

# Energiekontor AG

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

9M/23 report

**RATING** **BUY**  
**PRICE TARGET** **€ 116.00**  
 Return Potential 69.6%  
 Risk Rating High

## GUIDANCE CONFIRMED DESPITE HEADWINDS

Energiekontor (EKT) has published its interim status report for Q3/23, which gives a qualitative update on business development. At the end of the nine month period, EKT had sold more MW (116 versus 96), and commissioned more MW (109 versus 94) than in the full year 2022. As the company expects to commission and sell further projects in Q4, we are confident that Project segment EBT will be significantly higher in 2023 than in the previous year. We thus still believe that EKT will increase 2023 group EBT by 10% (lower end of guidance), despite expected lower EBT contributions from the other segments. However, we have lowered our forecasts for the coming years to reflect the higher interest rate environment and increased project risks. Despite these challenges, the medium-term drivers for higher green power demand (green hydrogen, heat pumps, e-mobility) are intact. An updated sum-of-the-parts valuation yields a new price target of €116 (previously: €138). We reiterate our Buy recommendation.

**Project development segment with strong 9M performance** In the first nine months, EKT sold four projects with a total capacity of 116 MW (full year 2022: 96 MW). Furthermore, commissioned MW rose to 109 MW from 94 MW in FY22. As Energiekontor plans to sell further projects in Q4, we expect a strong segment EBT (€36.6m versus €28.4m in 2022).

Available building permits for 779 MW (full year 2022: 750 MW) and a project pipeline including US project rights of 10.8 GW at the end of June (full year 2022: 10.2 GW) show the segment's strong medium-term potential.

In particular, EKT's Scottish project pipeline shows strong progress. Wind farms with a total capacity of 120 MW are under construction, and in September, five wind farms with a total capacity of 242 MW were awarded Contracts for Difference in the 5<sup>th</sup> UK CfD auction round. Given the very good wind conditions in Scotland, we believe that the awards offer attractive margin potential and will facilitate the realisation of the wind farms.

(p.t.o.)

## FINANCIAL HISTORY & PROJECTIONS

	2020	2021	2022	2023E	2024E	2025E
Revenue (€m)	146.61	156.52	187.57	234.74	389.19	481.95
Y-o-y growth	n.a.	6.8%	19.8%	25.1%	65.8%	23.8%
EBIT (€m)	46.00	61.68	79.97	88.01	92.96	107.93
EBIT margin	31.4%	39.4%	42.6%	37.5%	23.9%	22.4%
Net income (€m)	20.43	36.21	44.54	48.39	49.15	54.78
EPS (diluted) (€)	1.43	2.52	3.16	3.43	3.48	3.88
DPS (€)	0.80	0.90	0.90	0.90	1.00	1.00
FCF (€m)	17.09	-19.47	44.39	-38.63	-159.20	-206.92
Net gearing	359.7%	357.6%	219.8%	214.5%	275.7%	334.4%
Liquid assets (€m)	79.46	99.95	127.01	95.45	115.90	132.29

## 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. 392 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 14 Nov 2023

Closing Price	€ 68.40
Shares outstanding	13.95m
Market Capitalisation	€ 954.04m
52-week Range	€ 60.10 / 90.20
Avg. Volume (12 Months)	11,878

Multiples	2022	2023E	2024E
P/E	22.5	20.7	20.4
EV/Sales	6.5	5.2	3.2
EV/EBIT	15.4	13.9	13.2
Div. Yield	1.3%	1.3%	1.5%

## STOCK OVERVIEW



## COMPANY DATA

As of 30 Jun 2023

Liquid Assets	€ 94.34m
Current Assets	€ 325.75m
Intangible Assets	€ 0.17m
Total Assets	€ 643.70m
Current Liabilities	€ 179.24m
Shareholders' Equity	€ 128.35m

## SHAREHOLDERS

Dr Bodo Wilkens	25.5%
Günter Lammers	25.4%
Union Investment Privatfonds	5.2%
Universal Investment Gesellschaft	2.8%
Free Float	41.2%



**Own green power portfolio expanded from 384 MW to 392 MW** In Q3, EKT added the Wegberg Repowering project (12 MW, net: 8 MW) to its own green power portfolio, which now has a capacity of 392 MW (377 MW wind, 15 MW solar).

However, in October, a rotor blade on a wind turbine at the segment's Alfstedt-Ebersdorf wind farm broke. Energiekontor shut down all the turbines in the wind farm for safety reasons and requested turbine producer GE Wind Energy GmbH to conduct a damage analysis. The wind farm (26.5 MW) was commissioned in H2/22. As the damage happened within the warranty term, we see a high likelihood that EKT will be compensated for the income lost. We expect the wind farm to be out of operation for ca. 6-12 months.

This is the second time in recent years that EKT's own wind farm portfolio has been hit by equipment failure. Operations at the Jacobsdorf wind farm (18 MW) were suspended shortly after commissioning when the tower of a non-EKT wind plant of the same type broke down at another wind farm in H2/21. As the issue happened within the warranty term, we expect turbine producer Nordex to compensate EKT for the income lost. EKT expects the wind park to resume operation in late 2023 or early 2024.

