

# Q3 22

# THE PNE GROUP AT A GLANCE

We are a Clean Energy Solutions Provider for markets and industries, both regionally, nationally and internationally. Our core competencies are the development and operation of renewable energy projects. We are also driving forward the storage of renewable energies and power-to-X technologies. In this way, we are consistently pursuing the goal of a secure, sustainable and profitable energy supply generated 100 percent from renewables.

## PNE Group key figures

| <b>in million euro</b>   | <b>1.1. – 30.9.<br/>2022</b> | <b>1.1. – 30.9.<br/>2021</b> |
|--|------------------------------|------------------------------|
| Total aggregate output   | 152.1                        | 134.6                        |
| Revenues   | 76.7                         | 54.2                         |
| Earnings before interest, taxes,<br>depreciation and amortisation (EBITDA) | 21.1                         | 12.7                         |
| Operating profit (EBIT)  | -0.4                         | -4.3                         |
| Earnings before taxes (EBT)  | 15.0                         | -5.4                         |
| Result for the period  | 6.6                          | -8.5                         |
| Basic earnings per share (euro)  | 0.09                         | -0.11                        |
| Average number of shares (million)   | 76.3                         | 76.3                         |

| <b>in million euro</b>                    | <b>30.9.2022</b> | <b>31.12.2021</b> |
|---|------------------|-------------------|
| Equity on the reporting date              | 222.7            | 221.8             |
| Equity ratio on the reporting date (%)    | 24.9             | 26.8              |
| Balance sheet total on the reporting date | 894.6            | 827.0             |

# FOREWORD OF THE BOARD OF MANAGEMENT

## DEAR SHAREHOLDERS

The climate crisis and the Ukraine war are driving people's desire for a secure, clean and independent energy supply. Without expanding renewable energies, it will not be possible to supply energy as required. This is indispensable. Our industry is receiving a strong tailwind from politics, society and the business sector. The pressure is growing from all sides, and the need to act quickly has been realised, also to enable future generations to live in an intact environment. With our "Clean Energy Solutions", we at PNE offer products and solutions that help to meet the greatest challenges in this environment. This makes us proud and motivates us every day to get closer to our vision of energy supply from 100 percent renewable energy sources.

### Dynamic business development

PNE AG has completed the first nine months of 2022 very successfully in operational terms. Our project pipeline is well filled, the expansion of our own portfolio is progressing, and we have significantly extended our activities in the "service products" segment. The market environment has remained challenging. The war in Ukraine is not only causing endless suffering among the people, but is also leading to high energy prices, some of which are fluctuating sharply, and together with the effects of the COVID-19 pandemic has resulted in unstable supply chains and steadily rising commodity prices. This results in higher material costs. So far, we have been able to master these challenges well and have taken measures to ensure that we can continue to do so in the future.

In September, the leading trade fair WindEnergy in Hamburg was again held as an event with personal attendance. We are very satisfied with the progress. We experienced a very large crowd at our booth. The dialogue with investors, business partners, banks, customers, suppliers and representatives from politics and the media was a welcome change after all the digital appointments of the last three years and has led to numerous interesting discussions.

In the first nine months of the 2022 fiscal year, we recorded a very good EBITDA. The liquid funds amounted to euro 21.1 million (prior year: euro 12.7 million). This represents an increase of more than 66 percent compared to the same period last year. The main driver of aggregate output and earnings in the first nine months of 2022 was the "electricity generation" segment, which increased significantly due to our larger installed base of wind turbines combined with high electricity prices. These high prices at which we can sell our internally produced electricity compensate for the currently higher expenses for materials. Even though the interventions planned by the EU Commission and the German government to skim off the "windfall profits" have not yet been defined.

## Good performance of PNE

Our strategy works. The positive business development and social needs have shown that we are on the right track with our corporate Scale up strategy. The performance is right, we are achieving very good results and the future prospects are equally positive. This is also rewarded by the market. Since the inclusion of PNE AG in the SDAX, the stock exchange price of our shares has continued to develop very positively. Our share is by far the highest performer of all DAX companies and its development is quite stable. Further proof of our investors' confidence in the PNE Group and its strategy is the successful placement of a corporate bond 2022/27 with a volume of euro 55 million in June 2022.

We are very pleased with the market's confidence in us, our business model and our strategy. For us, this is both an incentive and a challenge.

The operational targets of our "Scale up" program have already been almost achieved. The key figures add up, and we will also achieve the targets defined for our internal portfolio by the end of 2023. We are currently developing the strategy for the period up to 2027, which will be presented soon. As a clean energy solutions provider, our aim is to be the enabler of the energy transition and to offer our employees attractive jobs with long-term prospects. To this end, we are working internally on our corporate culture, further streamlining processes and advancing digitalisation.

## Wind and PV project pipeline is growing strongly

Overall, our pipeline for wind and photovoltaic projects increased significantly by 4,984 MW/MWp to 11,430 MW/MWp in the first nine months of 2022 compared to the same period last year. This is an increase of 77 percent. We therefore believe that we are excellently positioned for further development in our core business of project development. The pipeline of onshore wind energy projects that we are currently working on in the various phases of project development was expanded to 7,381 MW (prior year: 5,652 MW) despite the continuous realisation of wind farms.

Significant progress was also made in the development of photovoltaic projects (PV) in the first nine months of the 2022 fiscal year. In this field, we were able to expand our projects in progress to 4,049 MWp in the reporting period (prior year: 794 MWp). With the acquisition of a majority stake of 51 percent in Coliaenergia ESPAÑA, S.L. (KOLYA) in July 2022 as well as the PV growth in the second and third quarter of 2022, the Company's PV project pipeline has increased fivefold.

## Significant operational progress

In the first nine months of 2022, the German wind farms "Wahlsdorf" (19.4 MW) in Brandenburg, "Gnutz I" (8.4 MW) in Schleswig-Holstein and "Kuhstedt II" (22.0 MW) in Lower Saxony as well as the Polish wind farm "Krzecin" (19.2 MW) were completed and put into operation. The three German wind farms have been included in the Group's own portfolio. At the end of the reporting period, ten wind farm projects with a total nominal capacity of 224.5 MW were under construction in Germany, France, Poland and Sweden.

## Expansion of internal portfolio continued

At the end of the third quarter, our internally operated wind farm portfolio, including the aforementioned "Wahlsdorf", "Gnutz I" and "Kuhstedt II" projects, had a volume of approx. 283 MW. We expect to be able to commission further wind farms for our own portfolio this year. A total of 102 MW is currently under construction for our own operations. We have just been awarded contracts for three more projects, and approval processes for additional projects are underway.

Our plants make an important contribution to climate protection and energy security. In the first nine months of 2022, they produced around 346 GWh of clean electricity, saving around 230,000 tons of CO<sub>2</sub>.

## Service business grows

By expanding our service business, we also help to further increase the share of steady earnings. The international business of operations management and technical inspections and tests was expanded in the first nine months of 2022 in the markets of Sweden and Poland with additional services and extended to include the market of Lithuania.

## Very good nine-month result with increased EBITDA compared to the same period of the previous year

On the basis of these business developments, the Group reports total aggregate output of euro 152.1 million (prior year: euro 134.6 million), revenues of euro 76.7 million (prior year: euro 54.2 million), and earnings before interest, taxes, depreciation and amortisation (EBITDA) of euro 21.1 million (prior year: euro 12.7 million).

The nine-month result of euro 6.6 million (prior year: euro -8.5 million) includes extraordinary interest income of euro 25.3 million (prior year: euro 3.2 million) from subsequent measurement of the Group's interest rate swaps and loan liabilities, which led, in particular, to the basic earnings per share of euro 0.09 (prior year: euro -0.11).

The results are influenced by the establishment of PNE's own wind farm portfolio. Due to the investments in PNE's own projects, pre-tax profits of euro 145.4 million were eliminated at Group level. These are defined by the Company as "hidden reserves". The "hidden reserves" thus correspond to the intercompany profits from the sale of wind farms between companies in the consolidated group, which were eliminated in the preparation of the consolidated financial statements. This means that the consolidated results at Group level do not show a complete picture of the performance of the Company.

The very pleasing results of the first nine months provide a good basis for the rest of the fiscal year. We continue to confirm our guidance for the 2022 fiscal year with positive EBITDA for the Group in the range of euro 20 to 30 million. However, due to the Ukraine war, unstable supply chains and the effects of the ongoing COVID-19 pandemic, there might still be postponements of project right sales and project implementations from 2022 to 2023 in the operative business in the last quarter of 2022. In addition, these factors will lead to high or rising raw material prices, which result in higher pricing for wind turbines, modules and other trades. These can be partially offset by higher electricity prices, which, however, are affected by the Federal Government's planned skimming of so-called windfall profits.

PNE is on track and excellently positioned for its further development. We are optimistic about the future.

We would like to express our very sincere gratitude – including on behalf of our employees – for your support to date.

Maintain your confidence in us in the future!

PNE AG

The Board of Management



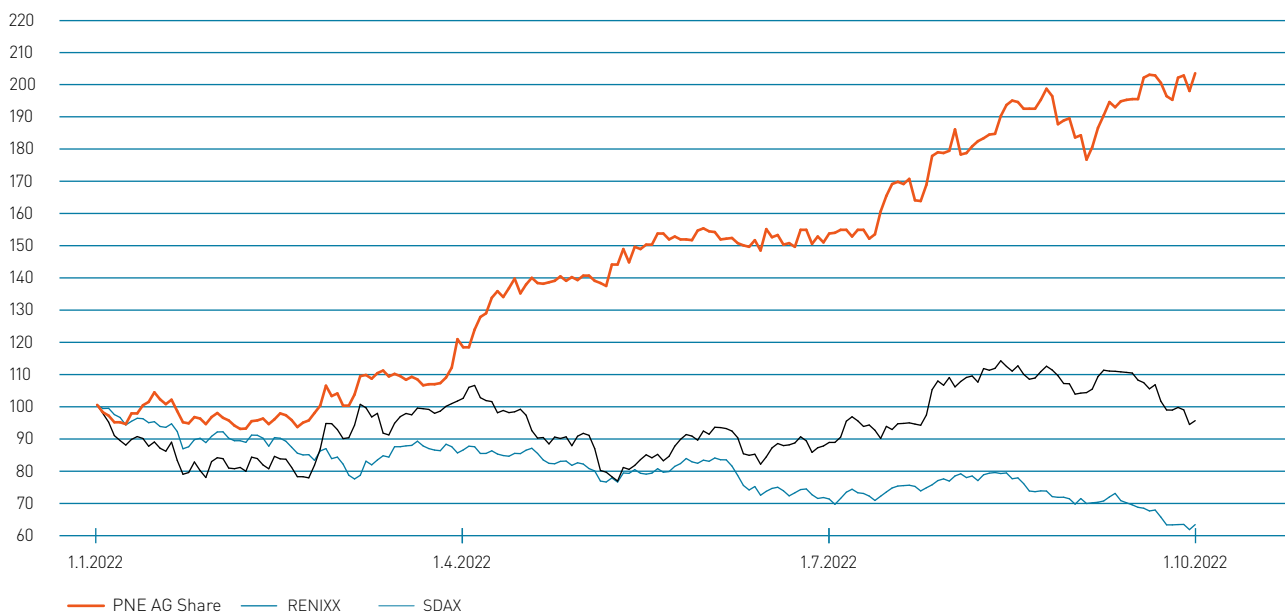
**Markus Lesser**  
CEO



**Jörg Klawat**  
CFO

# CAPITAL MARKET INFORMATION

## PNE share vs. RENIXX and SDAX



## SHARE

The PNE AG share started the fiscal year on January 3, 2022 with an opening price of euro 8.63. In the first quarter, the share traded in a range between euro 8.00 and 9.00. At the beginning of April, the share then broke out of this range to the upside and subsequently rose significantly, reaching its high for the reporting period of euro 17.78 on 20 September 2022. On September 30, 2022, the share closed at euro 17.70, which corresponds to a market capitalisation of approx. euro 1.35 billion and an increase of +105 percent compared with the beginning of the year. The benchmark indices were also significantly outperformed.

