



First Quarter Report 2021

Brief portrait of Energiekontor AG

A solid business policy and a lot of experience in renewable energies: That's what Energiekontor has stood for for 30 years. Founded in Bremerhaven in 1990, the Company is one of the pioneers in the industry and is now one of Germany's leading project developers. Its core business ranges from the planning and construction to the operational management of wind farms in Germany and abroad and was expanded in 2010 to include solar energy. In addition, Energiekontor operates wind and solar farms with a nominal output of almost 280 megawatts in its own portfolio.

Energiekontor AG is also taking on a pioneering role in economic terms and wants to realise the first wind and solar parks in all target markets at market prices as quickly as possible, independently of government subsidies.

In addition to its headquarters in Bremen, Energiekontor has offices in Bremerhaven, Hagen im Bremischen, Aachen, Bernau bei Berlin, Potsdam and Augsburg. The Company also has offices in England (Leeds), Scotland (Edinburgh, Glasgow), Portugal (Lisbon), USA (Austin/Texas, Rapid City/South Dakota) and France (Toulouse, Rouen).

The proud balance sheet since the Company was founded: 127 realised wind farms and twelve solar parks with a total output of over 1 gigawatt. This corresponds to an investment volume of almost € 1.8 billion.

The Company went public on 25 May 2000. The Energiekontor AG share (WKN 531350 / ISIN DE0005313506) is listed in the General Standard of the German Stock Exchange in Frankfurt and can be traded on all German stock exchanges.

Investor Information

Listing:	Deutsche Börse, Frankfurt (tradable on the Frankfurt Stock Exchange, XETRA and all other German trading venues)
Market segment:	General Standard
Class of shares:	Bearer shares
Industry:	Renewable Energies
IPO:	25 May 2000
WKN:	531350
ISIN:	DE0005313506
Reuters:	EKT
Shareholder structure as at 05/14/2021:	53.2 % Governing bodies; 46.8 % Free float
Research:	Dr Karsten von Blumenthal, First Berlin Guido Hoymann, Metzler Capital Markets Jan Bauer, Warburg ResearchAlina Köhler, Hauck & Aufhäuser
Designated Sponsor:	ODDO BHF Corporates & Markets AG
Financial calendar:	05/14/2021: Publication of announcement for the 1st quarter of 2021 05/20/2021: Annual General Meeting (virtual) 08/13/2021: Publication of Half-Year Report 2021 11/15/2021: Publication of announcement on the 3rd quarter of 2021 11/22-24/2021: German Equity Forum, Frankfurt a. M.
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Wind and solar parks realised by Energiekontor AG

