

VERBIO AG
2021/2022 and Q4

Claus Sauter (CEO), Olaf Tröber (CFO)
September 27, 2022

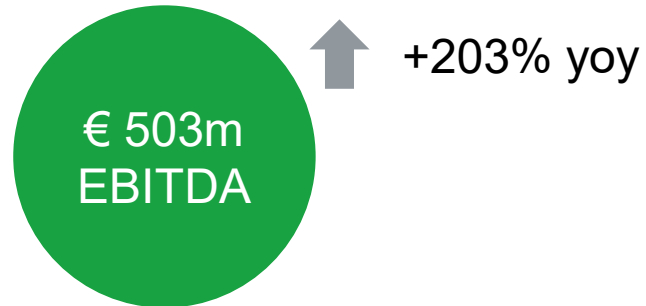
Disclaimer

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Agenda

1. **FY 21/22 Highlights**
2. **Strategic Highlights in FY 21/22**
3. **Market Development in FY 21/22**
4. **Financial Performance: FY 21/22 Figures**
5. **Financial Performance: Q4 21/22 Deep Dive**
6. **Outlook**
7. **Climate Goals**

Record EBITDA, again!

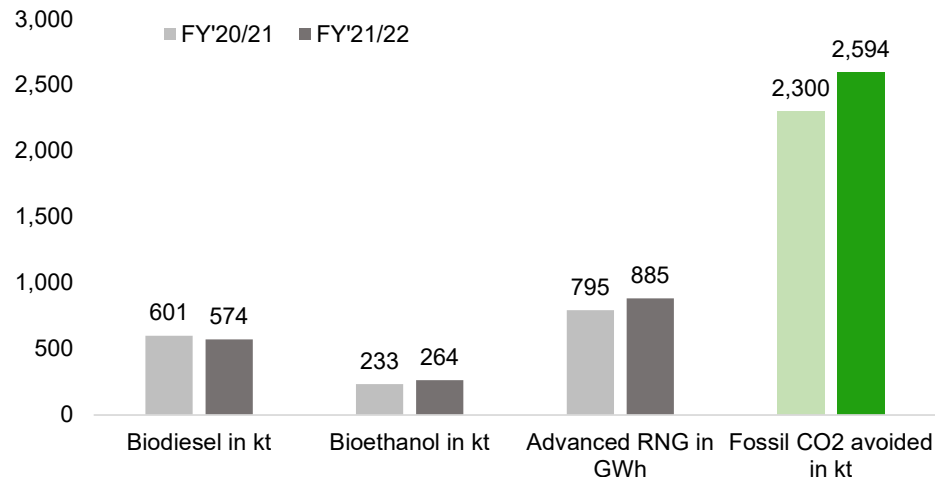


Our global expansion is well underway.

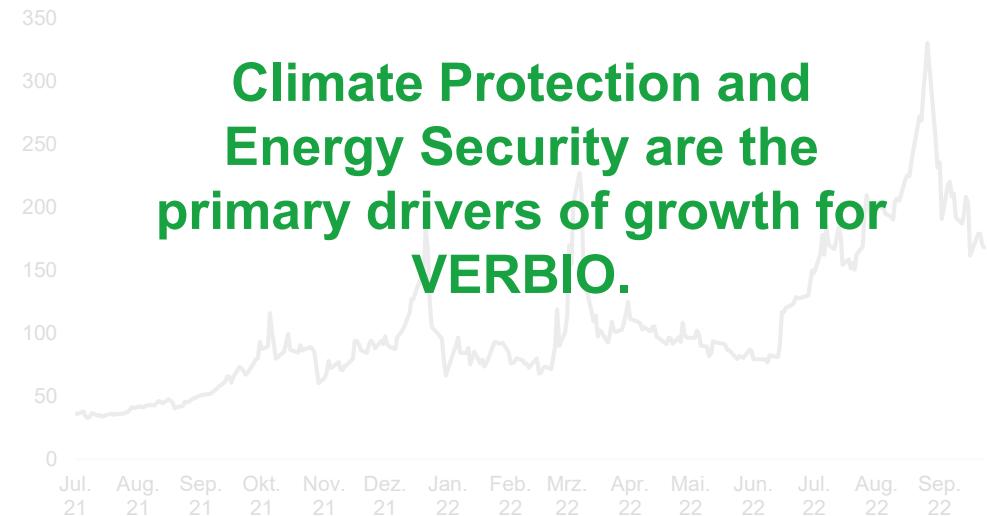


Production and CO2 savings in kt / GWh

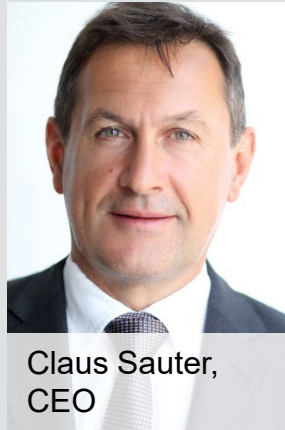
We generated 2.6m tons CO2 savings for our clients!



