

Energiekontor AG

Germany / Cleantech
 Frankfurt Stock Exchange
 Bloomberg: EKT GR
 ISIN: DE0005313506

2023 Annual Report

RATING **BUY**
PRICE TARGET **€ 126.00**
 Return Potential 91.5%
 Risk Rating High

RECORD 2023 EBT, BUT PROJECT DELAYS IN 2024

Energiekontor (EKT) published its 2023 annual report which showed record figures. EBT amounted to €95.5m (+52% y/y), in line with recently raised guidance (EBT: €80m to €100m) and 16% above our €82m forecast. Project delays both in the UK and Germany resulted in 2024 EBT guidance of €30m to €70m, which was below market expectations. Management emphasised that 2025 EBT looks set to be high as project sales originally planned for 2024 are now expected to take place in 2025. We have revised our forecasts accordingly. An updated sum-of-the-parts valuation yields a new price target of €126 (previously: €134). Despite the expected EBT dp in 2024, we remain optimistic for EKT, as the volume of projects under construction, or ready for construction, increased by 92% y/y from 165 MW to 316 MW, which bodes well for 2025 & 2026 EBT. We maintain our Buy recommendation.

Record 2023 figures Energiekontor posted record figures due to an extraordinarily strong project business. Group revenue rose 29% y/y to €242m, and EBITDA 36% to €136m. D&A was up only 7% at €21m allowing EBIT to increase 43% to €114m. As the financial result was only 11% lower than in the prior year (€-19m versus €-17m), EBT rose even more strongly (52% y/y) to €95.5m. Favourable tax conditions for the projects sold abroad were the main driver of the significantly lower group tax rate of 13% versus 29% in 2022. This explains the 87% jump in the net result to €83m (see figure 1 overleaf).

Not every year can be perfect: 2024 EBT guidance: €30m to €70m Project delays in the UK and Germany are expected to lead to a much lower project business EBT contribution in 2024. This explains why group EBT guidance for 2024 is significantly below 2023 EBT of €95.5m. While EKT expects a Power Generation segment EBT contribution at or slightly above the 2023 level of €27.8m, and Operation & Innovation segment EBT at or slightly above the prior year level of €3.6m, management is guiding towards a materially lower Project segment EBT contribution of... (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2021	2022	2023	2024E	2025E	2026E
Revenue (€m)	156.52	187.57	241.80	211.85	441.20	530.52
Y-o-y growth	n.a.	19.8%	28.9%	-12.4%	108.3%	20.2%
EBIT (€m)	61.68	79.97	114.44	70.63	109.57	110.85
EBIT margin	39.4%	42.6%	47.3%	33.3%	24.8%	20.9%
Net income (€m)	36.21	44.54	83.32	36.17	62.92	61.19
EPS (diluted) (€)	2.52	3.16	5.93	2.58	4.48	4.36
DPS (€)	0.90	1.00	1.20	1.20	1.20	1.20
FCF (€m)	-19.47	44.39	102.94	45.38	-215.47	-260.79
Net gearing	357.6%	219.8%	123.2%	106.8%	187.5%	261.2%
Liquid assets (€m)	99.95	127.01	132.24	131.62	76.73	57.77

RISKS

Main risks include changes in the regulatory support for wind and solar power, rising interest rates, project development risks, higher component costs, and wind farm operation risks.

COMPANY PROFILE

Energiekontor is a wind and solar project developer and an operator of a large portfolio of own wind farms and solar parks (ca. 389 MW). The company is active in onshore wind and solar project development in Germany, the UK, the US, France, and Portugal. Energiekontor is headquartered in Bremen, Germany.

