation of photovoltaic projects. Thanks to continued low interest rates, high electricity prices and reduced prices for solar modules, photovoltaic power plants of a certain size are currently marketable in Germany even without government subsidies. Moreover, EnviTec Biogas is increasingly focusing on bio-LNG. The company is planning to build a bio-LNG liquefaction plant in the context of a joint venture with Leipzig-based BALANCE Erneuerbare Energien GmbH. Moreover, the production of 9,600 tons of bio-LNG per year for the transport sector is to become possible at the newly acquired Energiepark Güstrow as of the first quarter of 2023. Once the conversion is completed, the plant may potentially generate revenues in a double-digit million amount.

2022 has been a very successful fiscal year to date. Capacity utilisation is very high, especially in Plant Construction. The Service and Own Plant Operation segments also had a very satisfactory start to the year. The supply chain problems and the strong increase in the prices of raw materials and capital goods are challenging, though.

Segment performance

The flexibilisation of plants and the conversion to gas upgrading currently open up only few opportunities for **plant construction** in Germany. By contrast, EnviTec will continue to benefit from the positive environment in the international markets in the current year. In the past fiscal year already, the trend in plant construction was

very dynamic. An order backlog of EUR 169.6 million (previous year: EUR 142.1 million) at the end of 2021 means that the segment is currently working at full capacity despite a large number of new hires, so that total output/sales revenues of the year 2021 will again be exceeded by a wide margin. The segment's earnings before taxes (EBT) are expected to improve compared to the previous year. Actual revenues and total output will depend on the further course of the Covid-19 pandemic, the supply chain problems and, as in the previous years, on how many plant construction projects will actually be reflected in changes in inventories pursuant to HGB at the end of the year and how many projects can be finally invoiced.

In the **Own Plant Operation** segment, which generates strong cash flows, EnviTec will continue to focus on optimising and modernising its plant portfolio in 2022. Despite the recent sharp increase in commodity prices, EnviTec Biogas expects sales revenues and earnings (EBT) in the Own Plant Operation segment to exceed the previous year's level in the current fiscal year based on high inventories and long-term supply contracts. The direct marketing activities of balancing energy, biomethane and electricity will also make a positive contribution to sales revenues and earnings.

For the **Service** segment, EnviTec projects a growing interest in flexibilisation and repowering measures in the current fiscal year. The Service segment's total output (or sales revenues) and earnings (EBT) is (are) therefore expected to remain stable or increase slightly in the fiscal year 2022.

Group forecast

Based on the above-described developments in the individual segments, consolidated total output (or sales revenues) is (are) expected to increase once again in the fiscal year 2022. The EnviTec Executive Board expects earnings before taxes (EBT) to come in at between EUR 27 million and EUR 30 million. The achievement of the company's economic targets will hinge on the further course of the Covid-19 pandemic, the effects of the war against Ukraine and the business trend in the most important international markets of the Plant Construction segment.

The Executive Board and the Supervisory Board

expressly thank all employees of the EnviTec Group, as it is their personal commitment which makes the company so successful.

Lohne, 13 May 2022

The Executive Board of EnviTec Biogas AG

Olaf von Lehmden Jörg Fischer Jürgen Tenbrink

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet as at 31 December 2021

Assets

A.	Fixed assets	31/12/2021 in EUR	31/12/2020 in KEUR
I.	Intangible assets		
	1. Purchased concessions, industrial property rights and related rights and assets as well as licenses for such rights and asset	522,090.08	588
	2. Goodwill	8,281,381.87	6,755
	3. Payments on account	138,990.93	109
		8,942,462.88	7,452
II.	Tangible assets		
	1. Land and leasehold rights and buildings, including buildings on third-party land	25,020,084.48	24,026
	2. Technical equipment and machinery	43,430,159.07	47,751
	3. Other fixtures, tools and equipment	9,406,280.63	9,009
	4. Payments on account and plants under construction	2,384,811.42	769
		80,241,335.60	81,555
III.	Financial assets		
	1. Shares in at-equity investments	15,130,328.44	12,780
	2. Equity holdings	465,619.19	335
	3. Loans to companies in which an interest is held	5,986,665.54	5,979
	4. Other loans	8,123,065.53	7,413
		29,705,678.70	26,506

B.	Current assets	31/12/2021 in EUR	31/12/2020 in KEUR
I.	Inventories		
	1. Raw materials and supplies	54,907,263.07	47,725
	2. Work in progress	57,123,471.90	53,577
	less received payments on account	-51,909,997.22	- 52,526
		5,213,474.68	1,052
	3. Finished goods	1,156,793.64	1,297
	4. Payments on account	3,268,140.36	3,163
		64,545,671.75	53,236
II.	Receivables and other assets		
	1. Trade receivables	24,427,000.82	29,375
	2. Receivables from companies in which an interest is held	3,953,541.74	6,527
	3. Other assets	16,477,910.04	13,581
		44,858,452.60	49,483
III.	Cash in hand, cash at Bundesbank, cash at banks and cheques	19,813,033.49	14,788
C.	Prepaid expenses	2,632,930.71	2,682
D.	Deferred tax assets	2,026,018.48	2,861
		252,765,584.21	238,564

Consolidated income statement for the period from 1 January to 31 December 2021

Liabilities			
A.	Equity capital	31/12/2021 in EUR	31/12/2020 in kEUR
I.	Subscribed capital	15,000,000.00	15,000
	Less nominal amount of own shares	-150,000.00	- 150
	Issued capital	14,850,000.00	14,850
II.	Capital reserve	4,328,633.67	89,329
III.	Revenue reserves		
	Other revenue reserves	10,150,000.00	10,150
IV.	Equity difference from currency translation	-288,033.91	- 219
V.	Profit	102,416,115.48	15,555
VI.	Adjustment item for minority interests	2,611,929.59	3,472
		134,068,644.83	133,136
B. Provisions			
	1. Tax provisions	2,973,696.81	1,652
	2. Other provisions	8,190,139.58	7,430
		11,163,836.39	9,082
C. Liabilities			
	1. Liabilities to banks	47,799,684.65	56,912
	2. Advance payments received on account of orders	14,453,452.43	5,655
	3. Trade liabilities	19,323,525.34	16,071
	4. Liabilities towards companies in which an interest is held	4,504,597.93	1,686
	5. Liabilities to shareholders	328,792.76	673
	6. Other payables thereof tax liabilities: EUR 6,385,282.48 (previous year: kEUR 4,635) thereof social security liabilities: EUR 191,104.93 (previous year: kEUR 189)	16,906,379.42	10,616
		103,316,432.53	91,613
D. Deferred income			
		4,216,670.46	4,733
		252,765,584.21	238,564

	2021 in EUR	2020 in kEUR
1. Sales revenues	262,366,704.09	192,273
2. Increase in finished goods and work in progress	3,607,446.26	25,424
3. Other operating income thereof from currency differences: EUR 26,814.34 (previous year: kEUR 46)	9,817,789.98	9,279
Total output	275,791,940.33	226,976
4. Cost of materials a) Cost of raw materials and supplies and purchased goods b) Cost of purchased services	149,944,134.34 33,535,122.20	124,263 26,424
	183,479,256.54	150,687
Gross result	92,312,683.79	76,289
5. Personnel expenses a) Wages and salaries b) Social security contributions and expenditure for pensions and social welfare thereof for pensions: EUR 44,366.14 (previous year: kEUR 60)	21,238,788.06 4,847,094.76	18,717 4,175
	26,085,882.82	22,892
6. Depreciation/amortisation a) of intangible and tangible fixed assets b) of current assets to the extent that these exceed the depreciation/amortisation customary in the corporation	14,547,464.60 192,000.00	15,197 140
	14,739,464.60	15,337
7. Other operating expenses thereof from currency translation: EUR 44,890.39 (previous year: kEUR 179)	28,470,094.08	21,335
EBIT	23,017,242.29	16,725
8. Income from at-equity investments	1,379,558.90	1,926
9. Other interest and similar income	594,344.33	682
10. Write-down of financial assets	491,000.00	641
11. Interest and similar expenses	1,206,436.88	1,540
Earnings before taxes	23,293,708.64	17,151
12. Income taxes thereof deferred taxes: EUR 835,337.72 (previous year: kEUR 1.124)	6,013,713.63	4,396
13. Result after tax	17,279,995.01	12,755
14. Other taxes	410,686.52	419
15. Consolidated net profit	16,869,308.49	12,337
16. Profit carried forward	15,554,612.16	19,857
17. Profit distribution	-14,850,000.00	-14,850
18. Withdrawals from the capital reserve	85,000,000.00	0
19. Profit allocated to minority shareholders	1,097,019.01	1,606
20. Increase/decrease recognised in equity	939,213.84	-183
21. Consolidated profit	102,416,115.48	15,555

