

Energiekontor AG

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

Update

RATING **BUY**
PRICE TARGET **€ 116.00**
 Return Potential 152.4%
 Risk Rating High

EBT GUIDANCE LOWERED DUE TO PROJECT DELAYS

Energiekontor (EKT) has lowered 2024 EBT guidance from €30m - €70m to ca. €23m - €27m. The reason for this is project delays. Specifically, the close of several transactions will probably not be finalised until Q1/25. This will result in a shift in earnings of ca. €40m to €45m from 2024 to 2025. Despite the profit warning, the prospects for the subsequent years are very good as EKT has 370 MW under construction, most of which will be commissioned within the next two years. Furthermore, the company has building permits for projects totalling 1.1 GW, which are to be realised within the next three to five years. We have lowered our 2024E forecast and raised estimates for the following years. An updated sum-of-the-parts model yields a new price target of €116 (previously: €120). We confirm our Buy recommendation.

Project delays shift earnings into 2025 Project delays and supply chain problems have resulted in delays in the current sales processes as well as a shift in earnings of ca. €40m - €45m into 2025. The largest proportion of earnings is attributable to a wind park project in Scotland (ca. 47 MW). As the sales process is well advanced, we expect a close in Q1/25.

Forecasts adjusted We have lowered our 2024 EBT forecast to €24.8m in line with new guidance. We expect the shift in earnings to have a positive effect on 2025 EBT, but take current political and regulatory uncertainty in Germany, France, the UK and the US into consideration. In Germany, the regulatory improvements of the traffic light coalition have come to a standstill following the exit of the FDP from the government. The early general election scheduled for 23 February and the subsequent coalition negotiations mean that further energy transition legislation is not to be expected before H2/25. In France, a stable government after the early end of the centre-right minority government is not in sight. In the UK, the grid connection process remains the main hurdle, and in the US, the second Trump presidency will probably be unfavourable for renewable energy. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2021	2022	2023	2024E	2025E	2026E
Revenue (€m)	156.5	187.6	241.8	171.1	296.9	481.4
Y-o-y growth	n.a.	19.8%	28.9%	-29.2%	73.5%	62.2%
EBIT (€m)	61.7	80.0	114.4	43.6	104.1	113.9
EBIT margin	39.4%	42.6%	47.3%	25.5%	35.1%	23.7%
Net income (€m)	36.2	44.5	83.3	17.3	60.3	63.1
EPS (diluted) (€)	2.52	3.16	5.93	1.24	4.31	4.51
DPS (€)	0.90	1.00	1.20	0.60	1.20	1.20
FCF (€m)	-19.5	44.4	102.9	34.7	-57.6	-276.8
Net gearing	357.6%	219.8%	123.2%	117.9%	131.6%	221.6%
Liquid assets (€m)	100.0	127.0	132.2	121.1	138.7	68.8

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. 395 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.

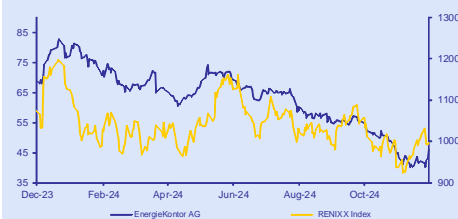
MARKET DATA

As of 06 Dec 2024

Closing Price € 45.95
 Shares outstanding 13.88m
 Market Capitalisation € 637.89m
 52-week Range € 40.15 / 82.70
 Avg. Volume (12 Months) 11,581

Multiples	2023	2024E	2025E
P/E	7.6	36.4	10.5
EV/Sales	3.4	4.8	2.8
EV/EBIT	7.2	19.0	8.0
Div. Yield	2.6%	1.3%	2.6%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2024

Liquid Assets € 105.34m
 Current Assets € 378.37m
 Intangible Assets € 0.15m
 Total Assets € 723.64m
 Current Liabilities € 169.12m
 Shareholders' Equity € 180.77m

SHAREHOLDERS

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



Nevertheless, current legislation in the mentioned countries is still in place and offers an attractive framework for Energiekontor's wind and PV projects. We have raised our 2025E EBT projection by only a fraction of the 2024 EBT reduction (2024: €-22.5m, 2025: €+13.1m) to reflect the increased uncertainty and ongoing supply chain issues (longer turbine and transformer station delivery times). This may well result in a shift in earnings into 2026, which explains our higher 2026E forecast (see figure 1).