MARKET DATA

As of 05 Apr 2024

Closing Price	€ 65.80
Shares outstanding	13.90m
Market Capitalisation	€ 914.81m
52-week Range	€ 64.10 / 87.20
Avg. Volume (12 Months)	11,235

Multiples	2023	2024E	2025E
P/E	11.6	26.6	15.3
EV/Sales	4.9	5.6	2.7
EV/EBIT	10.4	16.9	10.9
Div. Yield	1.8%	1.8%	1.8%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2023

Liquid Assets	€ 132.24m
Current Assets	€ 365.47m
Intangible Assets	€ 0.22m
Total Assets	€ 721.65m
Current Liabilities	€ 157.97m
Shareholders' Equity	€ 185.25m

SHAREHOLDERS

Dr Bodo Wilkens	25.5%
Günter Lammers	25.5%
Union Investment Privatfonds	5.2%
Free Float	43.9%

ca. €-1m to €39m (2023: €64.1m). The wide range is due to the current uncertainty regarding possible project delays. Long delivery times for turbines, substations and transformers as well as for PV equipment components will probably postpone the commissioning of German projects into 2025 & 2026. Furthermore, the responsible grid operator in the UK recently announced considerable delays in the expansion of supra-regional grids resulting in the postponement of previously planned grid connection dates from 2027 to 2028. This affects EKT's projects in the UK, and it is very likely that the majority of the UK transactions planned for 2024 will be postponed until 2025 resulting in an earnings shift of ca. €60m to €80m.

Figure 1: Reported figures versus forecasts

All figures in €m	2023A	2023E	Delta	2022A	Delta
Sales	241.8	262.7	-8%	187.8	29%
EBITDA	135.6	123.0	10%	99.8	36%
margin	56.1%	46.8%	-	52.2%	-
EBIT	114.4	101.4	13%	80.0	43%
margin	47.3%	38.6%	-	39.4%	-
EBT	95.5	82.6	16%	62.9	52%
margin	39.5%	31.4%	-	28.7%	-
Net income	83.3	57.8	44%	44.5	87%
margin	34.5%	22.0%	-	23.1%	-
EPS in € (diluted)	5.93	4.12	44%	3.16	88%

Source: First Berlin Equity Research, Energiekontor AG

Extraordinarily high Project segment EBT contribution The Project segment's EBT jumped 126% y/y to €64.1m. EKT sold projects and project rights with a total capacity of 146 MW (2022: 96 MW) and commissioned 76 MW (2022: 94 MW).

Figure 2: Reported segment figures versus forecasts

All figures in €m	2023A	2023E	Delta	2022A	Delta
Projects					
Total output	190.7	269.7	-29%	172.8	10%
EBT	64.1	50.0	28%	28.4	126%
margin	33.6%	18.6%	-	16.4%	-
Power Production					
Total output	79.0	77.0	3%	76.9	3%
EBT	27.8	28.2	-1%	30.0	-7%
margin	35.1%	36.6%	-	39.0%	-
Operation & Innovation					
Total output	8.5	9.3	-9%	8.8	-4%
EBT	3.6	4.4	-17%	4.5	-21%
margin	42.5%	47.1%	-	51.3%	-
Consolidation					
Total output	-2.9	-3.2	-	-2.8	-
EBT	0.0	0.0	-	0.0	-
margin	-	-	-	-	-
Group					
Total output	275.4	352.7	-22%	255.7	8%
EBT	95.5	82.6	16%	62.9	52%
margin	34.7%	23.4%	-	24.6%	-

Source: First Berlin Equity Research, Energiekontor AG

The Power Production segment increased electricity production by 15% y/y from 550 GWh to 635 GWh. This more than offset lower power prices and led to a 3% rise in total output to €79.0m. Higher OPEX yielded a 7% decline in EBT to €278m.

The Operation & Innovation segment's total output declined 4% to €8.5m. Segment EBT fell 21% to €3.6m and remained 17% behind our forecast. We trace this back to costs for the new control centre, which allows for continuous (24/7) monitoring of installations and reduces fault detection times.

Balance sheet strengthened The book value of wind farms & solar parks increased 2% to €259m. Equity rose 50% y/y to €185m, owing chiefly to the high net result. As the balance sheet total grew by only 14%, the equity ratio rose from 19.5% to 25.7%. Cash and cash equivalents including securities rose 38% y/y to €176m, while financial debt edged 1% higher to €404m. This resulted in net debt declining 16% to €228m (see figure 3). Higher equity and lower net debt yielded significantly improved net gearing of 123% versus 220% in 2022. EKT thus significantly improved main balance sheet KPIs during 2023.

