

QUARTERLY STATEMENT 2021

PNE AG

**3 | 2021**

**PNE**  
pure new energy

# THE PNE GROUP AT A GLANCE

The PNE Group is a leading developer of renewable energy projects. From this strong position, the PNE Group continues to develop into a “Clean Energy Solution Provider”.

## PNE Group key figures

<b>in million EUR</b>	<b>1.1. – 30.9. 2021</b>	<b>1.1. – 30.9. 2020</b>
Total aggregate output	134.6	90.7
Revenues	54.2	73.9
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	12.7	9.2
Operating profit (EBIT)	-4.3	-3.5
Earnings before taxes (EBT)	-5.4	-11.0
Result for the period	-8.5	-9.4
Basic earnings per share (euro)	-0.11	-0.12
Average number of shares (million)	76.3	76.3

<b>in million EUR</b>	<b>30.9.2021</b>	<b>31.12.2020</b>
Equity on the reporting date	189.1	200.6
Equity ratio on the reporting date (%)	24.4	30.2
Balance sheet total on the reporting date	774.7	663.8

# FOREWORD OF THE BOARD OF MANAGEMENT

## DEAR SHAREHOLDERS

The pleasing developments in the realisation of wind energy and photovoltaic projects, in the expansion of our own wind farm portfolio as well as in the service sector continues. We are making further progress on the way on rapidly implementing the goals of our strategic orientation according to the "Scale up" concept.

### Dynamic course of project development

The first nine months of the 2021 fiscal year showed a dynamic course of project development. At the end of the reporting period, we had wind energy projects with a total capacity of approx. 262.9 megawatt (MW) under construction for our own account and for customers, including eight wind farms in Germany with a nominal output of approx. 130.9 MW. We were able to complete two wind farms with approx. 17 MW for our own wind farm portfolio in this fiscal year. In Sweden, the construction of a wind farm on behalf of a customer was completed in the current year, and the project was put into operation. In Poland, we commissioned a project already sold in the spring and continued the construction of two further wind farms, which were sold after the end of the reporting period.

As in the first half of the year, we were successful in the third quarter in Germany in the tendering process for wind energy projects. In the September tender, we received awards for two projects with a total volume of 60.9 MW, which are expected to be realised in the fourth quarter.

### Successful project sales

We were able to continue our sales successes achieved in the first half of the year. In the third quarter, the rights to a 140 MW wind farm project were sold in South Africa. From this transaction, we expect milestone payments as the project progresses and we will remain active as a service provider for the project.

In Romania, three wind farm projects with a nominal capacity of up to 221 MW were sold during the first half of the year. PNE will participate in the further development of these wind farms up to the buyer's financing decision within the framework of a development cooperation arrangement. In the first quarter, PNE started the construction of a previously sold wind farm in Sweden with a nominal capacity of approx. 60 MW. In France, PNE completed the sale of a wind farm project with approx. 13 MW, which is now under construction.

In the first nine months of the 2021 fiscal year, we succeeded in selling wind farm projects with a nominal capacity of approx. 434 MW to be erected.

Shortly after the end of the reporting period, we achieved another success in Poland: two wind farms with a nominal capacity of 58.8 MW, which were already under construction, were sold to an internationally operating investor. Due to the timing of the sale in October, the earnings from the sale will be included in the consolidated figures in the fourth quarter of 2021. With these results, we will make a good contribution to achieving our targeted annual results. After the commissioning of these two wind farms, we will continue to provide operational management services for the buyer.

### Internal operations strengthened

The wind farm portfolio operated by PNE was increased to 173.1 MW by the acquisition of a wind farm. Further wind farms with approx. 130.9 MW for PNE's own portfolio are under construction. In the fourth quarter, we expect to start the construction of further wind farms with 60.9 MW, which have recently received awards in tenders. This brings us step by step closer to our goal of expanding our own operations to up to 500 MW by the end of 2023. We expect to be able to commission further wind farms for our own portfolio this year.

In addition to expanding the service business, we want to make a further contribution to reducing the volatility of results as well as to stabilising earnings and revenues at a high level with our own operations. During the current construction phase, however, the investments will have an initial impact, which will only be offset by steady earnings over a longer period after commissioning.

### Strong wind and PV project pipeline

We see ourselves well positioned for the further progress in our core business of project development and operation. The pipeline of onshore wind energy projects that we are currently working on in the various phases of project development was maintained at 5,652 MW in spite of the continuous realisation and sale of projects. This is a very good basis for the PNE Group to continue its positive development in the future.

We also see good prospects in the development of photovoltaic projects. In this field, we have a pipeline of projects in progress of 794 MWp. This, too, is an important component of our strategic further development.

## Results for the first nine months on target

On the basis of these business developments, the Group generated in the reporting period total aggregate output of euro 134.6 million (prior year: euro 90.7 million), earnings before interest, taxes, depreciation and amortisation (EBITDA) of euro 12.7 million (prior year: euro 9.2 million), operating profit (EBIT) of euro -4.3 million (prior year: euro -3.5 million) and undiluted earnings per share of euro -0.11 (prior year: euro -0.12).

Due to the expansion of our own wind farm portfolio, the total aggregate output is significantly higher than in the same period of the previous year. Group results, such as EBITDA or EBIT, are influenced by the establishment of the wind farm portfolio operated by PNE. As profits from projects owned by the Company are eliminated at Group level, the consolidated results in the Group do not show a complete picture of the performance of the enterprise. With the establishment of our own wind farm portfolio, "hidden reserves" were created that are not immediately recognisable. As a result of the investments in PNE's own projects, pre-tax profits totalling euro 101.4 million were eliminated at Group level, of which euro 19.7 million in the reporting period (prior year: Euro 18.2 million).

In spite of weak wind months, the Group results for the first nine months of the fiscal year are thus on target.

## Development of segments

A look at the individual segments shows the current development.

In the "project development" segment, the preparations for the realisation of economically larger wind farms intended for PNE's own portfolio showed their effects.

In the "service products" segment, the expansion of the service strategy and the necessary investments in equipment had an impact on the results. PNE recorded an increasing number of external orders.

In the "electricity generation" segment, current business activities have not developed as planned due to weak wind months in the first three quarters. This fact and a scheduled longer standstill of the Silbitz biomass power plant due to the required ten-year maintenance had a negative impact on the segment's results. In addition, depreciation on wind turbines is carried out on a periodic basis and has a corresponding effect on the results in quarters with weak wind.

We can confirm our goals for the entire year: In fiscal 2021, we will have further upfront expenditure in the low single-digit million range for the strategic expansion of the business model and will expand our own portfolio of wind farms. For our guidance for the 2021 fiscal year, we continue to expect Group EBITDA in the range of euro 24 to 32 million.

### **Dealing with the Corona pandemic**

The first three quarters of 2021 were still marked by the COVID-19 pandemic and its effects. We have already made preparations for this development in the previous year with concepts adapted to the respective markets. The bottom line continues to be encouraging: Projects were further developed, tenders won and the construction of further projects started.

It has paid off for us that we developed our internal processes and the organisational structure to a high level in recent years as part of our “Scale up” programme. In this way, we have remained fully operational in the PNE Group at all times. We would like to take this opportunity to pay tribute to the commitment of our employees.

The consequences of the pandemic for the economy as a whole cannot yet be conclusively assessed. This includes possible effects on delivery routes and suppliers. Among other things, the delivery times for wind turbines and transformer stations have been extended. Furthermore, the processing by the approval authorities has slowed down in some projects. This can lead to delays in project development. In the service area, there were restrictions during the lockdown phase, including with regard to our training portfolio. We also assume that the global hunger for energy and the will to drive forward CO<sup>2</sup> reduction and thus climate protection will make it necessary to expand renewable energies even after the current crisis.

### **General political conditions**

After the elections to the German Bundestag in September, a change of government can be expected with a future focus on climate and energy. The future federal government will face the major task of leading the country in an economically sensible and smooth manner within the framework of the climate agreements. The expansion of renewable energies, such as wind energy and photovoltaics, will have priority and will be accelerated. This can have a very positive impact on our business model as well as on the industry as a whole.

We are also pleased with the plan for the European Union's "Green Deal", which is likely to strengthen the shift to renewable energy sources and related solutions such as the use of hydrogen.

PNE is well on track. In spite of the current developments triggered by the COVID-19 pandemic, we are optimistic about the future.

We would like to express our very sincere gratitude – including on behalf of our employees – for your support to date.

Please maintain your confidence in us in the future!

