

Company Enefit Green AS  
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Attachments:

- Q3\_2021\_interim\_report\_ENG.pdf (<http://oam.fi.ee/en/download?id=5870>)
- EGR1T\_Q3\_2021\_Presentation\_ENG.pdf (<http://oam.fi.ee/en/download?id=5871>)
- EGR1T\_Q3\_2021\_Presentation\_EST.pdf (<http://oam.fi.ee/en/download?id=5872>)
- Q3\_2021\_interim\_report\_EST.pdf (<http://oam.fi.ee/en/download?id=5873>)

Currency

Title Enefit Green financial results for Q3 2021

In Q3 2021, Enefit Green group total revenues increased by 32% y-o-y to EUR36.4m and EBITDA was up by 66% y-o-y at EUR25.5m. During the quarter, the group earned net profit of EUR15.3m, which is 270% more than in third quarter of 2020.

Aavo Kärmas, Chairman of the management Board of Enefit Green comments:

"The financial results of Enefit Green in the latest quarter were outstanding. The results were driven by solid electricity and heat generation volumes and considerable increase in power prices. Quarterly average Nord Pool electricity price in the Baltic region reached almost EUR100/MWh, which is approximately 2.6 times higher than in Q3 2020.

During the quarter we made good progress with the wind and solar development projects. In September, we took the final investment decision to build 75 MW Akmene wind farm in Lithuania. We also reached construction readiness with 8 MW Zambrow solar park in Poland. We have set ourselves a target to increase our installed capacity in electricity production by 2.3 times to 1.1 GW by 2025. To achieve this target, Enefit Green expects to invest around EUR600m in 2021-23. We raised nearly EUR100m via the recent IPO and signed new loan agreements with SEB and OP banks worth EUR130m to finance these investments."

Webinar to present the results of Q3 2021

Today, November 5, 2021 at 14.00 EET Enefit Green will host a Webinar in English to present and discuss its Q3 2021 results. To participate, we kindly ask to register your participation before the start of the event by clicking here (<https://www.globenewswire.com/Tracker?data=71z8gbKXELxmjqh6->



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#### Significant events during Q3 2021

- \* Investment decision to build a 75 MW wind farm in Akmenė (Lithuania)
- \* Investment decision to build a 8 MW solar farm in Zambrow (Poland)
- \* Acquisition of two wind power development projects (120 MW in total): Kelme II and III (Lithuania)
- \* New loan agreements with SEB and OP Bank
- \* Preparations for the IPO

#### Key figures

	Q3 2020	Q3 2021	Change	Change %
PRODUCTION VOLUMES				
Electricity, GWh	247	250	3	1.4%
Heat, GWh	61	123	62	102%
Pellets, t	37	37	0	0%
TOTAL REVENUES, mEUR	27.6	36.4	8.8	32%
Sales revenue, mEUR	21.5	30.1	8.7	40%
Renewable energy support and other income, mEUR	6.2	6.3	0.1	2%
EBITDA, mEUR	15.4	25.5	10.1	66%
NET PROFIT, mEUR	4.1	15.3	11.1	270%
EPS, EUR (post-IPO number of shares)	0.02	0.06	0.04	270%

#### Sales revenue and other operating income

Group's total revenues increased by 32% y-o-y to EUR36.4m in Q3 2021. Group's



electricity production in Q3 2021 was 250 GWh, increasing slightly in contrast to the comparative period. However, the implied captured electricity price (including various subsidies) received by the group across markets increased to EUR116/MWh in Q3 2021, compared with 78 EUR/MWh in Q3 2020.

The most important revenue driver was the surge in the electricity price in the Estonia price area of the Nord Pool (NP) power exchange, which increased the group's revenue by around EUR9.5m. The average price in the NP Estonia price area was EUR97.5/MWh in Q3 2021, compared with EUR36.8/MWh in Q3 2020. The calculated sales prices of the group's production entities that are exposed to fluctuations in the NP Estonia electricity price were EUR94.6/MWh and EUR32.8/MWh in the two periods.

Another major factor was pellet sales, which fell by EUR3.0m in Q3 2021, dropping from 26 thousand tonnes in the comparative period to 4 thousand tonnes in the reporting period. Sales for Q3 2021 were low because in the first half of the year market activity was high and our H1 sales grew to a record-high 115 thousand tonnes.

Heat generation increased by 102% y-o-y mainly on the back of additional heat sales from Enefit Green's Iru waste-to-energy (WTE) facility. Although the average price fell by 45% due to reduction of regulated heat price, output growth increased heat sales revenue by EUR0.3m.

The most significant contributor to other operating income was renewable energy and efficient cogeneration support received by the Iru WTE facility, which increased by EUR0.7m y-o-y. The rise is attributable to a contract amendment that took effect in February 2021, enabling the plant to produce heat in efficient cogeneration regime and thus to receive relevant support all the year round.

The renewable energy support received by Estonian wind farms decreased by EUR0.3m y-o-y because the 12-year eligibility period of the earliest completed part of the Aulepa wind farm (39 MW) expired in July 2021.