Gas TTF €/MWh



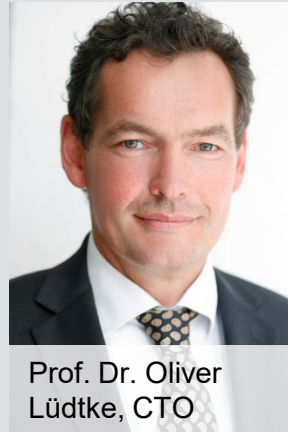
Introduction Olaf Tröber, CFO & New Board Structure: Setting up for further growth



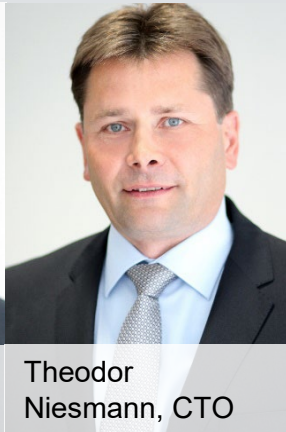
Claus Sauter,
CEO



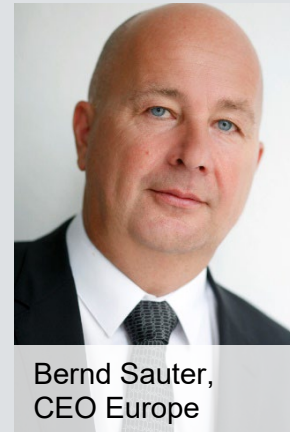
Olaf Tröber,
CFO



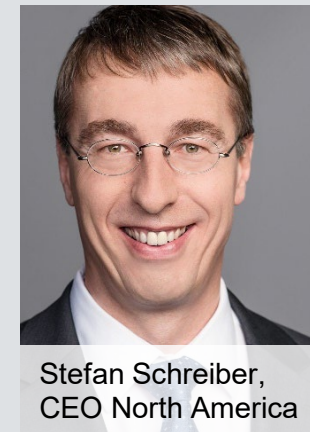
Prof. Dr. Oliver
Lüdtke, CTO



Theodor
Niesmann, CTO



Bernd Sauter,
CEO Europe



Stefan Schreiber,
CEO North America

Consistent Pursuit of Growth Potential in FY'21/22



GLOBALISATION
DIVERSIFICATION
EXPANSION



Mandate Development in Key End Markets

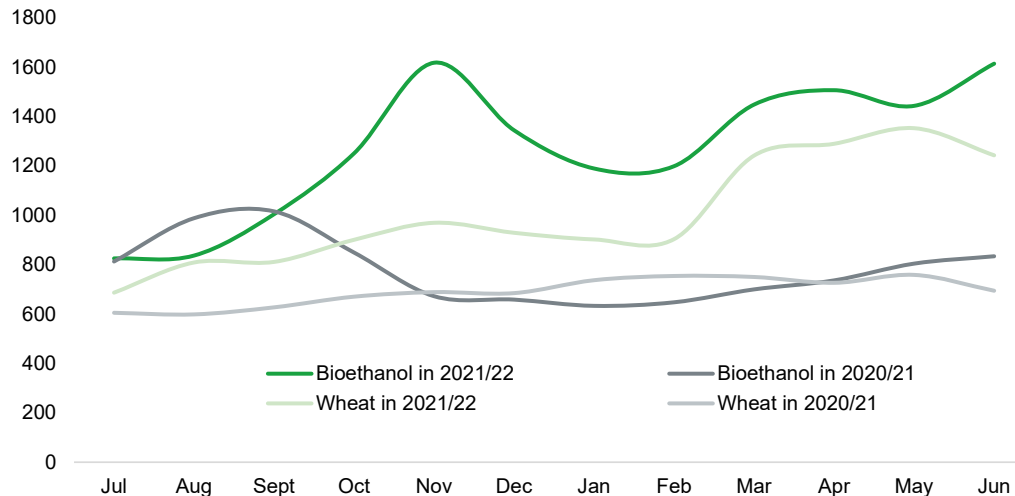
End market	Mandate	2021	2022	2030
Germany	GHG Reduction	5%	6%	25%
USA	Cellulosic fuels in million gallons	560	630	

Double-counting of Advanced Biofuels since Jan'22

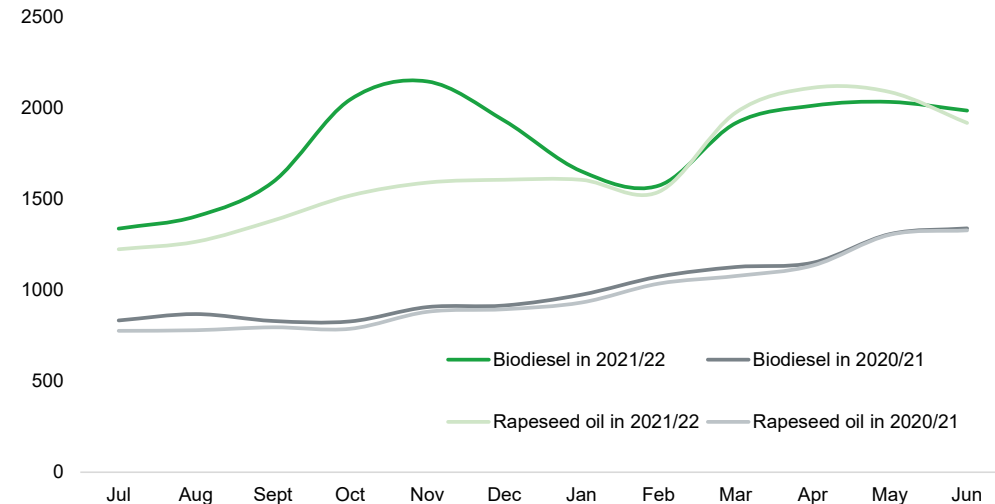
> 30% of VERBIO's annual capacities (in t CO2 savings*) in FY'22/23 are 'advanced'