Due to weaker wind conditions and the recent equipment failure, we have lowered our segment EBT forecast to €28.2m, which is below the prior year figure of €30.0m.

**Guidance reiterated** EKT is still guiding towards 2023 EBT growth of 10% - 20% y/y. Given 2022 EBT of €63m, this implies 2023 EBT of between €69m and €75m. Medium term guidance (2028 EBT of ca. €120m) was also confirmed.

**Forecasts adjusted** We remain confident that EKT will sell enough projects in Q4 to reach our 2023 EBT forecast (FBe: €69m, lower end of guidance). Given the higher interest rate environment and industry challenges such as material cost inflation, procurement risks, transport restrictions, and turbine quality problems, we have lowered our forecasts for the coming years.

**Figure 1: Revisions to forecasts**

All figures in €m	2023E			2024E			2025E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Total output	322.0	324.7	1%	499.6	489.2	-2%	604.2	592.0	-2%
EBT	69.0	69.1	0%	75.5	70.2	-7%	84.7	78.3	-8%
margin	21.4%	21.3%		15.1%	14.4%		14.0%	13.2%	
Net income	48.3	48.4	0%	52.9	49.2	-7%	59.3	54.8	-8%
margin	15.0%	14.9%		1.6%	10.0%		9.8%	9.3%	
EPS (diluted)	3.42	3.43	0%	3.75	3.48	-7%	4.20	3.88	-8%

Source: First Berlin Equity Research

**Figure 2: EBT forecasts**

EBT (figures in €m)	2021A	2022A	2023E	2024E	2025E	2026E	2027E	2028E
Project Development	41.9	28.4	36.6	37.1	40.0	48.3	52.7	61.4
Power Production	1.1	30.0	28.2	28.1	32.2	32.2	38.5	45.8
Operation & Innovation	1.8	4.5	4.4	5.0	6.1	7.4	8.9	10.5
<b>Group</b>	<b>44.9</b>	<b>62.9</b>	<b>69.1</b>	<b>70.2</b>	<b>78.3</b>	<b>87.9</b>	<b>100.0</b>	<b>117.7</b>
Delta in %	44%	40%	10%	2%	11%	12%	14%	18%

Source: First Berlin Equity Research

**Buy confirmed at lower price target** We have incorporated the higher interest rate level and our revised forecasts into our valuation. An updated sum-of-the-parts valuation yields a new price target of €116 (previously: €138).



## 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	942.26	67.02	78.34	-14%
Power Production	523.41	37.23	45.46	-18%
Operation & Innovation	167.82	11.94	14.59	-18%
<b>Sum of the parts</b>	<b>1,633.49</b>	<b>116.19</b>	<b>138.39</b>	<b>-16%</b>
<b>Price target</b>		<b>116.00</b>	<b>138.00</b>	<b>-16%</b>

### DCF model for Project Development segment

DCF valuation model								
All figures in EUR '000	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Net sales	151,720	289,560	349,500	405,500	468,500	557,750	620,624	684,943
NOPLAT	32,195	32,410	34,393	38,169	39,929	45,963	64,711	72,591
+ depreciation & amortisation	826	679	846	921	1,011	1,108	1,229	1,324
Net operating cash flow	33,022	33,088	35,239	39,090	40,940	47,071	65,940	73,915
- total investments (CAPEX and WC)	-1,621	-10,797	-28,850	-32,276	-32,463	-43,649	-17,367	-24,777
Capital expenditures	-531	-1,013	-1,049	-1,161	-1,278	-1,445	-1,523	-1,588
Working capital	-1,090	-9,784	-27,802	-31,115	-31,186	-42,203	-15,843	-23,189
Free cash flows (FCF)	31,401	22,291	6,389	6,814	8,477	3,422	48,573	49,138
<b>PV of FCF's</b>	<b>31,032</b>	<b>20,073</b>	<b>5,244</b>	<b>5,097</b>	<b>5,779</b>	<b>2,126</b>	<b>27,500</b>	<b>25,355</b>

All figures in thousands		Terminal growth	4.0%
PV of FCFs in explicit period (2023E-2037E)	343,967	Terminal EBIT margin	16.9%
PV of FCFs in terminal period	608,852		
Enterprise value (EV)	952,819		
+ Net cash / - net debt	-10,556		
+ Investments / minority interests	0		
Shareholder value	942,262		
Number of shares (diluted)	14,059		
<b>Fair value per share in EUR</b>	<b>67.02</b>		

WACC	9.7%	Terminal growth rate							
		2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%	
Cost of equity	12.7%	6.7%	116.87	128.66	144.11	165.24	195.90	244.37	332.57
Pre-tax cost of debt	7.5%	7.7%	89.18	95.79	103.97	114.34	127.93	146.52	173.48
Tax rate	30.0%	8.7%	70.81	74.84	79.64	85.46	92.66	101.79	113.76
After-tax cost of debt	5.3%	9.7%	57.84	60.44	63.47	67.02	71.26	76.39	82.73
Share of equity capital	60.0%	10.7%	48.27	50.03	52.03	54.33	57.00	60.14	63.88
Share of debt capital	40.0%	11.7%	40.98	42.21	43.59	45.14	46.91	48.94	51.30
<b>Fair value per share in EUR</b>	<b>67.02</b>	12.7%	35.28	36.16	37.14	38.22	39.44	40.81	42.38