Consolidated cash flow statement for the period from 1 January to 31 December 2021

	2021 in EUR	2020 in EUR
Consolidated net profit	15,772,289	10,730,132
Income tax expenses	6,013,714	4,396,260
Interest result	612,093	858,399
Profit (-) / losses (+) from at-equity companies	-1,379,559	-1,891,015
Income tax paid	-2,429,479	-1,376,543
Amortisation of intangible fixed assets and depreciation of tangible fixed assets	14,547,465	15,197,265
Write-down of financial assets	491,000	641,175
Increase (+) / decrease (-) in provisions	2,081,506	-1,007,450
Profit (-) / losses (+) from deconsolidation	-1,154,304	-67,157
Profit (-) / losses (+) on the sale of tangible assets	-105,908	-1,266,185
Gross cash flow	34,448,817	26,214,880
Increase in inventories	-11,309,658	-5,500,709
Decrease in trade receivables	4,878,451	1,843,170
Increase in trade liabilities	3,252,796	3,375,269
Increase in other payables and other liabilities	6,884,243	1,793,035
Increase in other receivables and other assets	-1,791,906	-2,645,037
Other non-cash transactions	990,923	2,457,071
Cash inflow from operating activities (net cash flow)	37,353,666	27,537,679

	2021 in EUR	2020 in EUR
Proceeds from disposal of intangible assets	0	4,988,837
Proceeds from disposals of tangible assets	597,006	2,148,532
Payments for intangible assets	-2,834,147	-732,295
Payments for tangible assets	-12,380,980	-7,246,757
Payments for at-equity investments	-2,472,250	-366,667
Proceeds due to changes in the basis of consolidation	2,324,000	58,238
Payments due to changes in the basis of consolidation	-12,908	-1,671,934
Proceeds from the withdrawal/disposal of at-equity investments	1,306,500	3,030,520
Proceeds from the sale of fully consolidated subsidiaries	0	42,157
Interest income	594,344	681,540
Cash outflow/inflow from investing activities	-12,878,435	932,170
Proceeds from financial loans raised	26,200,000	21,550,000
Payments from the redemption of financial loans	-28,834,020	-33,240,004
Payments to shareholders	-14,850,000	-14,850,000
Payments to minority interests	-980,777	-758,900
Interest expenses	-1,206,437	-1,539,939
Outflow from financing activities	-19,671,234	-28,838,843
Total cash changes	4,803,997	-368,993
Cash and cash equivalents on 1 January	7,686,410	8,055,403
Cash and cash equivalents on 31 December	12,490,407	7,686,410

For further explanations regarding the cash flow statement, please refer to section 6 in the notes.

Consolidated statement of changes in equity as of 31 December 2021

in EUR	Equity capital of the parent company										Non-controlling interests			Con-solida-ted equity		
	Subscribed capital			Reserves				Equity difference from currency translation	Profit carried forward	Con-solida-ted net income for the year	Total	Non-controlling interests				
	Subscribed capital	Own shares	Total	Capital reserves due to section 272 para. 2 No. 1 HGB	Capital reserves due to section 272 para. 2 No. 4 HGB	Total	Other revenue reserves					Total	Non-controlling interests before equity capital difference from currency translation and result for the year		Profit/loss attributable to non-controlling interests	Total
Equity capital on 01/01/2020	15,000,000	-150,000	14,850,000	89,328,634	0	89,328,634	10,150,000	99,478,634	-373,868	13,959,361	5,898,052	133,812,180	-615,191	3,104,551	2,489,360	136,301,540
Minority interest in equity	0	0	0	0	0	0	0	0	0	0	0	0	-806,256	0	-806,256	-806,256
Other changes	0	0	0	0	0	0	0	0	154,370	0	0	154,370	0	0	0	154,370
Increase of share capital according to resolution on 7 July 2020	85,000,000	0	85,000,000	-85,000,000	0	-85,000,000	0	0	0	0	0	0	0	0	0	0
Ordinary capital reduction according to resolution on 7 July 2020	-85,000,000	0	-85,000,000	0	85,000,000	85,000,000	0	0	0	0	0	0	0	0	0	0
Profit distribution	0	0	0	0	0	0	0	0	0	-14,850,000	0	-14,850,000	0	0	0	-14,850,000
Decrease recognised in equity	0	0	0	0	0	0	0	0	0	-182,932	0	-182,932	182,932	0	182,932	0
Reclassification to profit/loss carried forward	0	0	0	0	0	0	0	0	0	5,898,051	5,898,051	0	0	0	0	0
Consolidated net profit	0	0	0	0	0	0	0	0	0	0	10,730,132	10,730,132	0	1,606,421	1,606,421	12,336,553
Equity capital on 31/12/2020	15,000,000	-150,000	14,850,000	4,328,634	85,000,000	89,328,634	10,150,000	99,478,634	-219,498	4,824,481	10,730,133	129,663,750	-1,238,515	4,710,972	3,472,458	133,136,207
Equity capital on 01/01/2021	15,000,000	-150,000	14,850,000	4,328,634	85,000,000	89,328,634	10,150,000	99,478,634	-219,498	4,824,481	10,730,133	129,663,750	-1,238,515	4,710,972	3,472,458	133,136,207
Minority interest in equity	0	0	0	0	0	0	0	0	0	0	0	0	-1,018,334	0	-1,018,334	-1,018,334
Other changes	0	0	0	0	0	0	0	0	-68,536	0	0	-68,536	0	0	0	-68,536
Profit distribution	0	0	0	0	0	0	0	0	0	-14,850,000	0	-14,850,000	0	0	0	-14,850,000
Increase recognised in equity	0	0	0	0	0	0	0	0	0	939,214	0	939,214	-939,214	0	-939,214	0
Withdrawal from the capital reserve	0	0	0	0	-85,000,000	-85,000,000	0	-85,000,000	0	85,000,000	0	0	0	0	0	0
Reclassification to profit/loss carried forward	0	0	0	0	0	0	0	0	0	10,730,132	-10,730,132	0	0	0	0	0
Consolidated net profit	0	0	0	0	0	0	0	0	0	0	15,772,289	15,772,289	0	1,097,019	1,097,019	16,869,308
Equity capital on 31/12/2021	15,000,000	-150,000	14,850,000	4,328,634	0	4,328,634	10,150,000	14,478,634	-288,034	86,643,827	15,772,290	131,456,717	-3,196,063	5,807,991	2,611,929	134,068,645

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

EnviTec Biogas AG, headquartered in Lohne, Germany, registered with the Commercial Register of the Oldenburg local court under HRB 201466, is a Germany-based company operating on an international scale whose business purpose is the construction and sale of biogas plants through its subsidiaries as well as the operation of own biogas plants, the provision of technical and biological services, the marketing of electricity and the sale of equity investments.

As of the reporting date 31 December 2021, EnviTec Biogas AG is a small corporation within the meaning of section 267 para. 1 of the German Commercial Code (HGB). The company's shares are traded in the Basic Board of the Frankfurt Stock Exchange, Deutsche Börse AG.

EnviTec Biogas AG prepares its consolidated financial statements in accordance with the provisions of sections 290 et seqq. of the German Commercial Code. The consolidated financial statements give a true and

fair view of the net worth, financial and earnings position of the company in accordance with German principles of proper accounting. The presentation, recognition and measurement consistency in the balance sheet and the income statement has been maintained.

The consolidated balance sheet follows the structure stipulated in section 266 HGB. "Thereof" sub-items are provided in the notes.

The type of expenditure format pursuant to section 275 para 2. of the German Commercial Code (HGB) was used for the income statement.