*under the current regulatory framework

Bioethanol and Wheat in €/t Bioethanol

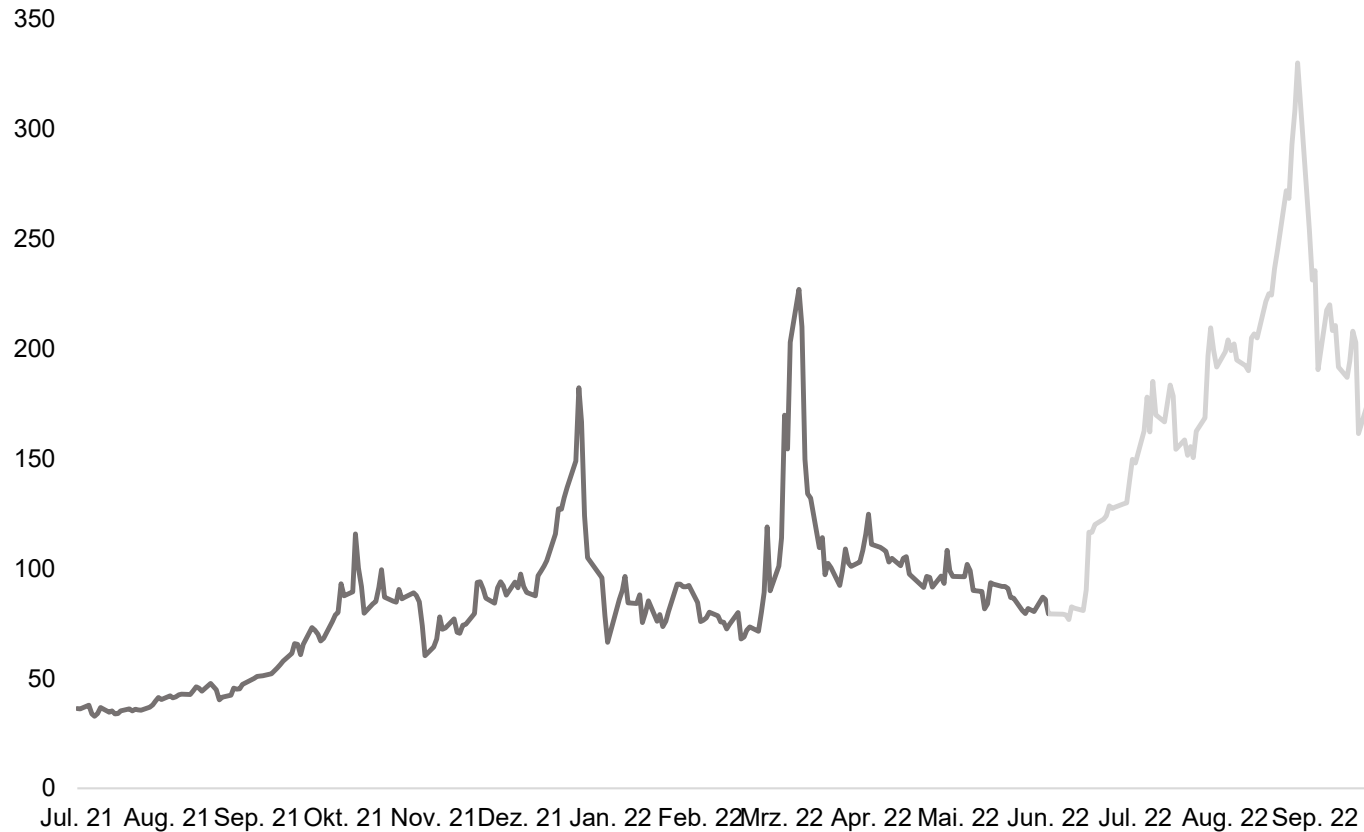


Biodiesel and Rapeseed oil in €/t Biodiesel



VERBIO contributes to Energy Security and Climate Protection

Gas TTF €/MWh



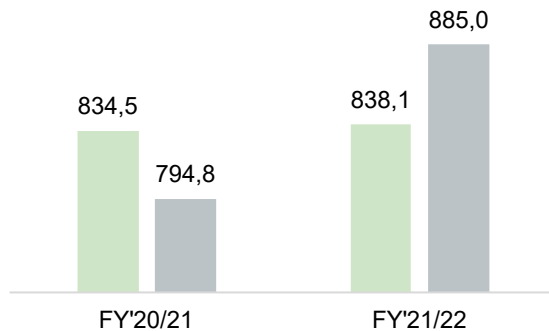
Comments

- The high prices for fossil gas strengthen the competitiveness of VERBIO's RNG and increase the attractiveness of biomethane also outside of the transport sector
- VERBIO's RNG is a substitute for Russian natural gas, contributing to energy security and climate protection

