

Energiekontor AG

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

Q1/22 report

RATING **BUY**
PRICE TARGET **€ 103.00**
 Return Potential 29.4%
 Risk Rating High

ENERGIEKONTOR – A SAFE BET IN UNCERTAIN TIMES

Energiekontor (EKT) has published its interim status report for Q1/22, which gives a qualitative update on business development. Project development moved at full steam ahead with 170 MW under construction. In April, EKT sold a Scottish 34 MW project. Power production was up to 5% above the long-term average, which hints at a much higher output than last year. Despite supply chain challenges and cost increases, Energiekontor is still guiding towards 10% to 20% earnings growth in 2022. As the company has adjusted its transaction structure to minimise negative effects from possible project delays and is benefitting from high power prices, we see Energiekontor as well on track to reach our 2022 EBT growth forecast of 15%. We believe that EKT is a good hedge against high market uncertainty caused by the Russian invasion of Ukraine and macroeconomic stagflation tendencies. More green power is badly needed to reduce Europe's dependence on Russian gas. Energiekontor's business model is rather resilient, as it combines volatile wind and solar project development with stable cash flows from green power production. The German government's "Easter Package" calls for a significant acceleration of the expansion of wind and solar power. Energiekontor, with its ca. 4,400 MW German wind and solar pipeline, is primed to benefit from this. An updated sum of the parts valuation yields a slightly lower price target of €103 (previously: €105), as we have taken the increased yield for riskless assets into account. Following recent share price depreciation, we upgrade our rating from Add to Buy, as the upside potential to our price target is now >25%.

Strong construction & project development activity At the time of publication of the Q1/22 report, a total of 14 projects with a total generation capacity of almost 170 MW were under construction in Germany and the UK, of which ca. 70 MW are intended for the company's own portfolio. In addition, Energiekontor has obtained three further building permits for wind farms with...
 (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2019	2020	2021	2022E	2023E	2024E
Revenue (€m)	63.70	146.61	156.52	206.87	304.87	427.21
Y-o-y growth	n.a.	130.2%	6.8%	32.2%	47.4%	40.1%
EBIT (€m)	16.30	46.00	61.68	70.59	78.46	104.64
EBIT margin	25.6%	31.4%	39.4%	34.1%	25.7%	24.5%
Net income (€m)	0.24	20.43	36.21	36.28	40.05	56.88
EPS (diluted) (€)	0.02	1.43	2.52	2.59	2.86	4.06
DPS (€)	0.40	0.80	0.90	0.90	0.90	1.00
FCF (€m)	5.86	17.09	-19.47	3.41	-73.87	-70.04
Net gearing	378.3%	359.7%	357.6%	304.3%	322.5%	304.2%
Liquid assets (€m)	66.99	79.46	99.95	81.45	86.72	73.68

RISKS

Main risks include changes in the regulatory support for wind and solar energy, project development risks, approval procedures, tender results, 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 (329 MW). The company is active in onshore wind and solar project development in Germany, the UK, the US, and France. Energiekontor is headquartered in Bremen, Germany.

MARKET DATA

As of 13 May 2022

Closing Price	€ 79.60
Shares outstanding	13.99m
Market Capitalisation	€ 1113.37m
52-week Range	€ 50.50 / 100.60
Avg. Volume (12 Months)	18,018

Multiples	2021	2022E	2023E
P/E	32.2	32.1	29.1
EV/Sales	9.1	6.9	4.7
EV/EBIT	23.1	20.2	18.2
Div. Yield	1.1%	1.1%	1.1%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2021

Liquid Assets	€ 99.95m
Current Assets	€ 299.83m
Intangible Assets	€ 0.55m
Total Assets	€ 561.99m
Current Liabilities	€ 180.89m
Shareholders' Equity	€ 82.22m

SHAREHOLDERS

Dr Bodo Wilkens	25.2%
Günter Lammers	25.2%
Universal Investment Gesellschaft	6.7%
Union Investment Privatfonds	5.1%
Free Float	37.8%



...a total generation capacity of over 90 MW (10 MW German repowering project, and 80 MW wind projects in Scotland). In April, Energiekontor sold the Scottish wind farm project Pines Burn with a capacity of 34 MW to Capital Dynamics. In Scotland, the company has projects totalling ca. 500 MW with building permits or under construction.