Kind regards

PNE AG  
The Board of Management



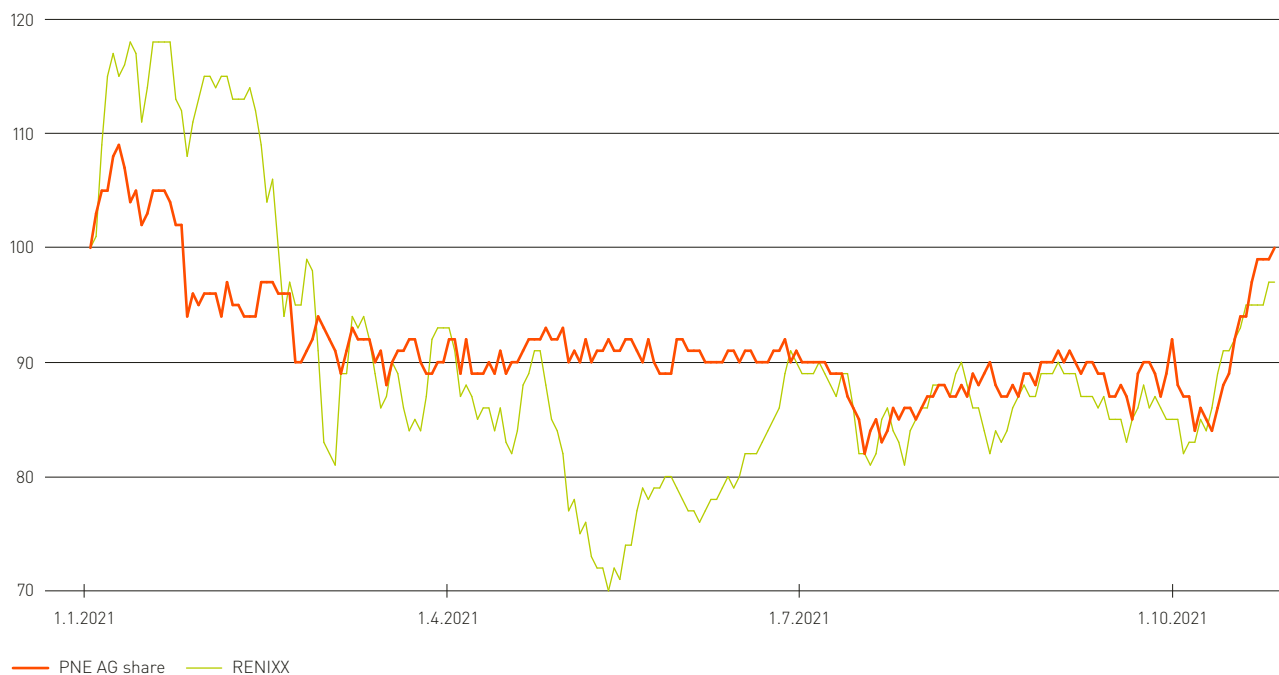
**Markus Lesser**  
CEO



**Jörg Klowat**  
CFO

## CAPITAL MARKET INFORMATION

### PNE SHARE VS. RENIXX indexed to 100%



### Share

PNE AG shares began the current fiscal year on January 4, 2021 at an opening price of euro 8.09. In the first few weeks of the 2021 fiscal year, the PNE shares continued to rise and reached their high of euro 8.97 in January of the reporting period. The strong price increase was followed by several weeks of consolidation. Thereafter, the share price fluctuated between euro 6.80 and 7.60 and closed at euro 7.50 on September 30, 2021, which corresponds to a market capitalisation of approx. euro 575 million and a change of -7.3 percent compared with the beginning of the year. In October, the share price rose again significantly and closed at a price of euro 8.14 on October 26.

### BOND INFORMATION

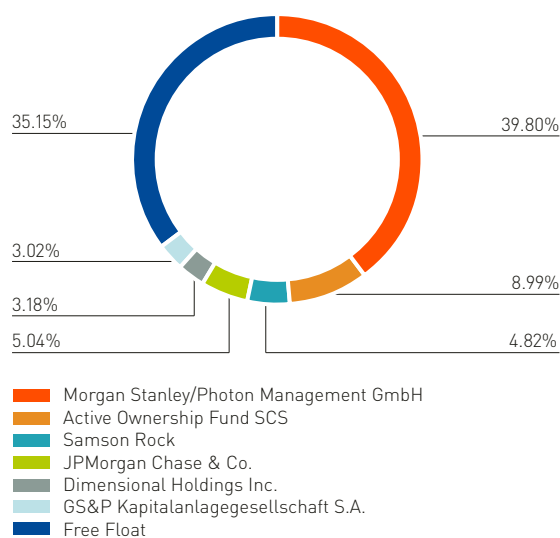
The 2018/23 corporate bond issued by PNE AG has a volume of euro 50 million and it was primarily traded over 100 percent during the reporting period. At the end of the reporting period on September 30, 2021, the bond price was 102.50 percent. The corporate bond has an annual interest rate of 4.0 percent. This percentage increases by 0.75 percent if the "consolidated equity ratio according to the bond conditions" (calculation: consolidated shareholders' equity / (consolidated total assets less consolidated cash and cash equivalents)) is less than 25 percent on December 31 of a fiscal year. The consolidated equity ratio calculated according to these conditions was approx. 27.6 percent as at September 30, 2021.



## Shareholder structure

At the end of the reporting period on September 30, 2021, the total number of shares issued by PNE AG amounted to 76,603,334.

According to published notifications regarding voting rights and directors' dealings, Morgan Stanley/Photon Management GmbH held 39.80 percent of the shares, Active Ownership Fund SCS 8.99 percent, Samson Rock 4.82 percent, JPMorgan Chase & Co. 5.04 percent, Dimensional Holdings Inc. 3.18 percent and GS&P Kapitalanlagegesellschaft S.A. 3.02 percent of the voting rights on September 30, 2021. All other shareholdings were therefore classified as other free float. This results in the following shareholder structure at the end of the reporting period:



## General meeting of shareholders

PNE AG's general meeting of shareholders was held in Cuxhaven on May 19, 2021 in the form of a virtual general meeting without the physical presence of shareholders or their proxies.

The shareholders voted by a large majority in favour of the proposal of the Board of Management and the Supervisory Board to pay a dividend of euro 0.04 per eligible share.

The shareholders also clearly consented to the proposed resolution to give formal approval of the actions of the members of the Board of Management Markus Lesser (CEO) and Jörg Klowat (CFO). In addition, the shareholders decided with a clear majority to give formal approval of the actions of the Supervisory Board. Per Hornung Pedersen, Alberto Donzelli and Dr. Susanna Zapreva were re-elected to the Supervisory Board by a large majority.

Deloitte GmbH Wirtschaftsprüfungsgesellschaft was elected by a large majority as the auditor of the financial statements and consolidated financial statements for the 2021 financial year.

The general meeting of shareholders also approved by a large majority the remuneration system for the members of the Board of Management and the remuneration for the Supervisory Board members.

## Finanzkalender

November 2021	Analyst Conference/Frankfurt
March 30, 2022	Publication of Annual Report
May 11, 2022	Publication of Financial Report Q1
May 18, 2022	General Meeting of Shareholders, Cuxhaven
August 10, 2022	Publication of Financial Report Q2
November 9, 2022	Publication of Financial Report Q3

## Additional information

On the website [www.pne-ag.com](http://www.pne-ag.com) you will find extensive information on PNE AG and a comprehensive presentation of the business model as well as current data concerning the shares in the section "Investor Relations". Furthermore, financial and quarterly reports, press announcements and background information on PNE AG can be accessed and downloaded from there.

## 1. GENERAL CONDITIONS

### General political conditions

After the elections to the German Bundestag in September, a change of government can be expected with a future focus on climate and energy. The future federal government will face the major task of leading the country in an economically sensible and smooth manner within the framework of the climate agreements. The expansion of renewable energies, such as wind energy and photovoltaics, will have priority and will be accelerated. This can have a very positive impact on our business model as well as on the industry as a whole.

We are also pleased with the plan for the European Union's "Green Deal", which is likely to strengthen the shift to renewable energy sources and related solutions such as the use of hydrogen.

Overall, the international markets for renewable energies are still undergoing changes that require the PNE Group to adapt its activities accordingly in order to minimise risks and exploit new opportunities. The Board of Management is still confident that the expanded corporate strategy and further internationalisation, including in Europe as well as in new markets, will advance the positive development of the Group.

### Further general conditions / COVID-19 pandemic

It is not yet possible to provide a final assessment of the consequences of the crisis triggered by the global COVID-19 pandemic on the economy as a whole. This includes possible effects on delivery routes and suppliers of the wind power turbines and components required for the projects. Delivery times for wind power turbines and transformer stations have been extended. We therefore had to adjust to the fact that there may be delays in the project development and erection of wind turbines. In the service area, there were restrictions during the lockdown phase, including with regard to our training portfolio. On the other hand, there were no unplanned negative effects as a result of the pandemic on electricity sales in the projects operated by us.

Due to the existing technical infrastructure and the flexibility of our employees, the shift of office activities to work from home (mobile working) was continued smoothly in 2021. Among other things, this has significantly reduced the potential risk of infection. Internal control processes were not affected.

## 2. CORPORATE STRUCTURE

The changes in the companies included in the consolidated financial statements as compared to December 31, 2020 are explained in the segment reporting.