The strong performance of the shares led to PNE AG being included in the SDAX and listed in the index since June 20, 2022. The PNE share shows the best performance of all companies listed in the DAX, MDAX or SDAX over the year.

## CORPORATE BOND 2022/27

In June, PNE AG successfully placed a new corporate bond 2022/27 (ISIN: DE000A30VJW3) with a volume of euro 55 million and a coupon of 5.00 percent. The aim of this measure was, in particular, the early refinancing of the 2018/23 bonds due on May 2, 2023. In addition, the proceeds serve to finance the organic and inorganic growth of PNE AG. The bonds have been trading on the Open Market of the Frankfurt Stock Exchange since June 23, 2022. In the reporting period since the start of trading, the corporate bond 2022/27 has traded above 100 percent at most times. The price was 100.0 percent at the end of the reporting period on September 30, 2022. The corporate bond has an annual interest rate of 5.0 percent. This percentage increases by 0.50 percent if the "consolidated equity ratio according to the bond conditions" (calculation:  $(\text{consolidated shareholders' equity plus defined "hidden reserves"}) / (\text{consolidated total assets plus defined "hidden reserves"})$ ) is less than 20 percent on December 31 of a fiscal year. The Group equity ratio calculated according to these conditions was approximately 35.4 percent as at September 30, 2022.



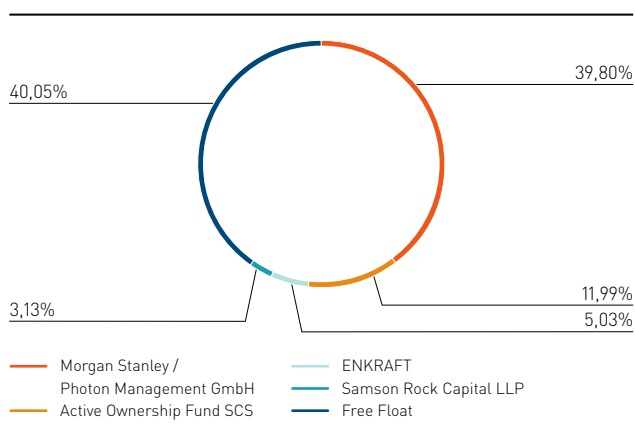
## CORPORATE BOND 2018/23

The corporate bond 2018/23 issued by PNE AG had a volume of euro 50 million with an annual interest of 4.00 percent. In the context of the placement of the 2022/27 bond, bondholders of the 2018/23 bond had the opportunity to exchange their existing bonds for bonds from the new placement. This offer was accepted by the bondholders in the amount of euro 32,073,000.00. For the remaining 2018/23 bonds with a volume of euro 17,927,000.00, PNE AG exercised its right on June 29, 2022 to call all outstanding bonds of the 2018/23 bond early with effect from July 29, 2022, in compliance with the minimum notice period of 30 days and the maximum notice period of 60 days. The redemption of the outstanding 2018/23 bonds took place on August 1, 2022.

## SHAREHOLDER STRUCTURE

At the end of the reporting period on September 30, 2022, the total number of shares issued by PNE AG amounted to 76,603,334.

According to published notifications relating to voting rights and directors' dealings, Morgan Stanley/Photon Management GmbH held 39.80 percent of the shares, Active Ownership Fund SCS 11.99 percent of the shares, ENKRAFT 5.03 percent of the shares, and Samson Rock Capital LLP 3.13 percent of the shares on September 30, 2022. All other shareholdings were therefore classified as other free float. Morgan Stanley/Photon Management GmbH currently intends to hold unbiased preliminary talks with potential interested parties regarding a complete acquisition of the shareholding held by Photon Management GmbH in the Company. According to Morgan Stanley/Photon Management GmbH, no decision to sell has been made yet. This has resulted in the following shareholder structure at the end of the reporting period:



## GENERAL MEETING OF SHAREHOLDERS

PNE AG's general meeting of shareholders was held on May 18, 2022 in the form of a virtual general meeting without the physical presence of shareholders or their proxies. The shareholders voted overwhelmingly in favour of the proposal of the Board of Management and Supervisory Board to distribute a dividend of euro 0.04 and a special dividend of also euro 0.04 per eligible share.

The shareholders clearly consented to the proposed resolution to give formal approval of the actions of the members of the Board of Management Markus Lesser (CEO) and Jörg Klowat (CFO). In addition, the shareholders decided with a clear majority to give formal approval of the actions of the Supervisory Board. The term of office of the Supervisory Board members Christoph Oppenauer, Marcel Egger and Florian Schuhbauer ended at the end of the general meeting of shareholders. The general meeting of shareholders resolved to expand the Supervisory Board to seven members. Christoph Oppenauer and Marcel Egger were re-elected to the Supervisory Board. Roberta Benedetti and Marc van't Noordende were elected as new members to the Supervisory Board.

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, was elected as the auditor of the financial statements and consolidated financial statements by a large majority.

The necessary 75 percent majority was not achieved for the proposals to create new Authorised Capital, new Conditional Capital and a new authorisation to issue bonds with conversion and/or option rights.

The general meeting of shareholders approved the remuneration report by a large majority.

## FINANCIAL CALENDAR

|            |                                    |
|------------|------------------------------------|
| 9.11.2022  | Publication of Financial Report Q3 |
| 17.11.2022 | Capital Market Day/Frankfurt       |
| 28.11.2022 | Analyst Conference/Frankfurt       |

## ADDITIONAL INFORMATION

On the website [www.pne-ag.com](http://www.pne-ag.com) you will find extensive information on PNE AG and a comprehensive presentation of the business model as well as current data concerning the shares in the section "Investor Relations". Furthermore, financial and quarterly reports, press announcements and background information on PNE AG can be accessed and downloaded from there.

## 1. OVERVIEW OF BUSINESS ACTIVITY

### Summary

The operational business of the PNE Group in the wind sector during the first nine months of 2022 was characterised by the development and realisation of onshore wind farms in various countries.

At the end of the third quarter of 2022, the PNE Group was working on wind farm projects worldwide with a nominal output of approx. 7,381 MW (Q3 2021: 5,652 MW). Of these, wind farms with a nominal output of approx. 2,004 MW were under construction (Q3 2021: 1,900 MW) in the various phases of project development.

At the end of the reporting period, ten wind farm projects with a nominal capacity of 224.5 MW were under construction in Germany, France, Poland and Sweden. For projects already sold with 122.9 MW, PNE is active as a service provider for the buyers.

Seven wind farms with a nominal capacity of 111.7 MW were under construction in Germany, of which five projects with a nominal capacity of 101.7 MW are intended for internal operations. The remaining projects are two service projects with a total nominal capacity of approx. 10 MW.

The German wind farms "Wahlsdorf" (19.4 MW) in Brandenburg, "Gnutz I" (8.4 MW) in Schleswig-Holstein and "Kuhstedt II" (22.0 MW) in Lower Saxony as well as the Polish wind farm "Krzecin" (19.2 MW) were completed and put into operation. The three German wind farms have been included in the Group's own portfolio.

PNE was able to sell the project rights for the "Chantonnay" wind farm with a nominal output of approx. 9 MW.

Once again, we have come closer to our goal of significantly expanding our own wind farm operations and establishing an internal wind farm portfolio of up to 500 MW by the end of 2023. On September 30, 2022, PNE operated wind farms with an installed nominal capacity of 283 MW in its own portfolio. Further projects are under construction. The basis for the future further expansion is the well-filled project pipeline, since PNE is currently developing national and international onshore wind farms with a volume of 7,381 MW in various phases of project development. Individual projects, especially abroad, will still be sold in the market in the future.

As a portfolio holder, PNE AG is increasingly dependent on the wind conditions. As the number of MW in the Group's own portfolio increases, volatile wind conditions will have an impact on the financial indicators of the "electricity generation" segment and also on the financial indicators of the Group. For the first nine months of 2022, electricity generation was behind the long-term average of wind results. However, the first nine months of 2022 were characterised by a better wind supply compared to the same period of the previous year, which, in combination with the increased number of wind turbines in operation and higher electricity prices in the "electricity generation" segment, led a significant increase compared to the previous year.

PNE's market environment is still characterised by the effects of the COVID-19 pandemic. Based on past experience, the Company has been able to adapt to these challenges to protect employees and ensure the realisation of projects and deliveries. Nevertheless, the impact on the manufacturers' supply chains has been and continues to be felt and is reflected in longer delivery times. Added to this are the higher raw material prices, which have led to an increase in wind turbine prices. However, PNE assumes that the rising prices can be partially or fully compensated by higher electricity prices and plants that are more efficient. The good liquidity position gives the Company sufficient leeway to be able to cope well with longer-term restrictions.

### Segment reporting

The determination and presentation of segment reporting as at September 30, 2022 has not changed versus December 31, 2021.

#### "Project development" segment

The "project development" segment reports on the following sub-divisions: onshore wind power - national and international, offshore wind power - national and international, photovoltaic projects - national and international, as well as other projects.

#### Sub-division wind energy onshore and photovoltaics

The development and realisation of onshore wind farms and photovoltaic projects have been continued and expanded consistently in the first nine months of 2022, both in Germany and in foreign markets.