New transaction structure is the right answer to supply chain problems Supply chain and transport delays as well as long delivery times by manufacturers of turbines and modules are likely to make it difficult for some EKT projects to be commissioned by the end of 2022. In consequence, Energiekontor will realise a large part of its group sales in 2022 on the basis of new transaction structures in which ready-to-build project rights and construction management services will be sold to investors in separate contract packages. This should minimise the negative effects of project delays.

Power Production segment had a good start to the year All in all, wind conditions in Q1/22 were much better than in the prior year period. In the UK, power generation was 5% above the long-term average and in Germany 3%. In Q1/21, power generation in the UK was only 3% above average and in Germany as much as 6% below average. The portfolio capacity rose from ca. 280 MW in Q1/21 to ca. 330 MW (ca. +18% y/y). However, the group-owned Jacobsdorf wind farm (18 MW) remained off-grid due to severe damage to identical wind turbines that do not belong to Energiekontor. The company is about to finalise plans with the plant manufacturer for a rapid resumption of operations. The aim of both parties is to replace the affected towers in order to ensure park operation by mid-2023. We expect EKT to be compensated by the manufacturer for the loss. The monthly market values for onshore wind power in Germany in Q1 ranged from 108 €/MWh to 198 €/MWh and were thus significantly higher than EEG remuneration. EKT thus benefitted from this delta at wind farms which receive the EEG market premium. Some own wind farms, which receive payments based on power purchase agreements (PPA), benefitted from EKT concluding PPA's at very favourable conditions. The company's combined German wind and solar power capacity is 231 MW. Own wind farms with a total capacity of 78 MW receive PPA-based remuneration.

Almost 138k shares repurchased The share buyback programme, which started in May 2021, led to the acquisition of 137.738 own shares for €8.6m until 22 April, 2022. The 138k treasury shares account for 1% of the company's share capital. Since April, the share buyback program with a resolution valid until 30 June, 2022, has been suspended.

Dividend of €0.90 per share proposed Management will propose a dividend of €0.90 for 2021 (2020: €0.80, +13% y/y) to the annual general meeting on 19 May. This will be the highest dividend since the company's IPO.

German "Easter Package" calls for much higher wind and solar expansion targets In its Easter Package, the German government proposes a much more rapid expansion of wind and PV. To reach the expansion target of 80% renewable power production by 2030 (2021: 42%), green power generation must be increased from the current level of just under 240 TWh to 600 TWh in 2030. This calculation is based on an assumed gross electricity consumption of 750 TWh in 2030, and requires a significant expansion of wind and PV capacity. At the end of 2021, German onshore wind and PV capacity was 57 GW and 59 GW respectively. In 2021 new installations amounted to 1.9 GW wind and 5.3 GW PV respectively. The government's draft legislation calls for installed capacity of 69 GW wind and 88 GW PV by 2024 (see figure 1 overleaf). By 2030, the installed base is to reach 115 GW wind and 215 GW PV. Compared to the current installed base, this means a doubling of wind capacity and a 3.6-fold increase in PV within 9 years. To reach this goal the government plans to improve the framework conditions through a bundle of individual measures for both wind and solar.

**Figure 1: Proposed expansion paths for wind and PV in Germany 2024 - 2040**

Year	Wind (GW)	PV (GW)
2024	69	88
2026	84	128
2028	99	172
2030	115	215
2035	157	309
2040	160	400

Source: First Berlin Equity Research, Deutscher Bundestag, Drucksache 20/1630 as of 2 May 2022

We believe that the planned measures will lead to a golden decade for wind and solar in Germany. Energiekontor, with its 4.4 GW German wind & solar project pipeline, is primed to benefit from this. However, supply chain problems and supply shortages look set to increase costs for future projects by ca. 10% - 20%. The biggest cost drivers are transport, followed by steel. But higher power prices give Energiekontor leeway to cushion this through higher project selling prices.

