



# ALBIOMA

## PRESS Release

Paris La Défense, 28 July 2021

## *Results for the first half of 2021*

Revenue up by 7%

Growth dynamic continues: work started on conversion of the Bois-Rouge power plant to 100% biomass, successful first steps in geothermal, solar contracts for 19 MW awarded

Confirmation of objectives for 2021

The Board of Directors of Albioma, meeting on 28 July 2021 under the chairmanship of Frédéric Moyne, approved the Group's interim consolidated financial statements for the six months ended 30 June 2021.

### *Key figures for the six months ended 30 June 2021*

<i>In millions of euros</i>	<b>H1 2021</b>	<b>H1 2020</b>	<b>Change</b>
Revenue	267.7	250.7	+7%
EBITDA	99.4	100.4	-1%
Net income attributable to owners of the parent	23.5	24.4	-4%

The first half-year confirms the continued growth in revenue (+7%) thanks to the contributions of the Guadeloupe power plant converted to biomass (ALM3), the geothermal plant in Turkey and the solidity of Albioma's business model, with stable results thanks to scheduled maintenance shutdowns: EBITDA (-1%) and net profit attributable to owners of the parent (-4%).

Frédéric Moyne, Albioma's Chairman and CEO, explains: "Albioma has posted solid results for the first half of 2021. As well as the continued good performance of our existing facilities, the period was marked by the start of work on converting our thirty-year-old Bois-Rouge power plant in Réunion to 100% biomass with a view to moving away completely from coal, the award of new solar power contracts in mainland France and in all the overseas territories, and the successful integration of our first geothermal plant in Turkey, acquired at the beginning of the year. Our actions are bearing fruit and will enable us to attain the objective in our strategic plan of more than 90% renewables in our energy mix by 2025. Lastly, the resounding success of the capital increase reserved to employees reflects their engagement and long-term commitment to Albioma's business project."



## *Highlights of the first half of 2021*

- Start of work on converting the Bois-Rouge power plant to 100% biomass, with a view to moving away completely from coal in Réunion
- Acquisition of the Gümüşköy geothermal power plant in Turkey (13 MW)
- Albioma won 19 MW worth of solar power projects in competitive bidding processes during the half-year, all regions combined
- Albioma Codora Energia won a contract to secure the sale of energy from its 100% bagasse power plant in Brazil
- Great success of the capital increase reserved to employees
- Cyberattack, with no impact on operating industrial activity

## *France*

### Thermal biomass

#### **Scheduled shutdowns carried out in plants in Réunion and Guadeloupe and excellent availability of the unit converted to biomass**

Overall availability of the facilities for the period was 87.5%, compared with 86.7% in the first half of 2020. This figure includes the annual maintenance shutdowns, which were carried out smoothly (191 days of shutdown, all facilities combined, compared with 105 in the first half of 2020, not counting stoppages for the conversion of ALM 3). In 2020 several operations had to be cut short or postponed due to the lockdown measures imposed by the authorities as a result of the COVID-19 epidemic. Availability was also affected by technical incidents in the Bois-Rouge and Le Moule plants. However these plants were quickly able to resume normal operation thanks to the intervention of the maintenance teams and the availability of spare parts. Unit 3 of the Le Moule plant in Guadeloupe, which was converted to biomass in 2020, achieved excellent performances, with very high availability of 96.4% in the first half of the year.

The total electricity production of thermal facilities in the overseas territories was 952 GWh, down from the 984 GWh of the first half of 2020 due to the scheduled shutdowns during the period.

EBITDA for the period came to €80.3 million, slightly down on the €82.6 million of the first half of 2020.

#### **Development of projects: start of work on converting the three units of the Bois-Rouge power station to biomass**

Work on converting the Bois-Rouge power plant to 100% biomass started during the half-year. Locally-available biomass resources (bagasse, forest wood, logging waste, etc.) will be used as a priority, supplemented by imported traceable (in compliance with the EU timber regulation) and sustainable (FSC or PEFC certification required from our suppliers) biomass, in the form of wood pellets. In due course, the conversion will increase the renewable portion of Réunion's energy mix from 35% to 51% and will reduce greenhouse gas emissions by some 640,000 metric tons of CO<sub>2</sub> equivalent per year, that is an 84% decrease in direct emissions compared with the current operation of the plant.