Overview of the status of onshore wind energy project activities of the PNE Group as at September 30, 2022 in MW:

| Country        | Phase I – II | Phase III    | Phase IV   | Total (MW)   | Sold/Service Provider |
|----------------|--------------|--------------|------------|--------------|-----------------------|
| Germany        | 1,330        | 572          | 102        | 2,004        | 10                    |
| France         | 325          | 237          | 0          | 562          | 13                    |
| United Kingdom | 0            | 43           | 0          | 43           | 0                     |
| Italy          | 40           | 0            | 0          | 40           | 0                     |
| Canada         | 505          | 0            | 0          | 505          | 0                     |
| Panama         | 224          | 60           | 0          | 284          | 0                     |
| Poland         | 812          | 0            | 0          | 812          | 40                    |
| Romania        | 0            | 0            | 0          | 0            | 221                   |
| Spain          | 184          | 0            | 0          | 184          | 43                    |
| South Africa   | 1,482        | 30           | 0          | 1,512        | 140                   |
| Sweden         | 300          | 0            | 0          | 300          | 60                    |
| Turkey         | 629          | 71           | 0          | 700          | 0                     |
| USA            | 266          | 169          | 0          | 435          | 0                     |
| <b>Total</b>   | <b>6,097</b> | <b>1,182</b> | <b>102</b> | <b>7,381</b> | <b>527</b>            |

Phase I – II = Exploration & Development  
Phase III = Planning  
Phase IV = Implementation  
Sold/Service Provider = Projects already sold, for which PNE is currently providing construction management services

Overview of the status of photovoltaic project activities of the PNE Group as at September 30, 2022 in MWp:

| Country      | Phase I – II | Phase III | Phase IV | Total (MW)   | Sold/Service Provider |
|--------------|--------------|-----------|----------|--------------|-----------------------|
| Germany      | 441          | 0         | 0        | 441          | 0                     |
| France       | 119          | 0         | 0        | 119          | 0                     |
| Italy        | 140          | 0         | 0        | 140          | 0                     |
| Canada       | 154          | 0         | 0        | 154          | 0                     |
| Poland       | 293          | 0         | 0        | 293          | 0                     |
| Romania      | 377          | 62        | 0        | 439          | 0                     |
| USA          | 700          | 0         | 0        | 700          | 0                     |
| Spain        | 947          | 0         | 0        | 947          | 756                   |
| South Africa | 817          | 0         | 0        | 817          | 0                     |
| <b>Total</b> | <b>3,987</b> | <b>62</b> | <b>0</b> | <b>4,049</b> | <b>756</b>            |

Phase I – II = Exploration & Development  
Phase III = Planning  
Phase IV = Implementation

## Wind energy onshore and photovoltaics – national

At the end of the third quarter of 2022, the PNE Group was working on wind farm projects in Germany with a nominal output of approx. 2,004 MW in various phases of project development (Q3 2021: 1,900 MW). In addition, photovoltaic projects with 441 MWp were in the development phase (Q3 2021: 220MWp).

The wind farms "Wahlsdorf" (19.4 MW) in Brandenburg and "Gnutz I" (8.4 MW) in Schleswig-Holstein as well as "Kuhstedt II" (22.0 MW) in Lower Saxony were completed and commissioned. These projects have been included in the Group's own portfolio.

At the end of the reporting period, five wind farms with a nominal capacity of 101.7 MW were under construction in Germany, all of which are intended for the internal portfolio, as well as two service projects with a nominal capacity totalling approx. 10.1 MW.

On two of these five internally operated wind farms as well as on one service project construction work began in the reporting period. These internally operated projects have a total nominal output of approx. 48.3 MW, and the service project has a total capacity of 6.6 MW.

In addition, in the first three quarters of 2022, PNE received approvals for five further German wind farms with a nominal capacity of 58.3 MW as well as for a service project with 6.6 MW.

## Wind energy onshore and photovoltaics – international

The PNE Group also successfully continued its core business of project development and realisation of wind energy and photovoltaics abroad. At the end of the third quarter of 2022, the PNE Group had wind farms with a nominal capacity of approx. 5,377 MW (prior year: 3,752 MW) in the various phases of project development in foreign markets. In addition, photovoltaic projects with 3,608 MWp (previous year: 574 MWp) were under development in the foreign markets at the end of the reporting period.

In France, Poland and Sweden, wind farms with a total nominal output of 112.8 MW were under construction as at September 30, 2022. PNE is active in these projects as a service provider.

Compared to the presentation in the 2021 annual report and the combined management and group management report 2021, there were the following changes in the foreign markets:

### France

PNE was able to sell the project rights for the "Chantonay" wind farm with a nominal output of 9.0 MW. The "Nanteuil" wind energy project with a planned nominal output of 13.2 MW, for which PNE is acting as service provider for the buyer, has been under construction since July 2021. The six wind turbines are scheduled to go into operation before the end of 2022.

### United Kingdom

In the reporting period, PNE continued to work on the Scottish wind farm "Sallachy", which had been rejected by the Energy Minister in 2015 despite broad support from communities and politicians. The construction of the "Sallachy" wind farm with a nominal capacity of approx. 42.9 MW was approved in April 2022.

### Poland

In Poland, the "Krzecin" wind farm (19.2 MW) was completed and commissioned.

## Sub-division wind energy offshore

### Wind energy offshore – national

PNE's high level of competence in offshore project development is reflected in the fact that eight offshore wind farm projects were sold after their realisation in recent years. The Offshore Wind Energy Act (WindSeeG) provides for the planning of future projects to be carried out centrally by the Federal Maritime and Hydrographic Agency. In combination with the tendering system introduced, this represents a high hurdle for PNE for future project developments in German waters.

In the offshore wind energy segment, the PNE Group also examines opportunities of generating electricity from other energy carriers such as hydrogen at sea. Fundamental calculations and examinations are carried out for this purpose, which, if positive, can form the basis of further project activities in this respect.

### Wind energy offshore – international

In the reporting period, the Company made further efforts to start the development of marine wind farms abroad. In particular, it is currently examining the possibilities of planning offshore wind farms in Vietnam. An office was opened for this purpose in Ho Chi Minh City.

In Vietnam, the required expansion of the national electricity grid is defined in Power Development Plans ("PDPs"). Inclusion in the PDP is the basis for further approvals for each project. PNE has contributed to the latest draft of PDP8 with an offshore project with up to 2,000 MW of potential total capacity. This is an offshore wind power plant in three construction phases, of which approx. 700 MW are to be realised in the first phase. The PDP8 is expected to be published at the end of 2022/beginning of 2023. The Power Development Plan is updated at regular intervals.

## General

In the "project development" segment, PNE continued to work on projects under construction and expanded the wind and PV pipeline in the first nine months of 2022. As the project development services for the projects under construction could be invoiced at the end of 2021 and the main part of the revenues and earnings from the general contractor services for these projects will arise at the time of the construction and commissioning of the wind turbines, the figures for the "project development" segment will provide a more detailed view of the current performance of the segment in the fourth quarter of 2022, i.e. as at the end of 2022. The current COVID-19 pandemic had an impact on the business activities of the "project development" segment in the form of project postponements. These shifts had only minor effects on the results of the "project development" segment in the period under review. However, it cannot be ruled out that this might lead to shifts in earnings in the "project development" segment and in the Group from 2022 to 2023 in the course of the fourth quarter of 2022.

In the first nine months of 2022, the "project development" segment achieved

- total aggregate output of euro 110.0 million (prior year: euro 134.7 million),
- EBITDA of euro -6.3 million (prior year: euro 21.0 million) and
- EBIT of euro -8.1 million (prior year: euro 19.3 million).

## "Service products" segment

The "service products" segment covers the entire life cycle of a project. These services include technical and commercial operations management, technical inspections and tests, construction management, grid and transformer station services, wind planning, electricity marketing management, and similar services.

The international business of operations management and technical inspections and tests was expanded in the first nine months of 2022 in the markets of Sweden and Poland with additional services and extended to include the market of Lithuania. These are not projects developed by PNE, but services which, in addition to the core market of Germany, are now also being successfully sold to third party customers in these markets.

In the Polish wind farms "Kuslin" and "Krzecin" as well as the Swedish wind farm "Hultema", which were developed and sold by PNE, Group companies provided construction management services in the first nine months of 2022 until commissioning. In the following quarter, further services were provided in the operating phase (operational management and technical inspections). With these projects, the PNE Group continued to successfully implement its strategy of providing services over the entire life cycle in addition to project development. Demand for wind and site services for third parties is increasing, especially in Germany. This will result in a significantly larger volume of orders at Pavana and additional investments in personnel and measuring equipment.

The demand for transaction advisory services, including the brokerage of power purchase agreements (PPAs) for plants no longer subsidised and for marketing solutions regarding short-term hedging products for projects within the market premium model is still high, including against the backdrop of the current high market prices. In July and August, PPAs were brokered for a further three external wind farms with a total capacity of 72 MW. Since the end of August, however, the electricity markets have been largely on hold. Market participants are waiting for clarity regarding the regulatory market interventions currently under discussion.

Through its subsidiary energy consult Prüfgesellschaft GmbH, the PNE Group now also offers efficient and high-quality drone-based visual inspections and lightning protection tests on wind turbine rotor blades. The downtime of the wind turbines and thus also the loss of yield for the operator can thus be halved, since the inspections of the rotor blades can be combined with

those on the nacelle and tower. In particular, the non-contact lightning protection measurement sets new standards in the market. This method has already been successfully carried out on twelve turbines of the "Kuslin" wind farm.

The "service products" segment generated a higher aggregate output in the first nine months of 2022 compared with the prior-year period, and EBITDA and EBIT were also higher than in the prior-year period. This was achieved despite higher personnel costs due to additional employees (+23 employees compared with September 30, 2021).

The ongoing COVID-19 crisis has had an impact on the business activities of the "service products" segment, particularly as regards customer-related services such as those provided by MEB, energy consult Prüfgesellschaft or construction management. This is because these services take place directly at the customer's premises, at the construction site or at the wind farm. Services such as technical operations management, on the other hand, can be distributed within a team or provided remotely.

In the first nine months of 2022, the "service products" segment achieved

- total aggregate output of euro 18.3 million (prior year: euro 15.3 million),
- EBITDA of euro 4.6 million (prior year: euro 4.0 million) and
- EBIT of euro 2.0 million (prior year: euro 1.4 million).

## "Electricity generation" segment

The "electricity generation" segment combines all activities of the Group companies that are engaged directly in the production of electricity from clean energies.

This segment includes primarily the PNE-operated wind farms with a total nominal capacity of currently approx. 283.1 MW (as at September 30, 2021: approx. 173.1 MW) and the Silbitz biomass power plant with approx. 5.6 MW. Furthermore, the segment includes interests in limited partnerships, in which wind farm projects will be realised in the future.

It is planned to commission further wind farms this year and to transfer them to the Company's own wind farm portfolio. The PNE Group is thus continuing to consistently and successfully implement its target of having 500 MW in operation or under construction by the end of 2023.