\* for layout purposes the model shows numbers only to 2030, but runs until 2037



## DCF model for Power Production segment

DCF valuation model								
All figures in EUR '000	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Net sales	76,997	92,763	124,419	155,718	207,153	269,541	271,869	274,093
<b>NOPLAT</b>	<b>32,020</b>	<b>35,981</b>	<b>45,787</b>	<b>54,799</b>	<b>75,089</b>	<b>102,465</b>	<b>97,134</b>	<b>98,331</b>
+ depreciation & amortisation	20,743	28,555	43,801	60,039	78,986	99,291	111,817	111,207
Net operating cash flow	52,763	64,536	89,588	114,838	154,075	201,756	208,951	209,538
- total investments (CAPEX and WC)	-124,339	-249,384	-307,071	-362,003	-414,622	-470,878	-102,442	-101,873
Capital expenditures	-123,625	-246,360	-301,000	-356,000	-404,500	-458,500	-101,652	-101,097
Working capital	-714	-3,024	-6,071	-6,003	-10,122	-12,378	-791	-776
Free cash flows (FCF)	-71,576	-184,848	-217,483	-247,164	-260,548	-269,122	106,508	107,665
<b>PV of FCF's</b>	<b>-71,160</b>	<b>-175,554</b>	<b>-197,333</b>	<b>-214,258</b>	<b>-215,783</b>	<b>-212,913</b>	<b>80,503</b>	<b>77,747</b>

All figures in thousands	
PV of FCFs in explicit period (2023E-2037E)	-461,890
PV of FCFs in terminal period	1,248,308
Enterprise value (EV)	786,418
+ Net cash / - net debt	-263,008
+ Investments / minority interests	0
Shareholder value	523,410
Number of shares (diluted)	14,059
<b>Fair value per share in EUR</b>	<b>37.23</b>

Terminal growth	0.5%
Terminal EBIT margin	42.6%

WACC	4.7%
Cost of equity	7.4%
Pre-tax cost of debt	5.0%
Tax rate	30.0%
After-tax cost of debt	3.5%
Share of equity capital	30.0%
Share of debt capital	70.0%
<b>Fair value per share in EUR</b>	<b>37.23</b>

WACC	Terminal growth rate							
	0.1%	0.1%	0.3%	0.5%	0.7%	0.9%	1.1%	
3.9%	34.96	45.38	56.95	69.87	84.39	100.85	119.63	
4.2%	26.76	35.98	46.15	57.42	70.00	84.11	100.06	
4.4%	19.53	27.73	36.73	46.64	57.62	69.85	83.56	
4.7%	13.10	20.44	28.45	<b>37.23</b>	46.89	57.58	69.47	
4.9%	7.36	13.96	21.13	28.95	37.51	46.92	57.31	
5.2%	2.22	8.17	14.62	21.62	29.24	37.58	46.74	
5.4%	-2.42	2.98	8.80	15.09	21.92	29.35	37.47	

\* for layout purposes the model shows numbers only to 2030, but runs until 2037

## DCF model for Operation & Innovation segment

DCF valuation model								
All figures in EUR '000	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Net sales	9,268	10,566	12,362	14,835	17,717	20,989	24,613	28,520
<b>NOPLAT</b>	<b>3,057</b>	<b>3,502</b>	<b>4,269</b>	<b>5,205</b>	<b>6,228</b>	<b>7,377</b>	<b>8,637</b>	<b>9,981</b>
+ depreciation & amortisation	1	5	8	11	15	19	23	27
Net operating cash flow	3,058	3,507	4,277	5,216	6,244	7,396	8,659	10,008
- total investments (CAPEX and WC)	1,412	-166	-121	-345	-458	-553	-649	-742
Capital expenditures	-19	-21	-25	-30	-34	-38	-43	-47
Working capital	1,430	-145	-97	-315	-424	-515	-606	-695
Free cash flows (FCF)	4,469	3,341	4,156	4,871	5,786	6,843	8,011	9,266
<b>PV of FCF's</b>	<b>4,424</b>	<b>3,051</b>	<b>3,503</b>	<b>3,789</b>	<b>4,154</b>	<b>4,533</b>	<b>4,898</b>	<b>5,229</b>

All figures in thousands	
PV of FCFs in explicit period (2022E-2036E)	73,185
PV of FCFs in terminal period	92,896
Enterprise value (EV)	166,081
+ Net cash / - net debt	1,735
+ Investments / minority interests	0
Shareholder value	167,816
Number of shares (diluted)	14,059
<b>Fair value per share in EUR</b>	<b>11.94</b>