## 3. GENERAL ACCOUNTING PRINCIPLES

In the financial report for the first nine months of the 2021 fiscal year as at September 30, 2021, the Company applied the same accounting and valuation methods as in the consolidated financial statements as at December 31, 2020. The IFRS standards amended since January 1, 2021 are not relevant to the quarterly financial statements.

The interim financial statements were drawn up in line with the regulations of IAS 34. The tax expenditure of the PNE Group is determined using an estimate of the taxable income of the relevant companies.

## 4. ORGANISATION AND EMPLOYEES

On September 30, 2021, the PNE AG Group employed 475 people in total (prior year: 465), including the members of the Board of Management.

Of these, 184 employees (prior year: 179 persons) were employed directly by PNE AG and 291 employees (prior year: 286 persons) by the subsidiaries of PNE AG.

When distinguished between Germany and abroad,

- » 379 employees (prior year: 365 persons) were employed by domestic and
- » 96 persons (prior year: 100 persons) by foreign companies of the Group.

## 5. OVERVIEW OF BUSINESS ACTIVITY

### Summary

The operational business of the PNE Group in the wind sector during the first nine months of 2021 was characterised by the development and realisation of onshore wind farms as well as the development of photovoltaic projects in various countries. The operating business is divided into the segments "project development", "service products" and "electricity generation".

Three German wind farms with a total nominal capacity of approx. 30.7 MW were completed and commissioned in the first nine months. In addition, a previously sold wind farm with 113.4 MW nominal capacity was completed in Sweden.

In Germany, Sweden, France and Poland, wind farms with a total nominal capacity of 262.9 MW were under construction as at September 30, 2021. For projects already sold with a capacity of 73.2 MW, PNE is active as a service provider for the buyers.

In the first nine months of the 2021 fiscal year, wind farm projects with a nominal capacity of approx. 434 MW to be erected were sold in Sweden, Romania, France and South Africa. Once again, we have come closer to our goal of significantly expanding our own wind farm operations and establishing an internal wind farm portfolio of up to 500 megawatts (MW) by the end of 2023. On September 30, 2021, PNE operated wind farms with an installed nominal capacity of 173.1 MW in its own portfolio. Further projects with approx. 130.9 MW are under construction. The basis for the future further expansion is the well-filled project pipeline, since PNE is currently developing national and international onshore wind farms with a volume of 5,652 MW in various phases of project development. Individual projects will still be marketed in the future.

As the owner of a wind farm portfolio, PNE AG is increasingly dependent on the wind conditions. As the number of MW in the Group's own portfolio increases, weaker wind conditions will

have an impact on the financial indicators of the "electricity generation" segment and also on the financial indicators of the Group. Compared to the same period of the previous year, less favourable wind conditions were recorded in 2021, which led to negative deviations from the comparative figures of the previous year in the "electricity generation" segment.

The development of national and international photovoltaic projects has also been continued and significantly expanded in the reporting period. The project pipeline includes PV projects with a nominal capacity of 794 MWp.

The effects of the COVID-19 pandemic are also felt by enterprises working to expand renewable energies. PNE cannot rule out the possibility that, due to the current development of the pandemic, there may be postponements in the operating business as regards project right sales and project implementations from 2021 to 2022. However, the Company currently assumes that there should be no significant impact on our business in the medium to long term. The good liquidity position gives the Company sufficient leeway to be able to cope well with longer-term restrictions.

### Segment reporting

The determination and presentation of segment reporting as at September 30, 2021 has not changed versus December 31, 2020.

#### "Project development" segment

The "project development" segment reports on the following sub-divisions: onshore wind power - national and international, offshore wind power - national and international, photovoltaic projects - national and international, as well as other projects.

#### Wind energy onshore

The development and realisation of onshore wind farm projects continued steadily in the first nine months of 2021, both in Germany and in foreign markets, despite the restrictions caused by the COVID-19 pandemic and the associated consequences.

Overview of the status of onshore wind energy project activities of the PNE Group as at September 30, 2021 in MW:

Country	Phase I – II	Phase III	Phase IV	Total (MW)	Sold / Service Provider
Germany	1,225	544	131	1,900	0
France	271	246	0	517	13
United Kingdom	43	0	0	43	0
Italy	40	0	0	40	0
Canada	505	0	0	505	0
Panama	280	60	0	340	0
Poland	355	0	59	414	0
Romania	0	0	0	0	221
South Africa	630	30	0	660	140
Sweden	100	0	0	100	60
Turkey	629	71	0	700	0
USA	266	167	0	433	0
<b>Total</b>	<b>4,344</b>	<b>1,118</b>	<b>190</b>	<b>5,652</b>	<b>434</b>

Phase I – II = Exploration & Development

Phase III = Planning

Phase IV = Implementation

Sold/Service Provider = Projects already sold, for which PNE is currently providing construction management services

### Wind energy onshore - national

At the end of the third quarter of 2021, the PNE Group was working on wind farm projects with a nominal output of approx. 1,900 MW in various phases of project development.

The German wind farms "Langstedt" (12.6 MW of which 4.2 MW on behalf of the landowners) and "Lentförden" (8.4 MW) were completed and included in the Company's own portfolio. The "Erfurt-Ost" wind farm (5.5 MW), which has already been sold, was also completed.

Eight wind farms with a nominal output of 130.9 MW were under construction in Germany at the end of the reporting period. Once completed, these projects are intended for operation in the PNE's own portfolio.

In addition, PNE received permits for further wind farms in the reporting period.

### Wind energy onshore - international

The PNE Group successfully continued its core business of project development and realisation abroad. Compared to the presentation in the 2020 annual report, there were the following changes in the foreign markets:

#### France

In France, the Company completed the sale of a wind farm project with six wind turbines and a nominal capacity of 13.2 MW. PNE continues to be active in this project as a service provider for the buyer. The project is scheduled for completion in the coming year. In addition, PNE has obtained the permit for a further project (9.0 MW) in France in the third quarter of 2021.

#### Poland

The previously sold wind farm "Jasna" with a total nominal output of 132 MW was completed. 39 wind turbines were installed in the project, 22 of them of the Vestas V126 type with 3.45 MW each and 17 of the Vestas V126 type with 3.3 MW each. PNE was responsible for construction management on behalf of the investor.

The construction of the wind farms "Kuslin" (39.6 MW) and "Krzecin" (19.2 MW) was continued in the reporting period. Both projects were sold in October 2021 after the end of the reporting period. The companies of the PNE Group will continue to provide services on behalf of the buyer after the wind farms have been commissioned.

#### Romania

PNE AG sold the rights to three wind farm projects in Romania during the reporting period. Wind power turbines with a nominal output of up to 221 MW can be erected in these projects. PNE and the buyer will cooperate in the further development activities. The market developments are increasingly positive. PNE will also focus on the development of photovoltaic projects in Romania in the future.

### Sweden

The construction of the previously sold "Malarberget" wind farm (113 MW) was completed in the reporting period. On behalf of the buyer, PNE will provide services for the wind farm during the operating phase as well.

During the reporting period, construction began on the "Hultema" wind farm with a nominal output of approx. 60 MW. This wind farm was also already sold and will be managed by PNE on behalf of the buyer during the construction phase.

### South Africa

In the third quarter, the rights to a 140 MW wind farm project were sold in South Africa. From this transaction, we expect milestone payments as the project progresses and we will remain active as a service provider for the project.

### Wind energy offshore

#### Wind energy offshore – national

PNE's high level of competence in offshore project development is reflected in the fact that PNE has already sold eight offshore wind farm projects after their realisation in recent years. These include the projects "Atlantis I", "Borkum Riffgrund" and "Gode Wind". Today, they have been completed and are in operation.

#### Wind energy offshore – international

In the reporting period, PNE made further efforts to start the development of marine wind farms abroad. In particular, we are currently examining the possibilities of planning offshore wind farms in Vietnam.

In the offshore wind energy segment, PNE also examines opportunities of generating electricity from other energy carriers such as hydrogen at sea. Fundamental calculations and examinations are carried out for this purpose, which, if positive, can form the basis of further project activities in this respect.

### Photovoltaics subdivision

In recent years, photovoltaic installations have become increasingly cost-effective, efficient and also more marketable in the area of electricity generation. In addition, the legal and economic framework conditions for the development of photovoltaic projects are in place in many countries. The development of photovoltaic projects is therefore part of the strategic orientation of PNE's business model.

New markets are currently being examined in detail and rights are being secured in markets already selected. Particular attention will initially be paid to Germany, France, Italy, Romania and the USA as well as other international markets. The volume of photovoltaic projects we are currently working on in seven countries totalled 794 MWp by the end of the reporting period.

