

<b>Buy</b> <b>EUR 22.80</b> (EUR 24.40)  Price <b>EUR 10.98</b> Upside <b>107.7 %</b>	<b>Value Indicators:</b> EUR SotP: 22.76	<b>Warburg Risk Score:</b> <b>2.0</b> Balance Sheet Score: 2.5 Market Liquidity Score: 1.5	<b>Description:</b> Project developer and operator of renewable energy parks.
	<b>Market Snapshot:</b> EUR m Market cap: 837.8 No. of shares (m): 76.3 EV: 1,496.3 Freefloat MC: 214.5 Ø Trad. Vol. (30d): 609.32 th	<b>Shareholders:</b> Freefloat 25.60 % MSIP 44.20 % Active ownership fund SCS 11.99 % Samson Rock 7.93 % ENKRAFT 4.96 %	<b>Key Figures (WRE):</b> 2024e Beta: 1.4 Price / Book: 4.4 x Equity Ratio: 17 % Net Fin. Debt / EBITDA: 15.3 x Net Debt / EBITDA: 15.3 x

**Strong Q4 ahead; PT down**

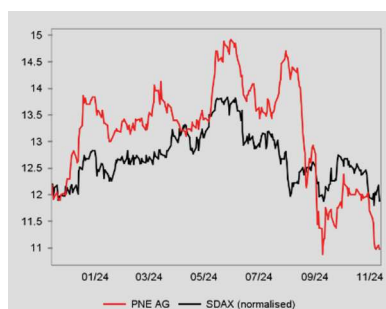
<b>Stated Figures 9M/2024:</b> in Mio. EUR	<table border="1"> <thead> <tr> <th></th> <th>9M/24</th> <th>9M/24e</th> <th>9M/23</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Umsatz</td> <td>77,6</td> <td>75,3</td> <td>75,7</td> <td>2,5%</td> </tr> <tr> <td>Gesamtleistung</td> <td>203,8</td> <td>190,3</td> <td>149,2</td> <td>36,6%</td> </tr> <tr> <td>EBITDA</td> <td>6,2</td> <td>5,9</td> <td>16,5</td> <td>-62,4%</td> </tr> <tr> <td>Marge</td> <td>8,0%</td> <td>7,8%</td> <td>21,8%</td> <td></td> </tr> <tr> <td>EBIT</td> <td>-17,8</td> <td>-18,1</td> <td>-8,9</td> <td>99,3%</td> </tr> <tr> <td>Marge</td> <td>-22,9%</td> <td>-24,0%</td> <td>-11,8%</td> <td></td> </tr> </tbody> </table>		9M/24	9M/24e	9M/23	yoy	Umsatz	77,6	75,3	75,7	2,5%	Gesamtleistung	203,8	190,3	149,2	36,6%	EBITDA	6,2	5,9	16,5	-62,4%	Marge	8,0%	7,8%	21,8%		EBIT	-17,8	-18,1	-8,9	99,3%	Marge	-22,9%	-24,0%	-11,8%		<b>Comment on Figures:</b> <ul style="list-style-type: none"> <li>Figures were in line with expectations, characterised by high construction activity but no external project sales.</li> <li>The in-house portfolio showed a muted performance due to the seasonality of wind yields.</li> <li>After the reporting date, PNE announced the sale of its Papenrode project (59.4MW), which we expect to carry a superior developer margin.</li> <li>Guidance was confirmed on the back of the Papenrode transaction.</li> </ul>
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PNE showed a solid Q3 performance, in line with expectations. The development of the in-house portfolio is still dominant in the P&L, which is characterised by huge inventory swings and internal sales. However, the existing onshore wind portfolio delivered an EBITDA of EUR 37.5m after nine months, which is a solid basis for growing PNE's business in the coming years. We expect further projects to be commissioned in H1/25, putting the company on track to reach its 1.5GW target.

At first glance, we read the sale of the Papenrode wind farm as a measure to prevent a guidance cut. At second glance, however, **PNE has made an opportunistic transaction at very attractive conditions**. Based on the size of the project (59.4 MW) and the attractive EEG tariff (February 2023; >EUR 72.40/MWh), **we estimate a selling price of >EUR 2m/MW and a developer margin of over 30%**. The received funds bolster the equity ratio and improve the financial headroom for further portfolio expansion. We therefore welcome the decision to sell the Papenrode wind farm given its attractive margin and positive impact on the balance sheet. In addition, the sale should **trigger a strong Q4 performance, sufficient to reach the guidance range (EUR 40-50m EBITDA)**.