Key figures in FY 21/22: Another record year

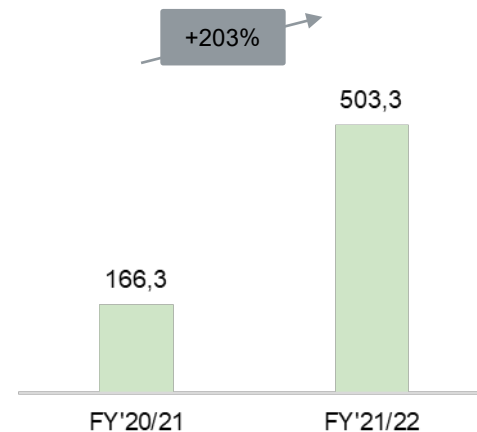
Production in kt and GWh

■ Biodiesel/-ethanol in kt ■ RNG in GWh



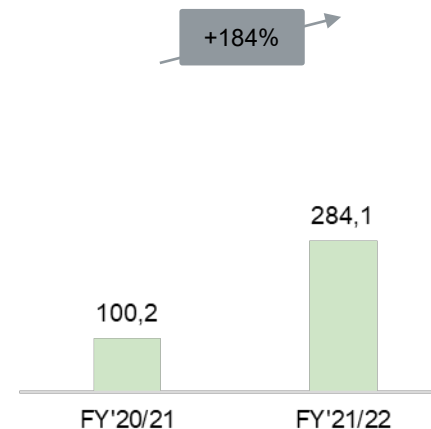
RNG: Strong rise due to higher efficiency in Germany and first production volumes in USA/India
 Biodiesel/-ethanol: Capacity utilisation of 91.1% (vs. 90.7% in FY 20/21) thanks to higher Bioethanol production

EBITDA in € m



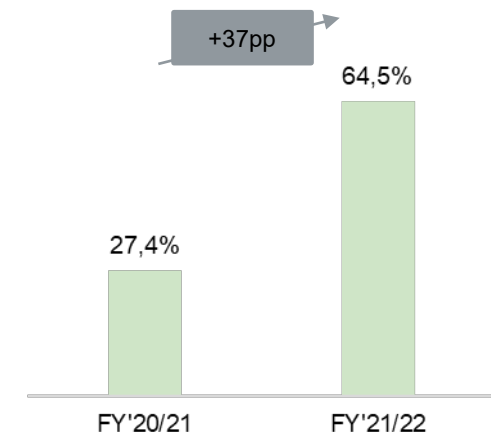
Record EBITDA in line with guidance of € 500m
 FY 21/22 EBITDA margin of 27.8% vs. 16.2% in FY 20/21
 Substantial margin expansion thanks to strong demand for (advanced) biofuels

Net cash in € m



Record Net Cash slightly below guidance of € 300m
 Capex of € 121m (vs. € 68m in FY 20/21) underpins VERBIO's appetite for growth