Figure 1: Revisions to forecasts

All figures in €m	2024E			2025E			2026E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Total output	216.1	180.1	-17%	359.7	366.9	2%	592.4	601.4	2%
EBT	47.3	24.8	-48%	73.0	86.1	18%	80.3	90.2	12%
margin	21.9%	13.8%		20.3%	23.5%		13.6%	15.0%	
Net income	33.1	17.3	-48%	51.1	60.3	18%	56.2	63.1	12%
margin	15.3%	9.6%		1.6%	16.4%		9.5%	10.5%	
EPS (diluted)	2.37	1.24	-48%	3.65	4.31	18%	4.02	4.51	12%

Source: First Berlin Equity Research

Figure 2 shows our segment and group EBT forecasts and makes clear why we still believe that the EKT share is attractive. In the coming years we expect Energiekontor to generate high EBT north of €86m. Although we are a bit more conservative regarding EKT's 2028 target of €120m (FBe: €109m), the persistently high EBT level reflects EKT's ability to monetise its very strong project pipeline (370 MW under construction and 1.1 GW of permitted projects).

Figure 2: Segment and group EBT forecasts

EBT (figures in €m)	2022A	2023A	2024E	2025E	2026E	2027E	2028E
Project Development	28.4	64.1	-1.7	56.3	58.2	52.4	59.2
Power Production	30.0	27.8	23.5	26.5	27.6	32.2	42.4
Operation & Innovation	4.5	3.6	3.0	3.3	4.3	5.9	7.2
Group	62.9	95.5	24.8	86.1	90.1	90.5	108.7
Growth y/y in %	40%	52%	-74%	247%	5%	0%	20%

Source: First Berlin Equity Research

Buy confirmed at lower price target An updated sum-of-the-parts valuation yields a new price target of €116 (previously: €120). The lower price target reflects a lower valuation of the Project Development segment. We have raised our WACC estimate for the segment from 9.6% to 9.9% to reflect the aforementioned higher uncertainty. We reiterate our Buy rating.



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	952.96	68.15	72.44	-6%
Power Production	512.52	36.65	36.48	0%
Operation & Innovation	151.80	10.86	10.80	1%
Sum of the parts	1,617.28	115.67	119.72	-3%
Price target		116.00	120.00	-3%

DCF model for Project Development segment

DCF valuation model	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
All figures in EUR '000								
Net sales	89,720	212,200	381,000	444,500	549,250	611,215	675,226	740,478
NOPLAT	5,850	46,129	47,376	43,041	47,338	64,907	72,055	79,444
+ depreciation & amortisation	1,169	1,216	1,151	1,176	1,156	1,250	1,336	1,415
Net operating cash flow	7,019	47,345	48,527	44,216	48,493	66,157	73,391	80,859
- total investments (CAPEX and WC)	-4,213	-22,170	-85,089	-5,301	-60,576	-19,073	-27,095	-25,828
Capital expenditures	-314	-573	-1,105	-1,200	-1,423	-1,517	-1,602	-1,676
Working capital	-3,899	-21,597	-83,984	-4,100	-59,153	-17,557	-25,493	-24,152
Free cash flows (FCF)	2,806	25,175	-36,562	38,916	-12,083	47,083	46,296	55,031
PV of FCFs	2,791	22,780	-30,103	29,155	-8,235	29,197	26,123	28,255

All figures in thousands

PV of FCFs in explicit period (2024E-2038E)	329,827		
PV of FCFs in terminal period	587,786		
Enterprise value (EV)	917,613	Terminal growth	4.0%
+ Net cash / - net debt	35,324	Terminal EBIT margin	15.9%
+ Investments / minority interests	0		
Shareholder value	952,937		
Number of shares (diluted)	13,982		
Fair value per share in EUR	68.15		