Terminal growth	2.5%
Terminal EBIT margin	48.0%

WACC	8.4%
Cost of equity	8.4%
Pre-tax cost of debt	4.0%
Tax rate	30.0%
After-tax cost of debt	2.8%
Share of equity capital	100.0%
Share of debt capital	0.0%
<b>Fair value per share in EUR</b>	<b>11.94</b>

WACC	Terminal growth rate							
	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	
5.4%	19.76	21.50	23.76	26.81	31.16	37.86	49.52	
6.4%	15.49	16.48	17.69	19.23	21.21	23.90	27.72	
7.4%	12.61	13.22	13.94	14.81	15.88	17.23	18.98	
8.4%	10.55	10.94	11.40	<b>11.94</b>	12.57	13.34	14.28	
9.4%	9.01	9.28	9.58	9.93	10.33	10.80	11.37	
10.4%	7.82	8.01	8.22	8.45	8.72	9.03	9.39	
11.4%	6.88	7.01	7.16	7.33	7.51	7.72	7.96	

\* for layout purposes the model shows numbers only to 2030, but runs until 2037



## INCOME STATEMENT

All figures in EUR '000	2020A	2021A	2022A	2023E	2024E	2025E
<b>Revenues</b>	<b>146,614</b>	<b>156,516</b>	<b>187,573</b>	<b>234,742</b>	<b>389,191</b>	<b>481,954</b>
Change in inventory & own work	18,451	109,740	68,145	90,000	100,000	110,000
<b>Total output</b>	<b>165,065</b>	<b>266,256</b>	<b>255,718</b>	<b>324,742</b>	<b>489,191</b>	<b>591,954</b>
Cost of goods sold	67,504	144,020	115,774	171,533	311,839	368,303
<b>Gross profit</b>	<b>97,561</b>	<b>122,236</b>	<b>139,944</b>	<b>153,208</b>	<b>177,352</b>	<b>223,652</b>
Personnel costs	17,494	19,504	21,173	23,965	27,012	32,296
Other operating expenses	17,968	23,214	21,555	23,031	33,195	45,120
Other operating income	3,283	2,191	2,577	3,370	5,051	6,345
<b>EBITDA</b>	<b>65,382</b>	<b>81,709</b>	<b>99,793</b>	<b>109,582</b>	<b>122,196</b>	<b>152,580</b>
Depreciation	19,384	20,034	19,827	21,569	29,233	44,647
<b>Operating income (EBIT)</b>	<b>45,998</b>	<b>61,675</b>	<b>79,966</b>	<b>88,012</b>	<b>92,962</b>	<b>107,933</b>
Net financial result	-14,765	-16,753	-17,089	-18,882	-22,743	-29,672
Non-operating expenses	0	0	0	0	0	0
<b>Pre-tax income (EBT)</b>	<b>31,233</b>	<b>44,922</b>	<b>62,877</b>	<b>69,131</b>	<b>70,219</b>	<b>78,261</b>
Income taxes	10,808	8,717	18,341	20,739	21,066	23,478
Minority interests	0	0	0	0	0	0
<b>Net income / loss</b>	<b>20,425</b>	<b>36,205</b>	<b>44,536</b>	<b>48,392</b>	<b>49,154</b>	<b>54,783</b>
<b>Diluted EPS (in €)</b>	<b>1.43</b>	<b>2.52</b>	<b>3.16</b>	<b>3.43</b>	<b>3.48</b>	<b>3.88</b>
<b>Ratios</b>						
Gross margin on total output	59.1%	45.9%	54.7%	47.2%	36.3%	37.8%
EBITDA margin on total output	39.6%	30.7%	39.0%	33.7%	25.0%	25.8%
EBIT margin on total output	27.9%	23.2%	31.3%	27.1%	19.0%	18.2%
Net margin on total output	12.4%	13.6%	17.4%	14.9%	10.0%	9.3%
Tax rate	34.6%	19.4%	29.2%	30.0%	30.0%	30.0%
<b>Expenses as % of total output</b>						
Personnel costs	10.6%	7.3%	8.3%	7.4%	5.5%	5.5%
Depreciation	11.7%	7.5%	7.8%	6.6%	6.0%	7.5%
Other operating expenses	10.9%	8.7%	8.4%	7.1%	6.8%	7.6%
<b>Y-Y Growth</b>						
Total output	71.2%	61.3%	-4.0%	27.0%	50.6%	21.0%
EBIT	182.2%	34.1%	29.7%	10.1%	5.6%	16.1%
Net income/ loss	8284.6%	77.3%	23.0%	8.7%	1.6%	11.5%



