

PNE AG

Germany / Cleantech
 Primary exchange: Frankfurt
 Bloomberg: PNE3 GR
 ISIN: DE000A0JBPG2

Q3/22 figures

RATING

PRICE TARGET

Return Potential
 Risk Rating

REDUCE

€ 18.10

-15.0%
 High

WELL ON TRACK TO REACH OR EXCEED GUIDANCE

PNE has reported Q3 results and held a conference call. Q3 figures were in line with our forecasts. Sales increased 82% y/y and EBITDA amounted to €3.6m versus €0.6m in the prior year period due to strong power production figures. PNE has confirmed 2022 EBITDA guidance of €20m - €30m. With 9M/22 EBITDA of €21.1m, PNE is already within the guidance range. As wind conditions are seasonally strong in Q4 and PNE plans to conclude project sales before the end of 2022, we expect the company to exceed guidance. The German government plans to impose a tax on power producers' so-called windfall profits from various sources, among them wind and solar. This could lower PNE's power production earnings from December 2022 on. An updated sum-of-the-parts valuation yields a new price target of €18.10 (previously: €15.20). PNE's share price has more than doubled since March and has recently been driven by takeover speculation since the largest shareholder has announced that he wants to sell his 40% stake. Given the 10y high in the share price and the high valuation of the stock (consensus 2023E EV/EBITDA: 32x), our rating remains Reduce.

Positive EBITDA in Q3 thanks to strong electricity generation The Electricity Generation segment was the main sales & earnings driver in Q3. Group sales rose 82% y/y to €24.6m and EBITDA amounted to €3.6m versus €0.6m in the prior year period (see figure 1 overleaf). D&A of €8.1m resulted in EBIT of €-4.5m. The net income was €-3.7m (Q3/21: €9.5m).

Guidance not raised due to regulatory uncertainty With 9M/22 EBITDA of €21.1m, PNE is already within the 2022 guidance range of €20m - €30m. As wind conditions are seasonally strong in Q4 and PNE plans to conclude project sales before the end of 2022, we expect the company to exceed guidance. However, due to uncertainty regarding the timing and impact of the German government windfall tax plans, PNE has not raised its guidance.

FINANCIAL HISTORY & PROJECTIONS

	2019	2020	2021	2022E	2023E	2024E
Revenue (€m)	132.80	109.69	117.73	123.65	166.64	288.66
Y-o-y growth	45.3%	-17.4%	7.3%	5.0%	34.8%	73.2%
EBITDA (€m)	28.71	26.35	32.65	49.99	64.92	101.32
EBITDA margin	21.6%	24.0%	27.7%	40.4%	39.0%	35.1%
Net income (€m)	-0.77	1.62	25.13	22.61	7.87	24.72
EPS (diluted) (€)	-0.01	0.02	0.33	0.30	0.10	0.32
DPS (€)	0.04	0.04	0.04	0.04	0.04	0.04
FCF (€m)	-42.56	-83.03	-89.05	-96.97	-141.38	-110.43
Net gearing	62.9%	129.9%	166.3%	194.7%	250.1%	272.8%
Liquid assets (€m)	111.94	111.62	149.63	151.37	149.54	169.85

RISKS

Risks to our price target include, but are not limited to: changes in legislation, project delays, project approval risks, project financing risks, tender awards, award prices, and interest rate changes.

COMPANY PROFILE

PNE AG is a clean energy solution provider active in wind & PV project development, green power production, and energy services. At the end of 2021, the company had an international wind and PV project pipeline of ca. 7 GW and an own wind power plant portfolio with a capacity of ca. 233 MW. PNE is based in Cuxhaven, Germany.