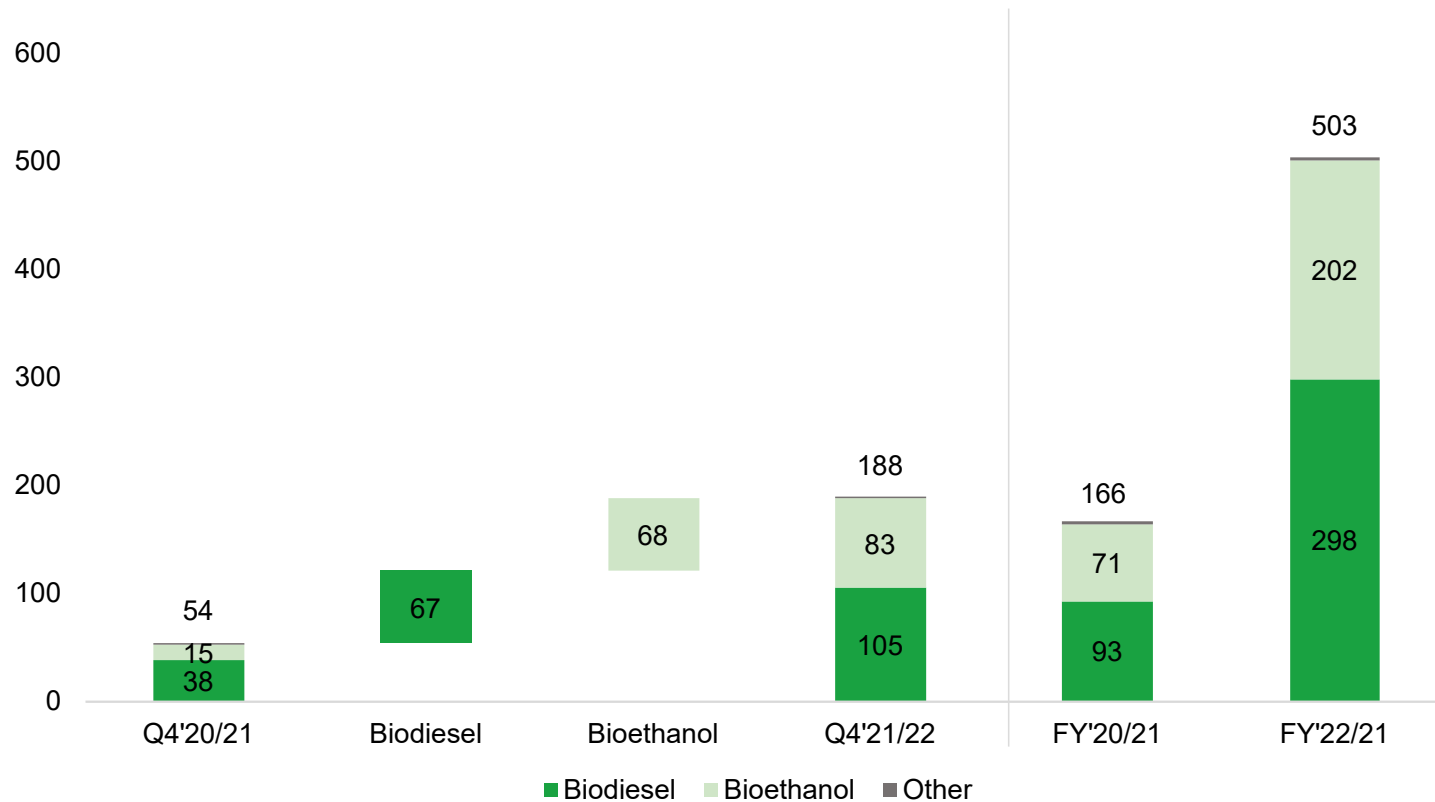
ROCE* in %



Jump in ROCE despite ramp-up in USA and India
 *non-audited; EBIT/average capital employed

Group EBITDA by segment Q4'21/22 vs Q4'20/21 in €m

Q4'21/22 record EBITDA exceeds FY'20/21 EBITDA



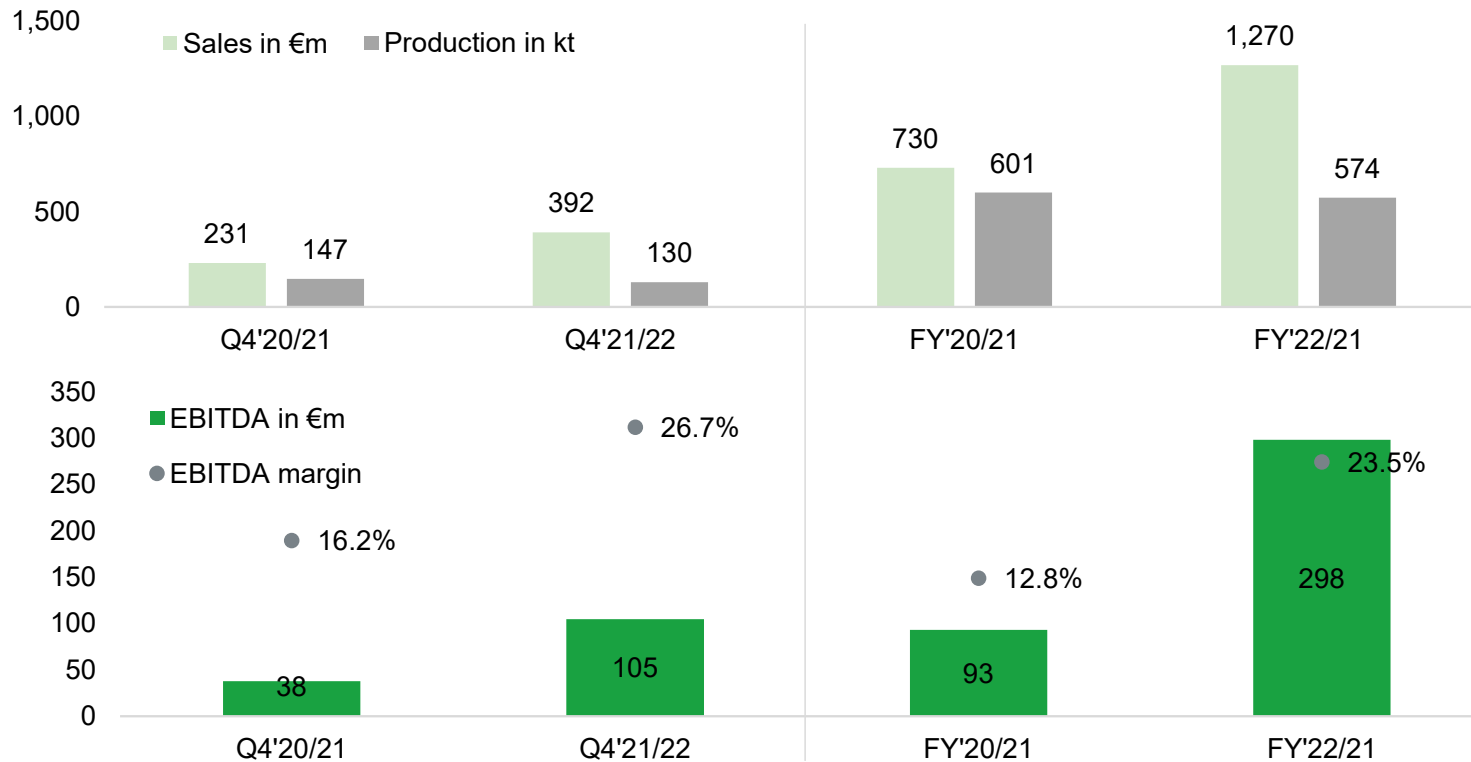
Comments

Q4 21/22 EBITDA margin up 15.5pp to 32.8% (previous year: 17.3%), EBITDA +252%:

- Strong gross profit per unit of product despite tight feedstock market due to attractive sales prices driven by strong demand for biofuels
- Favorable German regulation for 2nd generation biofuels from January 22: advanced biofuels are counted double towards the GHG quota from January 1, 2022
- Positive operating leverage effects
- € 13.8m+ swing from commodity forward contracts

Segment Biodiesel

+178% increase in EBITDA driven by attractive gross margin



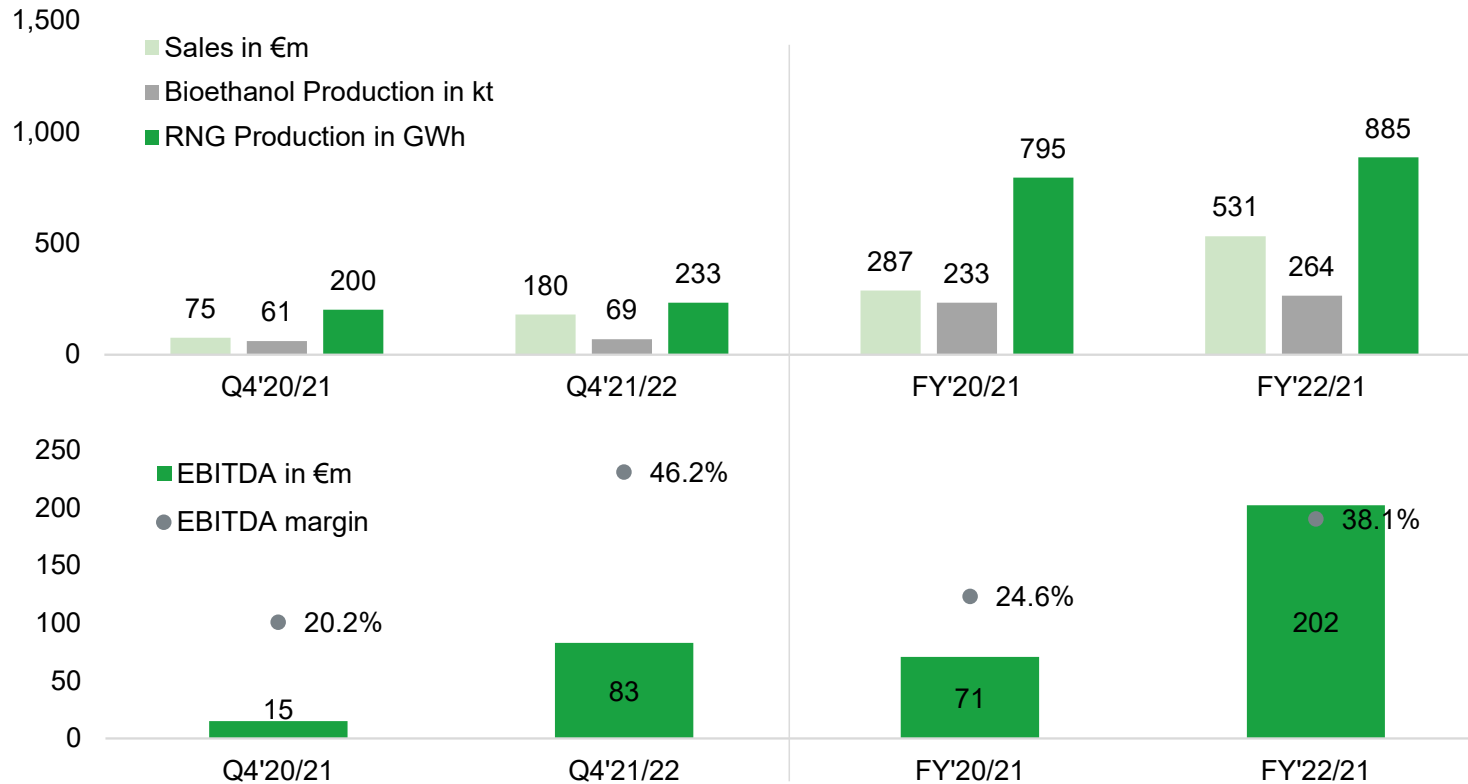
Comments

Q4 21/22 EBITDA margin up 10.5pp to 26.7% (previous year: 16.2%):

- Higher sales prices and partially secured raw materials position lead to attractive gross margin
- Favorable German regulation for 2nd generation biofuels from January 22
- Positive operating leverage effects
- Higher sales prices overcompensate decline in production linked to under-utilization in Canada

Segment Bioethanol

+446% increase in EBITDA driven by strong demand for CO2 reduction



Comments

Q4 21/22 EBITDA margin up 25.9pp to 46.1% (previous year: 20.2%):