## BALANCE SHEET

All figures in EUR '000	2020A	2021A	2022A	2023E	2024E	2025E
<b>Assets</b>						
<b>Current assets, total</b>	<b>247,651</b>	<b>299,831</b>	<b>304,868</b>	<b>273,806</b>	<b>317,936</b>	<b>372,131</b>
Cash and cash equivalents	79,457	99,950	127,010	95,451	115,897	132,292
Short-term investments	36	36	36	36	36	36
Receivables	20,035	35,874	43,307	40,215	58,035	72,415
Inventories	144,642	160,856	130,223	133,812	139,676	163,096
Other current assets	3,481	3,115	4,292	4,292	4,292	4,292
<b>Non-current assets, total</b>	<b>201,337</b>	<b>262,163</b>	<b>328,720</b>	<b>431,307</b>	<b>649,447</b>	<b>906,848</b>
Property, plant & equipment	188,806	249,704	307,495	410,082	628,222	885,623
Goodwill & other intangibles	887	551	232	232	232	232
Other assets	11,644	11,908	20,993	20,993	20,993	20,993
<b>Total assets</b>	<b>448,988</b>	<b>561,994</b>	<b>633,588</b>	<b>705,113</b>	<b>967,383</b>	<b>1,278,979</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>138,502</b>	<b>180,886</b>	<b>167,097</b>	<b>126,846</b>	<b>138,979</b>	<b>142,810</b>
Short-term financial debt	102,856	130,759	97,459	60,000	60,000	60,000
Accounts payable	5,323	6,655	9,571	6,753	17,485	21,316
Current provisions	13,478	25,182	33,196	33,196	33,196	33,196
Other current liabilities	16,845	18,291	26,872	26,897	28,299	28,299
<b>Long-term liabilities, total</b>	<b>244,935</b>	<b>298,886</b>	<b>342,827</b>	<b>418,827</b>	<b>633,827</b>	<b>900,827</b>
Long-term financial debt	212,420	263,251	301,415	377,415	592,415	859,415
Deferred revenue	0	0	0	0	0	0
Other liabilities	32,515	35,635	41,411	41,411	41,411	41,411
<b>Minority interests</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Shareholders' equity</b>	<b>65,551</b>	<b>82,222</b>	<b>123,664</b>	<b>159,440</b>	<b>194,577</b>	<b>235,343</b>
Share capital	14,328	14,125	13,987	13,987	13,987	13,987
Capital reserve	41,664	41,867	42,071	42,071	42,071	42,071
Other reserves	-5,455	-3,369	8,705	8,705	8,705	8,705
Treasury stock	-131	-107	-8	-8	-8	-8
Loss carryforward / retained earnings	31,770	31,679	50,908	86,684	121,821	162,586
<b>Total consolidated equity and debt</b>	<b>448,988</b>	<b>561,994</b>	<b>633,588</b>	<b>705,113</b>	<b>967,383</b>	<b>1,278,979</b>
<b>Ratios</b>						
Current ratio (x)	1.79	1.66	1.82	2.16	2.29	2.61
Quick ratio (x)	0.74	0.77	1.05	1.10	1.28	1.46
Net debt	235,783	294,024	271,828	341,928	536,482	787,088
Net gearing	360%	358%	220%	214%	276%	334%
Book value per share (in €)	4.57	5.72	8.78	11.29	13.78	16.67
Financial debt/EBITDA (x)	4.8	4.8	4.0	4.0	5.3	6.0
Equity ratio	14.6%	14.6%	19.5%	22.6%	20.1%	18.4%
Return on equity (ROE)	31.2%	44.0%	36.0%	30.4%	25.3%	23.3%
Return on investment (ROI)	4.5%	6.4%	7.0%	6.9%	5.1%	4.3%
Return on assets (ROA)	7.8%	9.4%	9.7%	9.6%	7.4%	6.6%
Return on capital employed (ROCE)	14.5%	16.5%	18.8%	18.0%	14.1%	11.8%
Days sales outstanding (DSO)	50	84	84	63	54	55
Days inventory outstanding (DIO)	782	408	411	285	163	162
Days payables outstanding (DPO)	29	17	30	14	20	21