2. Basic principles of the consolidated financial statements

2.1. Basis of consolidation

The following changes in the basis of consolidation occurred between 1 January 2021 and 31 December 2021:

	Germany	Abroad	Total
EnviTec Biogas AG and consolidated companies			
31/12/2020	83	22	105
Additions of subsidiaries	0	0	0
Disposals of subsidiaries	0	1	1
31/12/2021	83	21	104

	Germany	Abroad	Total
Companies valued at equity			
31/12/2020	51	7	58
Additions of companies valued at equity	1	1	2
Disposals of companies valued at equity	1	0	1
31/12/2021	51	8	59

As of the balance sheet date, the EnviTec Group comprised 163 entities including EnviTec Biogas AG (31 December 2020: 163), of which 104 (31 December 2020: 105) were fully consolidated.

Dritte EnviTec Verwaltungs GmbH, Lohne, a fully consolidated entity, was renamed on 30 November 2021 and is now called EnviTec BioLNG GmbH, Lohne. On 22 November 2021, EnviTec BioLNG GmbH established BALANCE EnviTec Bio-LNG GmbH, Ahrensfelde, together with a partner. EnviTec BioLNG holds 49% in this company.

Under a contract dated 27 October 2021, EnviTec acquired the remaining 25% of the shares in Biogas Neuburg Steinhausen GmbH & Co. KG, Lohne. This company continues to be fully consolidated.

Under a purchase agreement dated 7 September 2021, the company also acquired the remaining 15% of the shares in EnviTec Biogas Service s.r.o., Velké Mezirici/Czechia. This company continues to be fully consolidated.

MEV Biométhane SAS, France, has been reported as an at-equity investment since January 2021.

The previously fully consolidated entity Urbana Biogas Soc. a.r.l., Verona/Italy, was liquidated and deconsolidated in the fiscal year.

OxFa GmbH, Scheßlitz, carried out a capital increase in 2021 in which EnviTec Biogas AG did not participate. As a result, the shareholding was reduced to 10.2% and the entity is no longer accounted for using the equity method as of 31 December 2021.

Moreover, Zweite EnviTec Beteiligungs GmbH & Co. KG established the following non-operating companies:

- > ET Friesoyther Agrar GmbH & Co. KG, Lohne
- > Friesoyther Agrar 2 GmbH & Co. KG, Lohne
- > ET Wesermarsch GmbH & Co. KG, Lohne

In accordance with section 296 para. 2 HGB, these three companies are not included in the consolidated financial statements.

For reasons of materiality, EnviTec Biogas (India) Private Limited, India, and LZ Biogas GmbH & Co. KG, Lohne, were again not included in the consolidated financial statements in accordance with section 296 para. 2 of the German Commercial Code (HGB).

2.2. Fully consolidated and associated companies as well as equity investments

The following entities are fully consolidated in the consolidated financial statements of EnviTec Biogas AG:

Name and head office of the company	Group share in %		Equity capital in EUR		Result in EUR	
	2021	2020	2021	2020	2021	2020
EnviTec Service GmbH, Lohne	100	100	11,635,000	11,635,000	0	0
Zweite EnviTec Beteiligungs GmbH & Co. KG, Lohne	100	100	28,220,380	29,755,931	1,224,448	3,306,318
Zweite EnviTec Verwaltungs GmbH, Lohne	100	100	60,050	57,202	2,848	2,838
EnviTec Biogas Nederland B.V., Enter/Netherlands	100	100	-162,668	-166,286	3,618	54,105
EnviTec Baltic SIA, Riga/Latvia	100	100	791,376	621,575	169,801	175,446
EnviTec Italia GmbH, Lohne	100	100	-839,591	-839,591	0	0
EnviTec Energy GmbH & Co. KG, Lohne	100	100	2,452,516	1,129,100	1,323,416	520,395
EnviTec Energy Verwaltungs GmbH, Lohne	100	100	51,252	47,209	4,044	2,732
Biogas Anklam Verwaltungs GmbH, Lohne	100	100	1,838,382	1,473,765	364,617	451,516
Erste Biogas Anklam Betriebs GmbH & Co. KG, Anklam	93.85	93.85	226,862	166,329	135,533	197,481
Zweite Biogas Anklam Betriebs GmbH & Co. KG, Anklam	100	100	3,283,386	3,255,140	678,246	661,649
Pieve D'Olmi Biogas Soc. Agricola a.r.l., Verona/Italy	100	100	3,176,605	3,035,162	341,443	258,269
Stagno Lombardo Biogas Soc. Agricola a.r.l., Verona/Italy	100	100	3,082,193	3,013,516	268,678	353,547

EnviTec Beteiligungs GmbH & Co. KG, Lohne	98.6	98.6	8,535,419	7,370,499	2,301,920	1,536,435
EnviTec Verwaltungs GmbH, Lohne	98.6	98.6	52,097	50,471	1,626	1,663
Biogas Falkenberg GmbH & Co. KG, Falkenberg	100	100	591,721	497,443	94,277	200,537
Biogas Falkenberg Verwaltungs GmbH, Falkenberg	100	100	110,140	105,624	4,516	2,853
Biogas Groß Warnow GmbH & Co. KG, Karstädt	100	100	119,134	82,426	36,708	-277,237
Biogas Ruest GmbH, Ruest	100	100	92,203	10,149	82,054	-30,229
EnviTec Biogas Betriebs GmbH & Co. KG, Lohne	100	100	28,861,942	21,537,731	724,210	1,649,967
Biogas Herzberg GmbH & Co. KG, Lohne	100	100	1,133,910	623,251	510,659	484,604
Biogas Lüchow GmbH & Co. KG, Lohne	100	100	3,254	-147,944	151,198	-447,859
Biogas Friedland GmbH & Co. KG, Lohne	87.5	87.5	6,240,823	5,279,805	1,661,018	1,114,735
Biogas Friedland Verwaltungs GmbH, Lohne	87.4	87.4	185,447	178,511	6,936	6,875
Biogas Böddenstedt GmbH & Co. KG, Salzwedel	100	100	402,174	357,663	144,511	183,254
Biogas Böddenstedt Verwaltung GmbH, Salzwedel	100	100	45,603	41,516	4,088	2,647
Biogas Schönthal GmbH & Co. KG, Willebadessen	79	79	540,262	380,063	160,199	-57,622
Biogas Schönthal Verwaltungs GmbH, Willebadessen	79	79	48,011	46,446	1,564	1,583
Baura Biogas Soc. Agricola a.r.l., Verona/Italy	75	75	1,099,483	1,116,153	283,330	298,284
Formignana Biogas Soc. Agricola a.r.l., Verona/Italy	100	100	2,515,892	2,269,643	246,249	223,452
Biogas Operating Holding s.r.l., Verona/Italy	100	100	3,736,139	3,985,932	-249,793	-114,785
Schio Biogas Soc. a.r.l., Verona/Italy	100	100	2,263,111	1,882,550	380,561	-29,590
Caldogno Biogas Soc. a.r.l., Verona/Italy	100	100	2,466,578	2,247,790	218,787	220,847
Merlara Biogas Soc. a.r.l., Verona/Italy	100	100	2,772,498	2,612,848	159,650	353,424
A3 Water Solutions GmbH, Saerbeck	85	85	431,783	346,971	84,813	240,931
MMF MaxFlow Membran Filtration GmbH, Lohne	100	100	176,409	170,988	5,421	-25,626
Biogas Heilemann GmbH & Co. KG, Rotenburg/Wümme	70	70	2,669,065	2,181,451	562,614	303,528
Biogas Heilemann Verwaltungs GmbH, Rotenburg/Wümme	70	70	61,915	59,822	2,093	2,658
Biogas Heilemann-Holsten GmbH & Co. KG, Rotenburg/Wümme	70	70	555,588	326,956	228,633	254,020
Second Biogas Operating Holding s.r.l., Verona/Italy	100	100	12,571,929	13,645,794	730,601	448,929
Envitec France sarl, Pledran/France	100	100	2,060,244	-107,882	2,168,125	-566,352
Envitec Biogas UK Ltd., Rugeley/Great Britain	100	100	-959,861	-617,310	-286,670	-263,197
Biogas Nordholz GmbH, Minden	60	60	609,629	587,976	21,653	63,695
Biogas Klein Mühlhingen GmbH & Co. KG, Kleinmühlhingen	100	100	351,469	221,161	129,308	86,813
Biogas Schönwalde GmbH & Co. KG, Schönwalde	100	100	24,908	146,850	-121,943	44,766
Biogas Schönwalde Verwaltung GmbH, Schönwalde	100	100	44,326	42,652	1,675	1,609
Biogas Sachsendorf GmbH & Co. KG, Schwarz Sachsendorf	100	100	370,857	1,388,179	-1,017,322	554,127
Fünfte EnviTec Beteiligungs GmbH & Co. KG, Lohne	91	91	4,859,468	4,588,009	271,459	-115,504
Fünfte EnviTec Verwaltungs GmbH, Lohne	91	91	59,497	53,941	5,555	5,726
Biogas Schenkenhorst GmbH & Co. KG, Lohne	100	100	-286,808	-633,152	-103,656	80,593
Biogas Schenkenhorst Verwaltungs- GmbH, Lohne	100	100	30,786	29,252	1,534	1,722