Figure 3: Balance sheet, selected items

in €m	2023A	2022A	Delta
Wind farms & solar parks	259	254	2%
Cash and cash equivalents incl. securities	176	127	38%
Equity	185	124	50%
Equity ratio	25.7%	19.5%	-
Financial debt (long-term)	333	301	11%
Financial debt (short-term)	70	97	-28%
Net debt (incl. securities)	228	272	-16%
Net gearing	123%	220%	-
Balance sheet total	722	634	14%

Source: First Berlin Equity Research, Energiekontor AG

Free cash flow of >€100m Operating cash flow amounted to €145m. Capital expenditure of €42m led to very high free cash flow of €103m. Financial cash flow was €-50m (see figure 4), due mainly to repayments to bond holders (-€23m), interest expenses (€-12m) and dividend payments (€-13m). Net cash flow amounted to €49m.

Figure 4: Cash flow statement

in €m	2023A	2022A
Operating cash flow	145	139
CAPEX	-42	-94
Free cash flow	103	44
Cash flow from investment	-45	-82
Cash flow from financing	-50	-28
Net cash flow	49	27

Source: First Berlin Equity Research, Energiekontor AG

Own wind & solar power plant portfolio capacity rose 5 MW to 389 MW EKT added the Wegberg Repowering project (new capacity: 11.2 MW) to the portfolio and sold the Schwanewede-Loge wind farm (3.0 MW). Capacity expansion was significantly below our forecast (FBe: +65 MW wind and +17.5 MW PV). The Jacobsdorf wind farm (18 MW), which was not in operation in 2023, was recommissioned in February 2024. EKT plans to add the German solar parks Seukendorf (11.6 MW) in Q4/24 and Letschin (60 MW) in Q1/25. At the

end of 2023, wind and solar projects with a total capacity of more than 390 MW (of which almost 280 MW PV) in the final phases 4 and 5 were earmarked for the own plant portfolio.

Project pipeline expanded to 11.7 GW EKT's project pipeline including US projects climbed from 10.2 GW to 11.7 GW (+1.4 GW or +14% y/y). Excluding the US, the pipeline expanded to 10.7 GW from 9.6 GW at the end of 2022 (+1.1 GW or +12%, see figure 5).

Figure 5: Pipeline development

Phase	Subject of the development phase	31/12/2023 MW	Delta MW	31/12/2022 MW
Sellable project rights	US solar project rights	330	30	300
Sellable project rights	US wind project rights	620	276	344
Phase 1	Secured areas	6,142	805	5,337
Phase 2	Regional plan procedure / land-use	2,203	-181	2,384
Phase 3	BlmSchG / building application submitted	1,308	215	1,093
Phase 4	BlmSchG / building permit obtained	748	118	630
Phase 5	Financial close / under construction	316	156	160
Total without US project rights		10,717	1,113	9,604
Total including US project rights		11,667	1,419	10,248

Source: First Berlin Equity Research, Energiekontor AG

Germany accounted for ca. 52% (ca. 6.1 GW) of the pipeline volume and thus remains EKT's most important market, followed by the UK with 31% (ca. 3.6 GW). French and the US shares are both ca. 8%. 68% of the project pipeline is onshore wind projects, while 32% refers to PV projects (see figure 6).

Figure 6: Pipeline split by technology

Technology	31/12/2023 MW	31/12/2022 MW	Delta
Onshore wind	7,887	7,030	12%
PV	3,780	3,218	17%
Sum	11,667	10,248	14%

Source: First Berlin Equity Research, Energiekontor AG

More than 2.3 GW (2022: ca. 1.9 GW) are in phases 3 to 5, where value creation is high. This bodes well for project sales and the expansion of the own power generation portfolio in 2025 & 2026.

Higher dividend proposal (+20% y/y) The dividend proposal for 2023 of €1.20 per share is a 20% increase on last year's dividend of €1.00. Given the current dividend payout ratio of 30% of the AG net result, we believe that EKT will be able to maintain the dividend in 2025 even if only the lower end of 2024 guidance (EBT of €30m) is reached. This would translate into a net group result of ca. €21m or EPS of ca. €1.50.

