

## Press Release

### Annual results: VERBIO again closes the most successful financial year in the company's history and announces new investments

- Continued growth: Group sales rise to EUR 872.4 million
- EBITDA reaches a new record of EUR 122.1 million
- New investments planned
- Production of BioLNG becomes a focus project
- Proposed dividend of EUR 0.20 per qualified share

**Leipzig, September 23, 2020** - VERBIO Vereinigte BioEnergie AG once again achieved record results in financial year 2019/2020 compared to the previous year. Despite the market distortion in the biofuels segment as a result of limited mobility during the COVID-19 shutdown in Germany, the company increased its sales by 11.9 percent to EUR 872.4 million (previous year: EUR 779.3 million). EBITDA reached EUR 122.1 million which is an increase by 28.4 percent compared to 2018/2019. This means that the financial year result is well above VERBIO's own forecast and market expectation from September 2019.

Compared to the previous year, the total production of biodiesel and bioethanol increased to 796,411 tons (previous year: 721,126 tons). The capacity utilization amounts to 86.6 percent, considering that the biodiesel plant acquired in Canada only gradually started production from August 2019. In biomethane production, VERBIO has set another production record with 784.4 gigawatt hours (Previous year: 706.6 gigawatt hours).

#### Growth potential and resistance to crisis impressively approved

The CEO Claus Sauter is very satisfied with the overall result: "After very successful nine months at the beginning of the financial year, COVID-19 had a decisive impact on the last quarter of our reporting period. We accepted the crisis as an opportunity breaking new grounds and developing new ideas. Our full year result is again well above our original forecast."

Right at the beginning of the pandemic, VERBIO set up a production for hand and surface disinfectants and reorganized logistics and sales accordingly. Bioethanol and glycerine from the company's own product range are used as main raw materials in disinfectants production.

"With the disinfectants production, we have both assumed social responsibility and secured employment in a declining biofuels market. The pandemic has once again revealed the specific DNA of VERBIO: to react quickly, flexibly and with commitment to changed framework conditions," emphasizes Claus Sauter.

#### Investments remain at a high level

In the past financial year, VERBIO again invested in future profitable growth. Investments in property, plant and equipment totaled to EUR 66.5 million (Previous year: EUR 63.8 million).

---

#### VERBIO Vereinigte BioEnergie AG

Ulrike Kurze  
Marketing/PR  
Ritterstraße 23 (Oelßner's Hof), 04109 Leipzig  
Tel.: +49 176 13085404  
Fax: +49 341 308530-999  
E-Mail: [ulrike.kurze@verbio.de](mailto:ulrike.kurze@verbio.de)

Constanze Reinsberg  
WeichertMehner GmbH & Co. KG  
An der Dreikönigskirche 5, 01097 Dresden  
Tel.: +49 351 50140-205  
Fax: +49 351 50140-209  
E-Mail: [verbio@weichertmehner.com](mailto:verbio@weichertmehner.com)

## Press Release

In addition to the technological optimization of the biodiesel plant in Canada, investments focused on projects in India and North America. The commissioning of the straw biomethane plants in Punjab (India) and Iowa (USA) is planned for 2021 despite delay in construction work due to COVID-19.

VERBIO will strengthen its internationalization strategy in the future. In addition to the commissioning of the straw biomethane production, VERBIO will rebuild the plant in Iowa into a biorefinery following the example of its German plants. This technology combines the production of bioethanol and biomethane in a highly-efficient integrated production.

VERBIO is the largest manufacturer of so-called "advanced biofuels" in accordance with the regulations of RED II (Renewable Energy Directive II) in Europe. Hardly any other company in the global biofuels market is so well positioned: "We have the technologies, the strategies and, above all, the skilled employees to further expand our leading position," says Claus Sauter. VERBIO employs 725 people worldwide, including around 40 in the various internal R&D areas (as of June 30, 2020).