Over the next few years, we could see PNE selling more German wind farms to finance its portfolio expansion, as the company's stretched balance sheet and complex shareholder structure limit its potential to raise additional debt and equity. In our model, we reflect the potential sale of additional projects in an environment of less steep revenue growth in power generation, **resulting in a gradually lower target price of EUR 22.80**.

<b>Changes in Estimates:</b> FY End: 31.12. in EUR m	<table border="1"> <thead> <tr> <th>2024e (old)</th> <th>+ / -</th> <th>2025e (old)</th> <th>+ / -</th> <th>2026e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>-3.2 %</td> <td>225.2</td> <td>0.0 %</td> <td>263.5</td> <td>0.0 %</td> </tr> <tr> <td>EBITDA</td> <td>-7.7 %</td> <td>61.8</td> <td>0.0 %</td> <td>83.7</td> <td>0.0 %</td> </tr> <tr> <td>EBIT</td> <td>n.m.</td> <td>5.8</td> <td>0.0 %</td> <td>15.5</td> <td>0.0 %</td> </tr> </tbody> </table>	2024e (old)	+ / -	2025e (old)	+ / -	2026e (old)	+ / -	Sales	-3.2 %	225.2	0.0 %	263.5	0.0 %	EBITDA	-7.7 %	61.8	0.0 %	83.7	0.0 %	EBIT	n.m.	5.8	0.0 %	15.5	0.0 %	<b>Comment on Changes:</b> <ul style="list-style-type: none"> <li>We have adjusted our 2024 forecast downwards to reflect execution risks for further external project sales in Q4.</li> <li>However, the pace of in-house capacity expansion will have a significant impact on the P&amp;L, likely resulting in EBITDA swings of +/- EUR 5m.</li> </ul>
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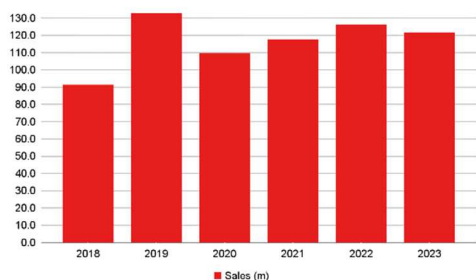
**Rel. Performance vs SDAX:**

1 month:	-3.2 %
6 months:	-10.6 %
Year to date:	-13.3 %
Trailing 12 months:	-10.1 %

**Company events:**

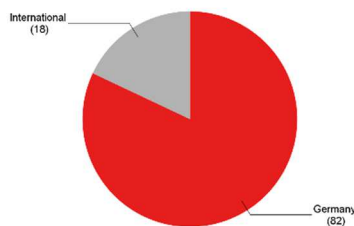
FY End: 31.12. in EUR m	CAGR (23-26e)	2020	2021	2022	2023	2024e	2025e	2026e
Sales	29.4 %	109.7	117.7	126.2	121.5	202.6	225.2	263.5
Change Sales yoy		-17.4 %	7.3 %	7.2 %	-3.7 %	66.7 %	11.2 %	17.0 %
Gross profit margin		68.5 %	73.0 %	79.7 %	96.1 %	56.7 %	61.2 %	62.0 %
EBITDA	28.0 %	26.4	32.7	35.4	39.9	42.9	61.8	83.7
Margin		24.0 %	27.8 %	28.1 %	32.8 %	21.2 %	27.4 %	31.7 %
EBIT	39.1 %	8.2	9.3	6.2	5.7	-2.8	5.8	15.5
Margin		7.5 %	7.9 %	4.9 %	4.7 %	-1.4 %	2.6 %	5.9 %
Net income	-	1.6	25.1	14.9	-9.6	-16.0	-10.2	-2.6
EPS	-	0.02	0.33	0.20	-0.13	-0.21	-0.13	-0.03
EPS diluted	-	0.02	0.33	0.20	-0.13	-0.21	-0.13	-0.03
DPS	0.0 %	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Dividend Yield		0.8 %	0.5 %	0.3 %	0.3 %	0.4 %	0.4 %	0.4 %
FCFPS		-1.09	-1.17	-1.37	-2.51	0.39	0.60	0.86
FCF / Market cap		-20.5 %	-15.4 %	-9.5 %	-17.6 %	3.5 %	5.5 %	7.8 %
EV / Sales		6.1 x	8.1 x	12.3 x	14.6 x	7.4 x	6.5 x	5.3 x
EV / EBITDA		25.3 x	29.0 x	43.9 x	44.4 x	34.9 x	23.5 x	16.6 x
EV / EBIT		81.5 x	102.4 x	251.6 x	308.7 x	n.a.	251.2 x	90.0 x
P / E		265.6 x	23.0 x	72.2 x	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield		3.3 %	4.9 %	1.1 %	1.8 %	2.6 %	3.9 %	5.5 %
Net Debt		260.5	368.8	451.2	685.1	658.5	615.7	553.2
ROCE (NOPAT)		n.a.	14.4 %	0.6 %	0.7 %	n.a.	0.6 %	1.6 %
Guidance:		PNE 2024: EBITDA EUR 40-50m						