Overview of the status of photovoltaic project activities of the PNE Group as at September 30, 2021 in MWp:

Country	Phase I – II	Phase III	Phase IV	Total MWp
Germany	220	0	0	220
France	25	0	0	25
Italy	42	0	0	42
Canada	10	0	0	10
Poland	55	0	0	55
Romania	112	0	0	112
USA	330	0	0	330
<b>Total</b>	<b>794</b>	<b>0</b>	<b>0</b>	<b>794</b>

Phase I – II = Exploration & Development  
Phase III = Planning  
Phase IV = Implementation

The operative achievements listed above have led to the positive results in the "project development" segment in the first nine months of 2021. The current COVID-19 pandemic has had impact on the business activities of the "project development" segment in the form of project postponements. These shifts had only minor effects on the results of the "project development" segment in the period under review. However, it cannot be ruled out that this might lead to shifts in earnings in the "project development" segment and in the Group from 2021 to 2022 in the course of the 2021 fiscal year.

In the first nine months of 2021, the “project development” segment achieved

- » total aggregate output of euro 134.7 million (prior year: euro 85.0 million),
- » EBITDA of euro 21.0 million (prior year: euro 13.4 million) and
- » EBIT of euro 19.3 million (prior year: euro 11.8 million).

### “Service products” segment

The “service products” segment reports in summary on services. These include technical and commercial operations management of wind farms and transformer stations, construction management, wind measurements, electricity marketing management, and similar services.

The international business of operations management was expanded in the first nine months of 2021 in the markets in Sweden and Poland.

In the Polish wind farm “Jasna”, developed and sold by PNE, group companies provided construction management services until the start of operation. With this project, PNE once again successfully implemented its strategy of providing services for these projects in addition to project development.

Services during the construction phase were also provided for the Swedish “Malarberget” and “Hultema” projects. In these wind farms, companies of the PNE Group will also take over the commercial and technical operational management during the operating phase.

The current COVID-19 pandemic has only had a minor impact on the business activities of the “service products” segment, as the order situation in this segment is based primarily on long-term service contracts. Due to the assumption of construction management services, e.g., in Sweden, the Company achieved better results in the reporting period than in the same period of the previous year.

In the first nine months of 2021, the “service products” segment achieved

- » total aggregate output of euro 15.3 million (prior year: euro 14.6 million),
- » EBITDA of euro 4.0 million (prior year: euro 3.4 million) and
- » EBIT of euro 1.4 million (prior year: euro 1.1 million).

### “Electricity generation” segment

The “electricity generation” segment combines all activities of the Group companies that are engaged directly in the production of electricity from clean energies.

This division includes primarily the PNE-operated wind farms with a total nominal capacity of currently 173.1 MW (as at September 30, 2020: approx. 130.1 MW) and the Silbitz biomass power plant with approx. 5.6 MW. Furthermore, the segment includes interests in limited partnerships, in which wind farm projects will be realised in the future.

Until the successful sale and delivery of wind farms to the operators, the “electricity generation” segment will include the revenues of these projects as part of segment reporting.

The seasonal wind distribution with constant depreciation and costs per quarter leads to very positive results being achieved in windy quarters and slightly negative to slightly positive results being achieved in wind farms in low-wind quarters. In the first nine months of 2021, weaker wind performance was recorded compared to the long-term average so that results below the forecasts were generated in the “electricity generation” segment. Wind availability fluctuates from year to year. The projects held in PNE’s own portfolio are calculated based on two independent wind resource assessments. These wind forecasts refer to an annual average value that will be achieved with a defined probability over the course of 20 years. Statistically speaking, this means that high and low wind supply will balance each other out in the course of the operating period.

Compared to the same period of the previous year, depreciation and amortisation in the “electricity generation” segment increased due to the higher number of MW in operation, which, in conjunction with lower sales, had a negative impact on the segment’s EBIT figures compared to the previous year.

A scheduled standstill of the Silbitz biomass power plant for more than two months due to the required ten-year maintenance also had a negative impact on the segment’s results compared to the results of the previous year’s reporting period.

The current COVID-19 crisis has had no impact on the business activities of the “electricity generation” segment.

In the first nine months of 2021, the “electricity generation” segment achieved

- » total aggregate output of euro 16.4 million (prior year: euro 17.7 million),
- » EBITDA of euro 10.9 million (prior year: euro 13.4 million) and
- » EBIT of euro -2.0 million (prior year: euro 4.5 million).

## 6. NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

The figures shown below were determined and presented in accordance with IFRS for the Group. The consolidated financial information for the first nine months of the 2021 fiscal year as at September 30, 2021 was based on the same accounting and valuation methods as the consolidated financial statements as at December 31, 2020. The IFRS standards amended since January 1, 2021 are not relevant to the quarterly financial statements.

The figures in the text and in the graphic illustrations were rounded, and small rounding differences are possible.

As regards the revenues and earnings, the values as at September 30, 2021 are compared with the values as at September 30, 2020, and as regards the net assets and financial position with the values as at December 31, 2020.

### a. Revenues and earnings

In the first nine months of 2021, the PNE Group achieved a total aggregate output of euro 134.6 million (prior year: euro 90.7 million). Of this, euro 54.2 million was attributable to revenues (prior year: euro 73.9 million), euro 78.8 million to changes in inventories (prior year: euro 14.2 million), and euro 1.6 million to other operating income (prior year: euro 2.6 million).

In the first nine months of 2021:

- » In the “project development” segment, the Company invoiced internal revenues of euro 55.5 million (prior year: euro 35.5 million), including for general contractor and project development services for the Company’s planned own wind farms, such as the “Holstentor”, “Wahlsdorf” and “Kuhstedt II” wind farms, as well as external revenues of euro 26.4 million (prior year: euro 46.1 million), including due to contractual milestone payments from wind farm projects in Germany and abroad, which were sold in the 2019 and 2020 fiscal years, e.g. in Sweden, as well as from project development and general contractor services for wind farm projects, e.g., in France, and from the sale of project rights in Romania and South Africa.

- » In the “service products” segment, the Company billed external revenues of euro 11.9 million (prior year: euro 11.6 million) and internal revenues of euro 3.0 million (prior year: euro 2.4 million). The main revenues were generated
  - » from commercial and technical operations management,
  - » from construction management services,
  - » from activities in the area of service, maintenance and inspection of operating equipment, training for specialists and servicing of obstruction lighting systems and
  - » from transformer station services

The increase in revenues compared to the same period of the previous year is due, among other things, to the additional services in the construction management sector for projects that have already been sold and the increase in renewable energy projects under commercial and technical operations management.

In this context, it is noteworthy that a significant part of the internal services/revenues helped to avoid and reduce external costs within the Group.

- » In the “electricity generation” segment, external revenues of euro 15.9 million (prior year: euro 16.2 million) were generated in the reporting period. These revenues were mainly attributable to the electricity income of internally operated wind farms totalling euro 13.7 million (prior year: euro 13.4 million) as well as income from the “Silbitz” biomass power plant of euro 2.2 million (prior year: euro 2.8 million). A major reason for the lower revenues compared to the same period of the previous year is that weaker wind performance was recorded in the first nine months of 2021 compared to the long-term average and, consequently, a lower amount of electricity was produced compared to the same period of the previous year despite the higher number of wind turbines in PNE’s own operation. Furthermore, a scheduled longer standstill of the Silbitz biomass power plant due to the required ten-year maintenance also had a negative impact on the segment’s results compared to the results of the previous year’s reporting period.

As in the same period of the previous year, the services rendered for the wind farm projects planned for the Company’s own portfolio and under construction are shown under changes in inventories.

Other operating income in the first nine months of 2021 resulted primarily from the reversal of provisions in connection with the construction of wind farm projects.

The Group's personnel expenses increased compared to the previous year due to the higher number of employees (475 employees, incl. members of the Board of Management, as at September 30, 2021 versus 465 employees, incl. members of the Board of Management, as at September 30, 2020) and due to the higher salaries for qualified staff and the one-off personnel costs incurred for personnel recruitment. The increase in the number of employees is part of the organisational adjustment to the new strategy that the Group is pursuing with the "Scale up" programme. Personnel expenses are attributable to the segments as follows:

- » "Project development": euro 20.1 million (prior year: euro 17.2 million),
- » "Service products": euro 6.3 million (prior year: euro 6.1 million) and
- » "Electricity generation": euro 0.7 million (prior year: euro 0.6 million).

Depreciation and amortisation of intangible fixed assets, property, plant and equipment as well as right-of-use assets increased primarily due to the higher average number of wind power turbines in the Group (euro 17.0 million in the 2021 reporting period versus euro 12.8 million in the prior-year period). Depreciation and amortisation of intangible fixed assets, property, plant and equipment as well as right-of-use assets are attributable to the segments as follows:

- » "Project development": euro 1.6 million (prior year: euro 1.5 million),
- » "Service products": euro 2.5 million (prior year: euro 2.4 million) and
- » "Electricity generation": euro 12.9 million (prior year: euro 8.9 million).

Other operating expenses totalling euro 13.8 million (prior year: euro 12.7 million) in the Group are above the previous year's level and can be generally divided into expenses resulting from legal and consulting costs, advertising and travel expenses, insurance premiums and contributions, repair and maintenance expenses (predominantly relating to the "Silbitz" biomass power plant and the wind farms operated by the Company). Other operating expenses, before consolidation effects, are distributed among the segments as follows:

- » "Project development": euro 11.2 million (prior year: euro 9.7 million),
- » "Service products": euro 1.8 million (prior year: euro 1.6 million) and
- » "Electricity generation": euro 4.4 million (prior year: euro 3.3 million).