The Group continues to develop its projects, focusing particularly on converting its remaining thermal power stations in the overseas territories to biomass over the course of the next few years.



## Solar power

### **Stable production and commissioning of new facilities**

Despite highly adverse sunshine conditions, particularly in French Guiana, performances of the photovoltaic plants were stable in the first half of 2021. Production of photovoltaic electricity in the period reached 60 GWh, compared with 62 GWh in the first half of 2020.

New facilities were commissioned in Réunion and Mayotte.

### **Development of projects**

The Group continued the development and construction of photovoltaic power plant projects in all regions during the half-year.

As winners of the CRE4 (French Energy Regulatory Commission) competitive bidding process for the production and operation of solar energy generating facilities in non-interconnected zones (ZNI), Albioma confirmed its status as the leader in the photovoltaic industry in the overseas territories, being awarded 12 MWp in the fourth period. This installed capacity is spread over 23 projects, located in Réunion, Mayotte, Martinique, French Guiana and Guadeloupe. Of the total number of calls for tender (five periods since April 2020), the Group has been awarded 40 MWp. Construction of these projects is scheduled to begin in 2022.

The Group has also been awarded 7 MWp in mainland France in various tender processes since the beginning of the year.

### **Finance Act 2021: changes in the regulatory environment**

Article 54 e) of the Finance Act 2021, approved on 16 December last, provides for the possibility of a downward revision of feed-in tariffs for PPAs concluded between 2006 and 2010. The enabling legislation specifying the levels and methods of application has yet to appear but should be published very soon. Up to 57 MWp out of the group's 112 MWp of installed solar capacity could be concerned by the potential feed-in tariff revision, accounting for 6% of the group revenues and 11% of the group EBITDA. As an indication, a 10% reduction in the tariffs would lead to a loss of €2 to €3 million in EBITDA on a full year basis. An adjustment in value for impairment of the assets concerned might also prove necessary.

From the last project of decree, among our facilities, only some ground mounted projects would be significantly impacted.

## *Brazil*

### Thermal biomass

#### **Excellent operating performance and first months of production for the Vale do Paraná power plant**

All the Brazilian plants achieved good operational performances. On a like-for-like basis, electricity production was up by 20% compared with the first half of 2020. Vale do Paraná, the Group's fourth Brazilian plant, commissioned on 25 December 2020, got off to an excellent start, with production of 70 GWh in the six months to the end of June 2021.

The macro-economic situation was marked by the continuing deterioration of the real/euro exchange rate during the first half of the year and the increase in financing costs as well as very high electricity prices on the spot market as a result of the record-breaking drought.



EBITDA reached €3.3 million for the period, as against €2.2 million in the first half of 2020.

## Development of projects

On 8 July Albioma Codora Energia won a call for tenders for a new 20-year PPA to run from 2025, covering a volume of 64 GWh at a guaranteed inflation-indexed price of BRL 202.35/MWh. It will be possible to honour this contract by increasing the volume of cane crushed by the adjoining sugar refinery and by recovering vinasse (an ethanol distillation residue) for energy. The majority of Albioma Codora Energia's production is already sold on the regulated market via long-term inflation-indexed contracts.

## *Turkey*

### Geothermal energy

#### **Performance in line with expectations and works aimed at increasing production**

The Gümüşköy power plant, acquired on 26 January 2021, performed well during the half-year. Production reached 25 GWh, in line with expectations and stable compared with the same period of last year. With the support of the local teams, works aiming to increase production started at the end of June and the first improvements should be seen from the end of the summer.

### *Great success of the capital increase reserved to employees*

Albioma carried out a new capital increase, "Albioma Invest 2021", reserved for employees, executives and former employees who are members of its group savings scheme in France and Brazil. With this new transaction the Group continues to implement its policy of strengthening its employee shareholding in the medium and long term. More than 48% of employees and eligible former employees subscribed. The capital increase, which was oversubscribed, was carried out by means of the issue, at a unit price of €24.48 (corresponding to 70% of the reference price) of 197,386 new shares representing 0.62% of the capital. It will bring the shareholding of the company savings scheme to approximately 1.5% of the capital.