**Sales development**  
in EUR m



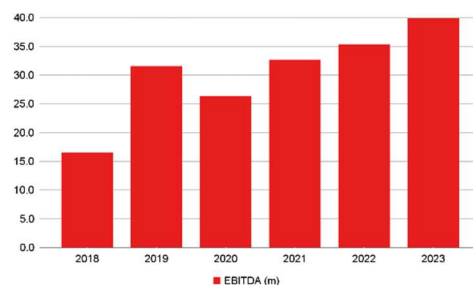
Source: Warburg Research

**Project sales by regions**  
2023; in %



Source: Warburg Research

**EBITDA development**  
in EUR m



Source: Warburg Research

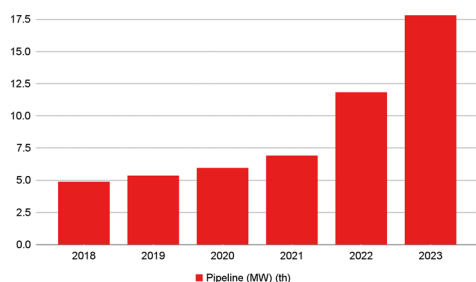
**Company Background**

- PNE (formerly PNE Wind) is a wind farm project developer based in Cuxhaven. It is active in both the onshore and offshore markets and as an Independent Power Producer (IPP).
- In the onshore sector PNE develops, constructs and sells wind farms to utilities and infrastructure funds. In addition, PNE remains owner of some of the projects.
- PNE is active in several countries aside of its domestic market Germany such as France, Italy, Poland and Spain. The pipeline consists of >9GW of onshore wind and >6GW of PV projects.
- In the offshore sector, the company develops and sells the development rights prior to construction. The company has sold eight offshore projects in total – four of which are already in operation.
- PNE remains the owner of some of the wind farms. Currently, the company owns 412 MW of onshore wind capacity and aims to reach 1.5 GW.

**Competitive Quality**

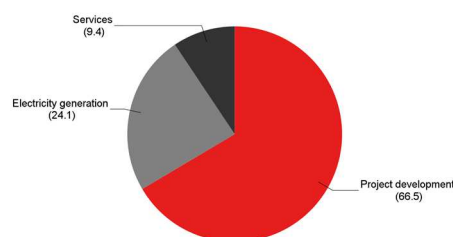
- PNE's core skills lie in the development, project management, realization and financing of wind farms and their management, or sale with subsequent service.
- PNE's strengths lie in the development and sale of wind farms even in difficult market conditions, supported by its onshore and offshore track record.
- PNE has a competitive advantage in serving every step of the value chain. It also benefits from the cooperation with strong partners such as Allianz Global Investors Orstedt (DONG Energy), Brookfield and STEAG.
- PNE is well managed by a very experienced team.
- In 2020, PNE decided to extend its activities by the operation of a renewable energy portfolio. The company aims to build-up a 1.5 GW portfolio by 2027.

**Pipeline**  
in GW



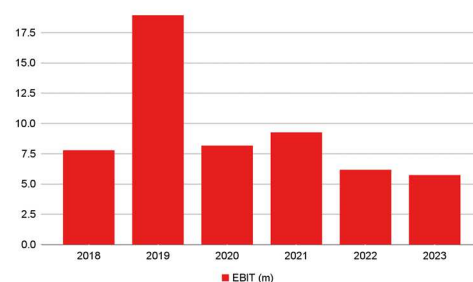
Source: Warburg Research

**Sales by segments**  
2023; in %



Source: Warburg Research

**EBIT development**  
in EUR m



Source: Warburg Research

### Sum of the parts

Business unit	Enterprise value (mEUR)	EV / share	% of total EV	Applied WACC
Project development	1.169,85	15,32	53,32%	Multiple based
Power generation	853,39	11,18	38,89%	3,38%
Services	170,91	2,24	7,79%	5,79%
<b>Total value</b>	<b>2.194,16</b>	<b>28,74</b>	<b>100,00%</b>	
- Financial liabilities	572,81			
- Pension provisions	0,00			
- Hybrid capital	0,00			
- Minority interest	-5,59			
+ Liquid assets	121,58			
Equity value	1.737,34			
No. of shares	76,34			
<b>Value per share</b>	<b>22,76</b>			

- We value PNE based on a SotP approach
- For the project development segment we apply a multiple-based valuation approach
- The power generation and service segment are valued based on a DCF-model
- This approach reflects the diversity of PNE's business units and differences in risk profile.
- Especially the different capital costs for each segment can be differentiated adequately.