EKT confirmed 2023-2028 growth strategy Based on its proven organic growth model, EKT aims to increase EBT by an average of 15% per year by the end of 2028. This would result in 2028 EBT of ca. €120m. Project development would contribute ca. 50% to EBT (~€60m). The growth strategy implies a project realisation potential of ca. 3 to 4 GW by the end of 2028. Maintaining the 50/50 transfer ratio of realised projects to the own plant portfolio means that the total generation capacity of the own portfolio could rise to 2.0 GW over the next four years.



German wind market is regaining strength In 2023, wind farms with a total capacity of 3,567 MW were added in Germany. This is an increase of 48% y/y. In the onshore wind tenders, 6,399 MW were awarded versus 4,572 MW in 2022 (+40% y/y). Approvals rose 73% to 7,504 MW from 4,341 MW in 2022. For 2024, the German Wind Industry Association (BWE) expects capacity additions between 3,600 and 4,100 MW. We believe that the upper end of this range is far more likely than the lower end. With the start of the procedures for the second onshore wind tender, the German Federal Grid Agency raised the 2024 tender volume from 10 GW to almost 15 GW. The additional volume is fed by the quantities not awarded in the previous year. While the first tender had a volume of 2.5 GW, the remaining three tenders will probably have a volume of 4.1 MW each, instead of 2.5 GW. This increases the probability that projects will be awarded and should lead to higher pricing, which is beneficial to companies participating in the remaining 2024 tenders.

The improving regulatory environment is visible in approvals, tender volumes, and installations. The higher approval and tender volumes will translate into higher installation volumes in the coming years. Thanks to its strong German onshore wind project pipeline of ca. 6.1 GW, Energiekontor will certainly benefit from this development.

Bottlenecks are project financing (higher interest rates), supply chain (European turbine producers have to significantly increase capacity), and grid connection (often subject to delays).

2024 forecasts lowered We have lowered our 2024 group forecasts to reflect the weaker project development business and the slower expansion of the own plant portfolio. The rise in the 2025 EBT forecast reflects the postponed project sales, which more than balances slower Power Production segment EBT growth (see figure 7).

Figure 7: Revisions to forecasts

All figures in €m	2024E			2025E			2026E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Total output	489.2	220.8	-55%	592.0	551.2	-7%	691.6	650.5	-6%
EBT	70.2	51.7	-26%	78.2	89.9	15%	87.9	87.4	-1%
margin	14.3%	23.4%		13.2%	16.3%		12.7%	13.4%	
Net income	49.1	36.2	-26%	54.8	62.9	15%	61.6	61.2	-1%
margin	10.0%	16.4%		1.6%	11.4%		8.9%	9.4%	
EPS (diluted)	3.48	2.58	-26%	3.88	4.48	15%	4.38	4.36	-1%

Source: First Berlin Equity Research, Energiekontor AG

Figure 8: Segment EBT forecasts

EBT (figures in €m)	2022A	2023A	2024E	2025E	2026E	2027E	2028E
Project Development	28.4	64.1	20.8	57.3	47.3	54.3	59.6
Power Production	30.0	27.8	27.2	28.7	35.2	40.4	51.7
Operation & Innovation	4.5	3.6	3.6	3.8	4.9	6.4	7.8
Group	62.9	95.5	51.7	89.9	87.4	101.1	119.0
Growth y/y in %	40%	52%	-46%	74%	-3%	16%	18%

Source: First Berlin Equity Research, Energiekontor AG

Buy rating confirmed at slightly lower price target We have updated our sum-of-the-parts valuation. While we largely stick to our Project Development valuation, we have lowered our Power Production segment valuation by 14% to reflect the slower portfolio expansion path. We have also trimmed our growth forecasts for the Operation & Innovation segment based on the lower than expected segment figures in 2023 and a weaker than



expected project business in 2024. This results in an 18% lower fair value (see table below). Our sum-of-the-parts valuation thus yields a new price target of €126 (previously: €134). Given the strong project pipeline with 316 MW (2022: 165 MW) in the final phase 5 (purchase contract / financial close / under construction), we believe that EKT will deliver high EBT contributions in 2025 and 2026 (see figure 8 above). The share thus remains a clear Buy despite the expected weaker 2024 result.

VALUATION MODEL

We value Energiekontor based on a sum-of-the-parts analysis. Each of Energiekontor's segments, Project Development, Power Production, and Operation & Innovation is valued separately using a DCF model.