## CASH FLOW STATEMENT

All figures in EUR '000	2020A	2021A	2022A	2023E	2024E	2025E
<b>EBIT</b>	<b>45,998</b>	<b>61,675</b>	<b>79,966</b>	<b>88,012</b>	<b>92,962</b>	<b>107,933</b>
Depreciation and amortisation	19,384	20,034	19,827	21,569	29,233	44,647
<b>EBITDA</b>	<b>65,382</b>	<b>81,709</b>	<b>99,793</b>	<b>109,582</b>	<b>122,196</b>	<b>152,580</b>
Changes in working capital	-43,368	10,205	66,120	-3,315	-12,952	-33,969
Other adjustments	-4,134	-29,922	-27,260	-20,739	-21,066	-23,478
<b>Operating cash flow</b>	<b>17,880</b>	<b>61,992</b>	<b>138,653</b>	<b>85,527</b>	<b>88,177</b>	<b>95,133</b>
CAPEX	-347	-81,443	-94,243	-124,156	-247,373	-302,049
Investments in intangibles	-443	-19	-21	0	0	0
<b>Free cash flow</b>	<b>17,090</b>	<b>-19,471</b>	<b>44,389</b>	<b>-38,629</b>	<b>-159,196</b>	<b>-206,916</b>
Acquisitions and disposals, net	15,087	0	18,355	0	0	0
Other investments	-2,542	-3,548	-6,527	0	0	0
<b>Cash flow from investing</b>	<b>11,755</b>	<b>-85,011</b>	<b>-82,436</b>	<b>-124,156</b>	<b>-247,373</b>	<b>-302,049</b>
Debt financing, net	4,254	79,814	-3,424	38,541	215,000	267,000
Equity financing, net	-4,734	-10,524	-2,782	0	0	0
Dividends paid	-5,720	-11,300	-12,588	-12,590	-12,615	-14,017
Other financing	-11,774	-12,733	-9,695	-18,882	-22,743	-29,672
<b>Cash flow from financing</b>	<b>-17,974</b>	<b>45,256</b>	<b>-28,489</b>	<b>7,070</b>	<b>179,642</b>	<b>223,311</b>
Forex & other effects	807	-1,744	-668	0	0	0
<b>Net cash flows</b>	<b>12,468</b>	<b>20,493</b>	<b>27,060</b>	<b>-31,559</b>	<b>20,446</b>	<b>16,395</b>
Cash, start of the year	66,989	79,457	99,950	127,010	95,451	115,897
<b>Cash, end of the year</b>	<b>79,457</b>	<b>99,950</b>	<b>127,010</b>	<b>95,451</b>	<b>115,897</b>	<b>132,292</b>
<b>EBITDA/share (in €)</b>	<b>4.56</b>	<b>5.69</b>	<b>7.08</b>	<b>7.76</b>	<b>8.66</b>	<b>10.81</b>
<b>Operating cash flow/share (in €)</b>	<b>1.25</b>	<b>4.31</b>	<b>9.84</b>	<b>6.06</b>	<b>6.25</b>	<b>6.74</b>
<b>Y-Y Growth</b>						
Operating cash flow	34.0%	246.7%	123.7%	-38.3%	3.1%	7.9%
Free cash flow	191.6%	n.m.	n.m.	n.m.	n.m.	n.m.
EBITDA/share	69.3%	24.8%	24.6%	9.6%	11.5%	24.9%
Operating cash flow /share	34.9%	246.4%	128.1%	-38.4%	3.1%	7.9%

## Imprint / Disclaimer

### First Berlin Equity Research

First Berlin Equity Research GmbH ist ein von der BaFin betreffend die Einhaltung der Pflichten des §85 Abs. 1 S. 1 WpHG, des Art. 20 Abs. 1 Marktmissbrauchsverordnung (MAR) und der Markets Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Durchführungsverordnung und der Markets in Financial Instruments Regulations (MiFIR) beaufsichtigtes Unternehmen.

First Berlin Equity Research GmbH is one of the companies monitored by BaFin with regard to its compliance with the requirements of Section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) Market Abuse Regulation (MAR) and Markets in Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Commission Delegated Regulation and Markets in Financial Instruments Regulations (MiFIR).

Anschrift:

First Berlin Equity Research GmbH  
Friedrichstr. 34  
10117 Berlin  
Germany

Vertreten durch den Geschäftsführer: Martin Bailey

Telefon: +49 (0) 30-80 93 9 680

Fax: +49 (0) 30-80 93 9 687

E-Mail: [info@firstberlin.com](mailto:info@firstberlin.com)

Amtsgericht Berlin Charlottenburg HR B 103329 B

UST-Id.: 251601797

Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV

First Berlin Equity Research GmbH

**Authored by: Dr. Karsten von Blumenthal, Analyst**

**All publications of the last 12 months were authored by Dr. Karsten von Blumenthal.**

**Company responsible for preparation: First Berlin Equity Research GmbH, Friedrichstraße 69, 10117 Berlin**

The production of this recommendation was completed on 15 November 2023 at 13:30

**Person responsible for forwarding or distributing this financial analysis: Martin Bailey**

**Copyright© 2023 First Berlin Equity Research GmbH** No part of this financial analysis may be copied, photocopied, duplicated or distributed in any form or media whatsoever without prior written permission from First Berlin Equity Research GmbH. First Berlin Equity Research GmbH shall be identified as the source in the case of quotations. Further information is available on request.

### **INFORMATION PURSUANT TO SECTION 85 (1) SENTENCE 1 OF THE GERMAN SECURITIES TRADING ACT [WPHG], TO ART. 20 (1) OF REGULATION (EU) NO 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF APRIL 16, 2014, ON MARKET ABUSE (MARKET ABUSE REGULATION) AND TO ART. 37 OF COMMISSION DELEGATED REGULATION (EU) NO 2017/565 (MIFID) II.**

First Berlin Equity Research GmbH (hereinafter referred to as: "First Berlin") prepares financial analyses while taking the relevant regulatory provisions, in particular section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and art. 37 of Commission Delegated Regulation (EU) no. 2017/565 (MiFID II) into consideration. In the following First Berlin provides investors with information about the statutory provisions that are to be observed in the preparation of financial analyses.