- 
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  - For power generation and services, we apply a separate DCF-model.
  - This approach reflects the diversity of PNE's business units and differences in risk profile.
  - Especially the different capital costs for each segment can be differentiated adequately.
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Valuation	2020	2021	2022	2023	2024e	2025e	2026e
Price / Book	2.0 x	2.5 x	4.6 x	5.1 x	4.4 x	4.7 x	4.8 x
Book value per share ex intangibles	1.88	2.17	2.27	1.92	1.67	1.50	1.43
EV / Sales	6.1 x	8.1 x	12.3 x	14.6 x	7.4 x	6.5 x	5.3 x
EV / EBITDA	25.3 x	29.0 x	43.9 x	44.4 x	34.9 x	23.5 x	16.6 x
EV / EBIT	81.5 x	102.4 x	251.6 x	308.7 x	n.a.	251.2 x	90.0 x
EV / EBIT adj.*	81.5 x	102.4 x	251.6 x	308.7 x	n.a.	251.2 x	90.0 x
P / FCF	n.a.	n.a.	n.a.	n.a.	28.3 x	18.3 x	12.8 x
P / E	265.6 x	23.0 x	72.2 x	n.a.	n.a.	n.a.	n.a.
P / E adj.*	265.6 x	23.0 x	72.2 x	n.a.	n.a.	n.a.	n.a.
Dividend Yield	0.8 %	0.5 %	0.3 %	0.3 %	0.4 %	0.4 %	0.4 %
FCF Potential Yield (on market EV)	3.3 %	4.9 %	1.1 %	1.8 %	2.6 %	3.9 %	5.5 %

\*Adjustments made for: -

Company Specific Items	2020	2021	2022	2023	2024e	2025e	2026e
Pipeline (MW)	5,953	6,916	11,833	17,818	n.a.	n.a.	n.a.