MARKET DATA

As of 09 Nov 2022

Closing Price	€ 21.30
Shares outstanding	76.37m
Market Capitalisation	€ 1626.61m
52-week Range	€ 7.60 / 21.30
Avg. Volume (12 Months)	127,030

Multiples	2021	2022E	2023E
P/E	64.7	71.9	206.7
EV/Sales	17.0	16.2	12.0
EV/EBITDA	61.3	40.0	30.8
Div. Yield	0.2%	0.2%	0.2%

STOCK OVERVIEW



COMPANY DATA

As of 30 Sep 2022

Liquid Assets	€ 115.65m
Current Assets	€ 351.65m
Intangible Assets	€ 63.69m
Total Assets	€ 894.59m
Current Liabilities	€ 123.64m
Shareholders' Equity	€ 222.71m

SHAREHOLDERS

Morgan Stanley Infrastructure Partners	39.8%
Active Ownership Fund SCS	12.0%
Enkraft	5.0%
Samson Rock Capital LLP	3.1%
Free Float	40.0%

Figure 1: Reported figures versus forecasts

All figures in €m	Q3-22A	Q3-22E	Delta	Q3-21A	Delta	9M-22A	9M-21A	Delta
Sales	24.6	24.5	0%	13.5	82%	76.7	54.2	42%
EBITDA	3.6	3.1	17%	-0.6	-	21.1	12.7	66%
margin	14.7%	12.6%		-4.3%		27.5%	23.5%	
EBIT	-4.5	-4.1	-	-6.6	-	-0.4	-4.3	-
margin	-18.2%	-16.6%		-49.3%		-0.5%	-7.9%	
Net income	-3.7	-2.0	-	-9.5	-	6.6	-8.5	-
margin	-15.2%	-8.3%		-70.8%		8.7%	-15.7%	
EPS (diluted) in €	-0.05	-0.03	-	-0.13	-	0.09	-0.11	-

Source: First Berlin Equity Research, PNE AG

Project development with low external sales in Q3 While external sales remained low at €3.9m because of a lack of major project sales, intersegment sales amounted to €33.8m due to the transfer of the Kuhstedt II wind farm (22 MW) to the own plant portfolio. Segment EBITDA was €1.7m. Consolidation EBITDA, which is largely attributable to project development activities, amounted to €-12.7m. At the end of Q3, ten wind farm projects with a total nominal capacity of 224.5 MW were under construction in Germany, France, Poland and Sweden.

Service segment with double-digit sales growth in Q3 External sales rose 10% y/y to €4.1m. Segment EBITDA rose 157% y/y to €1.5m. Prior year figures were affected by low wind yields and reduced construction completions.

Power production segment with very strong result In Q3, PNE's power production amounted to 78 GWh. Thanks to a very high average selling price of ca. 212 €/MWh, segment sales came in at €16.6m (Q3/21: €4.7m, +250% y/y). EBITDA rose 355% y/y to €13.1m (EBITDA margin: 79.4%).

Figure 2: Reported segment figures versus forecasts

External sales	Q3-22A	Q3-22E	Delta	Q3-21A	Delta	9M-22A	9M-21A	Delta
Project development								
External sales	3.9	4.2	-8%	5.1	-23%	12.6	26.4	-52%
EBITDA	1.7	-0.1	-	-1.9	-	-6.3	21.0	-
margin	43.6%	-2.4%	-	-36.4%	-	-50.2%	79.3%	-
Services								
External sales	4.1	4.3	-3%	3.7	10%	12.8	11.9	8%
EBITDA	1.5	1.4	9%	0.6	157%	4.6	4.0	15%
margin	36.0%	31.9%	-	15.5%	-	35.5%	33.4%	-
Electricity generation								
External sales	16.6	16.0	3%	4.7	256%	51.3	15.9	223%
EBITDA	13.1	12.8	3%	2.9	355%	42.9	10.9	295%
margin	79.4%	80.0%	-	62.2%	-	83.6%	68.3%	
Consolidation								
External sales	0.0	0.0	-	0.0	-	0.0	0.0	-
EBITDA	-12.7	-11.0	-	-2.2	-	-20.0	-23.1	-
margin	n.m.	n.m.	-	n.m.	-	n.m.	n.m.	-
Group								
Sales	24.6	24.5	0%	13.5	82%	76.7	54.2	42%
EBITDA	3.6	3.1	17%	-0.6	-	21.1	12.7	66%
margin	14.6%	12.5%	-	-4.4%	-	27.5%	23.5%	-

Source: First Berlin Equity Research, PNE AG



Project pipeline expanded by 77% y/y to >11.4 GW/GWp PNE expanded its wind and solar project pipeline by 4,984 MW/MWp y/y to 11,430 MW/MWp. The pipeline of onshore wind energy projects rose 31% y/y to 7,381 MW (9M/21: 5,652 MW). PNE's PV pipeline amounted to 4,049 MWp versus 974 MWp in 9M/21. This strong increase is attributable to the acquisition of a 51% stake in the Spanish PV developer KOLYA (own development pipeline: 947 MWp) and own project development. In Q3 PNE expanded its pipeline by 26% or 2,375 MW, of which 1,641 MW PV.