Upgrade to Buy at slightly lower price target We have updated our segment valuations and taken the yield increase in riskless assets (10y German government bond now yields 0.9%) into account. A sum-of-the-parts analysis results in a slightly lower price target of €103 (previously: €105). We upgrade the stock from Add to Buy as the upside potential to our price target is now >25%.



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	914.83	65.26	66.65	-2.1%
Power Production	392.58	28.01	28.70	-2.4%
Operation & Innovation	134.61	9.60	9.67	-0.7%
Sum of the parts	1,442.02	102.87	105.01	-2.0%
Price target		103.00	105.00	-1.9%

DCF model for Project Development segment

DCF valuation model								
All figures in EUR '000	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Net sales	136,850	220,600	321,000	369,150	420,831	475,539	532,604	591,190
NOPLAT	29,675	30,506	42,647	47,644	53,077	58,805	64,773	70,898
+ depreciation & amortisation	843	719	882	1,003	1,026	1,082	1,150	1,218
Net operating cash flow	30,519	31,225	43,529	48,647	54,104	59,888	65,922	72,116
- total investments (CAPEX and WC)	23,430	-13,991	-7,002	-16,580	-24,144	-24,853	-25,149	-24,971
Capital expenditures	-547	-772	-1,124	-1,107	-1,205	-1,297	-1,380	-1,451
Working capital	23,977	-13,219	-5,878	-15,473	-22,939	-23,556	-23,769	-23,520
Free cash flows (FCF)	53,948	17,233	36,527	32,067	29,960	35,034	40,774	47,145
PV of FCF's	51,054	14,956	29,064	23,399	20,047	21,499	22,939	24,324

All figures in thousands

PV of FCFs in explicit period (2022E-2036E)	400,882
PV of FCFs in terminal period	577,939
Enterprise value (EV)	978,821
+ Net cash / - net debt	-63,988
+ Investments / minority interests	0
Shareholder value	914,833
Number of shares (diluted)	14,018
Fair value per share in EUR	65.26

Terminal growth	4.0%
Terminal EBIT margin	16.2%

WACC	9.0%
Cost of equity	11.8%
Pre-tax cost of debt	7.0%
Tax rate	30.0%
After-tax cost of debt	4.9%
Share of equity capital	60.0%
Share of debt capital	40.0%
Fair value per share in EUR	65.26

WACC	Terminal growth rate						
	2.5%	3.0%	3.5%	4.0%	4.5%	5.0%	5.5%
6.0%	120.47	134.71	154.55	184.08	232.73	327.91	597.58
7.0%	89.24	96.47	105.73	118.04	135.18	160.69	202.73
8.0%	69.61	73.72	78.73	84.98	92.99	103.63	118.46
9.0%	56.22	58.73	61.70	65.26	69.60	75.01	81.95
10.0%	46.57	48.19	50.07	52.25	54.82	57.91	61.67
11.0%	39.33	40.42	41.65	43.06	44.69	46.58	48.82
12.0%	33.73	34.48	35.32	36.27	37.34	38.57	39.98

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



DCF model for Power Production segment

DCF valuation model								
All figures in EUR '000								
	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Net sales	65,583	78,852	99,710	128,314	142,282	142,993	143,708	144,427
NOPLAT	23,246	28,133	34,233	43,189	42,244	42,517	42,840	43,213
+ depreciation & amortisation	21,793	27,932	37,411	49,318	62,700	62,700	62,700	62,700
Net operating cash flow	45,039	56,065	71,643	92,507	104,944	105,217	105,540	105,913
- total investments (CAPEX and WC)	-96,078	-149,545	-181,500	-212,236	-65,379	-62,836	-62,837	-62,838
Capital expenditures	-95,200	-147,000	-177,500	-206,750	-62,700	-62,700	-62,700	-62,700
Working capital	-878	-2,545	-4,000	-5,486	-2,679	-136	-137	-138
Free cash flows (FCF)	-51,039	-93,480	-109,857	-119,728	39,565	42,381	42,703	43,076
PV of FCF's	-49,806	-87,784	-99,265	-104,108	33,107	34,126	33,087	32,118