WACC	9.9%	Terminal growth rate							
		2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%	
Cost of equity	13.0%	6.9%	115.57	126.44	140.52	159.45	186.26	227.19	297.36
Pre-tax cost of debt	7.5%	7.9%	89.45	95.68	103.33	112.93	125.36	142.08	165.75
Tax rate	30.0%	8.9%	71.86	75.71	80.29	85.79	92.55	101.04	112.03
After-tax cost of debt	5.3%	9.9%	59.29	61.82	64.74	68.15	72.20	77.07	83.06
Share of equity capital	60.0%	10.9%	49.94	51.66	53.62	55.85	58.44	61.47	65.06
Share of debt capital	40.0%	11.9%	42.76	43.97	45.32	46.85	48.59	50.57	52.87
Fair value per share in EUR	68.15	12.9%	37.10	37.98	38.94	40.02	41.22	42.58	44.12

* 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	76,522	79,259	93,884	133,368	193,076	195,007	196,957	198,927
NOPLAT	27,676	29,816	36,440	48,022	71,178	59,548	61,385	63,223
+ depreciation & amortisation	21,081	21,205	26,703	44,386	64,086	85,263	84,411	83,566
Net operating cash flow	48,757	51,021	63,142	92,407	135,264	144,811	145,795	146,790
- total investments (CAPEX and WC)	-1,516	-136,100	-306,205	-393,154	-464,587	-71,476	-70,770	-70,070
Capital expenditures	310	-135,500	-303,000	-384,500	-451,500	-71,053	-70,342	-69,639
Working capital	-1,826	-600	-3,205	-8,654	-13,087	-423	-427	-432
Free cash flow s (FCF)	47,241	-85,079	-243,063	-300,747	-329,323	73,336	75,026	76,719
PV of FCF's	47,116	-81,113	-221,522	-262,015	-274,233	58,377	57,090	55,806

All figures in thousands			
PV of FCFs in explicit period (2024E-2038E)	-260,423		
PV of FCFs in terminal period	1,038,681		
Enterprise value (EV)	778,259		
+ Net cash / - net debt	-265,744		Terminal growth th 1.0%
+ Investments / minority interests	0		Terminal EBIT margin 39.2%
Shareholder value	512,515		
Number of shares (diluted)	13,982		
Fair value per share in EUR	36.65		

WACC	4.6%	Terminal growth rate							
		0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	
Cost of equity	7.2%	3.9%	40.70	48.54	57.40	67.51	79.14	92.65	108.56
Pre-tax cost of debt	5.0%	4.1%	32.64	39.40	46.97	55.51	65.23	76.39	89.32
Tax rate	30.0%	4.4%	25.65	31.52	38.05	45.36	53.59	62.94	73.64
After-tax cost of debt	3.5%	4.6%	19.52	24.66	30.34	36.65	43.71	51.64	60.63
Share of equity capital	30.0%	4.9%	14.11	18.64	23.63	29.13	35.23	42.03	49.67
Share of debt capital	70.0%	5.1%	9.30	13.33	17.73	22.55	27.87	33.77	40.33
Fair value per share in EUR	36.65	5.4%	5.02	8.61	12.51	16.78	21.45	26.60	32.29

* 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	7,546	8,300	9,960	12,052	14,510	17,322	20,459	23,863
NOPLAT	2,079	2,305	2,999	4,136	5,007	6,000	7,105	8,302
+ depreciation & amortisation	1	4	7	9	12	15	19	22
Net operating cash flow	2,080	2,309	3,006	4,145	5,019	6,015	7,124	8,324
- total investments (CAPEX and WC)	1,140	-58	-208	-270	-367	-445	-523	-600
Capital expenditures	-15	-17	-20	-24	-28	-31	-35	-39
Working capital	1,155	-42	-188	-246	-340	-413	-488	-561
Free cash flow s (FCF)	3,221	2,251	2,798	3,875	4,652	5,570	6,601	7,724
PV of FCF's	3,206	2,072	2,381	3,049	3,384	3,746	4,105	4,441

All figures in thousands			
PV of FCFs in explicit period (2024E-2038E)	61,604		
PV of FCFs in terminal period	87,975		
Enterprise value (EV)	149,579		
+ Net cash / - net debt	2,217		Terminal growth 2.5%
+ Investments / minority interests	0		Terminal EBIT margin 49.5%
Shareholder value	151,796		
Number of shares (diluted)	13,982		
Fair value per share in EUR	10.86		