Figure 3: Project pipeline

Technology (MW/MWp)	9M/22	9M/21	Delta	H1/22	Delta
Onshore wind	7,381	5,652	31%	6,647	11%
Solar	4,049	794	410%	2,408	68%
Total	11,430	6,446	77%	9,055	26%

Source: First Berlin Equity Research, PNE AG

Own plant portfolio expanded to 283 MW In Q3, PNE added the Kuhstedt II wind farm (22 MW) to its own plant portfolio resulting in a total wind portfolio capacity of 283 MW (H1/22: 261 MW, 9M/21: 173 MW). 102 MW, which are under construction, will be added to the portfolio after completion. This will increase the portfolio to 385 MW. Successes in recent German tenders will add another 27 MW and bring PNE closer to its target of up to 500 MW by the end of 2023 (see figure 4). PNE has added 50 MW so far this year. By the end of 2022, the company plans to commission a further 36 MW resulting in total additions of 86 MW in 2022, which is close to our 90 MW forecast.

Figure 4: Own wind farm portfolio

Wind farm	MW	Location	In operation since
Kuhstedt II	22.0	Schleswig-Holstein	Q3/2022
Gnutz I	8.4	Schleswig-Holstein	Q2/2022
Wahlsdorf	19.4	Brandenburg	Q2/2022
Zahrenholz	21.6	Lower Saxony	Q4/2021
Holstentor	13.5	Schleswig-Holstein	Q4/2021
Boitzenhagen	25.1	Lower Saxony	Q4/2021
Langstedt	8.4	Schleswig-Holstein	Q1/2021
Lentförden	8.4	Schleswig-Holstein	Q1/2021
Kleinbüllesheim	4.7	NRW	Q4/2020
Neuenwalde	7.2	Lower Saxony	Q4/2019
Kittlitz III	17.3	Brandenburg	Q4/2019
Schlenzer	6.5	Brandenburg	Q2/2019
Gerdau-Repowering	21.6	Lower Saxony	Q1/2019
Kührstedt-Alfstedt	43.2	Lower Saxony	Q4/2017
Erfeld	2.6	Baden-Württemberg	2002
Laubeschbach	3.0	Hesse	2002
Papenrode	22.3	Lower Saxony	2002
Püfringen	6.5	Baden-Württemberg	2002
Helenenberg	21.5	Rhineland-Palatinate	2001
Sum	283.2		
Under construction	101.7		
Tender awards	27.0		
Sum	411.9		

Source: First Berlin Equity Research, PNE AG



Morgan Stanley wants to sell its 40% stake in PNE Morgan Stanley / Photon Management GmbH intend to enter into open-ended preliminary talks with potential interested parties regarding an acquisition of the entire shareholding in PNE held by Photon Management GmbH. If Photon Management were to sell the entire shareholding to an acquirer, this would entail the submission of a voluntary public takeover offer or a mandatory offer by the acquirer to acquire all shares not already held by the acquirer.

Risk of high taxation of windfall profits in Germany In October, the EU agreed on an EU-wide maximum price for electricity of €180 per MWh, which applies to electricity from wind and solar, and other energy sources. The maximum price will apply from December 1, 2022 to June 30, 2023. The member states retain a certain leeway in implementing the regulation.