Sum of the parts valuation

SotP valuation	Fair value in €m	Fair value per share (FVPS) in €	Old FVPS in €	Delta
Project Development	1,054.74	75.32	74.99	0%
Power Production	545.75	38.97	45.31	-14%
Operation & Innovation	159.85	11.42	13.92	-18%
Sum of the parts	1,760.34	125.71	134.22	-6%
Price target		126.00	134.00	-6%

DCF model for Project Development segment

DCF valuation model								
All figures in EUR '000	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Net sales	125,720	349,500	405,500	468,500	557,750	620,674	685,676	751,937
NOPLAT	22,126	46,394	38,053	42,708	46,348	65,072	72,949	81,182
+ depreciation & amortisation	1,169	1,267	1,365	1,327	1,261	1,313	1,379	1,449
Net operating cash flow	23,295	47,661	39,418	44,035	47,608	66,384	74,329	82,631
- total investments (CAPEX and WC)	-2,462	-38,521	-44,258	-20,012	-46,794	-17,923	-25,967	-24,984
Capital expenditures	-440	-944	-1,176	-1,265	-1,445	-1,540	-1,627	-1,702
Working capital	-2,022	-37,577	-43,082	-18,747	-45,349	-16,383	-24,340	-23,282
Free cash flows (FCF)	20,833	9,140	-4,840	24,024	815	48,461	48,362	57,647
PV of FCF's	19,472	7,799	-3,770	17,084	529	28,713	26,159	28,466

All figures in thousands

PV of FCFs in explicit period (2024E-2038E)	361,669	
PV of FCFs in terminal period	657,745	
Enterprise value (EV)	1,019,414	Terminal growth 4.0%
+ Net cash / - net debt	35,324	Terminal EBIT margin 16.9%
+ Investments / minority interests	0	
Shareholder value	1,054,738	
Number of shares (diluted)	14,003	
Fair value per share in EUR	75.32	

WACC		Terminal growth rate						
		2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%
6.5%	132.90	146.72	165.09	190.70	228.85	291.78	415.21	
7.5%	100.81	108.36	117.78	129.87	145.93	168.31	201.67	
8.5%	79.80	84.32	89.74	96.35	104.60	115.18	129.24	
9.5%	65.12	68.00	71.36	75.32	80.07	85.87	93.10	
10.5%	54.38	56.30	58.49	61.02	63.96	67.44	71.61	
11.5%	46.23	47.56	49.05	50.73	52.66	54.88	57.47	
12.5%	39.89	40.83	41.88	43.04	44.35	45.83	47.53	

* for layout purposes the model shows numbers only to 2031, but runs until 2038



DCF model for Power Production segment

DCF valuation model								
All figures in EUR '000	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Net sales	80,659	85,852	118,003	161,478	224,400	226,440	228,396	230,264
NOPLAT	30,472	33,548	43,138	56,969	82,467	75,254	77,356	79,404
+ depreciation & amortisation	21,081	21,836	37,726	58,081	78,758	93,962	93,023	92,093
Net operating cash flow	51,553	55,384	80,864	115,050	161,225	169,216	170,379	171,497
- total investments (CAPEX and WC)	-11,433	-282,638	-340,047	-394,029	-465,291	-78,749	-77,948	-77,153
Capital expenditures	-8,700	-281,500	-333,000	-384,500	-451,500	-78,302	-77,519	-76,744
Working capital	-2,733	-1,138	-7,047	-9,529	-13,791	-447	-429	-410
Free cash flows (FCF)	40,120	-227,255	-259,183	-278,979	-304,066	90,467	92,431	94,343
PV of FCF's	38,810	-210,207	-229,241	-235,944	-245,869	69,949	68,337	66,696

All figures in thousands	
PV of FCFs in explicit period (2024E-2038E)	-256,667
PV of FCFs in terminal period	1,068,163
Enterprise value (EV)	811,496
+ Net cash / - net debt	-265,744
+ Investments / minority interests	0
Shareholder value	545,752
Number of shares (diluted)	14,003
Fair value per share in EUR	38.97