Biogas Brehna GmbH & Co. KG, Lohne	90	90	199,158	250,650	-51,492	113,074
Biogas Kuck Verwaltungs- GmbH, Wiefelstede	100	100	30,725	29,055	1,670	1,722
Biogas Dambeck GmbH & Co. KG, Lohne	100	100	1,277,235	1,024,009	253,226	113,652
Biogas Dambeck Verwaltungs- GmbH, Lohne	100	100	48,419	46,105	2,315	2,394
Biogas Kruse Verwaltungs- GmbH, Lohne	100	100	29,489	28,900	589	671
Biogas Kalbe GmbH & Co. KG, Lohne	100	100	582,111	445,443	136,668	-228,423
Vierte EnviTec Beteiligungs GmbH & Co. KG, Lohne	84	84	-31,282	-25,141	-6,141	9,747
Biogas Trüstedt GmbH & Co. KG, Lohne	100	100	433,583	624,880	-191,297	-91,056
Biogas Trüstedt Verwaltungs- GmbH, Lohne	100	100	40,166	38,524	1,642	1,722
EnviTec Biogas USA, Inc., Rochester/USA	100	100	-2,451,439	-2,501,556	230,909	-148,879
EnviTec Biogas s.r.l., Verona/Italy	100	100	2,849,754	3,010,339	-160,585	206,629
EnviTec Biogas Service UK Ltd., Rugeley/Great Britain	100	100	909,195	611,577	252,842	249,318
EnviTec BioLNG GmbH, Lohne (formerly Dritte EnviTec Verwaltungs GmbH, Lohne)	100	100	2,559,789	107,865	1,924	3,227
EnviTec Biogas Service s.r.o., Velké Mezirici/Czech Republic	100	85	672,456	2,068,308	541,782	535,767
EnviTec Assekuranzmakler GmbH, Lohne	75	75	159,109	127,800	31,309	50,243
Biogas Wanzleben GmbH & Co. KG, Wanzleben	90	90	612,148	1,033,923	-21,775	238,629
Biogas Wanzleben Verwaltungs GmbH, Wanzleben	90	90	47,596	45,978	1,617	1,590
Biogas Thomasburg GmbH & Co. KG, Lohne	90.6	90.6	571,948	1,181,307	-209,360	309,937
Biogas Thomasburg Verwaltungs GmbH, Lohne	90.6	90.6	48,646	46,975	1,672	1,626
Biogas Nieheim GmbH & Co. KG, Lohne	64.8	64.8	1,456,567	1,049,521	407,045	359,533
Biogas Nieheim Verwaltungs GmbH, Lohne	64.8	64.8	48,377	46,804	1,573	1,722
RePro Beber GmbH & Co. KG, Lohne	64.6	64.6	1,259,076	1,131,709	527,368	567,127
RePro Beber Verwaltungs GmbH, Lohne	64.6	64.6	49,414	47,772	1,643	1,581
Biogas Hirl GmbH & Co. KG, Bresegard	94	94	866,970	732,846	134,124	154,421
Biogas Hirl Verwaltungs GmbH, Bresegard	94	94	47,448	45,823	1,625	1,621
Biogas Osterburg GmbH & Co. KG, Lohne	100	100	702,213	468,625	233,588	123,986
Biogas Angern GmbH & Co. KG, Lohne	87.5	87.5	460,785	519,004	141,781	255,023
Biogas Angern Verwaltungs GmbH, Lohne	87.5	87.5	50,028	48,423	1,605	1,589
Biogas Reinsfeld GmbH & Co. KG, Lohne	100	100	-54,085	-36,061	-18,024	25,092
Biogas Reinsfeld Verwaltung GmbH, Lohne	100	100	40,613	39,133	1,480	1,485
Biogas Forst GmbH & Co. KG, Forst	100	100	6,821,655	5,967,098	1,604,557	-405,980
EnviTec Anlagenbau GmbH & Co. KG, Saerbeck	100	100	30,540,943	21,840,448	8,700,494	5,512,110
EnviTec Anlagenbau Verwaltungs GmbH, Saerbeck	100	100	37,632	36,026	1,605	1,660
Biogas Neuburg Steinhausen GmbH & Co. KG, Lohne	100	75	4,815,968	4,276,877	539,091	1,973,601
Biogas Neuburg Steinhausen Verwaltungs GmbH, Lohne	100	75	32,121	30,795	1,327	1,418
Biogas Löschenrod GmbH & Co. KG, Lohne	94	94	-149,597	-88,024	-61,573	142,537
Biogas Löschenrod Verwaltungs GmbH, Lohne	94	94	46,846	45,217	1,629	1,543
Erste Biogas Bützow Betriebs GmbH & Co. KG, Bützow	100	100	636,868	397,800	239,068	198,699
Dritte Biogas Bützow Betriebs GmbH & Co. KG, Bützow	54.4	54.4	714,951	490,405	224,546	208,589

Vierte Biogas Bützow Betriebs GmbH & Co. KG, Bützow	60.5	60.5	838,519	638,847	199,672	218,259
Fünfte Biogas Bützow Betriebs GmbH & Co. KG, Lohne	100	100	1,712,035	1,308,313	603,722	218,421
Biogas Horst GmbH & Co. KG, Lohne	90	90	3,410	-110,323	113,733	122,721
Biogas Horst Verwaltungs GmbH, Lohne	100	100	40,099	38,396	1,704	1,626
EnviTec Service ApS, Silkeborg/Denmark	100	100	305,389	140,530	164,859	57,341
EnviTec Biogas China Ltd., Peking/China	60	60	42,208	44,781	-6,808	-45,752
Biogas Petersberg GmbH & Co. KG, Lohne	100	100	-476,765	-76,476	-400,288	-49,292
Biogas Petersberg Verwaltungs GmbH, Lohne	100	100	26,389	24,719	1,669	769
Biogas Golzow GmbH & Co. KG, Lohne	94	94	1,216,590	1,027,364	305,101	340,189
EnviTec Bioenergie Güstrow GmbH, Güstrow	100	100	4,067,043	40,296	-973,253	-2,675
EnviTec Iberica S. L., Bilbao/Spain	100	100	NA	NA	NA	NA

The consolidated financial statements of EnviTec Biogas AG comprise the following associated companies:

Name and head office of the company	Group share in %		Equity capital in EUR		Result in EUR	
	2021	2020	2021	2020	2021	2020
EnviTec Biogas Del-Kelet kft., Hungary*	51,14	51,14	NA	NA	NA	NA
EnviTec Biogas (India) Private Limited, India	50	50	NA	NA	NA	NA
EnviTec-Greten Behälterbau GmbH & Co. KG, Lohne	50	50	1.178.637	870.747	307.890	281.430
EnviTec-Greten Behälterbau Verwaltungs-GmbH, Lohne	50	50	31.216	30.371	844	898
Biogas Neu Sterley GmbH & Co. KG, Lohne	50	50	2.076.748	2.118.217	828.531	706.584
Biogas Neu Sterley Verwaltungs GmbH, Lohne	50	50	49.043	47.289	1.754	1.628
Biogas Spekendorf GmbH & Co. KG, Lohne	50	50	447.213	445.665	101.548	10.706
Biogas Spekendorf Verwaltung GmbH, Lohne	50	50	50.303	48.711	1.591	1.470
Biogas Gut Rigterink GmbH & Co. KG, Bad Bentheim	50	50	-432.681	-375.033	-57.648	-126.725
Biogas Gut Rigterink Verwaltungs GmbH, Bad Bentheim	50	50	44.493	42.895	1.598	1.636
Biogas Putzar GmbH & Co. KG, Putzar	50	50	808.910	670.585	388.324	457.980
Biogas Putzar Verwaltungs GmbH, Putzar	50	50	46.033	44.476	1.557	1.555
Knipgas GmbH & Co. KG, Kleve	50	50	83.162	56.586	26.576	-19.750
Knipgas Verwaltungs GmbH, Kleve	50	50	42.234	40.750	1.484	1.426
Biogas Dishley GmbH & Co. KG, Lohne	50	50	1.396.125	1.935.110	-288.986	378.458
Biogas Dishley Verwaltungs GmbH, Lohne	50	50	41.267	39.764	1.503	1.468
Biogas Exter GmbH & Co. KG, Vlotho-Exter	49	49	454.316	407.601	46.714	159.286
Biogas Exter Verwaltungs GmbH, Vlotho-Exter	49	49	42.830	41.729	1.102	1.499
Biogas Ihorst GmbH & Co. KG, Holdorf	30	30	NA	NA	NA	NA
Biogas Ihorst Verwaltungs GmbH, Holdorf	30	30	NA	NA	NA	NA
Rentech Bioenergas S.A., Athen/Griechenland	21	21	NA	NA	NA	NA
Biogas Potthast GmbH & Co. KG, Beverungen	50	50	1.301.678	1.311.577	290.101	294.047
Biogas Potthast Verwaltungs GmbH, Beverungen	50	50	44.902	43.215	1.687	1.709

Biogas Kleve GmbH & Co. KG, Kleve	50	50	219.614	215.706	3.908	27.073
Biogas Kleve Verwaltungs GmbH, Kleve	50	50	43.376	41.718	1.659	1.599
Biogas Altentreptow GmbH & Co. KG, Altentreptow	50	50	2.159.697	1.836.950	322.746	62.773
Biogas Altentreptow Verwaltungs GmbH, Altentreptow	50	50	43.568	41.791	1.776	1.672
Biogas Roga GmbH & Co. KG, Datzetal	50	50	973.338	978.870	-5.532	332.802
Biogas Roga Verwaltungs GmbH, Datzetal	50	50	37.977	36.943	1.035	1.082
Biogas Elm GmbH & Co. KG, Bremervörde	49	49	983.944	747.403	236.541	256.577
Biogas Elm Verwaltungs GmbH, Bremervörde	49	49	48.538	46.692	1.847	1.935
Biogas Brakel GmbH & Co. KG, Brakel	50	50	568.358	597.030	171.327	-8.583
Biogas Brakel Verwaltungs GmbH, Brakel	50	50	43.801	42.253	1.548	1.411
Biogas Penzlin GmbH & Co. KG, Lohne	50	50	125.205	436.851	-311.646	211.774
Biogas Penzlin Verwaltungs GmbH, Lohne	50	50	40.951	39.355	1.595	1.565
Biogas Dirkes GmbH & Co. KG, Südmerzen	50	50	548.381	413.191	135.190	96.213
Biogas Dirkes Verwaltungs GmbH, Südmerzen	50	50	43.963	42.375	1.588	1.626
Biogas Grieben GmbH & Co. KG, Grieben	49	49	485.475	678.647	-193.172	214.443
Biogas Grieben Verwaltungs GmbH, Grieben	49	49	43.005	41.870	1.136	1.747
Biogas Rönnau GmbH & Co. KG, Ahlhorn	50	50	-1.299.066	-1.325.014	25.948	109.804
Biogas Rönnau Verwaltungs GmbH, Ahlhorn	50	50	42.611	41.108	1.503	1.492
Biogas Kruse GmbH & Co. KG, Lohne	50	50	618.125	541.213	76.912	160.227
Biogas Talge Verwaltungs- GmbH, Lohne	49	49	28.206	26.646	1.560	1.722
Biogas Talge GmbH & Co. KG, Lohne	49	49	419.846	270.070	149.776	-146.344
Biogas Kuck GmbH & Co. KG, Wiefelstede	49	49	33.094	-96.737	129.831	119.061
Saergas GmbH & Co. KG, Saerbeck	33,33	33,33	NA	NA	164.051	127.369
Biogas Gallin I GmbH & Co. KG, Gallin-Kuppentin, Gallin	50	50	740.902	645.502	295.400	187.616
Biogas Gallin I Verwaltungs GmbH, Gallin-Kuppentin, Gallin	50	50	38.084	36.665	1.419	1.402
Biogas Gallin II GmbH & Co. KG, Gallin-Kuppentin, Gallin	50	50	1.207.840	1.026.338	181.502	234.152
Biogas Gallin II Verwaltungs GmbH, Gallin-Kuppentin, Gallin	50	50	37.413	36.018	1.395	1.379
Alternativ-Energie Priborn GmbH & Co. KG, Priborn	50	50	557.409	529.921	27.488	61.013
Alternativ-Energie Priborn Verwaltungs GmbH, Priborn	50	50	45.876	45.370	506	402
Biogas Passin GmbH & Co. KG, Klein Belitz	50	50	472.512	399.118	153.394	-26.371
Biogas Passin Verwaltungs GmbH, Klein Belitz	50	50	28.667	26.609	2.058	1.163
OxFa GmbH, Scheßlitz	10,2	25,1	NA	NA	NA	NA
Zweite Biogas Bützow Betriebs GmbH & Co. KG	46,5	46,5	655.573	482.434	173.139	160.802
Methaisne Energie Vertes SAS, Courbevoie/France	33,33	33,33	NA	501.494	-731.539	-35.561
BALANCE EnviTec Bio-LNG GmbH, Ahrensfelde	49	0	5.005.743	0	-19.257	0
MEV Biomethane SAS, Courbevoie/France	33,33	0	NA	0	NA	0

* Due to arrangements in the articles of incorporation of EnviTec Biogas SEE kft., the EnviTec Group has no possibility to control the company although it holds the majority of the shares; consequently, EnviTec Biogas SEE kft. continues to be accounted for using the equity method.

EnviTec does not hold interests exceeding 20% in entities that are not fully consolidated or accounted for using the equity method in the consolidated financial statements.

In the fiscal year 2021, the exemption rule provided for in section 264 para. 3 and section 264b of the German Commercial Code (HGB) was applied by the following fully consolidated German Group companies:

Name and head office of the company
EnviTec Beteiligungs GmbH & Co. KG, Lohne
Zweite EnviTec Beteiligungs GmbH & Co. KG, Lohne
Biogas Schönthal GmbH & Co. KG, Willebadessen
Biogas Heilemann GmbH & Co. KG, Rotenburg/Wümme
Biogas Friedland GmbH & Co. KG, Lohne
EnviTec Biogas Betriebs GmbH & Co. KG, Lohne
Erste Biogas Anklam Betriebs GmbH & Co. KG, Anklam
Zweite Biogas Anklam Betriebs GmbH & Co. KG, Anklam
Biogas Herzberg GmbH & Co. KG, Lohne
Biogas Lüchow GmbH & Co. KG, Lohne
EnviTec Energy GmbH & Co. KG, Lohne
Biogas Groß Warnow GmbH & Co. KG, Karstädt
Biogas Falkenberg GmbH & Co. KG, Falkenberg
Biogas Heilemann-Holsten GmbH & Co. KG, Rotenburg
Biogas Sachsendorf GmbH & Co. KG, Schwarz
Biogas Dambeck GmbH & Co. KG, Friesoythe
Biogas Schenkenhorst GmbH & Co. KG, Lohne
Biogas Kalbe GmbH & Co. KG, Lohne
Biogas Brehna GmbH & Co. KG, Lohne
Fünfte EnviTec Beteiligungs GmbH & Co. KG, Lohne
Biogas Klein Mühlingen GmbH & Co. KG, Kleinmühlingen
Biogas Trüstedt GmbH & Co. KG, Lohne
Biogas Böddenstedt GmbH & Co. KG, Salzwedel
Biogas Schönwalde GmbH & Co. KG, Schönwalde
Biogas Thomasburg GmbH & Co. KG, Lohne
Biogas Hirl GmbH & Co. KG, Bresegard
RePro Beber GmbH & Co. KG, Lohne
Biogas Nieheim GmbH & Co. KG, Lohne
Biogas Wanzleben GmbH & Co. KG, Wanzleben