**Consolidated profit & loss**

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
<b>Sales</b>	<b>109.7</b>	<b>117.7</b>	<b>126.2</b>	<b>121.5</b>	<b>202.6</b>	<b>225.2</b>	<b>263.5</b>
Change Sales yoy	-17.4 %	7.3 %	7.2 %	-3.7 %	66.7 %	11.2 %	17.0 %
Increase / decrease in inventory	38.2	129.8	111.7	136.4	30.4	33.8	26.4
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Sales</b>	<b>147.9</b>	<b>247.5</b>	<b>237.8</b>	<b>257.9</b>	<b>232.9</b>	<b>259.0</b>	<b>289.9</b>
Material expenses	72.7	161.6	137.3	141.1	118.1	121.1	126.5
<b>Gross profit</b>	<b>75.2</b>	<b>86.0</b>	<b>100.5</b>	<b>116.8</b>	<b>114.9</b>	<b>137.8</b>	<b>163.4</b>
<i>Gross profit margin</i>	<i>68.5 %</i>	<i>73.0 %</i>	<i>79.7 %</i>	<i>96.1 %</i>	<i>56.7 %</i>	<i>61.2 %</i>	<i>62.0 %</i>
Personnel expenses	35.1	38.5	42.6	51.8	44.0	45.0	45.0
Other operating income	3.8	4.5	5.5	9.9	0.0	0.0	0.0
Other operating expenses	17.6	19.3	28.1	35.1	28.0	31.1	34.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>26.4</b>	<b>32.7</b>	<b>35.4</b>	<b>39.9</b>	<b>42.9</b>	<b>61.8</b>	<b>83.7</b>
<i>Margin</i>	<i>24.0 %</i>	<i>27.8 %</i>	<i>28.1 %</i>	<i>32.8 %</i>	<i>21.2 %</i>	<i>27.4 %</i>	<i>31.7 %</i>
Depreciation of fixed assets	18.2	23.4	29.2	34.2	45.7	56.0	68.2
<b>EBITA</b>	<b>8.2</b>	<b>9.3</b>	<b>6.2</b>	<b>5.7</b>	<b>-2.8</b>	<b>5.8</b>	<b>15.5</b>
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>8.2</b>	<b>9.3</b>	<b>6.2</b>	<b>5.7</b>	<b>-2.8</b>	<b>5.8</b>	<b>15.5</b>
<i>Margin</i>	<i>7.5 %</i>	<i>7.9 %</i>	<i>4.9 %</i>	<i>4.7 %</i>	<i>-1.4 %</i>	<i>2.6 %</i>	<i>5.9 %</i>
<b>EBIT adj.</b>	<b>8.2</b>	<b>9.3</b>	<b>6.2</b>	<b>5.7</b>	<b>-2.8</b>	<b>5.8</b>	<b>15.5</b>
Interest income	0.3	4.4	33.8	11.9	0.6	0.6	0.6
Interest expenses	11.2	10.8	16.2	26.3	18.5	19.5	19.5
Other financial income (loss)	0.1	0.1	0.3	0.1	0.1	0.1	0.1
<b>EBT</b>	<b>-2.7</b>	<b>3.0</b>	<b>23.9</b>	<b>-8.6</b>	<b>-20.6</b>	<b>-13.0</b>	<b>-3.3</b>
<i>Margin</i>	<i>-2.5 %</i>	<i>2.6 %</i>	<i>18.9 %</i>	<i>-7.1 %</i>	<i>-10.2 %</i>	<i>-5.8 %</i>	<i>-1.3 %</i>
Total taxes	-3.6	-21.6	9.8	-0.4	-4.5	-2.9	-0.7
<b>Net income from continuing operations</b>	<b>0.9</b>	<b>24.7</b>	<b>14.1</b>	<b>-8.2</b>	<b>-16.0</b>	<b>-10.2</b>	<b>-2.6</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>0.9</b>	<b>24.7</b>	<b>14.1</b>	<b>-8.2</b>	<b>-16.0</b>	<b>-10.2</b>	<b>-2.6</b>
Minority interest	-0.7	-0.5	-0.8	1.4	0.0	0.0	0.0
<b>Net income</b>	<b>1.6</b>	<b>25.1</b>	<b>14.9</b>	<b>-9.6</b>	<b>-16.0</b>	<b>-10.2</b>	<b>-2.6</b>
<i>Margin</i>	<i>1.5 %</i>	<i>21.3 %</i>	<i>11.8 %</i>	<i>-7.9 %</i>	<i>-7.9 %</i>	<i>-4.5 %</i>	<i>-1.0 %</i>
Number of shares, average	76.3	76.3	76.3	76.3	76.3	76.3	76.3
<b>EPS</b>	<b>0.02</b>	<b>0.33</b>	<b>0.20</b>	<b>-0.13</b>	<b>-0.21</b>	<b>-0.13</b>	<b>-0.03</b>
EPS adj.	0.02	0.33	0.20	-0.13	-0.21	-0.13	-0.03

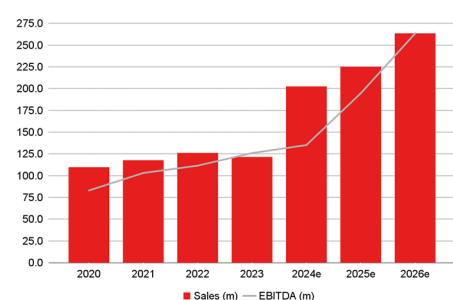
\*Adjustments made for:

**Guidance: PNE 2024: EBITDA EUR 40-50m**

**Financial Ratios**

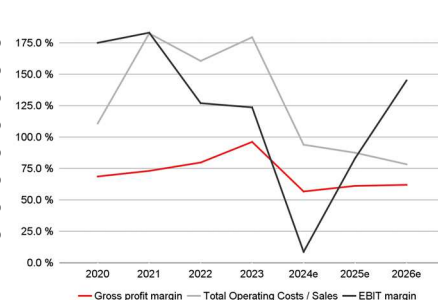
	2020	2021	2022	2023	2024e	2025e	2026e
Total Operating Costs / Sales	110.8 %	182.5 %	160.5 %	179.3 %	93.8 %	87.6 %	78.3 %
Operating Leverage	3.3 x	1.8 x	-4.7 x	1.9 x	n.a.	n.a.	9.8 x
EBITDA / Interest expenses	2.4 x	3.0 x	2.2 x	1.5 x	2.3 x	3.2 x	4.3 x
Tax rate (EBT)	133.4 %	-714.8 %	40.9 %	4.9 %	22.0 %	22.0 %	22.0 %
Dividend Payout Ratio	337.8 %	12.4 %	21.7 %	n.m.	n.m.	n.m.	n.m.
Sales per Employee	281,254	301,867	323,515	311,626	519,378	577,443	675,752