The seasonal wind distribution with constant depreciation and costs per quarter results - from quarter to quarter - in the wind farms recording very positive earnings in quarters with high winds and slightly negative to slightly positive earnings in low-wind quarters. In the first nine months of 2022, electricity generation was behind the long-term average of wind results, but due to the increased number of wind turbines in operation and the higher electricity prices compared to the same period of the previous year, the "electricity generation" segment was able to generate results above forecasts. It should be noted that the interventions planned by the EU Commission and the German government to skim off "windfall profits" have not yet been defined.

The continuing COVID-19 crisis has had no direct impact on the business activities of the "electricity generation" segment. However, the Ukraine war and the associated potential gas shortage have led to a sharp increase in electricity prices and significantly higher spare part costs, which is also reflected in the segment's earnings.

In the first nine months of 2022, the "electricity generation" segment achieved

- total aggregate output of euro 52.1 million (prior year: euro 16.4 million),
- EBITDA of euro 42.9 million (prior year: euro 10.9 million) and
- EBIT of euro 25.9 million (prior year: euro -2.0 million).

## 2. CORPORATE STRUCTURE

The changes in the companies included in the consolidated financial statements as compared to December 31, 2021 are explained below the segment reporting table.

Compared to December 31, 2021, there were no other significant changes in the area of operations.

## 3. ORGANISATION AND EMPLOYEES

On September 30, 2022, the PNE AG Group employed 526 people in total (previous year: 475), including the members of the Board of Management.

Of Group's employees, 189 persons (prior year: 184 persons) were employed directly by PNE AG and 337 persons (prior year: 291 persons) by the subsidiaries of PNE AG.

When distinguished between Germany and abroad,

- 429 persons (prior year: 379 persons) were employed by domestic and
- 97 persons (prior year: 96 persons) by foreign companies of the Group.

## 4. GENERAL ACCOUNTING PRINCIPLES

In the financial report for the first nine months of the 2022 fiscal year as at September 30, 2022, the Company applied the same accounting and valuation methods as in the consolidated financial statements as at December 31, 2021. The IFRS standards amended since January 1, 2022 are not relevant to the quarterly financial statements.

The tax expenditure of the PNE Group is determined using an estimate of the taxable income of the relevant companies.

## 5. NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

The figures in the text and in the graphic illustrations were rounded, and small rounding differences are possible.

In the case of the revenues and earnings, the values as at September 30, 2022 are compared with the values as at September 30, 2021, and in the case of the net assets and financial position with the values as at December 31, 2021.

## a. Revenues and earnings

In the first nine months of fiscal 2022, the PNE Group achieved a total aggregate output of euro 152.1 million (prior year: euro 134.6 million). Of this, euro 76.7 million is attributable to revenues (prior year: euro 54.2 million), euro 72.6 million to changes in inventories (prior year: euro 78.8 million) and euro 2.7 million to other operating income (prior year: euro 1.6 million).

In the first nine months of 2022:

- In the "project development" segment, the Company generated internal revenues of euro 93.7 million (prior year: euro 55.5 million), including for general contractor and project development services for the Company's own wind farms, as well as external revenues of euro 12.6 million (prior year: euro 26.4 million), including from project sales in France and general contractor services in Poland.
- In the "service products" segment, the Company billed external revenues of euro 12.8 million (prior year: euro 11.9 million) and internal revenues of euro 5.0 million (prior year: euro 3.0 million). The main revenues were generated
  - from commercial and technical operations management,
  - from construction management services,
  - from wind planning services/wind measurements,
  - from electricity marketing management,
  - from activities in the area of service, maintenance and inspection of operating equipment, training for specialists and servicing of, for example, obstruction lighting systems as well as
  - from transformer station services.

The increase in revenues compared to the same period of the previous year is due, among other things, to the additional services in the construction management sector for projects that have already been sold and the increase in renewable energy projects under commercial and technical operations management.

In this context, it is noteworthy that a significant part of the internal services/revenues helped to avoid external costs within the Group.

- In the "electricity generation" segment, external revenues of euro 51.3 million were generated in the reporting period (prior year: euro 15.9 million). These revenues were mainly attributable to PNE's own wind farm portfolio with euro 46.0 million (prior year: euro 13.7 million) and the revenues from the "Silbitz" biomass power plant of euro 5.3 million (prior year: euro 2.2 million). A major reason for the higher revenues is that, in the 2022 reporting period, a higher number of wind turbines in operation generated electricity and that higher electricity prices were achieved compared with the prior-year period.

In the first nine months of the 2022 fiscal year, as in the previous year, the work performed for projects owned by the Group was shown under changes in inventories.

### Explanation:

Since the company-owned wind farms were operated by the Company itself regardless of their current or future shareholder structure and used to generate electricity, the wind farms were classified as fixed assets from the date of sale within the Group in accordance with IAS 16. The reclassification from Group inventories to Group fixed assets is carried out without affecting the statement of comprehensive income and, therefore, has not resulted in a change in the item "Increase/decrease in unfinished goods and work in process" of the statement of comprehensive income.

Other operating income includes, inter alia, the reversal of provisions in connection with the construction of wind farm projects, individual value adjustments as well as cost allocations.

The activities of the Group in the area of project development in Germany and abroad, both onshore and offshore, are reflected in the expense items. The share of cost of materials in the Group's total aggregate output amounts to euro 83.9 million (prior year: euro 81.0 million). Compared to the previous year, the cost of materials ratio (cost of materials in relation to total output) in the Group changed from 60 percent to 55 percent.

The Group's personnel expenses amounted to euro 30.5 million in the first nine months of the 2022 fiscal year and thus increased by euro 3.4 million compared to the level of the prior year period (euro 27.1 million). The number of employees in the Group as at September 30, 2022 increased to 526 (as at September 30, 2021: 475 employees). On average, 506 people (prior year: 465 people) were employed in the Group in the first nine months of 2022. These figures include the two members of the Board of Management (prior year: two members). The increase in the number of employees is part of the organisational adjustment to the new strategy that the Group is pursuing with the "Scale up" programme. Another reason for the higher personnel expenses is the rise in starting salaries and the variable remuneration for employees, which must be paid for qualified personnel in line with the market conditions.

Personnel expenses are attributable to the segments as follows:

- "project development": euro 21.6 million (prior year: euro 20.1 million),
- "service products": euro 7.9 million (prior year: euro 6.3 million) and
- "electricity generation": euro 1.0 million (prior year: euro 0.7 million).

The write-downs of intangible fixed assets, property, plant and equipment as well as right-of-use assets increased on a year-on-year basis by euro 4.4 million to euro 21.4 million (prior year: euro 17.0 million). The increase resulted primarily from the higher average number of wind power turbines in the Group ("electricity generation" segment) compared to the prior-year period. Depreciation and amortisation of intangible fixed assets, property, plant and equipment, right-of-use assets as well as long-term financial assets are attributable to the segments as follows:

- "project development": euro 1.8 million (prior year: euro 1.6 million),
- "service products": euro 2.6 million (prior year: euro 2.5 million) and
- "electricity generation": euro 17.0 million (prior year: euro 12.9 million).

The other operating expenses are mainly related to the further development and ongoing operation of the wind farms in the Group and the HKW Silbitz. Other operating expenses changed from euro 13.8 million in the prior-year period to euro 16.6 million in the reporting period.

Other operating expenses, before consolidation effects, are distributed among the segments as follows:

- "project development": euro 10.5 million (prior year: euro 11.2 million),
- "service products": euro 2.5 million (prior year: euro 1.8 million) and
- "electricity generation": euro 6.8 million (prior year: euro 4.4 million).

Other interest and similar income changed from euro 4.0 million in the prior-year period to euro 26.0 million in the reporting period. The change is mainly due to the valuation of the interest swaps concluded as part of the project financing. In the valuation of interest rate swaps, rising market interest rates have led to interest income, which was recognised in the amount of euro 18.4 million (prior year: euro 3.2 million) in the Group ("electricity generation" segment) in the 2022 reporting period. In addition, income of euro 6.9 million (prior year: euro 0.0 million) was recognised in the statement of income under other interest and similar income in the reporting period due to the necessary subsequent measurement of liabilities to banks. This is an exceptionally high effect, which is due to the sharp rise in interest rates in recent months, particularly as a result of the Ukraine war and rising inflation. Due to this increase, the assumptions regarding the previously expected interest payment flows after the expiry of the fixed-interest periods had to be adjusted. For the period after expiry of the fixed-interest period, correspondingly higher interest payments have been budgeted for this reason. In addition, the expected effective interest rate was adjusted to market expectations. Although the interest rates determined for the variable cash flows and the discounting will change to a comparable extent, there is no change in the actual cash flows in the fixed-interest period, which in some cases still lasts up to nine years. However, due to the change in the effective interest rate, these comparatively low cash flows are also discounted at the new, significantly higher effective interest rate until the fixed interest rate expires. This effect mainly results in the income to be recognised. Thereafter, correspondingly higher interest expenses than previously assumed will be recognised over the remaining term of the loans, calculated on the basis of the effective interest method. These calculated interest expenses do not correspond to the actual interest payments, which may still be significantly below the expense to be recognised, particularly during the fixed-interest period.

Interest and similar expenses in the Group changed from euro 5.2 million in the prior year period to euro 10.8 million in the reporting period. In the 2022 reporting period, valuations of



individual interest rate swaps resulted in interest expense of euro 1.1 million (prior year: euro 0.6 million). Interest and similar expenses were incurred mainly in connection with

- the 2018/23 bond (euro 1.6 million),
- the 2022/27 bond (euro 0.7 million),
- the equity and debt financing of wind farm projects and the portfolio GmbHs (euro 4.1 million),
- the application of IFRS 16 "Leases" (euro 1.4 million),
- the valuation of interest swaps concluded as part of the project financing for wind farm projects (euro 1.1 million) and
- other factors, such as building financing at the headquarters in Cuxhaven or effective interest on financial liabilities (euro 1.9 million).

#### Explanation:

In the case of financial liabilities for which the interest rate was concluded on special terms (e.g. due to KfW subsidies), the market interest rate that would apply to a comparable instrument with a similar credit rating is to be used. The difference is spread over the term of the underlying instrument using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments through the expected life to the net carrying amount. Using the effective interest rate method, interest income or expense is amortised over the term of the financial liability based on all expected cash flows. The effective interest rate method is applied after the agreed financing has been drawn down in full and the projects financed thereby have been put into operation. Subsequent measurements are performed using the effective interest rate method in the Group if the Group's regular reviews of market expectations indicate that these have changed significantly.