Biogas Angern GmbH & Co. KG, Lohne
Biogas Osterburg GmbH & Co. KG, Lohne
EnviTec Anlagenbau GmbH & Co. KG, Saerbeck
Biogas Reinsfeld GmbH & Co., KG, Lohne
Biogas Forst GmbH & Co. KG, Forst
Biogas Neuburg Steinhausen GmbH & Co. KG, Lohne
Vierte EnviTec Beteiligungs GmbH & Co. KG, Lohne
Biogas Löschenrod GmbH & Co. KG, Lohne
Erste Biogas Bützow Betriebs GmbH & Co. KG, Bützow
Dritte Biogas Bützow Betriebs GmbH & Co. KG, Bützow
Vierte Biogas Bützow Betriebs GmbH & Co. KG, Bützow
Fünfte Biogas Bützow Betriebs GmbH & Co. KG, Lohne
Biogas Horst GmbH & Co. KG, Lohne
EnviTec Service GmbH, Lohne
EnviTec Italia GmbH, Lohne
Biogas Petersberg GmbH & Co. KG, Lohne
Biogas Golzow GmbH & Co. KG, Lohne

2.3. Consolidation methods

The consolidated financial statements cover those entities in which EnviTec Biogas AG directly or indirectly holds the majority of the voting rights (subsidiaries) unless their influence on the net worth, financial and earnings position of the Group is of subordinate importance. Consolidation starts at the time at which the possibility to control exists and ends when the possibility of control no longer exists.

Where required, the financial statements of the subsidiaries are adjusted to reflect the accounting and valuation methods used by the Group.

With the exception of EnviTec Biogas (India) Private Limited, India, which was not consolidated for reasons of materiality (see 2.1), all subsidiaries prepare their separate financial statements as of 31 December of each year.

Capital consolidation

Business combinations are accounted for in accordance with section 301 HGB using the purchase method by netting the carrying amounts of the investments

with the remeasured equity capital of the subsidiaries at the time of their acquisition. Assets, liabilities and contingent liabilities of acquired subsidiaries are recognised at their respective fair values. A positive difference remaining after the purchase price allocation is capitalised as goodwill.

Debt consolidation

Receivables and liabilities between the consolidated companies are netted in accordance with section 303 of the German Commercial Code.

Expense and income consolidation

Expenses and income between consolidated entities are netted in accordance with section 305 HGB.

Elimination of intercompany profits and losses

Intercompany profits and losses from intragroup transactions pursuant to section 304 of the German Commercial Code (HGB) are eliminated and deferred tax assets and liabilities resulting from consolidation recognised in profit or loss are taken into account. Intragroup sales as well as all intragroup income have been netted against the relevant expenses without being recognised in profit/loss.

Equity accounting

The equity method is used to measure joint ventures and associated companies which are under the joint management (joint ventures) or controlling influence (associated companies) of EnviTec Biogas AG. For investments accounted for using the equity method in the consolidated financial statements, the acquisition costs are increased or decreased annually by the changes in equity corresponding to EnviTec's share in the equity capital. Upon the initial consolidation of investments using the equity method, differences resulting from the initial consolidation are treated according to the principles of full consolidation. No such differences were recognised as of 31 December 2021. The changes in pro-rated equity which are recognised in profit or loss are shown separately in the income statement.

3. Accounting and valuation principles

The consolidated financial statements were prepared in accordance with the general provisions of section 264 et seqq. HGB for large corporations as defined in section 267 para. 3 sentence 2 HGB, the provisions for consolidated financial statements stipulated in section 290 et seqq. HGB as well as the complementary provisions of the German Stock Corporation Act.

The financial statements of the entities covered by the consolidated financial statements as well as the companies valued at equity are based on uniform accounting and valuation principles.

Receivables and liabilities generally arise on a euro basis, which means that no currency translation is required. The financial statements of the consolidated companies are prepared in euros save for five exceptions. Equity is translated at historical rates, assets and liabilities in the foreign-currency financial statements are translated at the mean rates on the balance sheet date. Expense and income items are translated at average annual exchange rates. Exchange differences are recognised in equity. For details, please refer to the statement of changes in equity. The foreign-currency financial statements of the companies valued at equity are translated using the closing rate method.

Compared to the previous year, payments received on account of orders from overpaid projects were reclassified to the balance sheet item "Payments received on account of orders" within liabilities. In the previous year, these were reported under "Other liabilities". The prior year figures were adjusted accordingly.

Otherwise, the accounting, valuation and reporting methods remained unchanged from the previous year.

3.1. Intangible assets

Purchased intangible assets are capitalised at cost. If they have a determinable useful life, they are written off over a period of up to ten years using the straight-line method, unless the actual depreciation requires a different depreciation period.

Goodwill is written off using the straight-line method over 5 to 20 years. Goodwill was capitalised in the con-

solidated financial statements of EnviTec Biogas AG only for acquisitions. The useful lives reflect the lifecycles of the acquired companies.

3.2. Tangible assets

Property, plant and equipment are carried at acquisition or production cost less accumulated straight-line depreciation – with the exception of land and leasehold rights – and impairment losses.

Acquisition costs comprise the purchase price, ancillary costs and subsequent acquisition expenditure as well as cost reductions.

Production cost includes all direct costs attributable to the production process and a reasonable portion of the production-related overheads. Financing costs are not recognised.

Systematic depreciation of property, plant and equipment is performed according to the straight-line method or, where permissible, according to the declining balance method.

The useful lives on which depreciation is based reflect the estimated/anticipated useful lives for the Group and are shown in the table below:

	Useful life
Buildings	20 to 40 years
Other buildings	10 to 20 years
Technical equipment	6 to 20 years
Machinery and appliances	6 to 12 years
Operating and office equipment	3 to 11 years
Vehicles	5 to 8 years
IT-equipment	3 to 5 years

3.3. Financial assets

Financial assets are recognised at cost or at the lower value as of the reporting date.

3.4. Inventories

Raw materials and supplies are recognised at cost or at the lower value as of the reporting date.

Work in progress is recognised at production cost. Production cost includes material and manufacturing costs as well as appropriate overheads. Interest on borrowings is not included in the valuation. The lower of cost or market principle was considered in the valuation.

Payments on account made are recognised at their nominal amount.

Payments on account received for work in progress are set off from work in progress to the extent that they do not exceed the latter.

3.5. Receivables and other assets

Receivables and other assets are recognised at their nominal value or at the lower value as of the balance sheet date. Itemised allowances are established where required. Adequate general allowances are established for the general default risk of trade receivables.

3.6. Cash in hand and cash at banks

Cash in hand and cash at banks are recognised at their nominal values.

3.7. Prepaid expenses

Taking into account section 250 para. 1 HGB, prepaid expenses for payments made prior to the reporting date were recognised at the nominal value if they represented expenses for a certain period after this date.

3.8. Deferred taxes

Deferred taxes were recognised for temporary differences between the commercial balance sheet and the tax balance sheet as well as for tax losses carried forward that can be offset within five years. A tax rate of 28.08% is applied throughout the Group.

3.9. Provisions

The provisions cover all discernible risks and contingent liabilities. They were recognised at their settlement

values required according to prudent commercial judgement. Provisions with a remaining term of more than one year are discounted at the average market rate of the past seven fiscal years for the respective maturities.

3.10. Liabilities

Liabilities were recognised at their respective settlement amount.

3.11. Deferred income

Taking into account section 250 para. 2 HGB, deferred income received prior to the reporting date was recognised at the nominal value if it represented income for a certain period after this date.

4. Disclosures on balance sheet items

The required disclosures regarding the items of the consolidated balance sheet are provided below.