Terminal growth	0.5%
Terminal EBIT margin	42.2%

WACC		Terminal growth rate							
		-0.1%	0.1%	0.3%	0.5%	0.7%	0.9%	1.1%	
Cost of equity	7.1%	3.8%	35.94	45.60	56.36	68.41	81.99	97.43	115.14
Pre-tax cost of debt	5.0%	4.1%	28.71	37.24	46.67	57.16	68.89	82.09	97.07
Tax rate	30.0%	4.3%	22.32	29.91	38.24	47.44	57.66	69.07	81.89
After-tax cost of debt	3.5%	4.6%	16.66	23.44	30.84	38.97	47.95	57.89	68.98
Share of equity capital	30.0%	4.8%	11.61	17.69	24.31	31.54	39.47	48.21	57.88
Share of debt capital	70.0%	5.1%	7.08	12.56	18.50	24.97	32.02	39.75	48.25
Fair value per share in EUR	38.97	5.3%	2.99	7.96	13.32	19.12	25.43	32.30	39.83

* for layout purposes the model shows numbers only to 2031, but runs until 2038

DCF model for Operation & Innovation segment

DCF valuation model								
All figures in EUR '000	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Net sales	8,410	8,999	10,799	13,066	15,732	18,781	22,181	25,872
NOPLAT	2,530	2,663	3,428	4,484	5,428	6,505	7,703	9,001
+ depreciation & amortisation	1	4	7	10	13	17	20	24
Net operating cash flow	2,531	2,667	3,435	4,494	5,442	6,521	7,723	9,025
- total investments (CAPEX and WC)	1,031	-35	-225	-293	-396	-479	-563	-645
Capital expenditures	-17	-18	-22	-26	-30	-34	-38	-42
Working capital	1,048	-17	-204	-266	-366	-445	-525	-603
Free cash flows (FCF)	3,562	2,632	3,210	4,201	5,045	6,042	7,160	8,380
PV of FCF's	3,363	2,300	2,596	3,145	3,494	3,872	4,247	4,600

All figures in thousands	
PV of FCFs in explicit period (2024E-2038E)	64,241
PV of FCFs in terminal period	93,390
Enterprise value (EV)	157,631
+ Net cash / - net debt	2,217
+ Investments / minority interests	0
Shareholder value	159,848
Number of shares (diluted)	14,003
Fair value per share in EUR	11.42

Terminal growth	2.5%
Terminal EBIT margin	49.5%

WACC		Terminal growth rate							
		1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	
Cost of equity	8.1%	5.1%	19.95	21.89	24.46	28.04	33.36	42.12	59.19
Pre-tax cost of debt	5.0%	6.1%	15.26	16.31	17.62	19.30	21.54	24.64	29.26
Tax rate	30.0%	7.1%	12.18	12.80	13.55	14.47	15.61	17.07	19.00
After-tax cost of debt	3.5%	8.1%	10.01	10.41	10.87	11.42	12.07	12.86	13.85
Share of equity capital	100.0%	9.1%	8.42	8.69	8.98	9.33	9.73	10.20	10.77
Share of debt capital	0.0%	10.1%	7.21	7.39	7.59	7.82	8.08	8.38	8.73
Fair value per share in EUR	11.42	11.1%	6.26	6.39	6.53	6.69	6.86	7.06	7.29