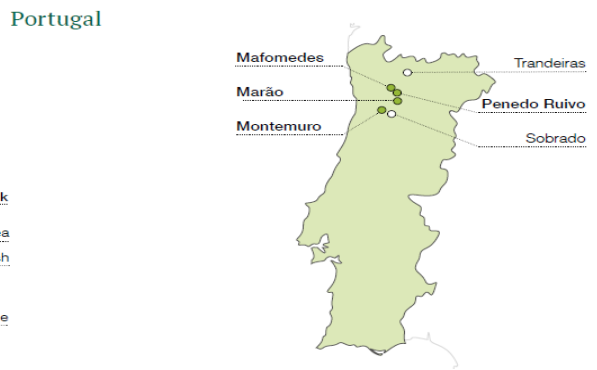
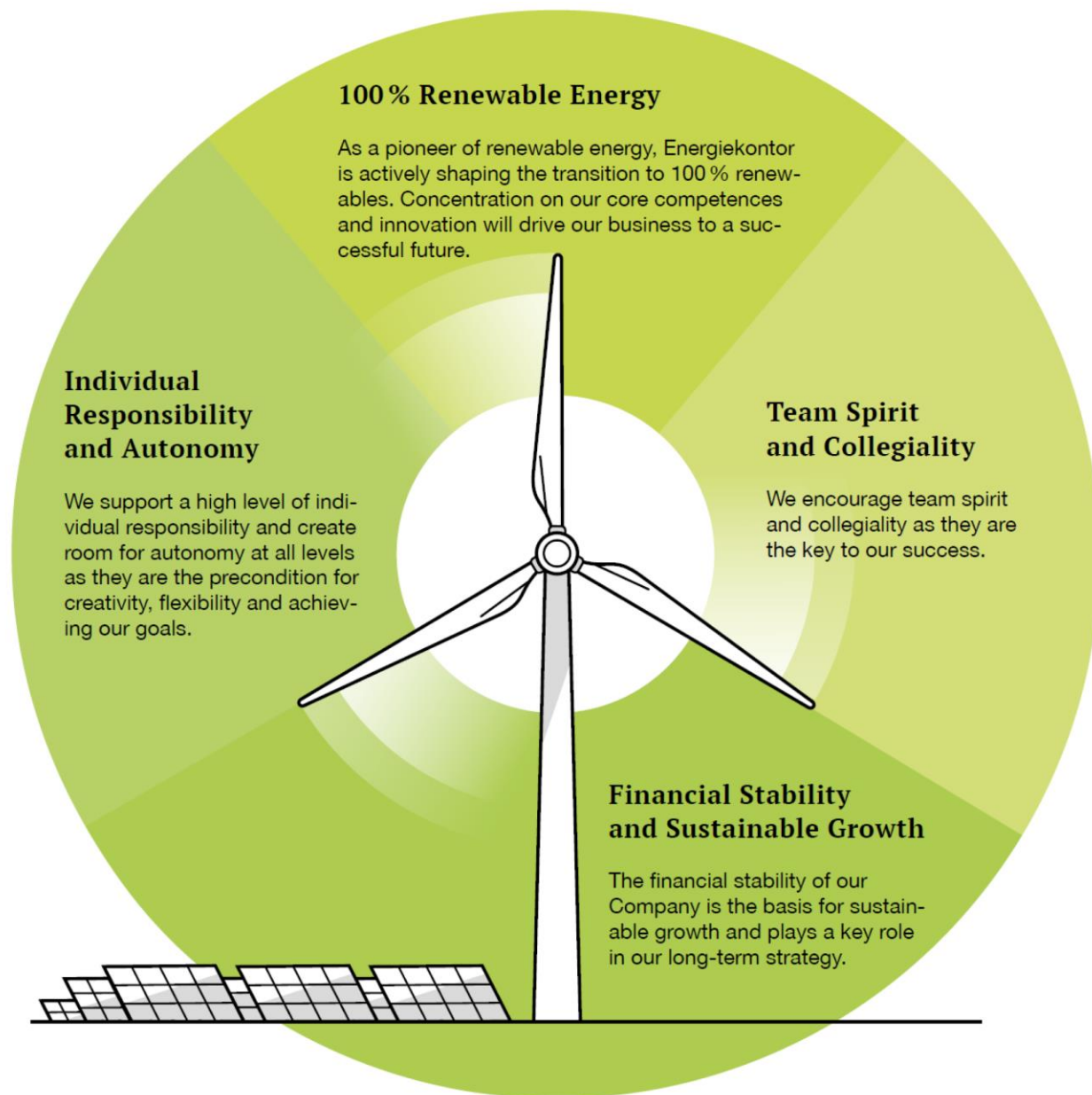


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Our mission statement



The Energiekontor share

The Energiekontor share at a glance

International Securities Identification Number (ISIN)	DE0005167902
Security identification number (WKN)	516790
Stock exchange symbol	EKT
Transparency level	General Standard
Designated Sponsor	ODDO BHF Corporates & Markets AG
IPO	25 May 2000
Share capital in EUR as at 31 March 2021	EUR 14,328,160.00
Number of shares as at 31 March 2021	14,328,160
Closing price on 31 March 2021*	EUR 58.20
Highest price in the period from 1 January to 31 March 2021*	EUR 68.20 (6 January 2021)
Lowest price in the period from 1 January to 31 March 2021*	EUR 48.10 (28 January 2021)
Market capitalisation as at 31 March 2021	EUR 833,898,912

* on XETRA

Authorised capital

The Executive Board was authorised by the Annual General Meeting of 26 May 2016, with the consent of the Supervisory Board, to increase the share capital of the Company on one or more occasions until 23 May 2021 by up to a total of EUR 7,326,580.00 by issuing up to 7,326,580 new ordinary and/or preference bearer shares with or without voting rights against cash contributions and/or contributions in kind (Authorised Capital 2016).

The authorization includes the power to issue additional preferred shares (with or without voting rights) in the event of multiple issues of preferred shares, which take precedence over or are equal to the previously issued preferred shares in the distribution of profits or Company assets. The shareholders must generally be granted a subscription right. However, the Management Board was authorised, with the consent of the Supervisory Board, to exclude the statutory subscription right of the shareholders (for the exact conditions, see the resolution in the invitation to the Annual General Meeting on 26 May 2016 on the Company's website under the menu item Investor Relations > Annual General Meeting). This authorization has not yet been exercised.