### *Solid liquidity situation and appropriate resources for continued growth*

The consolidated cash position, including deposits in guarantee, remains at a high level of €115 million. The Group has resources appropriate to the continuation of its development.

Gross financial debt excluding IFRS 16 increased to €933 million from €901 million at 31 December 2020. At 30 June 2021 it includes €771 million of project debt, as against €789 million at 31 December 2019. At 30 June 2021, €50 million had been drawn under the revolving credit facility (RCF).

Consolidated net financial debt stands at €818 million, up by 6% relative to 31 December 2020 (€772 million).

### *2021 objectives*

The Group confirms its EBITDA targets of €206 to €216 million and net income attributable to owners of the parent of €53 to €59 million for 2021 (excluding the potential effects of



the 2021 Finance Act concerning the revision of photovoltaic tariffs on PPAs concluded between 2006 and 2010).

Next diary date: Q3 2021 revenue on 20 October 2021 (after trading).

### *About Albioma*

Albioma is an independent renewable energy producer, supporting the energy transition with renewable energies (biomass, solar and geothermal).

The Group operates in Overseas France, Metropolitan France, Mauritius, Brazil and Turkey.

For 25 years it has been developing a unique partnership with the sugar industry, producing renewable energy from bagasse, a fibrous residue of sugar cane.

Albioma is also the leading producer of photovoltaic energy in Overseas France, where the Group builds and operates innovative facilities with integrated storage, and in Metropolitan France.

The Group recently announced the acquisition of a geothermal power plant in Turkey.

Albioma is listed on the Euronext Paris exchange (compartment A) - Eligible for SRD, PEA & PEA-PME and is included in the SBF 120 and CAC Mid 60.

The Group is also listed in the Gaïa Index of responsible midcap companies.

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## Annexes

### Consolidated income statement for the six months to 30 June 2021

<i>In thousands of euros</i>	<b>Six months to 30 June 2021</b>	<b>Six months to 30 June 2020</b>
<b>Income from ordinary activities</b>	<b>267,693</b>	<b>250,716</b>
Purchases (including change in inventories)	(86,633)	(75,941)
Logistics costs	(6,845)	(8,191)
Staff costs	(30,341)	(28,907)
Other operating expenses	(46,670)	(37,719)
Amortisation of electricity and steam supply agreements	(3,384)	(3,495)
Charges to depreciation, amortisation and provisions	(39,739)	(36,787)
Share of net income of equity-accounted companies	1,400	466
<b>Current operating income</b>	<b>55,482</b>	<b>60,142</b>
Other operating income and expenses	7	-
<b>Operating income</b>	<b>55,489</b>	<b>60,142</b>
Cost of financial debt	(15,830)	(16,622)
Other financial income	2,738	212
Other financial expenses	(2,772)	(295)
<b>Profit before tax</b>	<b>39,625</b>	<b>43,436</b>
Tax charge	(10,741)	(14,306)
<b>Net income</b>	<b>28,883</b>	<b>29,131</b>
Net income attributable to:		
owners of the parent	<b>23,501</b>	<b>24,353</b>
non-controlling interests	<b>5,382</b>	<b>4,778</b>
Basic earnings per share	0.751	0.788
Diluted earnings per share	0.731	0.775



## Consolidated statement of financial position at 30 June 2021

### Assets

<i>In thousands of euros</i>	<b>30/06/2021</b>	<b>31/12/2020</b>
<b>Non-current assets</b>		
Goodwill	15,698	16,884
Other intangible assets	99,339	93,501
Right-of-use assets (IFRS 16)	30,567	28,515
Property, plant and equipment	1,314,443	1,283,434
Non-current financial assets	7,659	5,058
Investments in associates	23,724	22,753
Deferred tax assets	2,472	2,472
Other non-current assets	0	99
<b>Total non-current assets</b>	<b>1,493,902</b>	<b>1,452,715</b>
<b>Current assets</b>		
Inventories and work-in-progress	62,995	60,327
Trade receivables	88,113	67,462
Other current operating assets	44,043	44,433
Cash and cash equivalents	111,126	125,792
<b>Total current assets</b>	<b>306,277</b>	<b>298,014</b>
<b>Total assets</b>	<b>1,800,179</b>	<b>1,750,730</b>