According to recent discussions by the German government, windfall profits may be taxed from 1 December, 2022 on. Earlier plans even suggested retroactive taxation from 1 September on. In the case of wind and solar, revenue from power production above a reference value plus a safety surcharge of ca. 30 €/MWh is to be taxed at a rate of 90%. The reference value will probably use the tender prices and feed-in tariffs as a basis. As tender prices for wind have amounted to ca. 60 €/MWh since 2019, this suggests that revenue of ca. >90 €/MWh could be taxed. As PNE's own plant portfolio consists entirely of German wind farms (with the exception of the Silbitz biomass plant), the whole portfolio is exposed to the upcoming German regulation. As most of PNE's wind farm capacity has been commissioned since 2019, we believe that ca. 90 €/MWh could be a good approximation for the revenue level beyond which the 90% taxation kicks in for PNE. This would be half the level the EU has envisaged (180 €/MWh) and significantly below PNE's average selling price in 9M/22 (148 €/MWh, -39%). If the tax is levied retroactively (e.g. September 2022), PNE will have to restate Q3 power production revenue & earnings and will have lower H2 power production sales & earnings than we have forecasted.

Forecasts adjusted Based on the 9M figures, we have revised our 2022E forecasts. While there is hardly any change regarding sales and EBITDA, we have now fully reflected the high interest and similar income (9M: €26m, largely swap revaluations due to the higher interest rate level) in our full year forecast. We expect a strong Q4, as PNE plans to sell the rights to a Romanian project and expects a milestone payment for a South African project. Furthermore, wind conditions are seasonally strong in Q4. We have lowered our 2023E and 2024E net result forecasts to reflect the higher interest rate level (see figure 5).

Figure 5: Revisions to forecasts

All figures in €m	2022E			2023E			2024E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	123.6	123.6	0.0%	166.6	166.6	0.0%	288.7	288.7	0.0%
EBITDA	50.2	50.0	-0.5%	64.9	64.9	0.0%	101.3	101.3	0.0%
margin	40.6%	40.4%		39.0%	39.0%		35.1%	35.1%	
Net income	12.2	22.6	85.6%	9.1	7.9	-13.6%	26.5	24.7	-6.8%
margin	9.9%	18.3%		5.5%	4.7%		9.2%	8.6%	
EPS (diluted) in €	0.16	0.30	85.0%	0.12	0.10	-13.5%	0.35	0.32	-6.9%

Source: First Berlin Equity Research

Valuation model revised We have revised our sum-of-the-parts valuation to reflect the expanded project pipeline, assumed higher long-term power prices, and slightly higher long-term service growth. This yields a new price target of €18.10 (previously: €15.20). Following the recent share price appreciation our recommendation remains Reduce.



VALUATION MODEL

SUM-OF-THE-PARTS VALUATION

We use a sum-of-the-parts (SotP) analysis to model PNE's fair value. Each of the three segments Project Development, Electricity Generation, and Services is valued individually using a discounted cash flow (DCF) model.

Sum-of-the-parts valuation

SotP valuation	Fair value in €m	Fair value per share in €	FVPS in € old	Delta
Project Development	876.85	11.49	9.37	23%
Electricity Generation	377.85	4.95	4.29	15%
Services	126.11	1.65	1.49	11%
Sum of the parts	1,380.81	18.09	15.16	19%
Price target		18.10	15.20	19%

PROJECT DEVELOPMENT

The Project Development segment includes onshore and offshore wind farm and solar plant development on an international scale. Projects that are not sold but added to the own plant portfolio incur development and construction costs but no external segment sales. PNE accounts for this in its Consolidation segment. For simplicity, we integrate Consolidation into the Project Development segment. Our DCF model thus only shows external sales.

DCF model for Project Development segment

All figures in €'000 *	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Net sales	23,800	56,000	166,700	253,800	290,900	343,262	399,900	459,885
NOPLAT	-23,785	-14,242	10,984	24,950	28,361	33,090	38,262	43,810
+ depreciation & amortisation	2,507	2,405	2,026	1,983	2,049	2,152	2,306	2,509
Net operating cash flow	-21,278	-11,837	13,009	26,932	30,410	35,242	40,568	46,319
- total investments (CAPEX and WC)	-19,721	2,772	7,440	-47,354	-32,154	-39,088	-41,038	-42,099
Capital expenditures	-952	-784	-1,667	-2,538	-2,909	-3,433	-3,999	-4,599
Working capital	-18,769	3,556	9,107	-44,816	-29,245	-35,656	-37,039	-37,500
Free cash flows (FCF)	-40,999	-9,065	20,450	-20,422	-1,745	-3,846	-470	4,220
PV of FCF's	-40,568	-8,321	17,412	-16,132	-1,278	-2,615	-296	2,469