The Company has created values ("hidden reserves") that are not immediately recognisable. These are connected to the establishment of the wind farm portfolio owned by the Company. Due to the investments in our own wind farm projects, pre-tax profits have been eliminated by the Company at Group level, which the Company defines as "hidden reserves". These "hidden reserves" thus correspond to the intercompany profits from the sale of wind farms between companies in the consolidated group, which were eliminated in the preparation of the consolidated financial statements. Whether these profits, as currently calculated, can be achieved in the future in the event of a sale depends on whether or not the assumed market conditions of the project calculations

(e.g. return expectations of investors) will change. The values created from the Group's own projects ("hidden reserves") will be gradually disclosed over the useful life of the projects, based on the lower depreciation assessment basis in the Group. This disclosure of values ("hidden reserves") leads to improvements in earnings over the term and, corresponding to the amount of the disclosure, to an improvement in the Group's equity ratio. The values disclosed to date amount to a total of euro 14.8 million up to September 30, 2022 (prior-year period: euro 7.3 million), of which euro 6.1 million was disclosed in the reporting period (prior-year period: euro 2.6 million). As a result of the investments in PNE's own projects, pre-tax profits of euro 16.9 million were eliminated in the reporting period (prior-year period: euro 22.3 million). Accordingly, there are "hidden reserves" totalling euro 145.4 million on September 30, 2022 (prior year: euro 101.4 million) at Group level (taking into account the disclosure of "hidden reserves").

The Group reported tax expense of euro 8.7 million in the fiscal year (prior year: euro 3.2 million).

At Group level, the following results were achieved in the first nine months of the 2022 fiscal year, excluding the deferred results from the establishment of a wind farm portfolio:

- earnings before interest, taxes, depreciation and amortisation (EBITDA = EBIT plus amortisation/depreciation of intangible assets and property, plant and equipment, right-of-use-assets as well as goodwill) of euro 21.1 million (prior year: euro 12.7 million),
- operating profit (EBIT = corresponds to the value stated in line "Operating result" of the statement of comprehensive income) of euro -0.4 million (prior year: euro -4.3 million).

The consolidated net income after non-controlling interests amounted to euro 6.6 million (prior year: euro -8.5 million). The basic earnings per share for the Group amounted to euro 0.09 (prior year: euro -0.11) and the diluted earnings per share for the Group amounted to euro 0.09 (prior year: euro -0.11).

Taking account of the positive business performance and the dividend payment, retained earnings at the Group level changed in the reporting period to euro 73.9 million (December 31, 2021: euro 73.4 million).

## b. Financial situation

Finance management of PNE AG and of the PNE Group is concentrated on providing sufficient liquidity

- for financing the ongoing operations,
- to create the prerequisite for implementing the extended strategy and to
- counteract the risks of project business.

This financing will be provided at the level of the relevant project companies by way of loans, and at the level of PNE AG by the way of emission of bonds. Derivative financial instruments such as interest swaps will only be used at the level of the project companies to secure interest risks of variable-interest loans. As at September 30, 2022, there were derivative financial instruments in relation to several project financing transactions for wind farms in the Group.

The statement of cash flows provides information on the liquidity situation and the financial position of the Group. As at September 30, 2022, the Group companies had available liquidity of euro 173.7 million, including credit lines for interim project financing, of which euro 1.7 million is pledged to banks (as at December 31, 2021: euro 228.0 million, of which euro 1.9 million pledged).

The available liquidity is broken down as follows:

- cash and cash equivalents in the amount of euro 115.7 million (as at December 31, 2021: euro 149.6 million),
- freely available working capital lines of euro 15.1 million (as at December 31, 2021: euro 15.1 million) and
- freely available project interim debt financing available of euro 42.9 million (December 31, 2021: euro 63.3 million).

The Group concluded an agreement (letter of intent) with a bank for further interim equity financing of projects of up to euro 27.1 million, on the basis of which separate interim equity financing agreements can be concluded after the commissioning of the projects. As at September 30, 2022, an amount of euro 17.2 million had already been used.

As at September 30, 2022, the Group had working capital facilities totalling euro 15.1 million (as at December 31, 2021: euro 15.1 million) and credit lines for guarantee and contract fulfilment obligations (excluding guarantee lines granted by banks

in connection with ongoing project financing) of euro 40.0 million (as at December 31, 2021: euro 34.2 million). As at September 30, 2022, the Group had used euro 0.0 million of the working capital facilities (as at December 31, 2021: euro 0.0 million) and euro 11.7 million of the guarantee and contract fulfilment credit lines as at September 30, 2022 (as at December 31, 2021: euro 4.8 million).

The cash flow from operating activities shown in the statement of cash flows of euro -13.7 million (prior year: euro -95.9 million) was primarily attributable to

- the consolidated results in the reporting period,
- the expenses for the further development of the wind and photovoltaic pipeline and the realisation of wind farm projects, which are reflected in the changes in inventories, receivables and liabilities and were mainly financed by project interim funds (see Cash flow from financing activities).

The cash flow from investing activities in the reporting period included outgoing and incoming payments for investments in consolidated property, plant and equipment and intangible assets totalling euro -79.4 million (prior year: euro -24.2 million). The investments in property, plant and equipment in the first nine months of the 2022 fiscal year and in the previous year related mainly to investments in the realisation of wind farms for the wind farm portfolio being established ("electricity generation" segment) and in transformer stations for these wind farm projects ("service products" segment).

During the reporting period, the cash flow from financing activities of euro 59.2 million (prior year: euro 96.8 million) was influenced primarily by

- the issue of the 2022/27 bond in the amount of euro 55.0 million with transaction costs of euro -1.3 million, and the total repayment of the 2018/23 bond in the amount of euro -50.0 million,
- the taking of bank loans of euro 81.2 million, which are mainly used for the project financing of the wind farm projects owned by the Group,
- the repayment of credit liabilities of euro -13.5 million,
- the repayment of lease liabilities totalling euro -6.2 million (pursuant to IFRS 16 to be recorded as outflow of funds in the cash flow from investing activities) and
- the dividend payment for the previous year of euro -6.1 million.

## c. Statement of financial position

### Assets

| in million euro                | 30.9.2022    | 31.12.2021   |
|--------------------------------|--------------|--------------|
| <b>Total long-term assets</b>  | <b>542.9</b> | <b>463.5</b> |
| Intangible assets              | 63.7         | 64.0         |
| Property, plant and equipment  | 322.1        | 273.5        |
| Rights of use                  | 80.6         | 64.7         |
| Long-term financial assets     | 15.1         | 2.6          |
| Deferred taxes                 | 61.4         | 58.7         |
| <b>Total short-term assets</b> | <b>351.7</b> | <b>363.5</b> |
| Inventories                    | 175.6        | 163.7        |
| Receivables and other assets   | 58.9         | 49.5         |
| Tax receivables                | 1.5          | 0.7          |
| Cash and cash equivalents      | 115.7        | 149.6        |
| <b>Balance sheet total</b>     | <b>894.6</b> | <b>827.0</b> |

On the reporting date, the consolidated total assets of PNE AG amounted to euro 894.6 million. This is a change of approx. 8.2 percent in comparison with December 31, 2021 (euro 827.0 million).

Total long-term assets increased from euro 463.5 million at the end of 2021 to euro 542.9 million on the reporting date.

As at September 30, 2022, intangible assets totalled euro 63.7 million, which mainly includes the goodwill of euro 63.3 million (as at December 31, 2021: euro 63.3 million), and thus remained approximately at the same level as at December 31, 2021. As at September 30, 2022, the goodwill was attributable to the segments as follows:

- "project development": euro 52.9 million (as at December 31, 2021: euro 52.9 million),
- "service products": euro 10.4 million (as at December 31, 2021: euro 10.4 million).

In the same period, property, plant and equipment changed by euro 48.6 million to euro 322.1 million (December 31, 2021: euro 273.5 million). This item primarily includes

- land and buildings: euro 13.2 million (as at December 31, 2021: euro 13.0 million),
- transformer stations owned: euro 19.3 million (as at December 31, 2021: euro 18.6 million),
- technical equipment and machinery of the Company's own wind farms: euro 276.2 million (as at December 31, 2021: euro 234.9 million) and
- other plant and machinery, fixtures and fittings: euro 4.8 million (as at December 31, 2021: euro 4.1 million).

The change in property, plant and equipment is mainly due to the "growing" wind farm portfolio with related depreciation on property, plant and equipment of the wind farms and the application of the effective interest rate method due to KfW subsidies.

### Explanation:

In the case of financial liabilities for which the interest rate was concluded on special terms (e.g. due to KfW subsidies), the market interest rate that would apply to a comparable instrument with a similar credit rating is to be used. The difference is spread over the term of the underlying instrument using the effective interest rate method. The effective interest rate method is applied after the agreed financing has been drawn down in full and the projects financed thereby have been put into operation. At that point in time, the amount is offset against the acquisition cost of the wind turbines constructed using these funds. This resulted in a change in property, plant and equipment as at September 30, 2022 by euro -34.2 million and in the reported liabilities to banks by euro -36.2 million. The difference results from the subsequent measurement of financial liabilities (see "Interest and similar income" under "Revenues and earnings").

IFRS 16 specifies how to account for leases. According to the standard, the lessee is generally obliged to recognise rights and obligations arising from leases. Therefore, lessees must recognise the right of use relating to a leased asset ("right-of-use asset") either under fixed assets in the balance sheet item "right-of-use assets" (long-term assets such as wind farms in own operation or wind farms planned for own operation) or under the balance sheet item "inventories" (short-term assets such as wind farm projects to be sold during or after construction). The "right-of-use assets" in the PNE Group include rights under leasing agreements (e.g. car

leasing), rental agreements (e.g. for the building in Husum) and lease contracts (e.g. in connection with the wind farms operated by PNE or wind farms under construction). As at September 30, 2022, the Group recognised right-of-use assets of euro 80.6 million under the fixed assets (as at December 31, 2021: euro 64.7 million). As at September 30, 2022, the right-of-use assets were attributable to the segments as follows:

- "project development": euro 10.9 million (as at December 31, 2021: euro 9.7 million),
- "service products": euro 5.1 million (as at December 31, 2021: euro 5.3 million) and
- "electricity generation": euro 64.6 million (as at December 31, 2021: euro 49.7 million).

For all assets within the scope of IAS 36 (in particular intangible assets (IAS 38), goodwill (IFRS 3), property, plant and equipment (IAS 16) and investment property measured at cost (IAS 40)), the reporting entity must assess at each balance sheet date whether there is any indication (triggering event) for an impairment loss. Although the effects on the economy caused by the COVID-19 pandemic and the Ukraine war also have certain implications for PNE AG, the Board of Management is of the opinion that there are no indications that the value of the reported goodwill as at September 30, 2022 might be impaired.

The long-term liabilities changed from euro 2.6 million (as at December 31, 2021) to euro 15.1 million on September 30, 2022. This item includes the pro rata long-term loan receivables of euro 12.6 million from SWAP transactions conducted within the Group ("electricity generation" segment) (as at December 31, 2021: euro 0.5 million). Further pro rata loan receivables from the SWAP transactions are included in current assets (receivables and other assets) in the amount of euro 0.8 million (as at December 31, 2021: euro 0.0 million).