**Sales, EBITDA**  
in EUR m



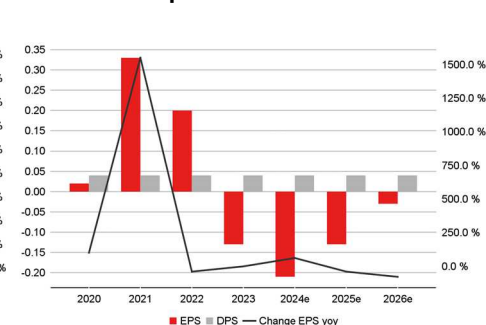
Source: Warburg Research

**Operating Performance**  
in %



Source: Warburg Research

**Performance per Share**



Source: Warburg Research

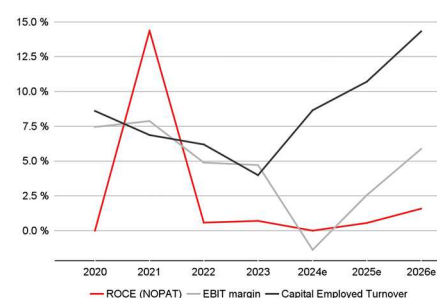
**Consolidated balance sheet**

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
<b>Assets</b>							
Goodwill and other intangible assets	64.3	64.0	64.9	64.9	64.9	64.9	64.9
thereof other intangible assets	1.0	0.7	0.5	0.5	0.5	0.5	0.5
thereof Goodwill	63.3	63.3	64.4	64.4	64.4	64.4	64.4
Property, plant and equipment	176.3	273.5	353.8	398.4	352.7	296.7	228.5
Financial assets	1.9	2.6	14.2	17.5	17.5	17.5	17.5
Other long-term assets	39.1	64.7	87.3	92.8	92.8	92.8	92.8
<b>Fixed assets</b>	<b>281.7</b>	<b>404.8</b>	<b>520.2</b>	<b>573.6</b>	<b>527.9</b>	<b>471.9</b>	<b>403.7</b>
Inventories	174.0	163.7	147.4	281.3	281.3	281.3	281.3
Accounts receivable	40.2	29.5	38.2	37.8	37.8	37.8	37.8
Liquid assets	111.6	149.6	121.6	90.4	117.0	159.8	222.3
Other short-term assets	56.3	79.4	93.0	118.6	118.6	118.6	118.6
<b>Current assets</b>	<b>382.1</b>	<b>422.2</b>	<b>400.1</b>	<b>528.1</b>	<b>554.7</b>	<b>597.5</b>	<b>660.0</b>
<b>Total Assets</b>	<b>663.8</b>	<b>827.0</b>	<b>920.3</b>	<b>1,101.7</b>	<b>1,082.6</b>	<b>1,069.4</b>	<b>1,063.7</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	76.6	76.6	76.6	76.6	76.6	76.6	76.6
Capital reserve	83.0	83.0	83.0	83.0	83.0	83.0	83.0
Retained earnings	51.5	73.4	81.9	65.6	46.5	33.3	27.6
Other equity components	-3.4	-3.8	-3.8	-13.6	-13.6	-13.6	-13.6
Shareholders' equity	207.6	229.2	237.7	211.6	192.5	179.3	173.6
Minority interest	-7.1	-7.4	-5.6	-3.4	-3.4	-3.4	-3.4
<b>Total equity</b>	<b>200.6</b>	<b>221.8</b>	<b>232.1</b>	<b>208.1</b>	<b>189.0</b>	<b>175.8</b>	<b>170.2</b>
Provisions	5.3	7.5	10.4	13.5	13.5	13.5	13.5
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	372.1	518.4	572.8	775.5	775.5	775.5	775.5
Short-term financial liabilities	22.7	21.3	35.4	53.7	53.7	53.7	53.7
Accounts payable	31.4	34.4	44.6	59.7	59.7	59.7	59.7
Other liabilities	54.4	45.0	60.3	44.8	44.8	44.8	44.8
<b>Liabilities</b>	<b>463.2</b>	<b>605.2</b>	<b>688.2</b>	<b>893.6</b>	<b>893.6</b>	<b>893.6</b>	<b>893.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>663.8</b>	<b>827.0</b>	<b>920.3</b>	<b>1,101.7</b>	<b>1,082.6</b>	<b>1,069.4</b>	<b>1,063.7</b>