* for layout purposes the model shows numbers only to 2031, but runs until 2038



INCOME STATEMENT

All figures in EUR '000	2021A	2022A	2023A	2024E	2025E	2026E
Revenues	156,516	187,573	241,798	211,846	441,202	530,523
Change in inventory & own work	109,740	68,145	33,554	9,000	110,000	120,000
Total output	266,256	255,718	275,352	220,846	551,202	650,523
Cost of goods sold	144,020	115,774	91,294	78,303	350,296	420,898
Gross profit	122,236	139,944	184,058	142,543	200,906	229,625
Personnel costs	19,504	21,173	25,271	26,830	32,380	37,180
Other operating expenses	23,214	21,555	28,033	25,912	41,422	49,337
Other operating income	2,191	2,577	4,799	3,080	5,571	6,831
EBITDA	81,709	99,793	135,553	92,882	132,674	149,939
Depreciation	20,034	19,827	21,117	22,250	23,103	39,091
Operating income (EBIT)	61,675	79,966	114,436	70,632	109,571	110,847
Net financial result	-16,753	-17,089	-18,959	-18,956	-19,691	-23,436
Non-operating expenses	0	0	0	0	0	0
Pre-tax income (EBT)	44,922	62,877	95,477	51,676	89,880	87,412
Income taxes	8,717	18,341	12,156	15,503	26,964	26,224
Minority interests	0	0	0	0	0	0
Net income / loss	36,205	44,536	83,321	36,173	62,916	61,188
Diluted EPS (in €)	2.52	3.16	5.93	2.58	4.48	4.36
Ratios						
Gross margin on total output	45.9%	54.7%	66.8%	64.5%	36.4%	35.3%
EBITDA margin on total output	30.7%	39.0%	49.2%	42.1%	24.1%	23.0%
EBIT margin on total output	23.2%	31.3%	41.6%	32.0%	19.9%	17.0%
Net margin on total output	13.6%	17.4%	30.3%	16.4%	11.4%	9.4%
Tax rate	19.4%	29.2%	12.7%	30.0%	30.0%	30.0%
Expenses as % of total output						
Personnel costs	7.3%	8.3%	9.2%	12.1%	5.9%	5.7%
Depreciation	7.5%	7.8%	7.7%	10.1%	4.2%	6.0%
Other operating expenses	8.7%	8.4%	10.2%	11.7%	7.5%	7.6%
Y-Y Growth						
Total output	61.3%	-4.0%	7.7%	-19.8%	149.6%	18.0%
EBIT	34.1%	29.7%	43.1%	-38.3%	55.1%	1.2%
Net income/ loss	77.3%	23.0%	87.1%	-56.6%	73.9%	-2.7%



BALANCE SHEET

All figures in EUR '000	2021A	2022A	2023A	2024E	2025E	2026E
Assets						
Current assets, total	299,831	304,868	365,456	375,900	373,801	410,159
Cash and cash equivalents	99,950	127,010	132,236	131,624	76,733	57,768
Short-term investments	36	36	43,332	43,332	43,332	43,332
Receivables	35,874	43,307	26,049	40,528	81,550	98,668
Inventories	160,856	130,223	143,292	139,868	151,640	189,844
Other current assets	3,115	4,292	20,547	20,547	20,547	20,547
Non-current assets, total	262,163	328,720	356,189	343,158	602,499	897,584
Property, plant & equipment	249,704	307,495	328,147	314,977	574,318	869,403
Goodwill & other intangibles	551	232	224	362	362	362
Other assets	11,908	20,993	27,819	27,819	27,819	27,819
Total assets	561,994	633,588	721,645	719,058	976,300	1,307,743
Shareholders' equity & debt						
Current liabilities, total	180,886	167,097	157,967	135,863	149,925	154,915
Short-term financial debt	130,759	97,459	70,305	60,000	60,000	60,000
Accounts payable	6,655	9,571	17,545	5,746	19,807	24,797
Current provisions	25,182	33,196	42,827	42,827	42,827	42,827
Other current liabilities	18,291	26,872	27,290	27,290	27,290	27,290
Long-term liabilities, total	298,886	342,827	378,430	378,509	575,509	857,509
Long-term financial debt	263,251	301,415	333,466	333,466	530,466	812,466
Deferred revenue	0	0	0	0	0	0
Other liabilities	35,635	41,411	44,964	45,043	45,043	45,043
Minority interests	0	0	0	0	0	0
Shareholders' equity	82,222	123,664	185,248	204,685	250,867	295,320
Share capital	14,125	13,987	13,959	13,959	13,959	13,959
Capital reserve	41,867	42,071	42,095	42,095	42,095	42,095
Other reserves	-3,369	8,705	6,511	6,511	6,511	6,511
Treasury stock	-107	-8	-57	-57	-57	-57
Loss carryforward / retained earnings	31,679	50,908	79,293	98,731	144,912	189,365
Total consolidated equity and debt	561,994	633,588	721,645	719,058	976,300	1,307,743
Ratios						
Current ratio (x)	1.66	1.82	2.31	2.77	2.49	2.65
Quick ratio (x)	0.77	1.05	1.41	1.74	1.48	1.42
Net debt	294,024	271,828	228,203	218,510	470,401	771,366
Net gearing	358%	220%	123%	107%	188%	261%
Book value per share (in €)	5.72	8.78	13.19	14.57	17.86	21.03
Financial debt/EBITDA (x)	4.8	4.0	3.0	4.2	4.5	5.8
Equity ratio	14.6%	19.5%	25.7%	28.5%	25.7%	22.6%
Return on equity (ROE)	44.0%	36.0%	45.0%	17.7%	25.1%	20.7%
Return on investment (ROI)	6.4%	7.0%	11.5%	5.0%	6.4%	4.7%
Return on assets (ROA)	9.4%	9.7%	14.3%	7.7%	8.5%	6.5%
Return on capital employed (ROCE)	16.5%	18.8%	25.6%	15.2%	17.8%	11.8%
Days sales outstanding (DSO)	84	84	39	70	67	68
Days inventory outstanding (DIO)	408	411	573	652	158	165
Days payables outstanding (DPO)	17	30	70	27	21	22