All figures in thousands	
PV of FCFs in explicit period (2022E-2036E)	58,518
PV of FCFs in terminal period	758,216
Enterprise value (EV)	816,734
+ Net cash / - net debt	60,579
+ Investments / minority interests	-463
Shareholder value	876,850
Number of shares (diluted)	76,337
Fair value per share in EUR	11.49

WACC	7.8%
Cost of equity	11.3%
Pre-tax cost of debt	5.0%
Tax rate	30.0%
After-tax cost of debt	3.5%
Share of equity capital	55.0%
Share of debt capital	45.0%
Fair value per share in EUR	11.49

WACC		Terminal growth rate						
		3.0%	3.5%	4.0%	4.5%	5.0%	5.5%	6.0%
4.8%	30.37	40.84	64.57	170.12	-226.95	-64.76	-36.62	
5.8%	17.76	20.98	26.01	34.93	55.14	145.05	-193.17	
6.8%	11.93	13.34	15.25	18.00	22.28	29.88	47.11	
7.8%	8.64	9.37	10.29	11.49	13.12	15.46	19.11	
8.8%	6.55	6.97	7.47	8.09	8.88	9.90	11.30	
9.8%	5.14	5.39	5.69	6.05	6.48	7.01	7.68	
10.8%	4.13	4.13	4.13	4.13	4.13	4.13	4.13	

* for layout purposes the model shows numbers only to 2029, but runs until 2036



ELECTRICITY GENERATION

The Electricity Generation segment includes power production from green power plants. At YE 2021, the portfolio combined 16 own wind farms with a total capacity of 233.2 MW, and the Silbitz biomass power plant with a capacity of 5.6 MW. Furthermore, the segment includes interests in limited partnerships, in which wind farm projects will be realised in the future. PNE plans to build up a wind power production portfolio of up to 500 MW by year-end 2023. The following table shows our portfolio expansion assumptions.

Forecasted portfolio expansion

Green power portfolio	2019A	2020A	2021A	2022E	2023E	2024E
Wind power capacity (MW), year start	55.3	130.1	134.8	233.2	319.2	449.2
Additional capacity (MW)	74.8	4.7	98.4	86.0	130.0	120.0
Wind power capacity (MW), year end	130.1	134.8	233.2	319.2	449.2	569.2
Solar power capacity (MW), year start	0.0	0.0	0.0	0.0	0.0	0.0
Additional capacity (MW)	0.0	0.0	0.0	0.0	0.0	50.0
Solar power capacity (MW), year end	0.0	0.0	0.0	0.0	0.0	50.0
Portfolio capacity (wind & PV), year start	55.3	130.1	134.8	233.2	319.2	449.2
Additional capacity (MW)	74.8	4.7	98.4	86.0	130.0	170.0
Portfolio capacity (wind & PV), year end	130.1	134.8	233.2	319.2	449.2	619.2

DCF model for Electricity Generation segment

All figures in EUR'000 *	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Net sales	76,457	84,909	93,663	104,515	113,943	124,263	126,423	128,510
NOPLAT	31,815	32,009	31,939	33,528	34,833	36,685	40,056	42,989
+ depreciation & amortisation	21,611	30,032	38,853	46,458	53,935	60,489	57,355	54,596
Net operating cash flow	53,425	62,041	70,791	79,986	88,768	97,174	97,412	97,586
- total investments (CAPEX and WC)	-128,993	-183,621	-182,679	-149,581	-144,308	-20,126	-20,489	-22,239
Capital expenditures	-120,400	-182,000	-181,000	-147,500	-142,500	-18,147	-20,074	-21,839
Working capital	-8,593	-1,621	-1,679	-2,081	-1,808	-1,979	-414	-400
Free cash flows (FCF)	-75,567	-121,580	-111,887	-69,596	-55,541	77,048	76,923	75,347
PV of FCF's	-75,111	-115,759	-102,033	-60,794	-46,474	61,756	59,054	55,409

All figures in thousands

PV of FCFs in explicit period (2022E-2036E)	43,407
PV of FCFs in terminal period	751,643
Enterprise value (EV)	795,050
+ Net cash / - net debt	-417,200
+ Investments / minority interests	0
Shareholder value	377,850
Number of shares (diluted)	76,337
Fair value per share in EUR	4.95