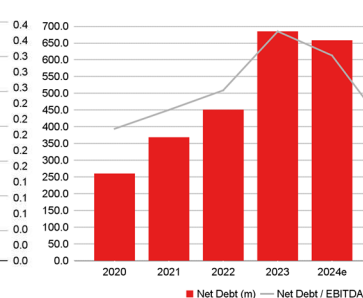
**Financial Ratios**

	2020	2021	2022	2023	2024e	2025e	2026e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	0.3 x	0.3 x	0.3 x	0.2 x	0.3 x	0.4 x	0.5 x
Capital Employed Turnover	0.2 x	0.2 x	0.2 x	0.1 x	0.2 x	0.3 x	0.4 x
ROA	0.6 %	6.2 %	2.9 %	-1.7 %	-3.0 %	-2.2 %	-0.6 %
<b>Return on Capital</b>							
ROCE (NOPAT)	n.a.	14.4 %	0.6 %	0.7 %	n.a.	0.6 %	1.6 %
ROE	0.7 %	11.5 %	6.4 %	-4.3 %	-7.9 %	-5.5 %	-1.5 %
Adj. ROE	0.7 %	11.5 %	6.4 %	-4.3 %	-7.9 %	-5.5 %	-1.5 %
<b>Balance sheet quality</b>							
Net Debt	260.5	368.8	451.2	685.1	658.5	615.7	553.2
Net Financial Debt	260.5	368.8	451.2	685.1	658.5	615.7	553.2
Net Gearing	129.9 %	166.3 %	194.4 %	329.1 %	348.3 %	350.2 %	325.1 %
Net Fin. Debt / EBITDA	987.7 %	1128.5 %	1274.7 %	1716.1 %	1535.0 %	996.8 %	661.3 %
Book Value / Share	2.7	3.0	3.1	2.8	2.5	2.3	2.3
Book value per share ex intangibles	1.9	2.2	2.3	1.9	1.7	1.5	1.4

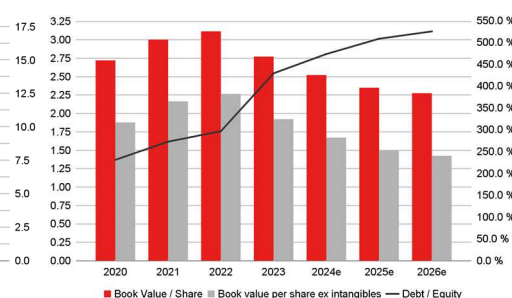
**ROCE Development**



**Net debt in EUR m**



**Book Value per Share in EUR**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

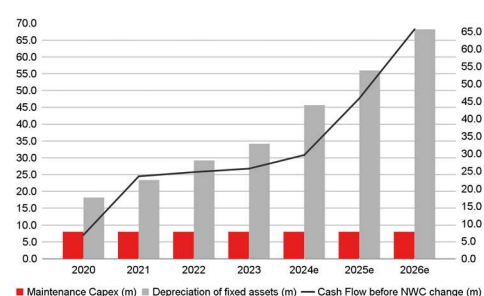
**Consolidated cash flow statement**

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Net income	0.9	24.7	14.1	-8.2	-16.0	-10.2	-2.6
Depreciation of fixed assets	18.2	23.4	29.2	34.2	45.7	56.0	68.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	-3.8	2.2	3.1	3.1	0.0	0.0	0.0
Other non-cash income and expenses	-8.5	-26.7	-21.7	-3.4	0.0	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>6.8</b>	<b>23.6</b>	<b>24.7</b>	<b>25.7</b>	<b>29.6</b>	<b>45.8</b>	<b>65.6</b>
Increase / decrease in inventory	-118.3	-85.4	-39.2	-232.6	0.0	0.0	0.0
Increase / decrease in accounts receivable	6.3	41.5	20.2	14.6	0.0	0.0	0.0
Increase / decrease in accounts payable	36.7	44.1	-15.0	26.1	0.0	0.0	0.0
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	-75.3	0.2	-33.9	-191.9	0.0	0.0	0.0
<b>Net cash provided by operating activities [1]</b>	<b>-68.5</b>	<b>23.8</b>	<b>-9.1</b>	<b>-166.2</b>	<b>29.6</b>	<b>45.8</b>	<b>65.6</b>
Investments in intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	-14.5	-112.8	-95.6	-25.5	0.0	0.0	0.0
Payments for acquisitions	0.0	0.0	-2.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.1	0.5	2.2	0.0	0.0	0.0
Income from asset disposals	0.1	31.0	0.0	7.6	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>-14.4</b>	<b>-82.0</b>	<b>-98.1</b>	<b>-20.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Change in financial liabilities	-24.5	115.0	85.3	161.2	0.0	0.0	0.0
Dividends paid	-3.1	-3.1	-6.1	-6.1	-3.1	-3.1	-3.1
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-0.6	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>-28.1</b>	<b>112.0</b>	<b>79.2</b>	<b>155.1</b>	<b>-3.1</b>	<b>-3.1</b>	<b>-3.1</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-111.1</b>	<b>53.8</b>	<b>-28.0</b>	<b>-31.2</b>	<b>26.6</b>	<b>42.8</b>	<b>62.5</b>
Effects of exchange-rate changes on cash	-0.2	-15.8	-0.2	0.0	0.0	0.0	0.0
<b>Cash and cash equivalent at end of period</b>	<b>0.6</b>	<b>149.6</b>	<b>121.4</b>	<b>90.4</b>	<b>117.0</b>	<b>159.8</b>	<b>222.3</b>