## Equity and liabilities

<i>In thousands of euros</i>	<b>30/06/2021</b>	<b>31/12/2020</b>
<b>Own funds attributable to owners of the parent</b>		
Share capital	1,218	1,218
Additional paid-in capital	64,807	64,807
Reserves	403,584	362,784
Translation reserves	(39,139)	(41,549)
Net income for the year	23,501	55,314
<b>Total equity attributable to owners of the parent</b>	<b>453,971</b>	<b>442,574</b>
Non-controlling interests	90,428	89,762
<b>Total equity</b>	<b>544,399</b>	<b>532,337</b>
<b>Non-current liabilities</b>		
Employee benefits	47,318	52,605
Provisions for liabilities	7,593	6,633
Deferred tax liabilities	22,021	18,617
Non-current financial debt	800,572	822,830
Right-of-use liabilities (IFRS 16)	40,643	36,682
Non-current derivatives	43,064	55,023
<b>Total non-current liabilities</b>	<b>961,211</b>	<b>992,391</b>
<b>Current liabilities</b>		
Trade payables	69,131	71,106
Tax and social security liabilities	33,487	42,911
Current financial debt	132,299	79,172
Right-of-use liabilities (IFRS 16)	1,850	1,777
Other current operating liabilities	57,802	31,035
<b>Total current liabilities</b>	<b>294,569</b>	<b>226,002</b>
<b>Total equity and liabilities</b>	<b>1,800,179</b>	<b>1,750,730</b>





## Statement of consolidated cash flows for the six months to 30 June 2021

<i>In thousands of euros</i>	<b>Six months to 30 June 2021</b>	<b>Six months to 30 June 2020</b>
<b>Operating activities</b>		
<b>Net income for the year attributable to shareholders of Albioma</b>	<b>23,501</b>	<b>24,353</b>
Non-controlling interests	5,382	4,778
Adjustments		
. Charges to depreciation, amortisation and provisions	44,101	40,406
. Change in deferred tax	(1,278)	1,897
. Share of net income of associates net of dividends received	(656)	478
. Gains and losses on disposals	(53)	
. Other non-cash items		
. Share-based payments	2,412	1,102
. Cost of financial debt	15,830	16,622
. Current tax charge for the year	12,020	12,409
<b>Self-financing capacity</b>	<b>101,258</b>	<b>102,045</b>
Impact of change in working capital requirement	(28,637)	(39,292)
Tax paid	(22,821)	(11,473)
<b>Net cash from operating activities</b>	<b>49,800</b>	<b>51,280</b>
<b>Investing activities</b>		
Acquisitions of non-current assets	(60,358)	(61,686)
Increase in financial assets		(7)
Sales proceeds from non-current assets	354	
Sales proceeds from and reductions in financial assets	1,299	
Acquisitions and disposals of subsidiaries less any cash acquired or sold	(4,404)	
<b>Net cash from/(used in) investing activities</b>	<b>(63,110)</b>	<b>(61,693)</b>
<b>Financing activities</b>		
Transactions between shareholders		
Capital increases subscribed by non-Group shareholders		
Change in treasury shares	(5,000)	157
Dividends paid to shareholders of Albioma SA		
Dividends paid to non-controlling interests	(1,989)	
Borrowings and financial debt subscribed or issued	59,345	33,892
Cost of financial debt	(15,720)	(16,622)
Borrowings and financial debt repaid	(36,705)	(47,397)
Other	(579)	406
<b>Net cash from/(used in) financing activities</b>	<b>(649)</b>	<b>(29,564)</b>
Impact of currency movements on cash and cash equivalents and other changes	(117)	(3,027)
<b>Net change in cash and cash equivalents</b>	<b>(14,076)</b>	<b>(43,004)</b>
Opening cash and cash equivalents	125,202	161,135
Closing cash and cash equivalents	111,126	118,131
<b>Change in cash and cash equivalents</b>	<b>(14,076)</b>	<b>(43,004)</b>
Cash	84,907	102,651
Cash equivalents	26,219	15,480
<i>Total cash and cash equivalents</i>	<i>111,126</i>	<i>118,131</i>
Bank overdrafts		
<b>Net cash and cash equivalents</b>	<b>111,126</b>	<b>118,131</b>