Interest and similar income changed from euro 0.1 million in the prior-year period to euro 4.0 million in the reporting period. The change is mainly due to the valuation of the interest swaps concluded as part of the project financing. In the valuation of interest rate swaps, rising market interest rates have led to interest income, which was recognised in the amount of euro 3.2 million in the Group ("electricity generation" segment) in the first nine months of 2021.

Interest and similar expenses changed from euro 7.6 million in the prior-year period to euro 5.2 million in the reporting period. In the 2021 reporting period, there were negative interest rate swap valuations of euro 0.6 million (prior year: euro 2.6 million); at the same time, rising market interest rates in the 2021 reporting period for interest rate swaps primarily concluded in 2018 - 2020 resulted in interest income (see above under "Interest and similar income"). Interest and similar expenses were incurred mainly in connection with

- » the 2018/2023 bond (euro 1.5 million),
- » the equity and debt financing in connection with wind farm projects (euro 2.2 million) and
- » the application of IFRS 16 "Leases" (euro 1.3 million).

The Company has created values ("hidden reserves") that are not immediately recognisable. These are connected to the establishment of the wind farm portfolio owned by the Company. As a result of the investments in PNE's own projects, pre-tax profits totalling euro 101.4 million were eliminated at Group level, of which euro 19.7 million in the reporting period (prior year: Euro 18.2 million). With a portfolio of projects owned by the Company, complete or partial sales to third parties outside the Group are postponed, and thus also the Group's earnings from these potential sales. Whether these profits, as currently calculated, can be achieved in the future in the event of a sale depends on whether or not the assumed market conditions of the project calculations (e.g. return expectations of investors) will change. The values created from the Group's own projects ("hidden reserves") will be gradually disclosed over the useful life of the projects, based on the lower depreciation assessment basis in the Group. This disclosure of these values ("hidden reserves") leads to improvements in earnings over the term and, corresponding to the amount of the disclosure, to an improvement in the Group's equity ratio.



At Group level, the following results were achieved in the 2021 reporting period, excluding the pre-tax profits eliminated (“hidden reserves”) in connection with the establishment of a wind farm portfolio:

- » earnings before interest, taxes, depreciation and amortisation (EBITDA = EBIT plus amortisation and depreciation of intangible assets and property, plant and equipment, rights of use as well as goodwill) of euro 12.7 million (prior year: euro 9.2 million),
- » operating profit (EBIT = corresponds to the value stated in line “Operating result” of the consolidated statement of comprehensive income) of euro -4.3 million (prior year: euro -3.5 million).

The consolidated net result after non-controlling interests amounted to euro -8.5 million (prior year: euro -9.4 million). The undiluted earnings per share for the Group amounted to euro -0.11 (prior year: euro -0.12) and the diluted earnings per share for the Group amounted to euro -0.11 (prior year: euro -0.12).

Primarily due to the earnings of the reporting period of euro -8.5 million and the dividend payment of euro -3.1 million made in the reporting period, the Group’s retained earnings at the end of the reporting period amounted to approx. euro 39.8 million (December 31, 2020: euro 51.4 million).

## b. Net assets and financial position

### Assets

in million EUR	30.9.2021	31.12.2020
<b>Total long term assets</b>	<b>344.4</b>	<b>317.3</b>
Intangible assets	64.1	64.3
Property, plant and equipment	194.1	176.5
Rights of use	43.1	39.1
Long term financial assets	2.1	1.9
Deferred taxes	41.0	35.5
<b>Total short term assets</b>	<b>430.3</b>	<b>346.5</b>
Inventories	271.6	174.0
Receivables, other assets and tax receivables	69.9	59.6
Tax receivables	0.5	1.3
Cash and cash equivalents	88.3	111.6
<b>Total assets</b>	<b>774.7</b>	<b>663.8</b>

On the reporting date, the consolidated total assets of PNE AG amounted to euro 774.7 million. This is a change of approx. 16.7 percent in comparison with December 31, 2020.

Total long-term assets increased from euro 317.3 million at the end of 2020 to euro 344.4 million on the reporting date.

As at September 30, 2021, intangible assets totalled euro 64.1 million, which mainly includes goodwill of euro 63.3 million (December 31, 2020: euro 63.3 million), and thus remained approximately at the same level as at December 31, 2020.

In the same period, property, plant and equipment changed by euro +17.6 million to euro 194.1 million (December 31, 2020: euro 176.5 million). The increase in property, plant and equipment is mainly due to the “growing” wind farm portfolio and the resulting write-downs of property, plant and equipment of the wind farms.

The item “property, plant and equipment” mainly includes:

- » land and buildings: euro 13.2 million (as at December 31, 2020: euro 13.4 million),
- » transformer stations owned or under construction: euro 15.2 million (as at December 31, 2020: euro 14.1 million),
- » technical equipment and machinery of the Company’s own wind farms: euro 157.3 million (as at December 31, 2020: euro 141.9 million).

Since the wind farms owned by the Group were operated and used to generate electricity independently of their current or future shareholder structure, they were reported as fixed assets from the date of their sale within the Group.

As at September 30, 2021, euro 43.1 million for right-of-use assets (December 31, 2020: euro 39.1 million) were reported under long-term assets. As at September 30, 2021, the right-of-use assets were attributable to the segments as follows:

- » “Project development”: euro 9.8 million (as at December 31, 2020: euro 10.3 million),
- » “Service products”: euro 6.3 million (as at December 31, 2020: euro 5.9 million) and
- » “Electricity generation”: euro 27.0 million (as at December 31, 2020: euro 22.9 million).

IFRS 16 specifies how to account for leases. According to the standard, the lessee is generally obliged to recognise rights and obligations arising from leases. Therefore, lessees must recognise the right of use relating to a leased asset ("right-of-use asset") either under fixed assets in the balance sheet item "right-of-use assets" (long-term assets such as wind farms in own operation or wind farms planned for own operation) or under the balance sheet item "inventories" (short-term assets such as wind farm projects to be sold during or after construction). The "right-of-use assets" in the PNE Group include leasing contracts (e.g. car leasing), rental agreements (e.g. for the building in Husum) and lease agreements (e.g. in connection with the wind farms held by PNE or wind farms under construction).

For all assets within the scope of IAS 36 (in particular intangible assets (IAS 38), goodwill (IFRS 3), property, plant and equipment (IAS 16) and investment property measured at cost (IAS 40)), the reporting entity must assess at each balance sheet date whether there is any indication (triggering event) for an impairment loss. Although the effects on the economy caused by the COVID-19 pandemic also have certain implications for PNE AG, the Board of Management is of the opinion that there are no indications that the value of the reported goodwill as at September 30, 2021 might be impaired.

During the reporting period, short-term assets changed from euro 346.5 million (December 31, 2020) to euro 430.3 million on September 30, 2021. This change is mainly attributable to the increase in inventories (euro +97.6 million) as well as receivables and other assets (euro +10.3 million) with a simultaneous decrease in cash and cash equivalents (euro -23.3 million). Of the short-term assets, euro 36.5 million is attributable to trade receivables (December 31, 2020: euro 40.2 million).

The work in progress shown under the inventories increased from euro 144.1 million (December 31, 2020) to euro 210.2 million. The increase in inventories is due primarily to the Group's investments for onshore projects under construction, for the further development of the wind onshore and photovoltaics project pipelines in Germany and abroad as well as to the right-of-use assets in connection with the realisation of PNE's own wind farm projects.

Work in progress is divided as follows:

- » onshore projects/national (euro 125.3 million),
- » onshore projects/international (euro 84.9 million).

In addition, the advance payments made for onshore projects under construction reported under inventories changed by euro +31.5 million from euro 29.6 million to euro 61.1 million.

During the construction phase, the wind farms that are under construction are reported as inventories (work in progress), regardless of their current or future shareholder structure. Only after a sale within the Group, if the wind farm is sold within the Group, is the wind farm reported under fixed assets.

Cash and cash equivalents amounted to euro 88.3 million as at September 30, 2021, of which euro 3.3 million is pledged to banks (as at December 31, 2020: euro 111.6 million, of which euro 3.0 million pledged).

As at September 2021, cash and cash equivalents were attributable to the segments as follows:

- » "Project development": euro 64.8 million (as at December 31, 2020: euro 89.3 million),
- » "Service products": euro 0.6 million (as at December 31, 2020: euro 1.1 million) and
- » "Electricity generation": euro 22.9 million (as at December 31, 2020: euro 21.2 million).

The cash and cash equivalents available in the "electricity generation" segment will be used primarily for the services under the project development and general contractor agreements with the "project development" segment in the following quarters for the wind farm projects under construction.