All figures in thousands	
PV of FCFs in explicit period (2022E-2036E)	-12,300
PV of FCFs in terminal period	630,861
Enterprise value (EV)	618,561
+ Net cash / - net debt	-225,985
+ Investments / minority interests	0
Shareholder value	392,576
Number of shares (diluted)	14,018
Fair value per share in EUR	28.01

Terminal growth	0.5%
Terminal EBIT margin	36.1%

WACC	3.9%
Cost of equity	7.3%
Pre-tax cost of debt	4.0%
Tax rate	30.0%
After-tax cost of debt	2.8%
Share of equity capital	25.0%
Share of debt capital	75.0%
Fair value per share in EUR	28.01

WACC	Terminal growth rate						
	-0.1%	0.1%	0.3%	0.5%	0.7%	0.9%	1.1%
3.2%	36.48	39.92	43.84	48.34	53.57	59.73	67.08
3.4%	30.66	33.51	36.72	40.38	44.58	49.44	55.14
3.7%	25.62	28.01	30.68	33.70	37.11	41.03	45.55
3.9%	21.23	23.25	25.50	28.01	30.83	34.02	37.67
4.2%	17.36	19.09	20.99	23.11	25.46	28.11	31.10
4.4%	13.94	15.42	17.05	18.85	20.83	23.05	25.53
4.7%	10.89	12.17	13.58	15.11	16.80	18.68	20.76

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

DCF model for Operation & Innovation segment

DCF valuation model								
All figures in EUR '000								
	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Net sales	6,828	8,330	9,996	11,995	14,326	16,972	19,902	23,062
NOPLAT	2,116	2,648	3,381	4,141	4,964	5,889	6,905	7,992
+ depreciation & amortisation	4	6	8	11	13	16	19	22
Net operating cash flow	2,121	2,654	3,389	4,151	4,977	5,905	6,924	8,014
- total investments (CAPEX and WC)	29	-296	-118	-153	-320	-379	-434	-484
Capital expenditures	-14	-17	-20	-24	-27	-31	-34	-38
Working capital	43	-280	-98	-129	-293	-348	-399	-446
Free cash flows (FCF)	2,150	2,358	3,271	3,999	4,657	5,526	6,491	7,531
PV of FCF's	2,047	2,075	2,661	3,007	3,237	3,551	3,855	4,135

All figures in thousands	
PV of FCFs in explicit period (2022E-2036E)	56,363
PV of FCFs in terminal period	77,559
Enterprise value (EV)	133,922
+ Net cash / - net debt	688
+ Investments / minority interests	0
Shareholder value	134,610
Number of shares (diluted)	14,018
Fair value per share in EUR	9.60

Terminal growth	2.5%
Terminal EBIT margin	48.0%

WACC	8.2%
Cost of equity	8.2%
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%
Fair value per share in EUR	9.60

WACC	Terminal growth rate						
	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%
5.2%	16.52	18.07	20.12	22.93	27.03	33.59	45.73
6.2%	12.73	13.59	14.66	16.01	17.80	20.25	23.83
7.2%	10.21	10.73	11.35	12.10	13.03	14.22	15.78
8.2%	8.43	8.76	9.15	9.60	10.14	10.80	11.62
9.2%	7.11	7.33	7.59	7.88	8.22	8.61	9.09
10.2%	6.10	6.26	6.43	6.62	6.84	7.10	7.40
11.2%	5.31	5.42	5.54	5.67	5.82	5.99	6.19