- Substantially higher ethanol sales prices due to strong demand for E10 compared to proportionally lesser growth in input costs (i.e. energy, non-food-grade grains)
- Favorable German regulation for 2nd generation biofuels from January 22 coupled with strong demand for CO2 reduction quota
- Strong capacity utilisation levels of 107% for bioethanol and 104% for RNG
- Positive operating leverage effects

Financial Outlook: Energy Security and Climate Protection

€ m	2022/2023 Forecast	2021/2022 Actual	2021/2022 Initial Guidance
EBITDA	300	503.3	150
Net Cash	30	284.1	50

Comments

EBITDA assumptions are based on:

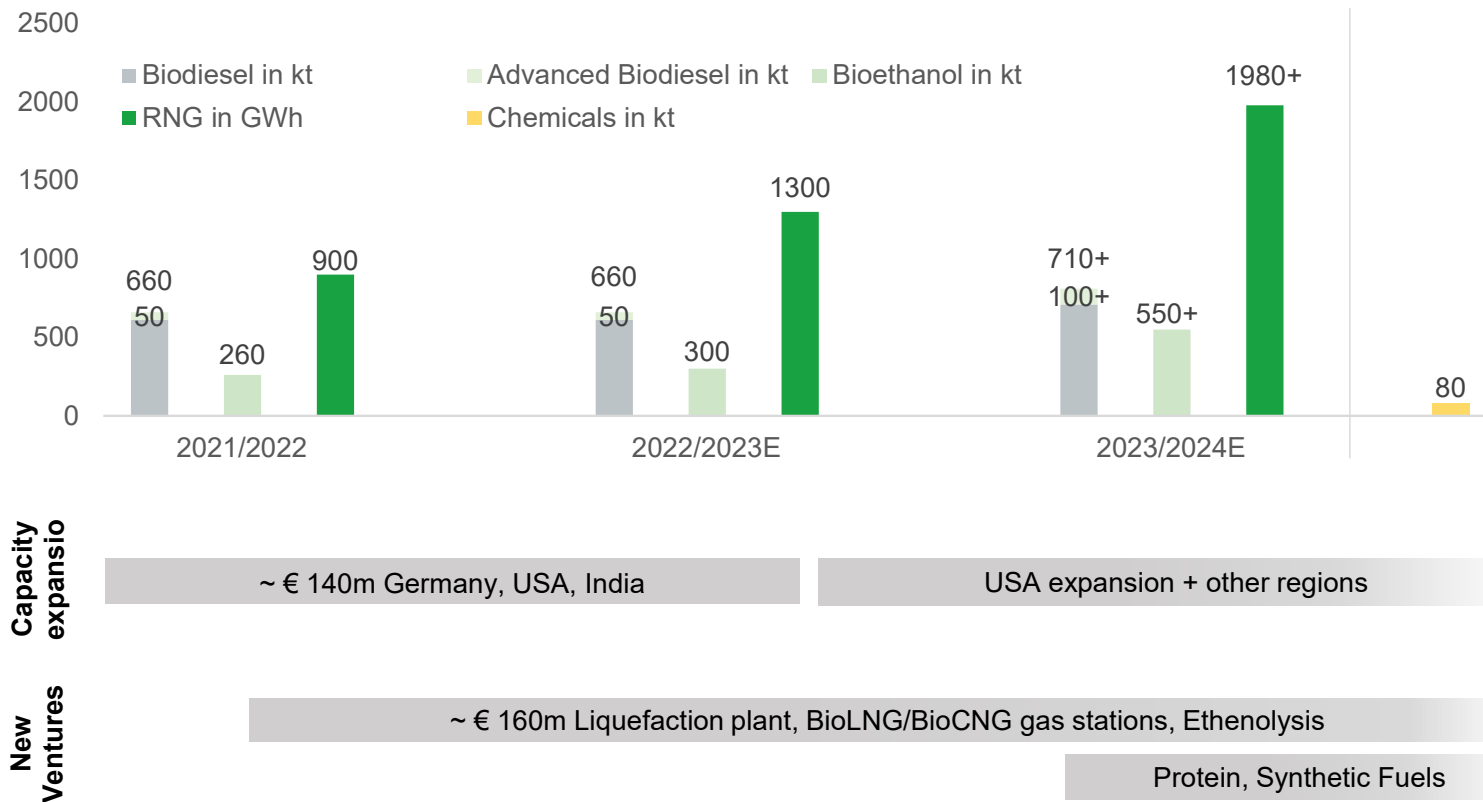
- Current sales-, raw-material- and energy-price-levels
- Planned production capacity utilisation
- Production capacities:
 Biodiesel: 660 kt, of which 50 kt adv. (previous year: unchanged)
 Bioethanol: 300 kt (previous year: 260 kt)
 RNG: 1,300 GWh (previous year: 900 GWh)

Net Cash assumptions are based on:

- Capex: VERBIO continues to execute on € 300m capex plan + USA expansion and other regions
- Back tax of c. € 90m