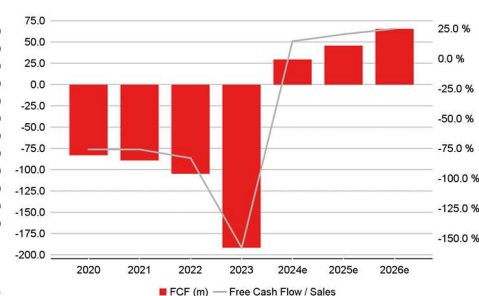
**Financial Ratios**

	2020	2021	2022	2023	2024e	2025e	2026e
<b>Cash Flow</b>							
FCF	-83.0	-89.1	-104.8	-191.6	29.6	45.8	65.6
Free Cash Flow / Sales	-75.7 %	-75.6 %	-83.1 %	-157.7 %	14.6 %	20.4 %	24.9 %
Free Cash Flow Potential	22.0	46.3	17.6	32.3	39.4	56.6	76.4
Free Cash Flow / Net Profit	-5122.0 %	-354.4 %	-703.1 %	2006.1 %	-184.6 %	-451.5 %	-2512.0 %
Interest Received / Avg. Cash	0.2 %	3.4 %	24.9 %	11.2 %	0.6 %	0.4 %	0.3 %
Interest Paid / Avg. Debt	3.6 %	2.4 %	3.0 %	3.9 %	2.4 %	2.5 %	2.5 %
<b>Management of Funds</b>							
Investment ratio	13.2 %	95.8 %	75.8 %	21.0 %	0.0 %	0.0 %	0.0 %
Maint. Capex / Sales	7.3 %	6.8 %	6.3 %	6.6 %	3.9 %	3.6 %	3.0 %
Capex / Dep	79.8 %	481.9 %	327.3 %	74.5 %	0.0 %	0.0 %	0.0 %
Avg. Working Capital / Sales	132.4 %	145.1 %	118.8 %	164.7 %	128.0 %	115.2 %	98.4 %
Trade Debtors / Trade Creditors	128.1 %	85.7 %	85.6 %	63.3 %	63.3 %	63.3 %	63.3 %
Inventory Turnover	0.4 x	1.0 x	0.9 x	0.5 x	0.4 x	0.4 x	0.4 x
Receivables collection period (days)	134	91	110	114	68	61	52
Payables payment period (days)	157	78	118	155	185	180	172
Cash conversion cycle (Days)	850	384	384	687	753	729	692

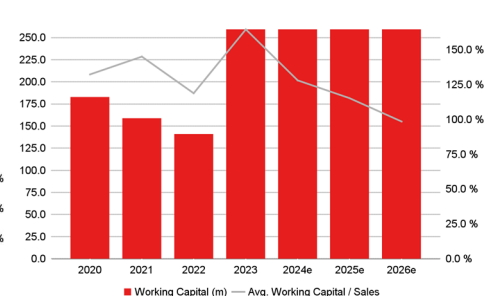
**CAPEX and Cash Flow**  
in EUR m



**Free Cash Flow Generation**



**Working Capital**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research



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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	140	70
Hold	45	22
Sell	10	5
Rating suspended	6	3
<b>Total</b>	<b>201</b>	<b>100</b>

## WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	40	73
Hold	11	20
Sell	2	4
Rating suspended	2	4
<b>Total</b>	<b>55</b>	<b>100</b>

## PRICE AND RATING HISTORY PNE AG AS OF 13.11.2024



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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## Our research can be found under:

Warburg Research [research.mmwarburg.com/en/index.html](https://research.mmwarburg.com/en/index.html)  
Bloomberg RESP MMWA GO  
FactSet [www.factset.com](https://www.factset.com)

LSEG [www.lseg.com](https://www.lseg.com)  
Capital IQ [www.capitaliq.com](https://www.capitaliq.com)

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