### Liabilities

in million EUR	30.9.2021	31.12.2020
Shareholders' equity	189.1	200.6
Deferred subsidies from public authorities	0.7	0.7
Provisions	7.2	4.6
Long term liabilities	482.4	354.3
Short term liabilities	70.3	81.6
Deferred revenues	25.0	22.0
<b>Total liabilities and shareholders' equity</b>	<b>774.7</b>	<b>663.8</b>

Group equity changed from euro 200.6 million (December 31, 2020) to euro 189.1 million as at September 30, 2021. The equity ratio of the Group was approx. 24.4 percent as at September 30, 2021 (as at December 31, 2020: approx. 30.2 percent).

The long-term liabilities changed from euro 354.3 million (December 31, 2020) to euro 482.4 million. The item consists mainly of long-term financial liabilities totalling euro 467.9 million (as at December 31, 2020: euro 343.3 million).

The long-term liabilities mainly consist of

- » the 2018/2023 bond issued in the 2018 fiscal year with a carrying amount of euro 49.4 million (as at December 31, 2020: euro 49.2 million),
- » long-term liabilities to banks of euro 313.5 million (as at December 31, 2020: euro 216.6 million) and
- » liabilities from leases of euro 100.1 million (as at December 31, 2020: euro 70.4 million).

The significant long-term liabilities to banks relate to the "non-recourse" project financing of wind farm projects operated by the Company in its own portfolio ("electricity generation" segment).

As at September 30, 2021, the liabilities to banks are attributable to the segments as follows:

- » "Project development": euro 6.3 million (of which long-term euro 6.0 million),
- » "Electricity generation": euro 330.6 million (of which long-term euro 307.5 million),
- » "Service products": euro 0.0 million (of which long-term euro 0.0 million).

Primarily due to "IFRS 16 Leases", lease liabilities of approx. euro 100.1 million (as at December 31, 2020: euro 70.4 million) are reported under long-term liabilities and approx. euro 6.6 million (as at December 31, 2020: euro 4.6 million) under short-term liabilities as at September 30, 2021.

As at September 30, 2021, the liabilities from leases are attributable to the segments as follows:

- » "Project development": euro 10.3 million (of which long-term euro 8.9 million),
- » "Electricity generation": euro 89.8 million (of which long-term 85.3 million) and
- » "Service products": euro 6.6 million (of which long-term euro 5.9 million).

In the first nine months of the 2021 fiscal year, the short-term liabilities changed from euro 81.6 million (December 31, 2020) to euro 70.3 million. The short-term liabilities to banks, included in this item, changed from euro 22.7 million (December 31, 2020) to euro 23.3 million. In the reporting period, trade liabilities as part of normal operating business changed from euro 31.4 million (December 31, 2020) to euro 28.8 million.

In the first nine months of 2021, the Company raised "non-recourse" funds of approx. euro 119.4 million and approx. euro 3.1 million from the available project equity interim financing line and concluded agreements on short-term interim project financing, working capital lines and scheduled repayments of project funds of approx. euro 18.5 million.

Taking the liquid funds into account, the net debt (cash and cash equivalents less the short-term and long-term financial liabilities) as at September 30, 2021 amounted to euro -411.0 million (December 31, 2020: euro -260.5 million).

The statement of cash flows provides information on the liquidity situation and the financial position of the Group. As at September 30, 2021, the group companies had liquidity and credit facilities for interim project financing in the total amount of euro 194.2 million, of which euro 3.3 million is pledged to banks (as at December 31, 2020: euro 218.1 million, of which euro 3.0 million pledged).

Cash and cash equivalents amounted to euro 88.3 million as at September 30, 2021, of which euro 3.3 million is pledged to banks (as at December 31, 2020: euro 111.6 million, of which euro 3.0 million pledged).

In addition, the group companies had available liquidity from unused

- » working capital lines of euro 15.1 million and
- » external project interim financing of euro 90.8 million,

as at September 30, 2021.

In addition, the Group entered into an agreement (letter of intent) with a bank for interim equity financing of projects of up to euro 27.1 million, on the basis of which separate interim equity financing agreements can be concluded after the commissioning of the projects. As at September 30, 2021, an amount of euro 2.5 million had already been used.

The cash flow from ordinary activities shown in the statement of cash flows amounts to euro -95.9 million (prior year: euro -37.5 million) and was primarily attributable to

- » the consolidated results in the reporting period,
- » the expenses for the implementation of the portfolio projects, the further development of the project pipeline and the realisation of the wind farm projects, which are reflected in the inventories and were primarily financed by project financing (see also "cash flow from financing activities").

The cash flow from investing activities in the reporting period includes incoming and outgoing payments for investments in property, plant and equipment of the Group totalling euro -24.2 million (prior year: euro -14.5 million). The investments in property, plant and equipment related mainly to investments in the implementation of wind farms for the wind farm portfolio being established ("electricity generation" segment) and in transformer stations for the wind farm projects being realised ("service products" segment).

During the reporting period, the cash flow from financing activities of euro 96.8 million (prior year: euro 30.1 million) was influenced primarily by

- » the use of bank loans of euro 122.5 million, which were mainly used for the funding of wind farm projects,
- » the repayment of credit liabilities of euro -18.5 million,
- » the repayment of lease liabilities of euro -4.2 million and
- » the dividend payment for the previous year of euro -3.1 million.

## 7. TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

There were no significant changes compared to December 31, 2020.

## 8. DEVELOPMENT AND INNOVATION

During the period under review, there were no research and development activities in the PNE AG Group.

## 9. MAJOR EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period, no significant events affecting the results of operations, financial position and net assets have occurred.

## 10. REPORT ON OPPORTUNITIES AND RISKS

For information about the opportunities and risks of PNE AG, refer to the chapter "Report on opportunities and risks" in the 2020 annual report, which is available on the Company's website at [www.pne-ag.com](http://www.pne-ag.com).

All recognisable risks arising from the COVID-19 virus currently present worldwide are continually assessed by the Company with regard to possible effects on the net assets, financial position and results of operations as well as the well-being of the employees, and are included in this quarterly financial report and the forecast report.

During the first nine months of the 2021 fiscal year, the Board of Management has not identified any other significant additions or changes to the risks presented in the 2020 annual report.

## 11. MANAGEMENT DECLARATION (SECTION 289F AND SECTION 315D OF THE GERMAN COMMERCIAL CODE (HGB))

The management declaration, summarised with the declaration pursuant to Section 289f HGB, in accordance with Section 315d HGB is published on our internet site [www.pne-ag.com](http://www.pne-ag.com) under "Investor Relations" in the "Corporate Governance" section and can be downloaded there.

## 12. FORECAST REPORT

The PNE Group is an internationally operating enterprise and one of the most experienced project developers for clean energies on land and at sea. We combine economic success with ecological responsibility. We offer services covering the entire value-added chain, ranging from the development, planning, realisation, sale and operation of wind and photovoltaic farms as well as transformer stations to repowering – i.e. the replacement of older wind power turbines by new modern equipment. We also offer our skills acquired in this context as a service provider to third parties.

We want to develop high quality projects that meet international standards and allow for secure project financing at the international level. Such a project quality can be achieved by ensuring compliance with the project schedule and the cost framework from the development to the start of operation.

After the successful development of wind farms in recent years, we are following our goal of realising a wind farm portfolio with a total capacity of up to 500 MW by the end of 2023. For the time being, the completed wind farms will be operated by the Company itself to generate current income from the sale of electricity.

In addition, the combination of power plants with clean energies and storage technologies is an issue of the future. We have further developed the strategic orientation of the Group via the "Scale up" concept. The operative business will be placed on a significantly broader basis, both nationally and internationally. Our goal continues to be to develop PNE from a wind farm specialist to a specialist for photovoltaic farms and a broad-based provider of clean energy solutions. The fundamentals of this strategy of a "Clean Energy Solution Provider" are the expansion of our range of services and the development of new markets and technologies.

With this strategic orientation, we are responding to changes in the clean energy markets. While renewable energies will grow dynamically worldwide in the coming years, countervailing trends can be observed in individual established markets. Subsidies for wind energy are being reduced, remuneration systems are being converted to tenders (more electricity purchase agreements are being put out to tender by individual companies) or other market mechanisms, and the expansion of wind energy in some countries is being limited as a result. This increases competitive pressure. The optimisation of the costs associated with a project is therefore becoming increasingly important. We will also focus on photovoltaic projects and hybrid solutions as well as storage technologies.

Based on this broader position, we are minimising market risks, opening up new potentials and markets for PNE and, in the medium term, we will stabilise primarily the, to date, volatile results.

After a transitional phase, in which investments will pave the way for the implementation of the "Scale up" concept, this is expected to lead to an increase in average operating results (EBIT or EBITDA) by the end of 2023.

The following forecasts are based on the results expected

- » from the implementation of operationally planned projects in Germany and abroad (onshore, offshore, photovoltaics),
- » from the service business, and
- » from the electricity generation business.