4.1. Fixed assets

The fixed asset items changed as follows:

	As at 01/01/2021	Additions 2021	Disposals 2021	Reclassifications 2021	As at 31/12/2021	As at 01/01/2021	Additions 2021	Disposals 2021	Write-ups	As at 31/12/2021	As at 31/12/2021	As at 31/12/2020
in EUR	Acquisition and production costs					Depreciation/amortisation					Carrying amounts	
FIXED ASSETS												
I. Intangible assets												
1. Purchased concessions, industrial property rights and related rights and assets as well as licenses for such rights and assets	5,892,431	226,218	0	0	6,118,649	5,304,438	292,121	0	0	5,596,559	522,090	587,993
2. Goodwill	13,380,633	2,578,387	0	0	15,959,020	6,625,978	1,051,660	0	0	7,677,638	8,281,382	6,754,655
3. Payments on account	109,449	29,542	0	0	138,991	0	0	0	0	0	138,991	109,449
	19,382,513	2,834,147	0	0	22,216,660	11,930,416	1,343,781	0	0	13,274,197	8,942,463	7,452,097
II. Tangible assets												
1. Land and leasehold rights and buildings, including buildings on third-party land	43,571,958	3,164,201	144,346	39,330	46,631,142	19,546,452	2,074,980	10,374	0	21,611,058	25,020,084	24,025,507
2. Technical equipment and machinery	142,097,838	4,523,297	6,357	37,634	146,652,412	94,346,456	10,190,158	0	1,314,361	103,222,253	43,430,160	47,751,382
3. Other fixtures, tools and equipment	26,618,007	2,989,665	1,566,644	2,775	28,043,803	17,608,607	2,252,907	1,223,991	0	18,637,523	9,406,280	9,009,400
4. Payments on account and plants under construction	1,178,193	1,703,818	8,118	-79,738	2,794,155	409,343	0	0	0	409,343	2,384,811	768,849
	213,465,996	12,380,980	1,725,464	0	224,121,513	131,910,858	14,518,045	1,234,365	1,314,361	143,880,178	80,241,336	81,555,138
III. Financial assets												
1. Shares in at-equity investments	13,584,426	3,851,809	1,374,109	-127,500	15,934,626	804,297	0	0	0	804,297	15,130,328	12,780,129
2. Equity holdings	335,119	3,000	0	127,500	465,619	0	0	0	0	0	465,619	335,119
3. Receivables from companies in which an interest is held*	7,311,655	1,529,000	1,030,000	0	7,810,655	1,332,990	491,000	0	0	1,823,990	5,986,666	5,978,666
4. Other loans*	13,081,021	1,380,501	669,960	0	13,791,562	5,668,496	0	0	0	5,668,496	8,123,066	7,412,524
	34,312,221	6,764,310	3,074,069	0	38,002,462	7,805,784	491,000	0	0	8,296,784	29,705,679	26,506,438
	267,160,731	21,979,437	4,799,533	0	284,340,635	151,647,058	16,352,826	1,234,365	1,314,361	165,451,158	118,889,477	115,513,673

*The figures in the "reclassifications" column relate to transfers from current assets to fixed assets and vice versa.

4.2. Goodwill

Systematic depreciation amounted to 1,052 in the reporting period.

4.3. Receivables and other assets

Other assets include receivables from refunds of input tax and advance tax payments in the amount of kEUR 9,246 (previous year: kEUR 5,885), which legally arise only after the reporting date.

4.4. Prepaid expenses

Prepaid expenses include discounts in the amount of kEUR 6 (previous year: kEUR 32).

Besides discounts, the prepaid expense item essentially includes the payment of loan processing fees, leases and ground rent as well as insurance premiums for periods after the reporting date.

4.5. Deferred taxes

Deferred taxes are determined on the basis of temporary differences between the values recognised of assets and liabilities and their tax values as well as for tax losses carried forward.

The company's tax rate of 28.08% was used for the valuation (15.825% corporate income tax including solidarity surcharge and 12.25% trade tax). The trade tax rate is derived from the average trade tax factor of 350%.

	31/12/2021	31/12/2020	Change
Deferred tax assets			
Tax losses carried forward	1,027	1,736	-709
Technical equipment and machinery	1,848	1,483	365
Trade receivables	518	947	-429
	3,393	4,166	-773
Deferred tax liabilities			
Work in progress	1,311	1,240	71
Technical equipment and machinery	56	65	-9
	1,367	1,305	62

4.6. Equity capital

The company's share capital totals EUR 15,000,000.00. The balance sheet shows own shares of a nominal value of EUR 150,000.00 separately from the equity capital. The portion of the purchase price of the own shares that exceeds the nominal amount of EUR 1,752,000.00 has been offset against the revenue reserves. The share capital is divided into 15,000,000 bearer shares with a par value of EUR 1.00 per share.

Changes in accumulated profits

	kEUR
Consolidated net profit	16,869
Profit carried forward as of 1 January 2021	15,555
Payout to shareholders	-14,850
Profit attributable to minority shareholders	-1,097
Increase recognised in equity	939
Income from withdrawals from the capital reserve pursuant to section 272 para. 2 No. 4 HGB to accumulated profits	85,000
Consolidated accumulated profit as of 31 December 2021	102,416

4.7. Liabilities

Liabilities are composed as follows:

	Remaining term up to 1 year	Remaining term 1 to 5 years	Remaining term more than 5 years	Total
EUR				
31/12/2021				
Liabilities to banks	20,767,875.44	26,158,712.98	873,096.23	47,799,684.65
Advance payments received on account of orders	14,453,452.43	0.00	0.00	14,453,452.43
Trade liabilities	19,323,525.34	0.00	0.00	19,323,525.34
Liabilities towards companies in which an interest is held	4,504,597.93	0.00	0.00	4,504,597.93
Liabilities to shareholders	328,792.76	0.00	0.00	328,792.76
Other payables	16,906,379.42	0.00	0.00	16,906,379.42
	76,284,623.32	26,158,712.98	873,096.23	103,316,432.53
thereof tax liabilities	6,385,282.48			
thereof social security liabilities	191,104.93			
EUR				
31/12/2020				
Liabilities to banks	20,661,553.02	31,646,611.18	4,604,196.12	56,912,360.32
Advance payments received on account of orders	5,654,948.05	0.00	0.00	5,654,948.05
Trade liabilities	16,070,729.85	0.00	0.00	16,070,729.85
Liabilities towards companies in which an interest is held	1,686,237.76	0.00	0.00	1,686,237.76
Liabilities to shareholders	672,980.17	0.00	0.00	672,980.17
Other payables	16,270,680.76	0.00	0.00	16,270,680.76
	55,362,181.56	31,646,611.18	4,604,196.12	91,612,988.86
thereof tax liabilities	4,634,945.88			
thereof social security liabilities	189,253.27			

Collateral furnished

Liabilities to banks in the amount of kEUR 37,375 are secured by the assignment of property, plant and equipment, the assignment of claims under existing contracts

as well as a pledge on business assets. The items of property, plant and equipment furnished as collateral have a carrying amount of kEUR 39,330.

4.8. Derivative financial instruments

Currency risks

The company uses currency forwards to hedge the foreign currency risk. Where legally permissible, hedging relationships within the meaning of section 254 HGB are recognised. These are recognised to hedge individual receivables or liabilities or a group of receivables and liabilities. Currency forwards have the same amount, currency and maturity as the hedged items. The individual hedge relationships are therefore classified as effective over the entire hedging period.

As of 31 December 2021, the company had currency forwards in the amount of kUSD 4,710.

5. Disclosures on the consolidated income statement

The required disclosures regarding the items of the consolidated income statement are provided below.

Sales revenues

A breakdown of sales revenues by activities and geographic markets is provided below, reflecting the income and expense consolidation:

in kEUR	Activities							
	Plant Construction*		Service		Own Plant Operation		Total	
Geographic market	2021	2020	2021	2020	2021	2020	2021	2020
Germany	1,790	1,204	27,357	26,605	135,126	94,941	164,273	122,750
Italy	0	0	5,233	5,755	15,533	15,260	20,766	21,015
Great Britain	-10	500	1,995	1,761	0	0	1,985	2,261
Czech Republic	0	0	5,033	3,892	0	0	5,033	3,892
France	54,670	23,776	0	0	0	0	54,670	23,776
Denmark	7,842	11,750	1,392	1,263	0	0	9,234	13,013
USA	716	0	0	0	0	0	716	0
China	63	112	0	0	0	0	63	112
Greece	2,023	4	0	0	0	0	2,023	4
Estonia	1,584	3,227	0	0	0	0	1,584	3,227
Others	1,428	1,525	592	702	0	0	2,020	2,227
	70,106	42,094	41,602	39,978	150,659	110,201	262,367	192,273

* incl. sales revenues of the holding company

Depreciation/amortisation

Depreciation/amortisation in the 2021 consolidated financial statements prepared in accordance with the German Commercial Code comprises systematic amortisation of capitalised goodwill in the amount of kEUR 1,052.