WACC	4.4%
Cost of equity	7.3%
Pre-tax cost of debt	4.5%
Tax rate	30.0%
After-tax cost of debt	3.2%
Share of equity capital	30.0%
Share of debt capital	70.0%
Fair value per share in EUR	4.95

WACC	Terminal growth rate						
	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%
3.6%	6.81	7.57	8.45	9.46	10.64	12.04	13.71
3.9%	5.52	6.16	6.87	7.69	8.64	9.74	11.03
4.1%	4.41	4.94	5.54	6.21	6.98	7.86	8.88
4.4%	3.44	3.89	4.39	4.95	5.58	6.30	7.12
4.6%	2.58	2.96	3.39	3.86	4.39	4.98	5.66
4.9%	1.82	2.15	2.52	2.92	3.36	3.86	4.42
5.1%	1.14	1.43	1.74	2.09	2.47	2.89	3.35

* for layout purposes the model shows numbers only to 2029, but runs until 2036



SERVICES

The Services segment includes technical and commercial operations management of green power plants, construction management, transformer station services, wind measurement, financing, and electricity marketing services.

DCF model for Services segment

All figures in €'000 *	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Sales (external and inter-segment)	23,388	25,727	28,300	31,215	34,237	37,340	40,493	43,663
NOPLAT	1,842	2,743	3,872	5,126	5,814	6,490	7,154	7,804
+ depreciation & amortisation	3,589	3,520	3,216	3,232	3,328	3,459	3,617	3,793
Net operating cash flow	5,431	6,263	7,088	8,358	9,142	9,949	10,771	11,597
- total investments (CAPEX and WC)	-3,368	-3,679	-3,378	-3,810	-4,083	-4,349	-4,602	-4,840
Capital expenditures	-3,274	-3,602	-3,293	-3,715	-3,984	-4,247	-4,498	-4,735
Working capital	-93	-77	-85	-96	-99	-102	-104	-104
Free cash flows (FCF)	2,063	2,585	3,711	4,548	5,059	5,601	6,168	6,757
PV of FCF's	2,041	2,363	3,136	3,553	3,653	3,739	3,806	3,854

All figures in thousands	
PV of FCFs in explicit period (2022E-2036E)	52,614
PV of FCFs in terminal period	79,054
Enterprise value (EV)	131,668
+ Net cash / - net debt	-5,500
+ Investments / minority interests	0
Shareholder value	126,168
Number of shares (diluted)	76,337
Fair value per share in EUR	1.65

WACC		Terminal growth rate							
		2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	
Cost of equity	9.7%	5.2%	3.08	3.50	4.11	5.09	6.89	11.36	41.19
Pre-tax cost of debt	5.0%	6.2%	2.25	2.45	2.72	3.08	3.61	4.46	6.02
Tax rate	9.0%	7.2%	1.75	1.86	2.00	2.17	2.40	2.72	3.18
After-tax cost of debt	4.6%	8.2%	1.41	1.48	1.56	1.65	1.77	1.92	2.12
Share of equity capital	70.0%	9.2%	1.17	1.21	1.26	1.32	1.39	1.47	1.58
Share of debt capital	30.0%	10.2%	0.99	1.02	1.05	1.09	1.13	1.18	1.24
Fair value per share in EUR	1.65	11.2%	0.85	0.87	0.90	0.92	0.95	0.98	1.02