### Improved framework conditions for new investments in Germany and Europe expected

There can be expected a new drive in the European biofuels market. The EU is aiming for climate neutrality by 2050 - by 2030, CO<sub>2</sub> emissions in transport should be reduced by 40 percent. A reduction of 55 percent by 2030 is currently being discussed. At the national level, the Federal Ministry of Economics and the Federal Ministry of Transport are demanding an "ambitious increase" in the greenhouse gas reduction quota (GHG quota) from the current six percent to 19 to 23 percent by 2023.

Thanks to the funding mechanisms for low-emission trucks initiated by the Federal Ministry of Transport, the number of CNG and LNG trucks in long-distance freight transport has massively increased since 2018. These trucks can be operated with 100 percent biomethane which cuts emissions by 90 percent. Consequently, sales potential for biomethane in the transport sector has more than doubled.

VERBIO will convert almost its entire truck fleet to CNG / LNG drive by mid-2021 and operate it with the biomethane from its own production.

Claus Sauter says: "Andreas Scheuer solved 'the chicken or the egg problem' with gas-powered trucks. The freight forwarders are investing in new low-emission trucks and the filling station operators in new CNG / LNG stations. I was particularly surprised by the development of LNG. We expect BioLNG - liquefied biomethane - to become an important driver for decarbonisation. Therefore, VERBIO will invest in liquefaction plants for biomethane at its locations in Schwedt and Zörbig (Germany) and will start BioLNG production in summer 2021. At the same time we are examining the construction of further biomethane plants in Eastern Europe, where we also want to produce BioLNG from straw and residues. "

---

#### VERBIO Vereinigte BioEnergie AG

Ulrike Kurze  
Marketing/PR  
Ritterstraße 23 (Oelßner's Hof), 04109 Leipzig  
Tel.: +49 176 13085404  
Fax: +49 341 308530-999  
E-Mail: [ulrike.kurze@verbio.de](mailto:ulrike.kurze@verbio.de)

Constanze Reinsberg  
WeichertMehner GmbH & Co. KG  
An der Dreikönigskirche 5, 01097 Dresden  
Tel.: +49 351 50140-205  
Fax: +49 351 50140-209  
E-Mail: [verbio@weichertmehner.com](mailto:verbio@weichertmehner.com)

## Press Release

“The strict climate targets cannot be solely achieved with renewable electricity. The pressure from business and society is finally having an effect. There will be no turnaround in transport without sustainable biofuels. Biomethane from straw, slurry or manure does not compete with food production and achieves at least 90 percent CO<sub>2</sub> savings. It is the perfect, climate-neutral fuel of the future,” explains Claus Sauter.

And adds: “With the ‘German and European Hydrogen Strategy’ and the ‘Gas Dialog 2030’, promising concepts and significant budgets have been announced. The Federal Government and the European Commission have to prove how these can be converted into binding legal requirements and functioning, effective business models. ”

Due to the improved framework conditions, the VERBIO CEO could imagine potential investments in Germany and Europe: “We have been waiting for 15 years. We can finally invest again in new plants in Europe and further expand our biomethane production from agricultural residues. We will be the largest European provider of BioLNG from mid-2021.”

### Dividend

As in the previous year, the Executive Board and the Supervisory Board will propose a dividend of EUR 0.20 per qualifying share at the Annual General Meeting in January 2021.

### Adjustment of production capacity

The production capacity for biomethane was adjusted to 900 gigawatt hours per year on July 1, 2020 (previously: 750 gigawatt hours). The increase in production capacity is based on a further optimization of the efficiency of existing production.

### Outlook for the financial year 2020/2021

Based on the current level of sales and raw material prices, the planned plant utilization, but without taking into account potential profit and loss impacts with regard to the continued existence of the COVID-19-pandemic, the Management Board expects to achieve an EBITDA in the order of EUR 130 million in the financial year 2020/2021. The Group intends to further invest in capacity expansion and internationalization in the current financial year. This will be partially financed from the Group’s own funds accumulated in prior periods as well as current operating cash flow. At the end of the 2020/2021 financial year, the Management Board expects net financial assets in the order of EUR 50 million.