### **CONFLICTS OF INTEREST**

In accordance with art. 37 (1) of Commission Delegated Regulation (EU) no. 2017/565 (MiFID) II and art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) investment firms which produce, or arrange for the production of, investment research that is intended or likely to be subsequently disseminated to clients of the firm or to the public, under their own responsibility or that of a member of their group, shall ensure the implementation of all the measures set forth in accordance with Article 34 (2) lit. (b) of Regulation (EU) 2017/565 in relation to the financial analysts involved in the production of the investment research and other relevant persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated. In accordance with art. 34 (3) of Regulation (EU) 2017/565 the procedures and measures referred to in paragraph 2 lit. (b) of such article shall be designed to ensure that relevant persons engaged in different business activities involving a conflict of interests carry on those activities at a level of independence appropriate to the size and activities of the investment firm and of the group to which it belongs, and to the risk of damage to the interests of clients.

In addition, First Berlin shall pursuant to Article 5 of the Commission Delegated Regulation (EU) 2016/958 disclose in their recommendations all relationships and circumstances that may reasonably be expected to impair the objectivity of the financial analyses, including interests or conflicts of interest, on their part or on the part of any natural or legal person working for them under a contract, including a contract of employment, or otherwise, who was involved in producing financial analyses, concerning any financial instrument or the issuer to which the recommendation directly or indirectly relates.

With regard to the financial analyses of Energiekontor AG the following relationships and circumstances exist which may reasonably be expected to impair the objectivity of the financial analyses: The author, First Berlin, or a company associated with First Berlin reached an agreement with the Energiekontor AG for preparation of a financial analysis for which remuneration is owed.

Furthermore, First Berlin offers a range of services that go beyond the preparation of financial analyses. Although First Berlin strives to avoid conflicts of interest wherever possible, First Berlin may maintain the following relations with the analysed company, which in particular may constitute a potential conflict of interest:

- The author, First Berlin, or a company associated with First Berlin owns a net long or short position exceeding the threshold of 0.5 % of the total issued share capital of the analysed company;
- The author, First Berlin, or a company associated with First Berlin holds an interest of more than five percent in the share capital of the analysed company;



- The author, First Berlin, or a company associated with First Berlin provided investment banking or consulting services for the analysed company within the past twelve months for which remuneration was or was to be paid;
- The author, First Berlin, or a company associated with First Berlin reached an agreement with the analysed company for preparation of a financial analysis for which remuneration is owed;
- The author, First Berlin, or a company associated with First Berlin has other significant financial interests in the analysed company;

With regard to the financial analyses of Energiekontor AG the following of the aforementioned potential conflicts of interests or the potential conflicts of interest mentioned in Article 6 paragraph 1 of the Commission Delegated Regulation (EU) 2016/958 exist: The author, First Berlin, or a company associated with First Berlin reached an agreement with the Energiekontor AG for preparation of a financial analysis for which remuneration is owed.

In order to avoid and, if necessary, manage possible conflicts of interest both the author of the financial analysis and First Berlin shall be obliged to neither hold nor in any way trade the securities of the company analyzed. The remuneration of the author of the financial analysis stands in no direct or indirect connection with the recommendations or opinions represented in the financial analysis. Furthermore, the remuneration of the author of the financial analysis is neither coupled directly to financial transactions nor to stock exchange trading volume or asset management fees.

**INFORMATION PURSUANT TO SECTION 64 OF THE GERMAN SECURITIES TRADING ACT [WPHG], DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS AND AMENDING DIRECTIVE 2002/92/EC AND DIRECTIVE 2011/61/EU, ACCOMPANIED BY THE MARKETS IN FINANCIAL INSTRUMENTS REGULATION (MIFIR, REG. EU NO. 600/2014).**

First Berlin notes that it has concluded a contract with the issuer to prepare financial analyses and is paid for that by the issuer. First Berlin makes the financial analysis simultaneously available for all interested security financial services companies. First Berlin thus believes that it fulfils the requirements of section 64 WpHG for minor non-monetary benefits.

**PRICE TARGET DATES**

Unless otherwise indicated, current prices refer to the closing prices of the previous trading day.

**AGREEMENT WITH THE ANALYSED COMPANY AND MAINTENANCE OF OBJECTIVITY**

The present financial analysis is based on the author's own knowledge and research. The author prepared this study without any direct or indirect influence exerted on the part of the analysed company. Parts of the financial analysis were possibly provided to the analysed company prior to publication in order to avoid inaccuracies in the representation of facts. However, no substantial changes were made at the request of the analysed company following any such provision.

**ASSET VALUATION SYSTEM**

First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

**ASSET RECOMMENDATION**

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 <sup>1</sup>	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%

<sup>1</sup> 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.

**RISK ASSESSMENT**

The First Berlin categories for risk assessment are low, average, high and speculative. They are determined by ten factors: Corporate governance, quality of earnings, management strength, balance sheet and financial risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, strength of brandname, market capitalisation and free float. These risk factors are incorporated into the First Berlin valuation models and are thus included in the target prices. First Berlin customers may request the models.

**RECOMMENDATION & PRICE TARGET HISTORY**

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	5 June 2014	€7.70	Buy	€12.20
2...46	↓	↓	↓	↓
47	5 April 2022	€93.20	Add	€105.00
48	16 May 2022	€79.60	Buy	€103.00
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	Today	€68.40	Buy	€116.00

**INVESTMENT HORIZON**

Unless otherwise stated in the financial analysis, the ratings refer to an investment period of twelve months.