* for layout purposes the model shows numbers only to 2029, but runs until 2036



INCOME STATEMENT

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
Revenues	132,796	109,689	117,728	123,645	166,636	288,663
Change in inventories	33,723	38,204	129,819	3,000	3,000	3,000
Own work	0	0	0	151,360	217,100	180,360
Other operating income	4,659	3,819	4,480	5,894	7,987	8,521
Total aggregate output	171,179	151,711	252,027	283,899	394,723	480,544
Cost of goods sold	-92,961	-72,729	-161,554	-164,003	-249,203	-289,483
Gross profit (total aggr. output / COGS)	78,218	78,982	90,473	119,896	145,520	191,061
Personnel costs	-30,600	-35,054	-38,499	-43,561	-46,276	-51,325
Other operating expenses	-18,911	-17,580	-19,320	-26,342	-34,326	-38,412
EBITDA	28,707	26,348	32,654	49,993	64,917	101,324
Depreciation and amortisation	-12,597	-18,177	-23,389	-30,056	-35,746	-43,924
Operating income (EBIT)	16,110	8,170	9,265	19,937	29,172	57,401
Interest Expense	-10,890	-11,182	-10,790	-14,317	-18,597	-22,743
Interest Income	582	251	4,414	26,020	0	0
Other financial income / expenses	32	52	138	0	0	0
Pre-tax income (EBT)	5,835	-2,708	3,028	31,640	10,575	34,658
Income taxes	-5,946	3,611	21,636	-9,492	-3,173	-10,397
Minority interests	-655	717	463	463	463	463
Net income / loss	-765	1,621	25,127	22,611	7,866	24,724
Diluted EPS (in €)	-0.01	0.02	0.33	0.30	0.10	0.32

Ratios

Gross margin (gross profit/total aggr. output)	58.9%	72.0%	76.8%	97.0%	87.3%	66.2%
EBITDA margin on revenues	21.6%	24.0%	27.7%	40.4%	39.0%	35.1%
EBIT margin on revenues	12.1%	7.4%	7.9%	16.1%	17.5%	19.9%
Net margin on revenues	-0.6%	1.5%	21.3%	18.3%	4.7%	8.6%
Tax rate	101.9%	133.4%	-714.6%	-30.0%	-30.0%	-30.0%

Expenses as % of revenues

Personnel costs	23.0%	32.0%	32.7%	35.2%	27.8%	17.8%
Depreciation and amortisation	9.5%	16.6%	19.9%	24.3%	21.5%	15.2%
Other operating expenses	14.2%	16.0%	16.4%	21.3%	20.6%	13.3%

Y-Y Growth

Revenues	45.3%	-17.4%	7.3%	5.0%	34.8%	73.2%
Operating income	106.8%	-49.3%	13.4%	115.2%	46.3%	96.8%
Net income/ loss	n.m.	n.m.	1450.5%	-10.0%	-65.2%	214.3%



BALANCE SHEET

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
Assets						
Current assets, total	250,445	346,594	363,469	381,926	377,079	424,715
Cash and cash equivalents	111,935	111,617	149,625	151,368	149,535	169,850
Short-term investments	0	0	0	0	0	0
Receivables	34,251	40,171	29,492	42,027	39,173	78,886
Inventories	84,807	174,003	163,711	167,890	167,730	155,338
Other current assets	19,452	20,803	20,641	20,641	20,641	20,641
Non-current assets, total	299,571	317,215	463,531	558,101	708,741	850,778
Property, plant & equipment	174,081	176,341	273,523	368,093	518,733	660,770
Goodwill & other intangibles	64,719	64,330	63,964	63,964	63,964	63,964
Rights-of-use assets	39,376	39,125	64,732	64,732	64,732	64,732
Other assets	60,771	76,544	126,044	126,044	126,044	126,044
Total assets	550,016	663,809	827,000	940,027	1,085,820	1,275,493
Shareholders' equity & debt						
Current liabilities, total	113,636	108,209	109,302	103,707	99,551	123,216
Short-term financial debt	11,705	24,223	22,758	25,000	22,000	11,000
Liabilities from leases (ST)	3,057	4,626	6,862	6,862	6,862	6,862
Accounts payable	35,276	31,364	34,398	23,598	22,442	57,107
Current provisions	8,381	4,617	6,747	6,747	6,747	6,747
Other current liabilities	58,275	48,005	45,399	48,362	48,362	48,362
Long-term liabilities, total	231,260	355,038	495,905	595,483	741,083	885,883
Long-term financial debt	188,953	272,887	385,066	482,441	628,041	772,841
Liabilities from leases (LT)	37,207	70,388	103,719	105,858	105,858	105,858
Other liabilities	5,100	11,763	7,120	7,184	7,184	7,184
Minority interests	-13,283	-7,070	-7,382	-7,845	-8,308	-8,771
Shareholders' equity	218,402	207,633	229,175	248,683	253,495	275,165
Share capital	76,603	76,603	76,603	76,603	76,603	76,603
Capital reserve	82,953	82,953	82,953	82,953	82,953	82,953
Other reserves	-819	-2,692	-3,109	-3,109	-3,109	-3,109
Treasury stock	-707	-707	-707	-707	-707	-707
Retained earnings	60,372	51,476	73,435	92,992	97,804	119,475
Total consolidated equity and debt	550,016	663,809	827,000	940,027	1,085,820	1,275,493
Ratios						
Current ratio (x)	2.20	3.20	3.33	3.68	3.79	3.45
Quick ratio (x)	1.46	1.59	1.83	2.06	2.10	2.19
Net cash	-128,987	-260,507	-368,779	-468,792	-613,225	-726,710
Net gearing	59.1%	125.5%	160.9%	188.5%	241.9%	264.1%
Book value per share (€)	2.74	2.63	2.91	3.15	3.21	3.49
Tangible book value per share (€)	1.89	1.80	2.08	2.33	2.38	2.66
Equity ratio (incl. minorities)	37.3%	30.2%	26.8%	25.6%	22.6%	20.9%
Return on equity (ROE)	-0.4%	0.8%	11.0%	9.1%	3.1%	9.0%
Return on assets (ROA)	1.8%	1.9%	4.3%	3.9%	2.4%	3.7%
Return on investment (ROI)	-0.1%	0.2%	3.0%	2.4%	0.7%	1.9%
Return on capital employed (ROCE)	5.4%	2.0%	1.7%	3.1%	3.7%	6.2%



