

SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP



## **Enviva files for bankruptcy**

MAR 13, 2024

Biomass producer Enviva has filed for bankruptcy in Virginia, US, as it outlined a restructuring strategy to reduce debt by \$1 billion (€915 million).

The filing in the US bankruptcy court shields the organisation from creditors as it outlines a plan to repay them.

Enviva has entered into two Restructuring Support Agreements (RSAs). One is with an ad hoc group of holders, representing approximately 72% of its senior secured credit facility, approximately 95% of its 2026 senior notes, approximately 78% of bonds related to its Epes, Alabama plant currently under construction (Epes), and approximately 45% of bonds related to its greenfield project near Bond, Mississippi. A second RSA has been entered into with certain holders representing more than 92% of bonds related to the Bond project.

The Company has also secured commitments for \$500 million (€457 million) in debtor-in-possession financing, and other financing accommodations from the Ad Hoc Group, a portion of which will be allocated by the Company to eligible stockholders in accordance with a syndication process that is subject to Court approval.

The DIP Facility is expected to provide, subject to Court approval, sufficient liquidity to support continued operations across Enviva's business throughout the restructuring process, as well as help fund the completion of Epes.

Glenn Nunziata, interim chief executive officer and chief financial officer commented: "These agreements with our lenders and noteholders represent a significant milestone in the ongoing process to transform our business, as we focus on improving profitability, reducing costs, enhancing asset productivity and optimising our capital structure.

"We look forward to emerging from this process as a stronger company with a solid financial foundation and better positioned to be a leader in the future growth of the wood-based biomass industry." "We appreciate the support of our lenders, our vendors, and our customers, and the tremendous efforts of our entire team as we continue to execute our transformation plan."

The restructuring is targeted to be completed during the fourth quarter of 2024, and throughout the process, Enviva plans to continue constructing its Epes plant, with an in-service date expected to be during the first half of 2025.



7 March 2024



**SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP**

=====

Richard P. Vlosky, Ph.D.  
Crosby Land & Resources Professor of Forest Sector Business Development  
Director, Louisiana Forest Products Development Center  
Room 227, School of Renewable Natural Resources  
Louisiana State University Agricultural Center  
Baton Rouge, LA 70803 USA  
Phone: (225) 578-4527; Mobile: (225) 223-1931  
[rvlosky@agcenter.lsu.edu](mailto:rvlosky@agcenter.lsu.edu)  
<https://www.lsu.edu/rnr/people/profiles/vlosky.php>

Chair, LSU Agricultural Faculty Council, LSU AgCenter/College of Agriculture  
<https://faculty.lsu.edu/ag-faculty-council/index.php>