During the reporting period, short-term assets changed from euro 363.5 million (December 31, 2021) to euro 351.7 million on September 30, 2022. This change is mainly due to the decrease in cash and cash equivalents (euro -33.9 million). Of the short-term assets, euro 28.9 million is attributable to trade receivables (December 31, 2021: euro 29.5 million), mainly from project invoices for project development and general contractor services for wind farms and milestone receivables.

The work in progress shown under the inventories did not change significantly versus December 31, 2021 and totalled euro 124.0 million (December 31, 2021: euro 122.5 million). Inventories mainly reflect the further development of the pipeline and the wind farm projects currently being implemented.

Work in progress is divided as follows:

- Onshore projects/national: euro 94.4 million (as at December 31, 2021: euro 100.4 million),
- Onshore projects/international: euro 29.6 million (as at December 31, 2021: euro 22.1 million).

The inventories included right-of-use assets of euro 28.2 million as at September 30, 2022 (as at December 31, 2021: euro 42.1 million), which are attributable to the "electricity generation" segment.

The prepayments made in connection with onshore projects under construction, which are included in the inventories item, changed by euro 10.3 million from euro 40.9 million to euro 51.2 million.

Cash and cash equivalents amounted to euro 115.7 million as at September 30, 2022, of which euro 1.7 million is pledged to banks (as at December 31, 2021: euro 149.6 million, of which euro 1.9 million pledged).

As at September 30, 2022, cash and cash equivalents were attributable to the segments as follows:

- "project development": euro 67.4 million (as at December 31, 2021: euro 126.2 million),
- "service products": euro 1.0 million (as at December 31, 2021: euro 1.1 million) and
- "electricity generation": euro 47.2 million (as at December 31, 2021: euro 22.3 million).

Parts of the cash and cash equivalents reported in the "electricity generation" segment are project financing funds that have already been drawn down and are required for the further development of the projects.

## Liabilities

| in million euro                            | 30.9.2022    | 31.12.2021   |
|--|--------------|--------------|
| Equity capital                             | 222.7        | 221.8        |
| Deferred subsidies from public authorities | 0.6          | 0.7          |
| Provisions                                 | 7.5          | 6.7          |
| Long-term liabilities                      | 547.7        | 495.2        |
| Short-term liabilities                     | 86.9         | 77.4         |
| Deferred revenues                          | 29.2         | 25.2         |
| <b>Balance sheet total</b>                 | <b>894.6</b> | <b>827.0</b> |

Group equity changed from euro 221.8 million (December 31, 2021) to euro 222.7 million as at September 30, 2022. The equity ratio of the Group was approx. 25 percent as at September 30, 2022 (as at December 31, 2021: approx. 27 percent).

As at September 30, 2022, the total number of shares issued by PNE AG was 76,603,334 (December 31, 2021: 76.603.334). The treasury stock has not changed in the reporting period and amounted to 266,803 shares as at September 30, 2022.

The long-term liabilities pursuant to the balance sheet changed from euro 495.2 million (December 31, 2021) to euro 547.7 million. Pursuant to the balance sheet, the item consists mainly of long-term financial liabilities totalling euro 535.0 million (as at December 31, 2021: euro 488.8 million).

In the reporting period, PNE AG placed a bond 2022/27 with a volume of euro 55.0 million on the market. In the context of the placement of the 2022/27 bond, bondholders of the 2018/23 bond had the opportunity to exchange their existing bonds for bonds from the new placement. This offer was accepted by the bondholders in the amount of euro 32,073,000.00. For the remaining 2018/23 bonds with a volume of euro 17,927,000.00, PNE AG exercised its right on June 29, 2022 to call all outstanding bonds of the 2018/23 bond early with effect from July 29, 2022, in compliance with the minimum notice period of 30 days and the maximum notice period of 60 days. The redemption of the outstanding 2018/23 bonds took place on August 1, 2022.

The long-term financial liabilities mainly consist of:

- the 2018/23 bond issued in the 2018 fiscal year with a carrying amount of euro 0.0 million (as at December 31, 2021: euro 49.5 million),

- the 2022/27 bond issued in the 2022 fiscal year with a carrying amount of euro 53.7 million (as at December 31, 2021: euro 0.0 million),
- long-term liabilities to banks of euro 365.7 million (as at December 31, 2021: euro 330.4 million) and
- liabilities from leases of euro 113.3 million (as at December 31, 2021: euro 103.7 million).

The significant long-term liabilities to banks relate to the "non-recourse" project financing of wind farm projects operated by the Company in its own portfolio ("electricity generation" segment).

As at September 30, 2022, the liabilities to banks were attributable to the segments as follows:

- "project development": euro 7.9 million (of which long-term euro 6.9 million),
- "electricity generation": euro 388.2 million (of which long-term euro 358.8 million),
- "service products": euro 0.0 million (of which long-term euro 0.0 million).

Mainly due to "IFRS 16 Leases", approx. euro 113.3 million (as at December 31, 2021: euro 103.7 million) for lease liabilities is reported under long-term liabilities and approx. euro 5.8 million (as at December 31, 2021: euro 6.9 million) under short-term liabilities as at September 30, 2022.

The liabilities from leases are attributable to the following segments as at September 30, 2022:

- "project development": euro 11.4 million (of which long-term euro 9.9 million),
- "electricity generation": euro 101.5 million (of which long-term euro 97.9 million),
- "service products": euro 6.3 million (of which long-term euro 5.5 million).

In the first nine months of the 2022 fiscal year, the short-term liabilities changed from euro 77.4 million (December 31, 2021) to euro 86.9 million. The short-term liabilities to banks, included in this item, changed from euro 21.3 million (December 31, 2021) to euro 30.4 million. In the reporting period, trade liabilities changed from euro 34.4 million (December 31, 2021) to euro 38.5 million. These mainly originate from project invoices that are issued by subcontractors for wind farms and are to be settled for the most part at the time of receipt of the corresponding trade receivables from the wind farm companies.

The Company used "non-recourse" financing of approx. euro 70.4 million and approx. euro 10.8 million from the available project equity bridge loan during the 2022 reporting period, which contributed to the above-mentioned changes in short-term and long-term liabilities to banks.

Taking the liquid funds into account, the net debt (cash and cash equivalents less the short-term and long-term financial liabilities) as at September 30, 2022 amounted to euro -456.8 million (December 31, 2021: net debt of euro -368.8 million).

## 6. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

There were no significant changes compared to December 31, 2021.

## 7. DEVELOPMENT AND INNOVATION

There were no research and development activities outside the operative business purpose of "project development" in the PNE AG Group during the reporting period.

## 8. MAJOR EVENTS AFTER THE REPORTING PERIOD

There were no significant events affecting the results of operations, financial position and net assets after the end of the reporting period.

## 9. REPORT ON OPPORTUNITIES AND RISKS

For information about the opportunities and risks of PNE AG, refer to the chapter "Report on opportunities and risks" in the 2021 annual report or the combined management and group management report, which are available on the Company's website at [www.pne-ag.com](http://www.pne-ag.com).

However, due to the Ukraine war, unstable supply chains and the effects of the ongoing COVID-19 pandemic, there is the risk that there might be postponements of project right sales and project implementations from 2022 to 2023 in the operating business. In addition, these risks will lead to high or rising raw material prices, which result in higher pricing for wind turbines, modules and other trades. However, these risks can be partially offset by the opportunity of higher electricity prices.

All discernible risks arising from the current challenging market environment, which is still characterised by the effects of the COVID-19 pandemic, high raw material prices, unstable supply chains and geopolitical uncertainties, are continuously assessed by the Company with regard to their potential impact on the net assets, financial position and results of operations as well as the well-being of the employees and have been taken into account in this report or the outlook.

During the first nine months of the 2022 fiscal year, the Board of Management has not identified any other significant additions or changes to the risks presented in the 2021 annual report or the combined management and group management report for the 2021 fiscal year.

## 10. MANAGEMENT DECLARATION (SECTION 289F AND SECTION 315D OF THE GERMAN COMMERCIAL CODE (HGB))

The management declaration, summarised with the declaration pursuant to Section 289f HGB, in accordance with Section 315d HGB is published on our internet site [www.pne-ag.com](http://www.pne-ag.com) under "Investor Relations" in the Corporate Governance section and can be downloaded there.

## 11. OUTLOOK/FORECAST

PNE AG is a clean energy solutions provider for markets and industries regionally, nationally and internationally. Core competences are project planning and the operation of renewable energy projects. In addition, the storage of renewables and power-to-X technology are promoted. With the projects developed and operated, the PNE Group is making an important contribution to avoiding climate-damaging emissions and, with its full service in the areas of wind energy and photovoltaics, is ensuring that the expansion of clean energies moves forward one step faster – for a better climate worldwide. In this way, the PNE Group is consistently pursuing the goal of a secure, sustainable and profitable energy supply, which is powered 100 percent by renewable energies.

With the "Scale up" programme, the PNE Group has been continuously advancing its strategic development from a wind farm project developer to a Clean Energy Solutions Provider since 2017. With this strategy, the PNE Group is responding to changes in the clean energy markets. The expertise from the successful development, project planning and realisation of onshore and offshore wind farms was transferred to other fields. The operating business was placed on a significantly broader basis both nationally and internationally in order to establish PNE as a specialist in photovoltaic projects and a broadly positioned provider of clean energy solutions, in addition to being a specialist in wind well as. Key elements of the strategy are the expansion of the range of services and the development of new markets and technologies.

A central component of the "Scale up" programme is the objective of expanding the Company's own portfolio to up to 500 MW by the end of 2023. Together with the expansion of the service business, this is designed to contribute to further increasing the share of steady earnings. With this broader positioning, market risks will be minimised, new potential and markets will be opened up and, above all, the results, which were volatile in the past, will be stabilised in the medium term. In this way, the PNE business model is continuously gaining in stability and future viability. In this way, the PNE Group has reached a completely new dimension and would like to continue to grow in the future. This makes PNE more and more valuable for investors and partners and also offers employees at-tractive long-term prospects. With "Scale up 2.0", we are currently working on the expansion of our strategy with targets up to 2027. We aim to publish these in November 2022.

The following forecasts are based on the results from the implementation of operationally planned projects in Germany and abroad (onshore, offshore, photovoltaics), both from the service business and from the electricity generation business.

In fiscal 2022, as in previous years, we will have further upfront expenditure in the low single-digit million range for the strategic expansion of the business model. We continue to confirm our guidance for the 2022 fiscal year with positive EBITDA for the Group in the range of euro 20 to 30 million. However, due to the Ukraine war, unstable supply chains and the effects of the ongoing COVID-19 pandemic, there might be postponements of project right sales and project implementations from 2022 to 2023 in the operating business. In addition, these factors will lead to high or rising raw material prices, which result in higher pricing for wind turbines, modules and other trades. However, these can be partially offset by higher electricity prices.