Detailed information on business developments in the 2019/2020 financial year is provided in the annual report for the financial year 2019/2020. The report, together with the non-financial statement and the respective Corporate News are available at [.https://www.verbio.de/investor-relations/](https://www.verbio.de/investor-relations/)

---

#### VERBIO Vereinigte BioEnergie AG

Ulrike Kurze  
Marketing/PR  
Ritterstraße 23 (Oelßner’s Hof), 04109 Leipzig  
Tel.: +49 176 13085404  
Fax: +49 341 308530-999  
E-Mail: [ulrike.kurze@verbio.de](mailto:ulrike.kurze@verbio.de)

Constanze Reinsberg  
WeichertMehner GmbH & Co. KG  
An der Dreikönigskirche 5, 01097 Dresden  
Tel.: +49 351 50140-205  
Fax: +49 351 50140-209  
E-Mail: [verbio@weichertmehner.com](mailto:verbio@weichertmehner.com)

## Press Release

### Information about VERBIO Vereinigte BioEnergie AG (VERBIO)

VERBIO AG is one of the leading independent bioenergy manufacturers, and is also the only large-scale producer of biodiesel, bioethanol and biomethane in Europe. The Group has approximately 700 employees at its locations in Saxony, Saxony-Anhalt and Brandenburg as well as at its foreign subsidiaries in India, the USA, Canada, Poland and Hungary. VERBIO concentrates on the use of internally developed innovative technologies and efficient energy-saving production processes. VERBIO's biofuels achieve CO<sub>2</sub> savings of up to 90 percent compared to petrol or diesel. The Group's annual production capacity amounts to approximately 660,000 tonnes of biodiesel, 260,000 tonnes of bioethanol and 900 gigawatt hours of biomethane. In addition, VERBIO manufactures biofertiliser and animal feed for agricultural use as well as high-value raw materials for the pharmaceutical, cosmetic and foodstuff industries. With its innovative processes and highly efficient production plants, VERBIO is a technology leader in the biofuels market. The VERBIO share (ISIN DE000A0JL9W6/WKN A0JL9W) has been listed in the prime standard segment of the Frankfurt Stock Exchange since October 2006.

[www.verbio.de](http://www.verbio.de) | [www.verbiosept.de](http://www.verbiosept.de) | [www.verbiogas.de](http://www.verbiogas.de) | [www.strohklug.de](http://www.strohklug.de)

Facebook & Instagram: @verbioag | LinkedIn & Twitter: @claussauter

### Important notice

This publication contains forward-looking statements which are based on assumptions and estimates made by the management of VERBIO Vereinigte BioEnergie AG. Although the Company's management is of the opinion that these assumptions and estimates are realistic, actual future developments and actual future results may differ significantly from these assumptions and estimates due to a variety of factors. For example, these factors can include changes to the overall economic climate, changes to the legal and regulatory framework in Germany and the EU, and changes in the industry. VERBIO can give no guarantees and accepts no liability as to whether future developments and the results actually achieved in future will match the assumptions and estimates made in this publication.

---

### VERBIO Vereinigte BioEnergie AG

Ulrike Kurze  
Marketing/PR  
Ritterstraße 23 (Oelßner's Hof), 04109 Leipzig  
Tel.: +49 176 13085404  
Fax: +49 341 308530-999  
E-Mail: [ulrike.kurze@verbio.de](mailto:ulrike.kurze@verbio.de)

Constanze Reinsberg  
WeichertMehner GmbH & Co. KG  
An der Dreikönigskirche 5, 01097 Dresden  
Tel.: +49 351 50140-205  
Fax: +49 351 50140-209  
E-Mail: [verbio@weichertmehner.com](mailto:verbio@weichertmehner.com)