CASH FLOW STATEMENT

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
EBIT	16,110	8,170	9,265	19,937	29,172	57,401
Depreciation and amortisation	12,597	18,177	23,389	30,056	35,746	43,924
EBITDA	28,707	26,348	32,654	49,993	64,917	101,324
Changes in working capital	19,031	-75,310	217	-24,552	1,858	7,344
Other adjustments	-12,331	-19,538	-9,093	2,211	-21,769	-33,140
Operating cash flow	35,407	-68,500	23,778	27,652	45,007	75,528
Investments in PP&E	-77,966	-14,450	-112,828	-124,626	-186,386	-185,960
Investments in intangibles	0	-81	0	0	0	0
Free cash flow	-42,559	-83,031	-89,050	-96,974	-141,379	-110,432
Acquisitions & disposals, net	85	104	30,976	0	0	0
Other investments	0	0	-139	0	0	0
Cash flow from investing	-77,882	-14,427	-81,991	-124,626	-186,386	-185,960
Debt financing, net	37,555	86,483	122,179	98,562	142,600	133,800
Equity financing, net	5,669	0	0	0	0	0
Dividends paid	-2,975	-3,053	-3,053	-3,053	-3,053	-3,053
Other financing	0	-573	-7,152	0	0	0
Cash flow from financing	40,249	82,857	111,974	95,509	139,547	130,747
Forex and other changes in cash	-14,911	-248	-15,754	0	0	0
Net cash flows	-17,135	-318	38,008	-1,465	-1,833	20,315
Cash, start of the year	129,071	111,935	111,617	149,625	151,368	149,535
Cash, end of the year	111,936	111,617	149,625	148,160	149,535	169,850
EBITDA/share (in €)	0.38	0.35	0.43	0.65	0.85	1.33
Operating cashflow/share (in €)	0.47	-0.90	0.31	0.36	0.59	0.99
Y-Y Growth						
Operating cash flow	n.m.	n.m.	n.m.	16.3%	62.8%	67.8%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EBITDA/share	83.1%	-10.0%	23.9%	53.1%	29.9%	56.1%

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The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

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	31 March 2008	€2.38	Buy	€4.50
2...109	↓	↓	↓	↓
110	14 April 2021	€7.27	Add	€7.70
111	12 May 2021	€7.33	Add	€7.70
112	12 August 2021	€7.27	Add	€7.90
113	11 November 2021	€8.26	Add	€8.80
114	18 March 2022	€9.49	Add	€10.00
115	19 April 2022	€12.12	Reduce	€11.50
116	12 May 2022	€12.42	Reduce	€12.00
117	11 August 2022	€15.90	Reduce	€15.20
118	Today	€21.30	Reduce	€18.10

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