* 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	63,700	146,614	156,516	206,871	304,867	427,207
Change in inventory & own work	32,708	18,451	109,740	91,356	101,356	111,356
Total output	96,409	165,065	266,256	298,227	406,223	538,563
Cost of goods sold	30,501	67,504	144,020	161,991	253,230	338,460
Gross profit	65,908	97,561	122,236	136,236	152,993	200,104
Personnel costs	14,679	17,494	19,504	21,047	22,286	26,315
Other operating expenses	16,362	17,968	23,214	25,334	27,833	36,387
Other operating income	3,986	3,283	2,191	3,371	4,233	5,535
EBITDA	38,853	65,382	81,709	93,226	107,106	142,937
Depreciation	22,551	19,384	20,034	22,636	28,651	38,293
Operating income (EBIT)	16,302	45,998	61,675	70,589	78,455	104,644
Net financial result	-15,532	-14,765	-16,753	-18,760	-21,243	-23,382
Non-operating expenses	0	0	0	0	0	0
Pre-tax income (EBT)	770	31,233	44,922	51,829	57,212	81,262
Income taxes	526	10,808	8,717	15,549	17,164	24,379
Minority interests	0	0	0	0	0	0
Net income / loss	244	20,425	36,205	36,280	40,048	56,883
Diluted EPS (in €)	0.02	1.43	2.52	2.59	2.86	4.06
Ratios						
Gross margin on total output	68.4%	59.1%	45.9%	45.7%	37.7%	37.2%
EBITDA margin on total output	40.3%	39.6%	30.7%	31.3%	26.4%	26.5%
EBIT margin on total output	16.9%	27.9%	23.2%	23.7%	19.3%	19.4%
Net margin on total output	0.3%	12.4%	13.6%	12.2%	9.9%	10.6%
Tax rate	68.3%	34.6%	19.4%	30.0%	30.0%	30.0%
Expenses as % of total output						
Personnel costs	15.2%	10.6%	7.3%	7.1%	5.5%	4.9%
Depreciation	23.4%	11.7%	7.5%	7.6%	7.1%	7.1%
Other operating expenses	17.0%	10.9%	8.7%	8.5%	6.9%	6.8%
Y-Y Growth						
Total output	-25.1%	71.2%	61.3%	12.0%	36.2%	32.6%
EBIT	-26.2%	182.2%	34.1%	14.5%	11.1%	33.4%
Net income/ loss	-96.4%	8284.6%	77.3%	0.2%	10.4%	42.0%



BALANCE SHEET

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
Assets						
Current assets, total	154,284	247,651	299,831	262,201	292,428	297,619
Cash and cash equivalents	66,989	79,457	99,950	81,454	86,722	73,682
Short-term investments	36	36	36	36	36	36
Receivables	13,765	20,035	35,874	31,698	45,798	63,643
Inventories	71,189	144,642	160,856	145,898	156,758	157,144
Other current assets	2,305	3,481	3,115	3,115	3,115	3,115
Non-current assets, total	235,615	201,337	262,163	335,274	454,395	594,726
Property, plant & equipment	226,541	188,806	249,704	322,815	441,936	582,267
Goodwill & other intangibles	766	887	551	551	551	551
Other assets	8,308	11,644	11,908	11,908	11,908	11,908
Total assets	389,899	448,988	561,994	597,475	746,824	892,345
Shareholders' equity & debt						
Current liabilities, total	63,616	138,502	180,886	87,235	101,151	110,808
Short-term financial debt	39,237	102,856	130,759	35,000	40,000	40,000
Accounts payable	9,785	5,323	6,655	9,004	17,920	26,175
Current provisions	9,175	13,478	25,182	25,182	25,182	25,182
Other current liabilities	5,419	16,845	18,291	18,049	18,049	19,451
Long-term liabilities, total	270,083	244,935	298,886	404,354	512,354	605,354
Long-term financial debt	240,417	212,420	263,251	368,719	476,719	569,719
Deferred revenue	0	0	0	0	0	0
Other liabilities	29,666	32,515	35,635	35,635	35,635	35,635
Minority interests	0	0	0	0	0	0
Shareholders' equity	56,200	65,551	82,222	105,886	133,318	176,183
Share capital	14,678	14,328	14,125	14,125	14,125	14,125
Capital reserve	41,460	41,664	41,867	41,867	41,867	41,867
Other reserves	-4,632	-5,455	-3,369	-3,369	-3,369	-3,369
Treasury stock	-312	-131	-107	-107	-107	-107
Loss carryforward / retained earnings	35,457	31,770	31,679	55,343	82,775	125,641
Total consolidated equity and debt	389,899	448,988	561,994	597,475	746,824	892,345
Ratios						
Current ratio (x)	2.43	1.79	1.66	3.01	2.89	2.69
Quick ratio (x)	1.31	0.74	0.77	1.33	1.34	1.27
Net debt	212,629	235,783	294,024	322,229	429,961	536,001
Net gearing	378%	360%	358%	304%	323%	304%
Book value per share (in €)	3.89	4.57	5.72	7.55	9.51	12.57
Financial debt/EBITDA (x)	7.2	4.8	4.8	4.3	4.8	4.3
Equity ratio	14.4%	14.6%	14.6%	17.7%	17.9%	19.7%
Return on equity (ROE)	0.4%	31.2%	44.0%	34.3%	30.0%	32.3%
Return on investment (ROI)	0.1%	4.5%	6.4%	6.1%	5.4%	6.4%
Return on assets (ROA)	4.1%	7.8%	9.4%	9.2%	8.2%	9.0%
Return on capital employed (ROCE)	6.0%	14.5%	16.5%	16.1%	14.8%	15.5%
Days sales outstanding (DSO)	78.9	49.9	83.7	55.9	54.8	54.4
Days inventory outstanding (DIO)	851.9	782.1	407.7	328.7	225.9	169.5
Days payables outstanding (DPO)	117.1	28.8	16.9	20.3	25.8	28.2