Conditional capital

The General Meeting of Energiekontor AG on 23 May 2018 passed a resolution to conditionally increase the Company's share capital by up to € 500,000.00 by issuing up to 500,000 new bearer shares with a notional share in the share capital of € 1.00 each as subscription shares. The conditional capital increase shall serve the sole purpose of granting subscription rights to members of the Company's Management Board within the framework of a stock option plan (Section 192 (2) No. 3 AktG). Within the framework of the Stock Option Plan 2018, subscription rights for up to 500,000 shares of the Company may be issued to members of the Company's Executive Board until April 30, 2023. In April 2020, 100,000 subscription rights were issued to a member of the Executive Board under this program.

General market development

Global stock markets got off to a friendly start in 2021, in some cases posting new record highs in the first quarter. With the increasing vaccination rate against Corona, especially in the USA, optimism in the economy increased that the effects of the pandemic would increasingly fade into the background. This view was supported by strong economic growth in China and huge investment programmes in the USA and Europe, among others.

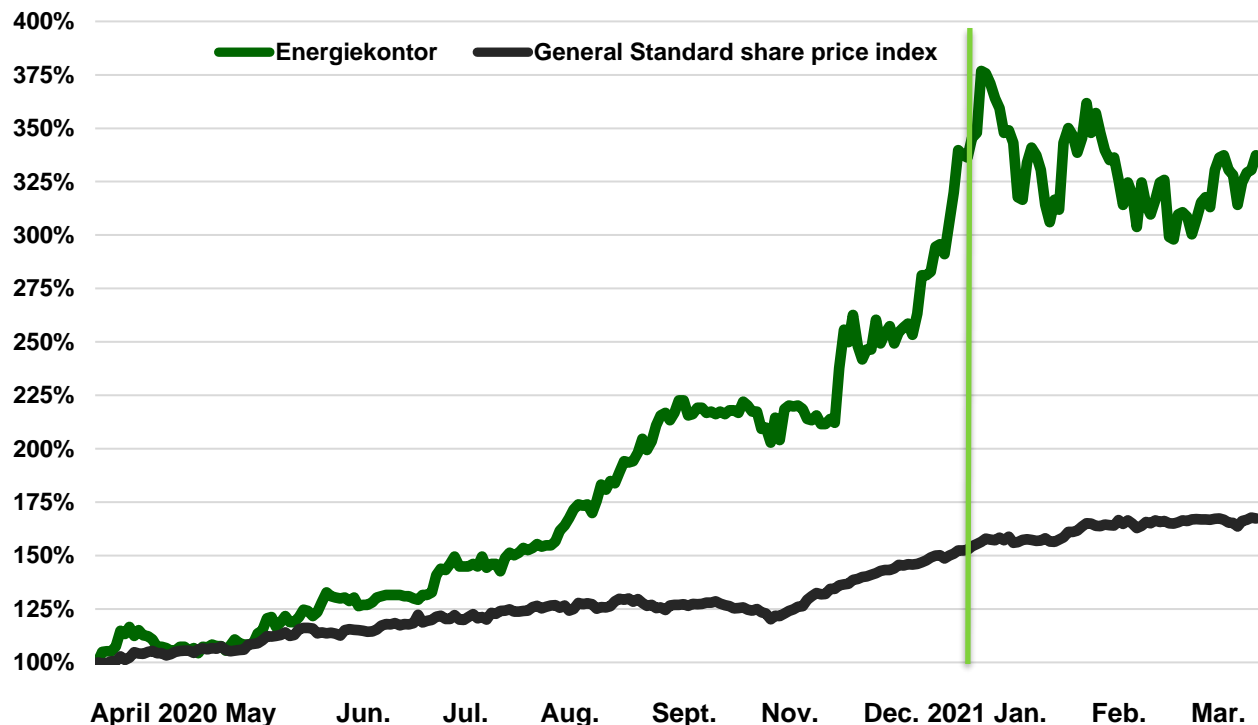
With manageable fluctuations, the major stock markets were therefore able to gain an average of 5 - 10 percent within the first three months. The DAX and other German indices were up by around 10 per cent after the first quarter.

Performance of the Energiekontor share since the beginning of 2021

The Energiekontor share started the current financial year at a price of € 58.00. Despite the still very positive general conditions, shares from the renewable energies sector consolidated worldwide and also in Germany. The Energiekontor share was unable to escape this market environment. While it reached a new record high of EUR 68.20 at the beginning of the year, there was a significant decline as the year progressed. However, the share was able to recover from its low at the end of February and was quoted at EUR 58.20 at the end of the quarter, slightly above the beginning of the year. The General Standard share price index performed much better in the same period. In line with the development of the broad market, it recorded an increase of almost 10 per cent in the first quarter.

The monthly trading volume on XETRA increased in the first three months of 2021 compared to the first three months of 2020 from approx. 335,000 to just under 530,000 shares. Trading turnover in € even increased more than fourfold.