WACC	8.2%	Terminal growth rate							
		1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	
Cost of equity	8.2%	5.2%	18.49	20.22	22.50	25.64	30.23	37.61	51.39
Pre-tax cost of debt	5.0%	6.2%	14.30	15.26	16.44	17.95	19.94	22.68	26.69
Tax rate	30.0%	7.2%	11.52	12.10	12.79	13.62	14.66	15.98	17.72
After-tax cost of debt	3.5%	8.2%	9.56	9.92	10.35	10.86	11.46	12.19	13.10
Share of equity capital	100.0%	9.2%	8.10	8.35	8.63	8.95	9.32	9.77	10.29
Share of debt capital	0.0%	10.2%	6.99	7.16	7.35	7.56	7.81	8.09	8.42
Fair value per share in EUR	10.86	11.2%	6.11	6.23	6.36	6.51	6.68	6.87	7.09

* 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	171,147	296,854	481,358
Change in inventory & own work	109,740	68,145	33,554	9,000	70,000	120,000
Total output	266,256	255,718	275,352	180,147	366,854	601,358
Cost of goods sold	144,020	115,774	91,294	62,037	180,660	385,174
Gross profit	122,236	139,944	184,058	118,110	186,194	216,184
Personnel costs	19,504	21,173	25,271	27,830	32,006	37,125
Other operating expenses	23,214	21,555	28,033	27,064	31,615	43,417
Other operating income	2,191	2,577	4,799	2,593	3,928	6,079
EBITDA	81,709	99,793	135,553	65,809	126,501	141,720
Depreciation	20,034	19,827	21,117	22,250	22,422	27,853
Operating income (EBIT)	61,675	79,966	114,436	43,559	104,079	113,867
Net financial result	-16,753	-17,089	-18,959	-18,774	-17,991	-23,710
Non-operating expenses	0	0	0	0	0	0
Pre-tax income (EBT)	44,922	62,877	95,477	24,785	86,089	90,156
Income taxes	8,717	18,341	12,156	7,436	25,827	27,047
Minority interests	0	0	0	0	0	0
Net income / loss	36,205	44,536	83,321	17,350	60,262	63,109
Diluted EPS (in €)	2.52	3.16	5.93	1.24	4.31	4.51
Ratios						
Gross margin on total output	45.9%	54.7%	66.8%	65.6%	50.8%	35.9%
EBITDA margin on total output	30.7%	39.0%	49.2%	36.5%	34.5%	23.6%
EBIT margin on total output	23.2%	31.3%	41.6%	24.2%	28.4%	18.9%
Net margin on total output	13.6%	17.4%	30.3%	9.6%	16.4%	10.5%
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%	15.4%	8.7%	6.2%
Depreciation	7.5%	7.8%	7.7%	12.4%	6.1%	4.6%
Other operating expenses	8.7%	8.4%	10.2%	15.0%	8.6%	7.2%
Y-Y Growth						
Total output	61.3%	-4.0%	7.7%	-34.6%	103.6%	63.9%
EBIT	34.1%	29.7%	43.1%	-61.9%	138.9%	9.4%
Net income/ loss	77.3%	23.0%	87.1%	-79.2%	247.3%	4.7%