### UPDATES

At the time of publication of this financial analysis it is not certain whether, when and on what occasion an update will be provided. In general First Berlin strives to review the financial analysis for its topicality and, if required, to update it in a very timely manner in connection with the reporting obligations of the analysed company or on the occasion of ad hoc notifications.

### SUBJECT TO CHANGE

The opinions contained in the financial analysis reflect the assessment of the author on the day of publication of the financial analysis. The author of the financial analysis reserves the right to change such opinion without prior notification.

#### Legally required information regarding

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

can be accessed through the following internet link: <https://firstberlin.com/disclaimer-english-link/>

**SUPERVISORY AUTHORITY: Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) [BaFin], Graurheindorferstraße 108, 53117 Bonn and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main**

### EXCLUSION OF LIABILITY (DISCLAIMER)

#### RELIABILITY OF INFORMATION AND SOURCES OF INFORMATION

The information contained in this study is based on sources considered by the author to be reliable. Comprehensive verification of the accuracy and completeness of information and the reliability of sources of information has neither been carried out by the author nor by First Berlin. As a result no warranty of any kind whatsoever shall be assumed for the accuracy and completeness of information and the reliability of sources of information, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the accuracy and completeness of information and the reliability of sources of information.

#### RELIABILITY OF ESTIMATES AND FORECASTS

The author of the financial analysis made estimates and forecasts to the best of the author's knowledge. These estimates and forecasts reflect the author's personal opinion and judgement. The premises for estimates and forecasts as well as the author's perspective on such premises are subject to constant change. Expectations with regard to the future performance of a financial instrument are the result of a measurement at a single point in time and may change at any time. The result of a financial analysis always describes only one possible future development – the one that is most probable from the perspective of the author – of a number of possible future developments.

Any and all market values or target prices indicated for the company analysed in this financial analysis may not be achieved due to various risk factors, including but not limited to market volatility, sector volatility, the actions of the analysed company, economic climate, failure to achieve earnings and/or sales forecasts, unavailability of complete and precise information and/or a subsequently occurring event which affects the underlying assumptions of the author and/or other sources on which the author relies in this document. Past performance is not an indicator of future results; past values cannot be carried over into the future.

Consequently, no warranty of any kind whatsoever shall be assumed for the accuracy of estimates and forecasts, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the correctness of estimates and forecasts.

#### INFORMATION PURPOSES, NO RECOMMENDATION, SOLICITATION, NO OFFER FOR THE PURCHASE OF SECURITIES

The present financial analysis serves information purposes. It is intended to support institutional investors in making their own investment decisions; however in no way provide the investor with investment advice. Neither the author, nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be considered to be acting as an investment advisor or portfolio manager vis-à-vis an investor. Each investor must form his own independent opinion with regard to the suitability of an investment in view of his own investment objectives, experience, tax situation, financial position and other circumstances.

The financial analysis does not represent a recommendation or solicitation and is not an offer for the purchase of the security specified in this financial analysis. Consequently, neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall as a result be liable for losses incurred through direct or indirect employment or use of any kind whatsoever of information or statements arising out of this financial analysis.

A decision concerning an investment in securities should take place on the basis of independent investment analyses and procedures as well as other studies including, but not limited to, information memoranda, sales or issuing prospectuses and not on the basis of this document.

#### NO ESTABLISHMENT OF CONTRACTUAL OBLIGATIONS

By taking note of this financial analysis the recipient neither becomes a customer of First Berlin, nor does First Berlin incur any contractual, quasi-contractual or pre-contractual obligations and/or responsibilities toward the recipient. In particular no information contract shall be established between First Berlin and the recipient of this information.

#### NO OBLIGATION TO UPDATE

First Berlin, the author and/or the person responsible for passing on or distributing the financial analysis shall not be obliged to update the financial analysis. Investors must keep themselves informed about the current course of business and any changes in the current course of business of the analysed company.

#### DUPLICATION

Dispatch or duplication of this document is not permitted without the prior written consent of First Berlin.

#### SEVERABILITY

Should any provision of this disclaimer prove to be illegal, invalid or unenforceable under the respectively applicable law, then such provision shall be treated as if it were not an integral component of this disclaimer; in no way shall it affect the legality, validity or enforceability of the remaining provisions.

#### APPLICABLE LAW, PLACE OF JURISDICTION

The preparation of this financial analysis shall be subject to the law obtaining in the Federal Republic of Germany. The place of jurisdiction for any disputes shall be Berlin (Germany).

#### NOTICE OF DISCLAIMER

By taking note of this financial analysis the recipient confirms the binding nature of the above explanations.

By using this document or relying on it in any manner whatsoever the recipient accepts the above restrictions as binding for the recipient.

#### QUALIFIED INSTITUTIONAL INVESTORS

First Berlin financial analyses are intended exclusively for qualified institutional investors.

**This report is not intended for distribution in the USA and/or Canada.**