In fiscal 2021, we will have further upfront expenditure in the lower single-digit million range for the strategic expansion of the business model. We continue to confirm our guidance for the 2021 fiscal year with positive EBITDA for the Group in the range of euro 24 to 32 million. Due to the effects of the ongoing COVID-19 pandemic, there might be postponements of project right sales and project implementations from 2021 to 2022 in the operating business.

Cuxhaven, November 10, 2021

PNE AG  
 Board of Management

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

in TEUR (differences due to rounding possible)	3rd Quarter 1.7.2021 – 30.9.2021	3rd Quarter 1.7.2020 – 30.9.2020	Period 1.1.2021 – 30.9.2021	Period 1.1.2020 – 30.9.2020
1. Revenues	13,478	11,502	54,208	73,856
2. Changes in inventories of finished goods and work in progress	26,831	1,743	78,834	14,211
3. Other operating income	416	449	1,574	2,637
<b>4. Total aggregate output</b>	<b>40,725</b>	<b>13,694</b>	<b>134,616</b>	<b>90,704</b>
5. Cost of materials and purchased services	-27,025	-1,692	-80,963	-44,866
6. Personnel expenses	-8,918	-8,244	-27,085	-23,915
7. Amortisation of intangible fixed assets and depreciation of property, plant and equipment	-6,061	-4,335	-17,027	-12,758
8. Other operating expenses	-5,367	-3,561	-13,839	-12,678
<b>9. Operating result</b>	<b>-6,646</b>	<b>-4,138</b>	<b>-4,298</b>	<b>-3,512</b>
10. Income from participations and associated companies	20	16	85	43
11. Other interest and similar income	212	5	4,033	130
12. Expenses from assumption of losses of associated companies	-5	-1	-15	-29
13. Interest and similar expenses	-1,049	-1,070	-5,212	-7,612
<b>14. Result before taxes</b>	<b>-7,468</b>	<b>-5,188</b>	<b>-5,406</b>	<b>-10,981</b>
15. Taxes on income	-2,145	1,035	-3,231	844
16. Other taxes	-86	-65	-151	-167
<b>17. Result before non-controlling interests</b>	<b>-9,699</b>	<b>-4,218</b>	<b>-8,788</b>	<b>-10,303</b>
18. Share of non-controlling interests in the result	-152	-188	-283	-941
<b>19. Consolidated net income</b>	<b>-9,547</b>	<b>-4,030</b>	<b>-8,505</b>	<b>-9,362</b>
Undiluted earnings per share in EUR	-0.13	-0.05	-0.11	-0.12
Diluted earnings per share in EUR	-0.13	-0.05	-0.11	-0.12
Weighted average of shares in circulation (undiluted), in million	76.3	76.3	76.3	76.3
Weighted average of shares in circulation (diluted), in million	76.3	76.3	76.3	76.3
<b>Other comprehensive income/items that may be reclassified in the future in the profit and loss account</b>				
20. Currency translation differences	1,037	-1,009	335	-1,809
21. Others	0	0	0	0
<b>22. Other comprehensive income for the period (after tax)</b>	<b>1,037</b>	<b>-1,009</b>	<b>335</b>	<b>-1,809</b>
<b>23. Total comprehensive income for the period</b>	<b>-8,662</b>	<b>-5,227</b>	<b>-8,453</b>	<b>-12,112</b>
<b>Consolidated profit/loss for the period attributable to</b>				
Owners of the parent company	-9,547	-4,030	-8,505	-9,362
Non-controlling interests	-152	-188	-283	-941
	<b>-9,699</b>	<b>-4,218</b>	<b>-8,788</b>	<b>-10,303</b>
<b>Total comprehensive income for the period attributable to</b>				
Owners of the parent company	-8,510	-5,039	-8,170	-11,171
Non-controlling interests	-152	-188	-283	-941
	<b>-8,662</b>	<b>-5,227</b>	<b>-8,453</b>	<b>-12,112</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

### Assets

in TEUR (differences due to rounding possible)	per 30.9.2021	per 31.12.2020
Intangible assets	64,090	64,330
Property, plant and equipment	194,044	176,341
Rights of use	43,128	39,125
Long-term financial assets	2,104	1,936
Deferred taxes	41,042	35,484
<b>Total long-term assets</b>	<b>344,408</b>	<b>317,216</b>
Inventories	271,598	174,003
Receivables, other assets and tax receivables	70,385	60,973
Cash and cash equivalents	88,308	111,617
<b>Total short-term assets</b>	<b>430,291</b>	<b>346,593</b>
<b>Total assets</b>	<b>774,699</b>	<b>663,809</b>

### Liabilities

in TEUR (differences due to rounding possible)	per 30.9.2021	per 31.12.2020
Subscribed capital	76,603	76,603
Capital reserve	82,953	82,953
Treasury shares	-707	-707
Retained earnings	51	51
Foreign currency reserve	-2,357	-2,692
Consolidated profit	39,752	51,425
Non-controlling interests	-7,202	-7,070
<b>Total equity</b>	<b>189,093</b>	<b>200,563</b>
Other provisions	0	0
Deferred subsidies from public authorities	679	714
Long-term financial liabilities	467,945	343,274
Deferred tax liabilities	14,434	11,049
<b>Total long-term liabilities</b>	<b>483,058</b>	<b>355,037</b>
Provisions for taxes	2,583	1,150
Other provisions	4,662	3,467
Short-term financial liabilities	31,345	28,849
Trade liabilities	28,777	31,364
Other liabilities and tax liabilities	35,181	43,379
<b>Total short-term liabilities</b>	<b>102,548</b>	<b>108,209</b>
<b>Total liabilities</b>	<b>774,699</b>	<b>663,809</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

FOR THE PERIOD FROM JANUARY 1 TO SEPTEMBER 30

in TEUR	2021	2020
<b>Result before non-controlling interests</b>	<b>-8,788</b>	<b>-10,304</b>
-/+ Income tax benefit/expense	3,231	-844
-/+ Income tax paid/received	-4,323	-5,906
-/+ Interest income and expense	1,178	7,482
- Interest paid	-5,713	-4,017
+ Interest received	337	130
+/- Write-downs/write-ups of intangible fixed assets, property, plant and equipment, rights of use and long-term financial assets	17,027	12,758
+/- Increase/decrease in provisions	2,689	-1,609
+/- Non-cash effective expenses and income	331	-1,786
-/+ Profit/loss from the disposal of fixed assets and from final consolidation	-4,034	0
+/- Decrease/increase in inventories and other assets	-110,253	-17,228
+/- Decrease/increase in trade receivables and stage of completion accounting	2,045	29,082
+/- Increase/decrease in trade liabilities and other liabilities	10,365	-45,300
<b>Cash flow from operating activities</b>	<b>-95,908</b>	<b>-37,543</b>
+ Inflow of funds from disposal of intangible assets	1	0
+ Inflow of funds from disposal of items of property, plant and equipment	535	65
- Outflow of funds for investments in property, plant and equipment and intangible assets	-29,022	-14,471
+ Inflow of funds from disposal of financial assets	30	0
- Outflow of funds for investments in financial assets	-135	-25
+ Inflow from sale of consolidated units	4,416	0
- Outflow of funds for investments in consolidated units	0	-95
<b>Cash flow from investing activities</b>	<b>-24,174</b>	<b>-14,526</b>
+ Inflow of funds from financial loans	122,540	41,685
- Outflow of funds for the redemption of financial loans	-18,477	-6,074
- Outflow of funds for the redemption of lease liabilities	-4,191	-2,462
- Outflow of funds for dividend	-3,053	-3,053
<b>Cash flow from financing activities</b>	<b>96,819</b>	<b>30,096</b>
Cash-effective change in liquid funds	-23,263	-21,973
+ Change in liquid funds due to changes in scope of consolidation	-46	0
+ Liquid funds at the beginning of the period	111,618	111,934
<b>Liquid funds at the end of the period*</b>	<b>88,309</b>	<b>89,961</b>
* of which are pledged to a bank as security	3,304	2,353