BALANCE SHEET

All figures in EUR '000	2021A	2022A	2023A	2024E	2025E	2026E
Assets						
Current assets, total	299,831	304,868	365,456	373,491	409,520	439,678
Cash and cash equivalents	99,950	127,010	132,236	121,075	138,742	68,814
Short-term investments	36	36	43,332	43,332	43,332	43,332
Receivables	35,874	43,307	26,049	44,224	55,616	88,972
Inventories	160,856	130,223	143,292	144,313	151,283	218,013
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	334,022	447,673	723,925
Property, plant & equipment	249,704	307,495	328,147	305,841	419,493	695,744
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	707,514	857,194	1,163,603
Shareholders' equity & debt						
Current liabilities, total	180,886	167,097	157,967	134,737	139,189	171,898
Short-term financial debt	130,759	97,459	70,305	60,000	60,000	80,000
Accounts payable	6,655	9,571	17,545	13,025	9,148	21,857
Current provisions	25,182	33,196	42,827	42,827	42,827	42,827
Other current liabilities	18,291	26,872	27,290	18,884	27,214	27,214
Long-term liabilities, total	298,886	342,827	378,430	378,509	480,134	707,384
Long-term financial debt	263,251	301,415	333,466	333,466	435,091	662,341
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	194,268	237,871	284,321
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	88,313	131,916	178,367
Total consolidated equity and debt	561,994	633,588	721,645	707,514	857,194	1,163,603
Ratios						
Current ratio (x)	1.66	1.82	2.31	2.77	2.94	2.56
Quick ratio (x)	0.77	1.05	1.41	1.70	1.86	1.29
Net debt	294,024	271,828	228,203	229,059	313,017	630,195
Net gearing	358%	220%	123%	118%	132%	222%
Book value per share (in €)	5.72	8.78	13.19	13.89	17.01	20.33
Financial debt/EBITDA (x)	4.8	4.0	3.0	6.0	3.9	5.2
Equity ratio	14.6%	19.5%	25.7%	27.5%	27.7%	24.4%
Return on equity (ROE)	44.0%	36.0%	45.0%	8.9%	25.3%	22.2%
Return on investment (ROI)	6.4%	7.0%	11.5%	2.5%	7.0%	5.4%
Return on assets (ROA)	9.4%	9.7%	14.3%	5.1%	9.1%	7.5%
Return on capital employed (ROCE)	16.5%	18.8%	25.6%	9.4%	19.6%	14.6%
Days sales outstanding (DSO)	84	84	39	94	68	67
Days inventory outstanding (DIO)	408	411	573	849	306	207
Days payables outstanding (DPO)	17	30	70	77	18	21



CASH FLOW STATEMENT

All figures in EUR '000	2021A	2022A	2023A	2024E	2025E	2026E
EBIT	61,675	79,966	114,436	43,559	104,079	113,867
Depreciation and amortisation	20,034	19,827	21,117	22,250	22,422	27,853
EBITDA	81,709	99,793	135,553	65,809	126,501	141,720
Changes in working capital	10,205	66,120	-6,835	-23,716	-22,239	-87,377
Other adjustments	-29,922	-27,260	16,058	-7,436	-25,827	-27,047
Operating cash flow	61,992	138,653	144,776	34,657	78,436	27,296
CAPEX	-81,443	-94,243	-41,709	-4	-136,073	-304,105
Investments in intangibles	-19	-21	-130	0	0	0
Free cash flow	-19,471	44,389	102,937	34,653	-57,637	-276,809
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	-4	-136,073	-304,105
Debt financing, net	79,814	-3,424	-18,193	-10,305	101,625	247,250
Equity financing, net	-10,524	-2,782	-5,608	0	0	0
Dividends paid	-11,300	-12,588	-13,959	-16,735	-8,329	-16,659
Other financing	-12,733	-9,695	-12,014	-18,774	-17,991	-23,710
Cash flow from financing	45,256	-28,489	-49,775	-45,815	75,305	206,881
Forex & other effects	-1,744	-668	-977	0	0	0
Net cash flows	20,493	27,060	48,559	-11,161	17,667	-69,928
Cash, start of the year	79,457	99,950	127,010	132,236	121,075	138,742
Cash, end of the year	99,950	127,010	175,569	121,075	138,742	68,814
EBITDA/share (in €)	5.69	7.08	9.65	4.71	9.05	10.14
Operating cash flow/share (in €)	4.31	9.84	10.31	2.48	5.61	1.95
Y-Y Growth						
Operating cash flow	246.7%	123.7%	4.4%	-76.1%	126.3%	-65.2%
Free cash flow	n.m.	n.m.	131.9%	-66.3%	n.m.	n.m.
EBITDA/share	24.8%	24.6%	36.2%	-51.2%	92.2%	12.0%
Operating cash flow /share	246.4%	128.1%	4.7%	-76.0%	126.3%	-65.2%

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

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 9 December 2024 at 15:31

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

Copyright© 2024 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 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.

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...53	↓	↓	↓	↓
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	8 April 2024	€65.80	Buy	€126.00
58	21 May 2024	€71.40	Buy	€126.00
59	3 July 2024	€62.40	Buy	€126.00
60	13 August 2024	€58.10	Buy	€126.00
61	18 November 2024	€43.20	Buy	€120.00
62	Today	€45.95	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.