

Press release

Saint-Nolff, 29 February 2024

Business volume up in 2023

Charwood Energy (ISIN: FR001400AJ60, ticker: ALCWE), a French company specializing in custom solutions for recovering energy from biomass, is publishing its business volume for fiscal year 2023.

In millions of euros, unaudited data	2023	2022
Revenue	4.2	4.9
Other operating income	2.3	0.6
Total business activity	6.5	5.5

Business volume up 18%

Charwood Energy recorded a business volume¹ of €6.5m for 2023, up 18% compared with 2022. The total breaks down into €4.2m in revenue and €2.3m in other income.

Revenue was generated entirely on behalf of third parties, with the design, construction and installation of bespoke energy solutions using biomass, for external customers including farms, manufacturers and local authorities.

Other income breaks down as follows:

- Stored production of €1.2m for a gasification unit intended for future sale, pending the signing of the contract;
- Capitalized production of €1.1m, for development costs incurred in R&D at the Colpo innovation center of €0.7m, and other development costs of €0.4m.

In third-party business, further significant operational progress was achieved in 2023:

- Launch of the construction of a hygienization unit coupled with a biomass boiler unit for a site producing biomass via anaerobic digestion operated by a group formed by a municipality and 15 farms in Normandy;
- Construction of a biomass boiler unit coupled with a heat network for a large poultry farm in the Sarthe department;
- Construction, following the signing of the order in April, of a biomass boiler unit for a large poultry farmer in the Mayenne department;
- Commissioning of a hygienization unit coupled with a biomass boiler unit for the Methadomf site in the Normandy region;

At the end of the fiscal year, the Group recorded a secure order book² on behalf of third parties totaling €1.8m, deliverable and billable in 2024.

¹ Total business volume in 2023 was adjusted following the application since H2 2022 of a new accounting method for recognizing revenue on a percentage-of-completion basis. 2022 annual revenue remains unchanged.

² Total order book for signed projects deducted from revenue already recorded as work progresses.

Other projects are in advanced discussions and should be announced in first-half 2024.

In own-account business, five power plants are under development, including one for Verallia France, the construction of which is expected to start in H2 2024, with commissioning planned for the summer of 2025. Once commissioned, these five power plants will generate ARR³ of nearly €7.7m from the sale of energy.

In addition, in October 2023, the Group acquired⁴ a 40% stake in LG Concept with a view to controlling its renewable biomass supply with a regional player well-established in the region that responds to customers' energy challenges.

Outlook for 2024

Business momentum is expected to remain strong in 2024, driven by a structurally favorable market. New projects for the development of renewable energy production plants are currently under review and will feed into the order book for the year.

2027 ambitions confirmed

Benefiting from a buoyant business environment and powerful commercial momentum, Charwood Energy is confirming its ambitions for 2027:

- Revenue of €100m, of which around 60% from own-account business;
- 50 directly owned plants in operation and under construction, for estimated ARR⁵ of €90m.

Next publication: 2023 annual results, 29 April 2024 after the close of trading.

About Charwood Energy

Convinced that biomass is a key response to the challenges of the energy transition, Charwood Energy designs, installs and maintains tailored solutions for the production of biomass renewable energy.

Charwood Energy boasts a wealth of technical know-how and expertise in all biomass recovery technologies, including heating and heat networks, anaerobic digestion, and pyrogasification.

Positioned since 2019 in the promising area of pyrogasification technology, Charwood Energy is now also involved in the development and operation of proprietary pyrogasification units aiming to produce and sell green gas, biochar and carbon credits to industrial customers under direct purchasing contracts.

The company is listed on Euronext Growth® Paris (ISIN: FR001400AJ60; Ticker: ALCWE) – Eligible for PEA PME equity savings plans – Certified as an “Innovative Company” by Bpifrance.

To find out more: <https://charwood.energy/investisseurs>

³ ARR: annual recurring revenue, i.e. the revenue generated by the power plants once in operation, on an annualized basis.

⁴ See press release of 4 October 2023.

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