CASH FLOW STATEMENT

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
EBIT	16,302	45,998	61,675	70,589	78,455	104,644
Depreciation and amortisation	22,551	19,384	20,034	22,636	28,651	38,293
EBITDA	38,853	65,382	81,709	93,226	107,106	142,937
Changes in working capital	-24,549	-43,368	10,205	21,483	-16,044	-9,976
Other adjustments	-961	-4,134	-29,922	-15,549	-17,164	-24,379
Operating cash flow	13,343	17,880	61,992	99,160	73,899	108,582
CAPEX	-7,463	-347	-81,443	-95,747	-147,772	-178,624
Investments in intangibles	-19	-443	-19	0	0	0
Free cash flow	5,861	17,090	-19,471	3,413	-73,873	-70,041
Acquisitions and disposals, net	0	15,087	0	0	0	0
Other investments	3,412	-2,542	-3,548	0	0	0
Cash flow from investing	-4,070	11,755	-85,011	-95,747	-147,772	-178,624
Debt financing, net	9,610	4,254	79,814	9,709	113,000	93,000
Equity financing, net	-4,865	-4,734	-10,524	0	0	0
Dividends paid	-5,784	-5,720	-11,300	-12,857	-12,616	-12,616
Other financing	-13,483	-11,774	-12,733	-18,760	-21,243	-23,382
Cash flow from financing	-14,523	-17,974	45,256	-21,909	79,141	57,001
Forex & other effects	-1,052	807	-1,744	0	0	0
Net cash flows	-6,302	12,468	20,493	-18,496	5,267	-13,040
Cash, start of the year	73,291	66,989	79,457	99,950	81,454	86,722
Cash, end of the year	66,989	79,457	99,950	81,454	86,722	73,682
EBITDA/share (in €)	2.69	4.56	5.69	6.65	7.64	10.20
Operating cash flow/share (in €)	0.92	1.25	4.31	7.07	5.27	7.75
Y-Y Growth						
Operating cash flow	-70.6%	34.0%	246.7%	60.0%	-25.5%	46.9%
Free cash flow	-74.7%	191.6%	n.m.	n.m.	n.m.	n.m.
EBITDA/share	-3.5%	69.3%	24.8%	16.9%	14.9%	33.5%
Operating cash flow /share	-70.4%	34.9%	246.4%	64.0%	-25.5%	46.9%

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

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

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

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	5 June 2014	€7.70	Buy	€12.20
2...39	↓	↓	↓	↓
40	17 November 2020	€36.80	Add	€43.80
41	3 March 2021	€56.20	Add	€60.00
42	25 March 2021	€56.20	Add	€66.00
43	21 April 2021	€56.40	Add	€70.00
44	14 May 2021	€56.00	Buy	€71.00
45	16 August 2021	€55.40	Buy	€72.00
46	17 November 2021	€78.00	Add	€89.00
47	5 April 2022	€93.20	Add	€105.00
48	Today	€79.60	Buy	€103.00

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- key sources of information in the preparation of this research report
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