Cuxhaven, November 9, 2022

PNE AG, Board of Management

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

| in thousand euro (differences due to rounding possible)  | 3rd Quarter             | 3rd Quarter             | Period                  | Period                  |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | 1.7.2022 –<br>30.9.2022 | 1.7.2021 –<br>30.9.2021 | 1.1.2022 –<br>30.9.2022 | 1.1.2021 –<br>30.9.2021 |
| 1. Revenues  | 24,587                  | 13,478                  | 76,716                  | 54,208                  |
| 2. Changes in inventories of finished goods and work in progress   | 22,162                  | 26,831                  | 72,612                  | 78,834                  |
| 3. Other operating income  | 110                     | 416                     | 2,738                   | 1,574                   |
| <b>4. Total aggregate output</b>   | <b>46,859</b>           | <b>40,725</b>           | <b>152,066</b>          | <b>134,616</b>          |
| 5. Cost of materials and purchased services  | -26,108                 | -27,025                 | -83,941                 | -80,963                 |
| 6. Personnel expenses  | -11,473                 | -8,918                  | -30,462                 | -27,085                 |
| 7. Amortisation of intangible fixed assets, property,<br>plant and equipment, rights of use and long-term financial assets | -8,083                  | -6,061                  | -21,448                 | -17,027                 |
| 8. Other operating expenses  | -5,670                  | -5,367                  | -16,567                 | -13,839                 |
| <b>9. Operating result</b>   | <b>-4,475</b>           | <b>-6,646</b>           | <b>-351</b>             | <b>-4,298</b>           |
| 10. Income from participations and associated companies  | 82                      | 20                      | 141                     | 85                      |
| 11. Other interest and similar income  | 2,955                   | 212                     | 26,020                  | 4,033                   |
| 12. Expenses from assumption of losses of associated companies   | -5                      | -5                      | -19                     | -15                     |
| 13. Interest and similar expenses  | -3,380                  | -1,049                  | -10,764                 | -5,212                  |
| <b>14. Result before taxes</b>   | <b>-4,823</b>           | <b>-7,468</b>           | <b>15,026</b>           | <b>-5,406</b>           |
| 15. Taxes on income  | 930                     | -2,145                  | -8,739                  | -3,231                  |
| 16. Other taxes  | -91                     | -86                     | -130                    | -151                    |
| <b>17. Result before non-controlling interests</b>   | <b>-3,984</b>           | <b>-9,699</b>           | <b>6,157</b>            | <b>-8,788</b>           |
| 18. Share of non-controlling interests in the result   | -246                    | -152                    | -482                    | -283                    |
| <b>19. Consolidated net income</b>   | <b>-3,738</b>           | <b>-9,547</b>           | <b>6,639</b>            | <b>-8,505</b>           |
| Undiluted earnings per share in euro   | -0.05                   | -0.13                   | 0.09                    | -0.11                   |
| Diluted earnings per share in euro   | -0.05                   | -0.13                   | 0.09                    | -0.11                   |
| Weighted average of shares in circulation (undiluted), in million  | 76.3                    | 76.3                    | 76.3                    | 76.3                    |
| Weighted average of shares in circulation (diluted), in million  | 76.3                    | 76.3                    | 76.3                    | 76.3                    |
| <b>Other comprehensive income/items that may be reclassified<br/>in the future in the profit and loss account</b>          |                         |                         |                         |                         |
| 20. Currency translation differences   | 1,213                   | 1,037                   | 877                     | 335                     |
| 21. Others   | 0                       | 0                       | 0                       | 0                       |
| <b>22. Other comprehensive income for the period (after tax)</b>   | <b>1,213</b>            | <b>1,037</b>            | <b>877</b>              | <b>335</b>              |
| <b>23. Total comprehensive income for the period</b>   | <b>-2,771</b>           | <b>-8,662</b>           | <b>7,034</b>            | <b>-8,453</b>           |
| <b>Consolidated profit/loss for the period attributable to</b>   |                         |                         |                         |                         |
| Owners of the parent company   | -3,738                  | -9,547                  | 6,639                   | -8,505                  |
| Non-controlling interests  | -246                    | -152                    | -482                    | -283                    |
|  | <b>-3,984</b>           | <b>-9,699</b>           | <b>6,157</b>            | <b>-8,788</b>           |
| <b>Total comprehensive income for the period attributable to</b>   |                         |                         |                         |                         |
| Owners of the parent company   | -2,525                  | -8,510                  | 7,516                   | -8,170                  |
| Non-controlling interests  | -246                    | -152                    | -482                    | -283                    |
|  | <b>-2,771</b>           | <b>-8,662</b>           | <b>7,034</b>            | <b>-8,453</b>           |



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

### Assets

| in thousand euro (differences due to rounding possible) | as per 30.9.2022 | as per 31.12.2021 |
|---|------------------|-------------------|
| Intangible assets                                       | 63,686           | 63,964            |
| Property, plant and equipment                           | 322,093          | 273,523           |
| Rights of use   | 80,642           | 64,732            |
| Long-term financial assets                              | 15,150           | 2,598             |
| Deferred taxes  | 61,365           | 58,713            |
| <b>Total long-term assets</b>                           | <b>542,936</b>   | <b>463,530</b>    |
| Inventories   | 175,611          | 163,711           |
| Receivables, other assets and tax receivables           | 60,391           | 50,134            |
| Cash and cash equivalents                               | 115,651          | 149,625           |
| <b>Total short-term assets</b>                          | <b>351,653</b>   | <b>363,470</b>    |
| <b>Total assets</b>                                     | <b>894,589</b>   | <b>827,000</b>    |

### Liabilities

| in thousand euro (differences due to rounding possible) | as per 30.9.2022 | as per 31.12.2021 |
|---|------------------|-------------------|
| Subscribed capital                                      | 76,603           | 76,603            |
| Capital reserve   | 82,953           | 82,953            |
| Treasury shares   | -707             | -707              |
| Retained earnings                                       | 51               | 51                |
| Foreign currency reserve                                | -2,232           | -3,109            |
| Consolidated profit                                     | 73,916           | 73,384            |
| Non-controlling interests                               | -7,870           | -7,382            |
| <b>Total equity</b>                                     | <b>222,714</b>   | <b>221,793</b>    |
| Other provisions  | 0                | 0                 |
| Deferred subsidies from public authorities              | 632              | 667               |
| Long-term financial liabilities                         | 535,023          | 488,784           |
| Deferred tax liabilities                                | 12,580           | 6,454             |
| <b>Total long-term liabilities</b>                      | <b>548,235</b>   | <b>495,905</b>    |
| Provisions for taxes                                    | 2,462            | 1,549             |
| Other provisions  | 5,016            | 5,198             |
| Short-term financial liabilities                        | 37,419           | 29,620            |
| Trade liabilities                                       | 38,491           | 34,398            |
| Other liabilities and tax liabilities                   | 40,252           | 38,539            |
| <b>Total short-term liabilities</b>                     | <b>123,640</b>   | <b>109,302</b>    |
| <b>Total liabilities</b>                                | <b>894,589</b>   | <b>827,000</b>    |

## CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

For the period from January 1 to September 30

| in thousand euro  | 2022           | 2021           |
|---|----------------|----------------|
| <b>Consolidated net result</b>  | <b>6,157</b>   | <b>-8,788</b>  |
| -/+ Income tax benefit/expense  | 8,739          | 3,231          |
| -/+ Income tax paid/received  | -4,351         | -4,323         |
| -/+ Interest income and expense   | -15,256        | 1,178          |
| - Interest paid   | -6,507         | -5,713         |
| + Interest received   | 735            | 337            |
| +/- Write-downs/write-ups of intangible fixed assets, property, plant and equipment, rights of use and long-term financial assets | 21,448         | 17,027         |
| +/- Increase/decrease in provisions   | 732            | 2,689          |
| +/- Non-cash effective expenses and income  | 598            | 331            |
| -/+ Profit/loss from the disposal of fixed assets and from final consolidation  | 0              | -4,034         |
| +/- Decrease/increase in inventories and other assets   | -60,235        | -110,253       |
| +/- Decrease/increase in trade receivables and stage of completion accounting   | 21,481         | 2,045          |
| +/- Increase/decrease in trade liabilities and other liabilities  | 12,714         | 10,365         |
| <b>Cash flow from operating activities</b>  | <b>-13,745</b> | <b>-95,908</b> |
| + Inflow of funds from disposal of intangible assets  | 0              | 1              |
| + Inflow of funds from disposal of items of property, plant and equipment   | 8              | 535            |
| - Outflow of funds for investments in property, plant and equipment and intangible assets   | -79,154        | -29,022        |
| + Inflow of funds from disposal of financial assets   | 0              | 30             |
| - Outflow of funds for investments in financial assets  | -234           | -135           |
| + Inflow from sale of consolidated units  | 0              | 4,416          |
| - Outflow of funds for investments in consolidated units  | 0              | 0              |
| <b>Cash flow from investing activities</b>  | <b>-79,379</b> | <b>-24,174</b> |
| + Inflow of funds from the issue of bonds   | 55,000         | 0              |
| + Inflow of funds from financial loans  | 81,229         | 122,540        |
| - Outflow of funds for the redemption of bonds  | -50,000        | 0              |
| - Outflow of funds for bond transaction costs   | -1,314         | 0              |
| - Outflow of funds for the redemption of financial loans  | -13,493        | -18,477        |
| - Outflow of funds for the redemption of lease liabilities  | -6,164         | -4,191         |
| - Payment for dividend  | -6,107         | -3,053         |
| <b>Cash flow from financing activities</b>  | <b>59,151</b>  | <b>96,819</b>  |
| Cash-effective change in liquid funds   | -33,973        | -23,263        |
| + Change in liquid funds due to changes in scope of consolidation   | 0              | -46            |
| + Liquid funds at the beginning of the period   | 149,625        | 111,618        |
| <b>Liquid funds at the end of the period*</b>   | <b>115,652</b> | <b>88,309</b>  |
| * of which are pledged to a bank as security  | 1,671          | 3,304          |