Due to the positive trend in the biomethane price and positive contract conclusions at a fully consolidated subsidiary, the economic use could be guaranteed again, so that a write-up in the amount of kEUR 1,314 was made.

6. Explanations regarding the cash flow statement

Cash and cash equivalents at the beginning and the end of the cash flow statement comprise cash in hand, cash deposits at the Bundesbank, cash at banks and cheques (kEUR 19,813) as well as liabilities to banks payable on demand (kEUR 7,323).

Additions to cash and cash equivalents through company acquisitions were received in the fiscal year from a subsequent purchase price payment from the sale of shares in previous years in the amount of kEUR 2,324. On the other hand, there were outflows of cash and cash equivalents of kEUR 12,381 for investments in property, plant and equipment, mainly caused by investments in the plant in Güstrow, and kEUR 2,472 for investments in shareholdings accounted for using the equity method in a joint venture.

The proceeds from the withdrawal of at-equity investments (kEUR 1,307) relate to withdrawals which have no effect on the equity investment structure.

As of the reporting date on 31 December 2021, access to cash and cash equivalents in the amount of kEUR 2,179 (previous year: kEUR 2,204) was restricted. These are reserve holdings set aside as per obligations under various debt capital agreements in connection with the construction of biogas plants.

7. Other disclosures

Contingent liabilities and other financial obligations

Contingent liabilities

As of the reporting date, the Group had extended a guaranty in the amount of kEUR 207 (previous year: kEUR 311) towards DKB for obligations of a subsidiary accounted for using the equity method. The risk of claims being raised under this guaranty is below 50%.

As of the reporting date, the Group had furthermore extended a guaranty in the amount of kEUR 150 (previous year: kEUR 200) towards Sparkasse Rotenburg-Bremervörde for obligations of a subsidiary accounted for using the equity method. The risk of claims being raised under this guaranty is below 50%.

In addition, a guaranty in the amount of kEUR 150 (previous year: kEUR 150) in favour of Nord LB existed from the Group's point of view for an entity accounted for using the equity method. Here, too, the risk of claims being raised under this obligation is below 50%.

Moreover, the Group extended a guaranty in the amount of kEUR 150 (previous year: kEUR 150) in favour of Nord LB for an entity accounted for using the equity method. Here, too, the risk of claims being raised under this obligation is below 50%.

Otherwise, a guaranty towards Nord LB in the amount of kEUR 500 (previous year: kEUR 500) existed from the Group's point of view in favour of an entity accounted for using the equity method. Here, too, the risk of claims being raised under this obligation is below 50%.

Moreover, a guaranty towards Nord LB in the amount of kEUR 125 (previous year: kEUR 125) existed from the Group's point of view in favour of an entity accounted for using the equity method. Here, too, the risk of claims being raised under this obligation is below 50%.

Furthermore, a guaranty in the amount of kEUR 225 (previous year: kEUR 225) was issued towards Kreis-sparkasse Steinfurt in favour of an entity accounted for using the equity method from the Group's point of view. Here, too, the risk of claims being raised under this obligation is below 50%.

Other financial obligations

Other financial obligations are shown below:

in kEUR	Total	Remaining term		
		up to 1 year	1 to 5 years	more than 5 years
From rental agreements	1,299	137	511	651
From purchase commitments	5,812	5,812	0	0
From license agreements	248	83	165	0
From lease agreements	7	5	2	0
Total	7,366	6,037	678	651

In addition, some of the own plants have rental agreements of minor importance.

Post balance sheet events/findings

Due to Russia's invasion of Ukraine, electricity and gas prices have risen even further in 2022, increasing the trading volume in the energy sector. This may also increase the demand for renewable energy sources, including biogas.

At the same time, however, the above incident also entails risks regarding supply chains and growing inflation.

For more information, please refer to the management report.

Fees of the auditors of the consolidated financial statements

The following fees were recognised as expenses for the services provided by the auditors of the consolidated financial statements, Kohl & Zerhusen GmbH:

	2021 in kEUR
Audit fees	100
Tax consulting fees	149
Total	249

Related party disclosures

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

Staff

The table below shows the average staff numbers of the worldwide member companies of the EnviTec Group in 2021:

	2021	2020
Blue-collar staff	43	43
White-collar staff	475	434
Total	518	477

Governing bodies of the company

Executive Board

The Executive Board was composed of the following members in the past fiscal year:

Olaf von Lehmden, Businessman,
Chief Executive Officer (CEO)
since 1 July 2007

Jörg Fischer, Weyhe, Businessman,
Chief Financial Officer (CFO)
since 1 July 2007

Jürgen Tenbrink, Steinfurt, Engineer,
Chief Technology Officer (CTO)
since 1 July 2010

No other mandates are held by the members of the Executive Board.

The compensation of the Executive Board consists of the following components

- > Fixed compensation in the form of a monthly salary
- > Variable compensation based on the operating result of the EnviTec Group and the achievement of personal targets

As compensation for a competition prohibition imposed on them following the regular end of their activity as a member of the Executive Board, the members of the Executive Board will receive an ex gratia payment equal to 50% of the fixed compensation last received for a period of up to one year. In the event of premature termination of their activity as a member of the Executive Board, the ex gratia payment depends on the circumstances of the termination pursuant to section 75 of the German Commercial Code.

The following compensation was paid to the members of the Executive Board in the fiscal year 2021:

in EUR	2021	2020
Fixed compensation	427,625	427,625
Variable compensation	356,500	188,391
Other compensation*	38,965	44,563
Total	823,090	660,579

* Other compensation includes benefits in money's worth resulting from the use of company cars as well as the portions of the D&O insurance attributable to the Executive Board members.

Supervisory Board

Appointees to the Supervisory Board in the reporting period:

- > Mr Tobias Schulz (Chairman),
Managing Director of SCHULZ Systemtechnik,
Visbek
Member of the Supervisory Board of Boom Software AG, Leibnitz (Austria)
- > Mr Michael Böging,
Managing Director of Unternehmensgruppe
Weiße Köpfe GmbH, Emstek
- > Mr Franz-Josef Holzenkamp (Vice Chairman),
Agricultural entrepreneur, Chairman of the Supervisory Board of AGRAVIS Raiffeisen AG, member of the Supervisory Board of LVM Krankenversicherungs-AG, member of the Supervisory Board of LVM Lebens-

versicherungs-AG, member of the Supervisory Board of LVM Landwirtschaftlicher Versicherungsverein Münster a.G.,
President of Raiffeisenverband e.V. (DRV)

In the fiscal year 2021, the Supervisory Board did not receive any fixed compensation for its activity at EnviTec Biogas AG (previous year: EUR 0).

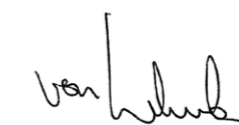
Other compensation (meeting attendance fees and refunds of expenses) was not paid (previous year: EUR 0).

8. Profit appropriation

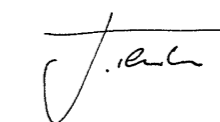
The Executive Board and the Supervisory Board of EnviTec Biogas AG will propose a dividend of EUR 1.00 per share to the shareholders at the ordinary Annual General Meeting on 5 July 2022. Including own shares held by the company, this is equivalent to a total dividend payout of kEUR 14,850.

Given that the profit distribution requires the approval of the Annual General Meeting, no liability has been recognised in the balance sheet.

Lohne, 13 May 2022



Olaf von Lehmden



Jürgen Tenbrink



Jörg Fischer

FINANCIAL CALENDAR

17 MAY 2022
ANNUAL ACCOUNT 2021

05 JULY 2022
ANNUAL GENERAL MEETING

30 SEPTEMBER 2022
INTERIM REPORT 1ST HALF YEAR 2022

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