Supplementary information: The value of liquid funds on September 30 corresponds to the "Cash and cash equivalents" item in the balance sheet.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

in TEUR (differences due to rounding possible)	Capital subscribed	Capital reserve	Treasury shares	Profit reserves	Foreign exchange reserve	Retained results	Share- holders' equity before non- controlling interests	Non- controlling interests	Total share- holder's equity
<b>Balance on 1.1.2020</b>	<b>76,603</b>	<b>82,953</b>	<b>-707</b>	<b>51</b>	<b>-819</b>	<b>60,322</b>	<b>218,403</b>	<b>-13,283</b>	<b>205,120</b>
Result for the period	0	0	0	0	0	-9,361	-9,361	-943	-10,304
Other result	0	0	0	0	-1,809	0	-1,809	0	-1,809
<b>Total result for the period 01-09/2019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,809</b>	<b>-9,361</b>	<b>-11,170</b>	<b>-943</b>	<b>-12,113</b>
Dividend	0	0	0	0	0	-3,053	-3,053	0	-3,053
Other changes	0	0	0	0	0	-4,654	-4,654	4,559	-95
<b>Balance on 30.9.2020</b>	<b>76,603</b>	<b>82,953</b>	<b>-707</b>	<b>51</b>	<b>-2,629</b>	<b>43,254</b>	<b>199,526</b>	<b>-9,668</b>	<b>189,858</b>
<b>Balance on 1.1.2021</b>	<b>76,603</b>	<b>82,953</b>	<b>-707</b>	<b>51</b>	<b>-2,692</b>	<b>51,425</b>	<b>207,633</b>	<b>-7,070</b>	<b>200,563</b>
Result for the period	0	0	0	0	0	-8,505	-8,505	-283	-8,788
Other result	0	0	0	0	335	0	335	0	335
<b>Total result for the period 01-09/2021</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>335</b>	<b>-8,505</b>	<b>-8,170</b>	<b>-283</b>	<b>-8,453</b>
Dividend	0	0	0	0	0	-3,053	-3,053	0	-3,053
Other changes	0	0	0	0	0	-115	-115	151	36
<b>Balance on 30.9.2021</b>	<b>76,603</b>	<b>82,953</b>	<b>-707</b>	<b>51</b>	<b>-2,357</b>	<b>39,752</b>	<b>196,295</b>	<b>-7,202</b>	<b>189,093</b>

## CONSOLIDATED SEGMENT REPORTING (IFRS)

	Project development		Services	
in TEUR (differences due to rounding possible)	2021	2020	2021	2020
External sales	26,433	46,137	11,886	11,559
Inter-segment sales	55,524	35,539	3,021	2,425
Changes in inventories	51,980	2,677	0	0
Other operating income	810	623	426	643
<b>Total aggregate output</b>	<b>134,747</b>	<b>84,976</b>	<b>15,333</b>	<b>14,627</b>
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>20,953</b>	<b>13,361</b>	<b>3,970</b>	<b>3,423</b>
Depreciation and amortisation	-1,612	-1,540	-2,538	-2,365
<b>Operating result (EBIT)</b>	<b>19,341</b>	<b>11,822</b>	<b>1,432</b>	<b>1,058</b>
Interest and similar income	4,005	3,790	339	336
Interest and similar expenses	-6,049	-4,805	-497	-443
Tax expense and income	-9,354	-7,081	-386	-84
Investments	1,634	10,301	3,913	3,099
Segment assets	552,302	536,703	52,780	51,509
Segment liabilities	328,717	311,809	37,371	38,638
Segment equity	223,585	224,894	15,409	12,871

The figures as at September 30, 2021 are compared with the figures as at September 30, 2020 or, in the case of segment assets/segment liabilities, with the figures as at December 31, 2020.

### Scope of consolidation

The corporate structure has changed in the first nine months of 2021 versus December 31, 2020.

During the reporting period, the following companies were included for the first time in the scope of consolidation:

- » PNE WIND Park XXIV GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » PNE WIND Park XXV GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » PNE WIND Park XXVII GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » PNE WIND Park XXIX GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » PNE WIND Park XXX GmbH & Co. KG, Cuxhaven (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » WKN WERTEWIND Windpark Gnutz Eins GmbH & Co. KG, Husum (100 percent), "electricity generation" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » PNE RO PV Holding SRL, Bucharest, Romania, (100 percent), "project development" segment, (established),
- » PNE RO PV NAZ SRL, Bucharest, Romania, (100 percent), "project development" segment, (established),
- » Energy Consult Polska Sp.z.o.o. (previously SEVIVON Renewables 5 Sp.z.o.o.), Koszalin, Poland, (100 percent), "service products" segment, (reclassified from "non-consolidated companies due to minor significance"),
- » Energy Consult Sverige AB, Malmö, Sweden, (100 percent), "service products" segment (established).

Electricity generation		Consolidation		PNE AG Group	
2021	2020	2021	2020	2021	2020
15,889	16,161	0	0	54,208	73,856
205	205	-58,750	-38,170	0	0
0	0	26,855	11,535	78,834	14,211
339	1,371	0	0	1,574	2,637
<b>16,432</b>	<b>17,736</b>	<b>-31,895</b>	<b>-26,635</b>	<b>134,616</b>	<b>90,704</b>
<b>10,861</b>	<b>13,383</b>	<b>-23,055</b>	<b>-20,922</b>	<b>12,729</b>	<b>9,246</b>
-12,877	-8,854	0	0	-17,027	-12,758
<b>-2,016</b>	<b>4,530</b>	<b>-23,055</b>	<b>-20,922</b>	<b>-4,298</b>	<b>-3,512</b>
4,526	54	-4,837	-4,050	4,033	130
-3,503	-6,414	4,837	4,050	-5,211	-7,612
298	282	6,212	7,727	-3,231	844
23,610	1,191	0	0	29,157	14,591
554,417	397,751	-384,800	-322,154	774,698	663,809
513,539	363,007	-294,024	-250,208	585,605	463,246
40,877	34,744	-90,777	-71,946	189,094	200,563

The reclassification of subsidiaries from “non-consolidated companies due to minor significance” to full consolidation is generally made as soon as it is clear that the business activity or the project planning/implementation phase will begin in the near future.

The reclassifications and the new company had no significant impact on the consolidated financial statements.

In the reporting period, the following companies included in the Group were merged into consolidated companies:

- » PNE WIND Jules Verne GmbH, (100 percent), previously “project development” segment,
- » PNE WIND Nemo GmbH, (100 percent), previously “project development” segment,
- » PNE WIND Nautilus GmbH, (100 percent), previously “project development” segment,
- » PNE Erneuerbare Energien Offshore I GmbH, (100 percent), previously “project development” segment.

The first three companies were merged to the parent company, PNE AG, and PNE Erneuerbare Energien Offshore I GmbH to PNE Erneuerbare Energien Offshore II GmbH.

Furthermore, NordStrom Bioenergie GmbH (100 percent), previously “project development” segment, was merged into a non-consolidated subsidiary.

The mergers had no significant impact on the consolidated financial statements.

In the reporting period, the following companies or shares in companies were sold:

- » 100 percent of the shares in S.C. PNE WIND Romania S.R.L., Bucharest, Romania, [disposal from the “project development” segment],
- » 100 percent of the shares in S.C. PNE WIND MVI S.R.L., Bucharest, Romania, [disposal from the “project development” segment],
- » 100 percent of the shares in S.C. EVN WINDPOWER DEVELOPMENT & CONSTRUCTION S.R.L., Bucharest, Romania, [disposal from the “project development” segment].

The “package” sales price for 100 percent of the shares in the three companies listed above can be up to a low double-digit million euro amount. An amount of around euro 4.4 million was paid when the shares in the companies were transferred. Further payments will be due depending on the achievement of milestones in the project development and construction phases.

Due to the deconsolidation of these three companies, assets totaling approx. euro 0.5 million as well as liabilities and provisions of approx. euro 0.3 million were eliminated at the Group level. The payment received and the deconsolidation of the entity resulted in profit of approx. euro 4.0 million. The payment received for the sale of the entities amounted to approx. euro 4.4 million. The Company’s funds eliminated from the balance sheet as a result of the transaction amounted to approx. euro 0.2 million. The gain on disposal is included in the Group’s revenues.

Cuxhaven, November 10, 2021

PNE AG  
Board of Management

## IMPRINT

### **PNE AG**

Peter-Henlein-Straße 2–4  
27472 Cuxhaven  
Germany

Telephone: + 49 (0) 47 21 – 718 – 06

Telefax: + 49 (0) 47 21 – 718 – 444

E-mail: [info@pne-ag.com](mailto:info@pne-ag.com)

[www.pne-ag.com](http://www.pne-ag.com)

### **Design**

Kirchhoff Consult AG  
Borselstraße 20  
22765 Hamburg, Germany

### **Board of Management**

Markus Lesser (CEO),

Jörg Klowat

Registergericht: Tostedt

Registernummer: HRB 110360

As per: November 2021

The report on the third quarter of 2020 is also available in German. In case of discrepancies the German version is decisive. The digital version of the annual report and the quarterly statements of PNE AG are available online at [www.pne-ag.com](http://www.pne-ag.com) in the section "Investor Relations/Publications/Financial Reports".

This report includes statements concerning the future, which are subject to risks and uncertainties. They are estimations of the Board of Management of PNE AG and reflect their current views with regard to future events. Such expressions concerning forecasts can be recognised with terms such as "expect", "estimate", "intend", "can", "will" and similar terms relating to the Company. Factors, which can have an effect or influence are, for example (without all being included): the development of the wind power and photovoltaic markets, competitive influences including price changes, regulatory measures and risks with the integration of newly acquired companies and participations. Should these or other risks and uncertainty factors take effect or should the assumptions underlying the forecasts prove to be incorrect, the results of PNE AG could vary from those, which are expressed or implied in these forecasts. The Company assumes no obligation to update such expressions or forecasts.

**PNE AG**

Peter-Henlein-Straße 2-4  
27472 Cuxhaven  
Germany

**[pne-ag.com](http://pne-ag.com)**