Supplementary information: The value of liquid funds on September 30 corresponds to the "Cash and cash equivalents" item in the balance sheet.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

| in thousand euro<br>(differences due to<br>rounding possible) | Capital<br>subscribed | Capital<br>reserve | Treasury<br>shares | Profit<br>reserves | Foreign<br>exchange<br>reserve | Retained<br>results | Share-<br>holders'<br>equity before<br>non-<br>controlling<br>interests | Non-<br>controlling<br>interests | Total<br>share-<br>holder's<br>equity |
|---|-----------------------|--------------------|--------------------|--------------------|--------------------------------|---------------------|---|----------------------------------|---------------------------------------|
| <b>Balance on</b>   |                       |                    |                    |                    |                                |                     |   |                                  |                                       |
| <b>1.1.2021</b>   | <b>76,603</b>         | <b>82,953</b>      | <b>-707</b>        | <b>51</b>          | <b>-2,692</b>                  | <b>51,425</b>       | <b>207,633</b>  | <b>-7,070</b>                    | <b>200,563</b>                        |
| Result for<br>the period                                      | 0                     | 0                  | 0                  | 0                  | 0                              | -8,505              | -8,505  | -283                             | -8,788                                |
| Other result  | 0                     | 0                  | 0                  | 0                  | 335                            | 0                   | 335   | 0                                | 335                                   |
| <b>Total result<br/>for the period</b>                        |                       |                    |                    |                    |                                |                     |   |                                  |                                       |
| <b>1.-9./2021</b>   | <b>0</b>              | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>335</b>                     | <b>-8,505</b>       | <b>-8,170</b>   | <b>-283</b>                      | <b>-8,453</b>                         |
| Dividend  | 0                     | 0                  | 0                  | 0                  | 0                              | -3,053              | -3,053  | 0                                | -3,053                                |
| Other changes   | 0                     | 0                  | 0                  | 0                  | 0                              | -115                | -115  | 151                              | 36                                    |
| <b>Balance on</b>   |                       |                    |                    |                    |                                |                     |   |                                  |                                       |
| <b>30.9.2021</b>  | <b>76,603</b>         | <b>82,953</b>      | <b>-707</b>        | <b>51</b>          | <b>-2,357</b>                  | <b>39,752</b>       | <b>196,295</b>  | <b>-7,202</b>                    | <b>189,093</b>                        |
| <b>Balance on</b>   |                       |                    |                    |                    |                                |                     |   |                                  |                                       |
| <b>1.1.2022</b>   | <b>76,603</b>         | <b>82,953</b>      | <b>-707</b>        | <b>51</b>          | <b>-3,109</b>                  | <b>73,384</b>       | <b>229,175</b>  | <b>-7,382</b>                    | <b>221,793</b>                        |
| Result for<br>the period                                      | 0                     | 0                  | 0                  | 0                  | 0                              | 6,639               | 6,639   | -482                             | 6,157                                 |
| Other result  | 0                     | 0                  | 0                  | 0                  | 877                            | 0                   | 877   | 0                                | 877                                   |
| <b>Total result<br/>for the period</b>                        |                       |                    |                    |                    |                                |                     |   |                                  |                                       |
| <b>1.-9./2022</b>   | <b>0</b>              | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>877</b>                     | <b>6,639</b>        | <b>7,516</b>  | <b>-482</b>                      | <b>7,034</b>                          |
| Dividend  | 0                     | 0                  | 0                  | 0                  | 0                              | -6,107              | -6,107  | 0                                | -6,107                                |
| Other changes   | 0                     | 0                  | 0                  | 0                  | 0                              | 0                   | 0   | -6                               | -6                                    |
| <b>Balance on</b>   |                       |                    |                    |                    |                                |                     |   |                                  |                                       |
| <b>30.9.2022</b>  | <b>76,603</b>         | <b>82,953</b>      | <b>-707</b>        | <b>51</b>          | <b>-2,232</b>                  | <b>73,916</b>       | <b>230,584</b>  | <b>-7,870</b>                    | <b>222,714</b>                        |

## CONSOLIDATED SEGMENT REPORTING (IFRS)

|  | Project development |                | Services      |               |
|--|---------------------|----------------|---------------|---------------|
| <b>in thousand euro</b>  |                     |                |               |               |
| (differences due to rounding possible)   | <b>2022</b>         | <b>2021</b>    | <b>2022</b>   | <b>2021</b>   |
| External sales   | 12,576              | 26,433         | 12,841        | 11,886        |
| Inter-segment sales  | 93,715              | 55,524         | 5,043         | 3,021         |
| Changes in inventories   | 1,938               | 51,980         | 0             | 0             |
| Other operating income   | 1,740               | 810            | 433           | 426           |
| <b>Total aggregate output</b>  | <b>109,970</b>      | <b>134,747</b> | <b>18,317</b> | <b>15,333</b> |
| <b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b> | <b>-6,312</b>       | <b>20,953</b>  | <b>4,563</b>  | <b>3,970</b>  |
| Depreciation and amortisation  | -1,837              | -1,612         | -2,582        | -2,538        |
| <b>Operating result (EBIT)</b>   | <b>-8,149</b>       | <b>19,341</b>  | <b>1,981</b>  | <b>1,432</b>  |
| Interest and similar income  | 5,602               | 4,005          | 390           | 339           |
| Interest and similar expenses  | -8,358              | -6,049         | -677          | -497          |
| Tax expense and income   | 1,691               | -9,354         | -513          | -386          |
| Investments  | 1,769               | 1,634          | 8,809         | 3,913         |
| Segment assets   | 616,029             | 613,232        | 57,751        | 55,650        |
| Segment liabilities  | 383,909             | 345,448        | 42,097        | 42,447        |
| Segment equity   | 232,119             | 267,785        | 15,654        | 13,203        |

The figures as at September 30, 2022 are compared with the figures as at September 30, 2021 or, in the case of segment assets/segment liabilities, with the figures as at December 31, 2021

### Scope of consolidation

The corporate structure has changed in the first nine months of 2022 versus December 31, 2021.

During the reporting period, the following companies were included for the first time in the scope of consolidation:

- 1. Coliaenergia ESPAÑA, S.L., Albacete (100 percent), "project development" segment, (purchased),
- 2. Garmo Renovables 2020 IV, S.L., Albacete (100 percent), "project development" segment, (purchased),
- 3. Garmo Renovables 2020 V, S.L., Albacete (100 percent), "project development" segment, (purchased),

- 4. Garmo Renovables 2020 I, S.L., Albacete (51 percent), "project development" segment, (purchased),
- 5. Garmo Renovables 2020 III, S.L., Albacete (50 percent), "project development" segment, (purchased),
- 6. PNE Offshore Ausland GmbH (100 percent), "project development" segment, (established),
- 7. PNE WIND Park XXII GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- 8. PNE WIND Park XXVIII GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),

| Electricity generation |               | Consolidation  |                | PNE AG Group   |                |
|------------------------|---------------|----------------|----------------|----------------|----------------|
| 2022                   | 2021          | 2022           | 2021           | 2022           | 2021           |
| 51,299                 | 15,889        | 0              | 0              | 76,716         | 54,208         |
| 250                    | 205           | -99,008        | -58,750        | 0              | 0              |
| 0                      | 0             | 70,673         | 26,855         | 72,612         | 78,834         |
| 564                    | 339           | 0              | 0              | 2,738          | 1,574          |
| <b>52,114</b>          | <b>16,432</b> | <b>-28,335</b> | <b>-31,895</b> | <b>152,066</b> | <b>134,616</b> |
| <b>42,892</b>          | <b>10,861</b> | <b>-20,045</b> | <b>-23,055</b> | <b>21,096</b>  | <b>12,729</b>  |
| -17,029                | -12,877       | 0              | 0              | -21,448        | -17,027        |
| <b>25,863</b>          | <b>-2,016</b> | <b>-20,045</b> | <b>-23,055</b> | <b>-351</b>    | <b>-4,298</b>  |
| 25,894                 | 4,526         | -5,866         | -4,837         | 26,020         | 4,033          |
| -7,595                 | -3,503        | 5,866          | 4,837          | -10,764        | -5,211         |
| -13,247                | 298           | 3,330          | 6,212          | -8,739         | -3,231         |
| 68,810                 | 23,610        | 0              | 0              | 79,388         | 29,157         |
| 677,615                | 581,821       | -456,806       | -423,703       | 894,589        | 827,000        |
| 581,074                | 526,343       | -335,206       | -309,030       | 671,874        | 605,207        |
| 96,541                 | 55,478        | -121,600       | -114,673       | 222,714        | 221,793        |

→ 9. PNE WIND Park XXXI GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance").

With the purchase of the shares in company no. 1, long-term assets totalling euro 0.0 million, short-term assets totalling euro 3.1 million, of which cash and cash equivalents of euro 0.0 million and liabilities of euro 0.0 million, were included in the Group for the first time. The purchase price for the shares amounted to euro 2.0 million. Further purchase price payments, which are linked to defined development targets of the existing project pipeline, may lead to further payments in the future, in total in the low single-digit million range.

With the purchase of the shares in company no. 1, companies no. 2-5 were also included in the Group for the first time as subsidiaries of company no. 1.

With the consolidation of companies no. 2-5 in the Group, long-term assets totalling euro 0.0 million, short-term assets

totalling euro 1.3 million, of which cash and cash equivalents of euro 0.1 million and liabilities of euro 1.3 million, were included.

The acquired assets and liabilities of companies no. 1-5 are recognised at fair value at the date of acquisition.

The reclassification of subsidiaries from "non-consolidated companies due to minor significance" to full consolidation is generally made as soon as it is clear that the business activity or the project planning/implementation phase will begin in the near future.

The carrying amounts and fair values of the identifiable assets and liabilities of companies no. 1-9 were insignificant for the asset, financial and earnings position on the date of first-time consolidation.

Cuxhaven, November 9, 2022

PNE AG, Board of Management

## IMPRINT

### **PNE AG**

Peter-Henlein-Straße 2–4  
27472 Cuxhaven  
Germany

Telephone: + 49 (0) 47 21 – 718–06

Telefax: + 49 (0) 47 21 – 718–444

E-mail: [info@pne-ag.com](mailto:info@pne-ag.com)

[www.pne-ag.com](http://www.pne-ag.com)

### **Design**

Kirchhoff Consult AG  
Borselstraße 20  
22765 Hamburg, Germany

### **Board of Management**

Markus Lesser (CEO),

Jörg Klowat

Registergericht: Tostedt

Registernummer: HRB 110360

As per: November 2022

The report on the third quarter of 2022 is also available in German. In case of discrepancies the German version is decisive. The digital version of the annual report and the quarterly statements of PNE AG are available online at [www.pne-ag.com](http://www.pne-ag.com) in the section "Investor Relations/Publications/Financial Reports".

This report includes statements concerning the future, which are subject to risks and uncertainties. They are estimations of the Board of Management of PNE AG and reflect their current views with regard to future events. Such expressions concerning forecasts can be recognised with terms such as "expect", "estimate", "intend", "can", "will" and similar terms relating to the Company. Factors, which can have an effect or influence are, for example (without all being included): the development of the wind power and photovoltaic markets, competitive influences including price changes, regulatory measures and risks with the integration of newly acquired companies and participations. Should these or other risks and uncertainty factors take effect or should the assumptions underlying the forecasts prove to be incorrect, the results of PNE AG could vary from those, which are expressed or implied in these forecasts. The Company assumes no obligation to update such expressions or forecasts.