Strategic Outlook: Capitalizing on structural growth

€ 300m+ capex plan



Comments

- **Expansion in Germany:** On track
- **USA:** 160 GWh RNG plant operational, Nevada biorefinery roll-out running
- **India:** 160 GWh RNG plant operational, focus on production ramp-up and profitability improvement, no additional investments planned for now
- **Liquefaction plant:** Start of construction works in H2 22/23 (60 kt/p.a.)
- **BioLNG/BioCNG stations:** 20 gas stations planned, roll-out running
- **Ethenolysis:** Site search ongoing
- **Additional projects:** Roll-out of biorefinery concept in USA, VERBIO Protein, Synthetic Fuels, Expansion of adv. biofuels

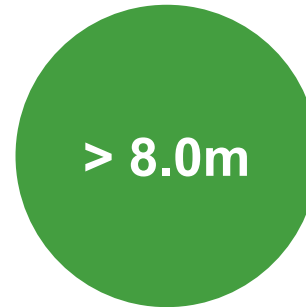
Our contribution to society and climate protection is in high demand.



Adding Value by Protecting our Climate

In 2021/2022, we...

- ...enabled our customers to save at least 2.6m tonnes of CO₂*

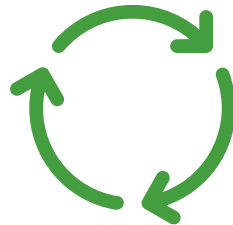


- ...emitted less than 0.2m tonnes of CO₂ (scope 1 + 2)



0.0m

- ...reached our goal of achieving a closed production cycle, in which more than 99% of the waste is reused



In 2025, we...

- ... will enable our customers to save at least 8m tonnes of CO₂*

By 2035, we...

- ... want to be climate-neutral (scope 1 + 2)



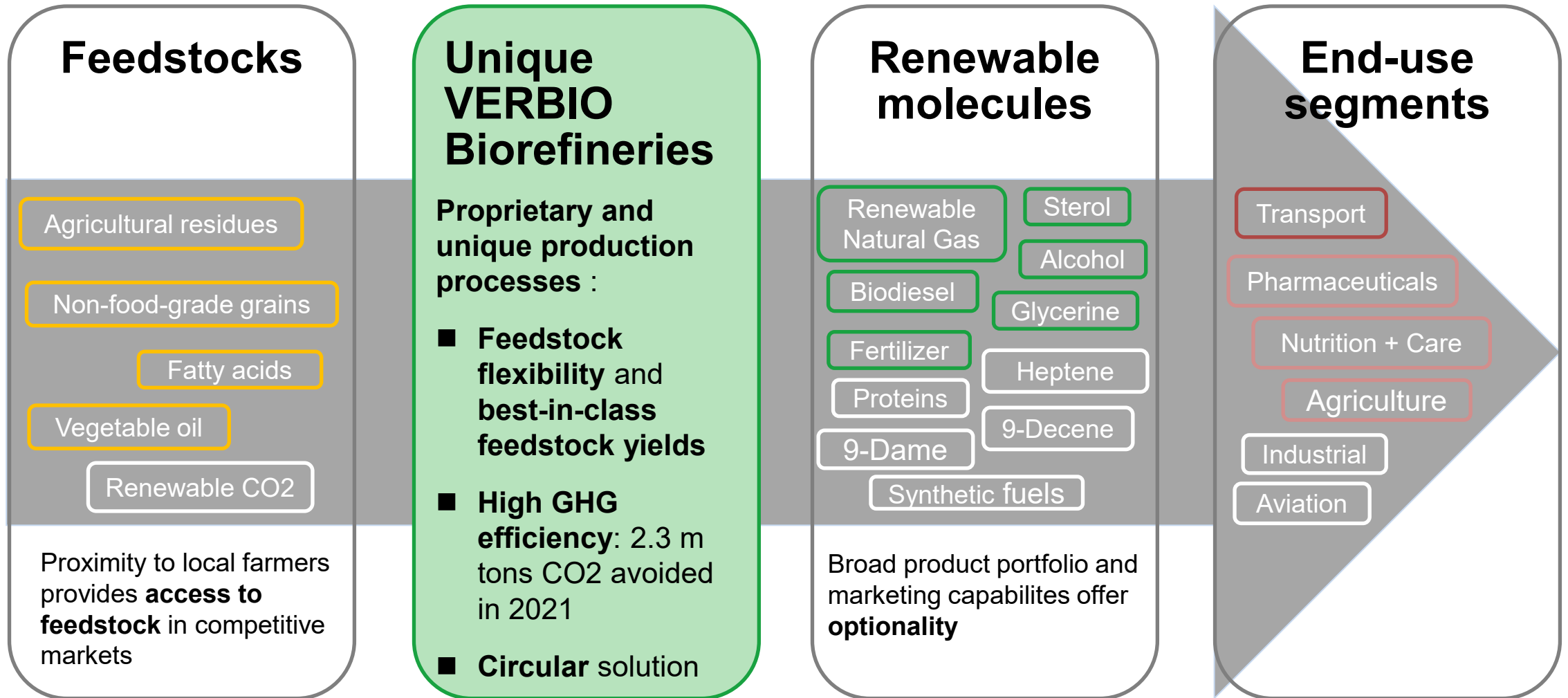
*under the current regulatory framework

Q&A

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Business model: Flexible set-up allows for value chain optimization



...supported by global diversification

Yielding upside leverage and downside resilience