#### EBITDA and segmental breakdown

Group's EBITDA increased by 66% y-o-y to EUR25.5m in Q3 2021 driven mostly by the elevated Estonian electricity prices. In addition, reduced pellet sales revenue did not impact EBITDA by same magnitude, as increased production into inventory resulted in reduced operating expenses by EUR2.6m compared to Q3 2020. Group fixed expenses increased by 4% or EUR0.3m mainly on the back of the expanded development team.

Based on total revenues and EBITDA for the reporting period, the group's largest segment is the Wind energy segment (with 66% of total revenues and 73% of EBITDA). The Cogeneration segment contributed 30% to total revenues and 28% to EBITDA. The smallest reportable segment was Solar energy, which accounted for 4% of the group's total revenues and 3% of the group's EBITDA. Among reportable



segments, Wind and the Cogeneration delivered the strongest EBITDA growth as they benefited the most from higher electricity prices, which contributed EUR9.5m to total revenue.

#### Net profit

The group's net profit increased almost fourfold compared to Q3 2020, amounting to EUR15.3m for the reporting period. The most significant contribution came from high market prices of electricity, but additional positive impact was realised from reduced depreciation expenses and lower interest expenses.

#### Capital Expenditures

The group's capital expenditures in Q3 2021 totalled EUR8.1m, EUR4.2m up on the comparative period. Growth resulted from development expenditures, which amounted to EUR7.9m. Out of the latter, EUR7.7m was spent on the development of wind farms under construction: the second instalment payment of EUR1.6 m for the Shilale II wind farm and the first instalment payment of EUR6.2m for the wind turbines of the Akmene wind farm. Expenditure on the improvement and maintenance of existing assets was EUR0.2m compared with EUR0.6m in the comparative period and was mainly related to the maintenance of cogeneration facilities.

#### Condensed consolidated interim income statement

in thousand euros	Q3 2021	Q3 2020	9m 2021	9m 2020
Revenue	30,133	21,456	93,655	78,015
Renewable energy support and other income	6,257	6,159	21,143	40,700
Change in inventories of finished goods and work-in-progress	3,702	1,066	(2,240)	3,617
Raw materials, consumables and services used	(11,097)	(10,406)	(30,189)	(30,167)
Payroll expenses	(1,626)	(1,433)	(4,932)	(4,446)
Depreciation, amortisation and impairment	(9,467)	(10,595)	(28,592)	(28,932)
Other operating expenses	(1,867)	(1,459)	(5,549)	(5,490)



OPERATING PROFIT	16,037	4,788	43,296	53,297
Finance income	1	(45)	145	(7)
Finance costs	(516)	(723)	(2,091)	(2,579)
Net finance costs	(515)	(768)	(1,946)	(2,585)
Profit (loss) from associates under the equity method	46	36	10	(15)
PROFIT BEFORE TAX	15,567	4,057	41,360	50,697
Corporate Income Tax Expense	(308)	68	(1,069)	903
PROFIT FOR THE PERIOD	15,259	4,125	40,291	51,600

Condensed consolidated interim statement of financial position

in thousand euros

30 Sep 2021 30 Sep 2020 31 Dec 2020

ASSETS

Non-current assets

Property, plant and equipment	606,178	598,718	594,980
Intangible assets	68,281	63,023	67,839
Right-of-use assets	2,098	2,264	2,222
Prepayments	11,831	2,062	-
Deferred tax assets	393	1,185	344
Investments in associates	474	512	532
Long-term receivables	78	103	103
Total non-current assets	689,333	667,867	666,020



Current assets

Inventories	11,042	11,099	11,086
Trade and other receivables and prepayments	16,660	15,985	51,565
Cash and cash equivalents	14,135	32,876	10,774
Total current assets	41,837	59,960	73,425
Total assets	731,170	727,827	739,445

in thousand euros

30 Sep 2021 30 Sep 2020 31 Dec 2020

EQUITY

Equity and reserves attributable to equity holder of the parent

Share capital	229,793	4,794	4,794
Statutory reserve capital	479	479	479
Other reserves	150,771	399,210	399,165
Retained earnings	118,302	88,841	105,111
Total equity	499,346	493,324	509,549

LIABILITIES

Non-current liabilities

Borrowings	135,016	168,889	161,558
Government grants	7,620	8,159	8,020
Derivative financial instruments	23,207	-	-
Deferred tax liabilities	12,469	11,724	12,555
Provisions	11	13	13



Total non-current liabilities	178,324	188,785	182,146
Current liabilities			
Borrowings	43,009	37,193	37,778
Trade and other payables	10,376	8,435	9,858
Provisions	115	90	114
Total current liabilities	53,499	45,718	47,750
Total liabilities	231,823	234,503	229,896
Total equity and liabilities	731,170	727,827	739,445

Further information:

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Enefit Green is one of the leading diversified renewable energy producers in the Baltic sea area. The Company owns 22 wind farms, 38 solar power plants, 4 cogeneration plants, a pellet plant and a hydroelectric plant located in Estonia, Latvia, Lithuania and Poland. As of 30 June 2021, the Group had a total installed electricity production capacity of 456.4 MW and a total installed heat production capacity of 81.2 MW. During 2020, the Company produced 1350 GWh of electricity and 543 GWh of heat.

