

PRESS RELEASE – Weissenbach, Austria on 31/01/2022

POLYTECHNIK Luft- und Feuerungstechnik GmbH in Austria filed for a restructuring proceeding without self-administration

The family company and international specialist for biomass energy systems applied for the opening of a restructuring proceeding without self-administration on Monday the 31st of January 2022 at the regional court in Wiener Neustadt, Austria.

The restructuring proceeding intends to ensure the company's continued existence in consultation with the creditors.

POLYTECHNIK is one of the world's leading providers of biomass combustion plants for CO₂-neutral energy production and is known for the planning and delivery of turnkey plants.

Since 2017, the POLYTECHNIK product range has been expanded to include biochar production plants (CO₂-negative products) and, most recently, a new low-emission grate technology. Due to decades of experience, POLYTECHNIK can point to numerous international reference installations for well-known customers. A total of more than 3,300 firing systems have been installed worldwide to the customers' complete satisfaction. POLYTECHNIK achieves over 95% of its sales outside of Austria.

POLYTECHNIK Luft- und Feuerungstechnik GmbH in Lower Austria employs around 100 people.

The global pandemic has resulted in massive delays and additional costs in processing, invoicing, and progressing of works. In addition, price increases, inflation and delivery delays, particularly in logistics, transport and procurement, caused additional cost and further financial stress.

Due to external factors, postponements and delays caused by the COVID-19 pandemic, planned returns from projects have also been delayed, which resulted in a substantial loss of revenue for the year 2021, with considerable additional costs, which is why the company is currently threatened by insolvency and under administration.

Despite the pandemic, POLYTECHNIK was still able to achieve global sales of EUR 38 million in 2020 and successfully secured orders of around EUR 62 million.

The company's debts sit at EUR 69.6 million.

To overcome the liquidity crisis, the company involves all stakeholders in the restructuring and continuation measures, with positive signals supporting the restructuring measures already received. In addition, a strategic investor's planned involvement should help secure the continued operation and competitiveness at the international market in the long term.