CASH FLOW STATEMENT

All figures in EUR '000	2021A	2022A	2023A	2024E	2025E	2026E
EBIT	61,675	79,966	114,436	70,632	109,571	110,847
Depreciation and amortisation	20,034	19,827	21,117	22,250	23,103	39,091
EBITDA	81,709	99,793	135,553	92,882	132,674	149,939
Changes in working capital	10,205	66,120	-6,835	-22,854	-38,732	-50,333
Other adjustments	-29,922	-27,260	16,058	-15,503	-26,964	-26,224
Operating cash flow	61,992	138,653	144,776	54,525	66,978	73,382
CAPEX	-81,443	-94,243	-41,709	-9,140	-282,444	-334,176
Investments in intangibles	-19	-21	-130	0	0	0
Free cash flow	-19,471	44,389	102,937	45,385	-215,466	-260,794
Acquisitions and disposals, net	0	18,355	0	0	0	0
Other investments	-3,548	-6,527	-3,626	0	0	0
Cash flow from investing	-85,011	-82,436	-45,465	-9,140	-282,444	-334,176
Debt financing, net	79,814	-3,424	-18,193	-10,305	197,000	282,000
Equity financing, net	-10,524	-2,782	-5,608	0	0	0
Dividends paid	-11,300	-12,588	-13,959	-16,735	-16,735	-16,735
Other financing	-12,733	-9,695	-12,014	-18,956	-19,691	-23,436
Cash flow from financing	45,256	-28,489	-49,775	-45,997	160,574	241,829
Forex & other effects	-1,744	-668	-977	0	0	0
Net cash flows	20,493	27,060	48,559	-612	-54,892	-18,964
Cash, start of the year	79,457	99,950	127,010	132,236	131,624	76,733
Cash, end of the year	99,950	127,010	175,569	131,624	76,733	57,768
EBITDA/share (in €)	5.69	7.08	9.65	6.61	9.45	10.67
Operating cash flow/share (in €)	4.31	9.84	10.31	3.88	4.77	5.22
Y-Y Growth						
Operating cash flow	246.7%	123.7%	4.4%	-62.3%	22.8%	9.6%
Free cash flow	n.m.	n.m.	131.9%	-55.9%	n.m.	n.m.
EBITDA/share	24.8%	24.6%	36.2%	-31.5%	42.8%	13.0%
Operating cash flow /share	246.4%	128.1%	4.7%	-62.3%	22.8%	9.6%

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy ¹	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

¹ The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	5 June 2014	€7.70	Buy	€12.20
2...48	↓	↓	↓	↓
49	15 August 2022	€95.60	Add	€109.00
50	18 October 2022	€89.80	Buy	€115.00
51	15 November 2022	€87.90	Buy	€116.00
52	11 April 2023	€73.40	Buy	€137.00
53	16 May 2023	€75.60	Buy	€138.00
54	17 August 2023	€78.20	Buy	€138.00
55	15 November 2023	€68.40	Buy	€116.00
56	18 December 2023	€74.00	Buy	€134.00
57	Today	€65.80	Buy	€126.00

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- key sources of information in the preparation of this research report
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- sensitivity of valuation parameters

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