Performance of the Energiekontor share* compared to the General Standard price index (period: 12 months)



Share buyback programme

By resolution of the ordinary general meetings of Energiekontor AG on 21 May 2015, the Executive Board was authorised pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to acquire and redeem treasury shares of the Company of up to 10 percent of the share capital without the redemption or its implementation requiring a further resolution by the Annual General Meeting. On the basis of this authorisation, the Company had acquired 377,144 no-par value bearer shares of the Company on the stock exchange by 8 May 2020. Using the authorisation reproduced above, the Executive Board had resolved on 30 September 2020, with the approval of the Supervisory Board on the same day, to reduce the Company's share capital by EUR 350,000.00 from EUR 14,678,160.00 to EUR 14,328,160.00. Accordingly, 27,144 no-par bearer shares remained in Energiekontor's possession from this share buyback.

By resolution of the ordinary general meetings of Energiekontor AG on 20 May 2020, the Executive Board was authorised pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to acquire treasury shares in the Company of up to 10 percent of the share capital. On the basis of this authorisation, the Company acquired 176,378 no-par value bearer shares in the Company via the stock exchange in the period from 7 July 2020 to 5 May 2021.

Based on both authorisations, the Company had acquired a total of 203,522 shares on the stock exchange by 5 May 2021.

Taking advantage of the above, the Executive Board resolved on 5 May 2021, with the consent of the Supervisory Board of the same date, to reduce the share capital of the Company from EUR 14,328,160.00 by EUR 203,522.00 to EUR 14,124,638.00 by cancelling the 203,522 shares.

The Supervisory Board has resolved to amend the Articles of Association as required as a result of the capital reduction. The share capital of the Company after the cancellation becomes effective amounts to EUR 14,124,638.00 and is divided into 14,124,638 ordinary bearer shares.

In addition, as in previous years, the Executive Board and Supervisory Board have decided to suspend the current share buyback until the Annual General Meeting (20 May 2021).

Directors' Dealings

No share transactions were carried out by the executive bodies of Energiekontor AG in the first three months of 2021.

The member of the Supervisory Board Darius Oliver Kianzad and the members of the Executive Board Peter Szabo (Chairman), Günter Eschen and Carsten Schwarz did not hold any shares in the Company during the reporting period.

Annual General Meeting on 20 May 2021

The ongoing corona pandemic has organisational implications for the Annual General Meeting of Energiekontor AG again this year. It is currently hardly feasible to hold a general meeting in person, so the Supervisory Board and Executive Board decided at a meeting on 25 March 2021 to invite shareholders to a virtual general meeting again this year. The entire general meeting will be broadcast live on the Internet for duly registered shareholders.

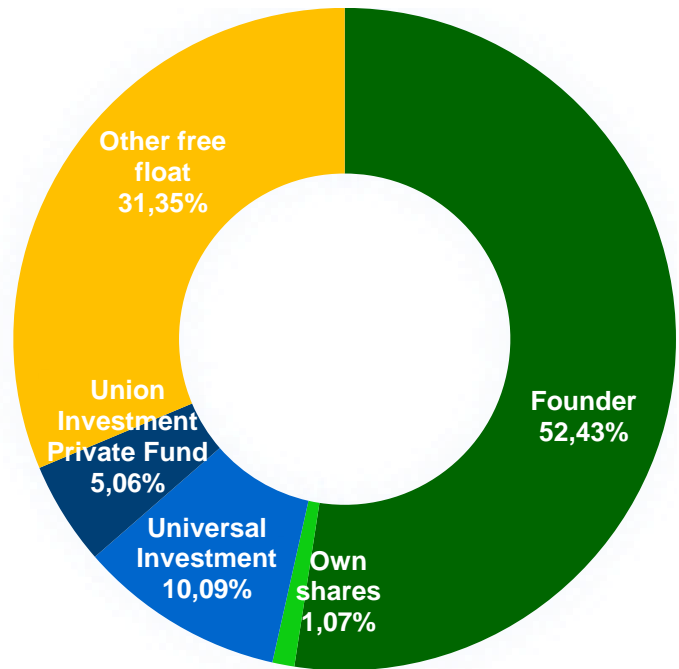
In addition to the usual items on the agenda, the administration proposes a dividend of EUR 0.80; twice the amount of the previous year.

Shareholder structure as at 31.03.2021

The Company has been notified of the following direct or indirect shareholdings in the capital greater than 3 per cent as at 31 March 2021:

Dr Bodo Wilkens (Chairman of the Supervisory Board)	3,759,835 shares
Günter Lammers (Deputy Chairman of the Supervisory Board)	3,752,474 shares
Universal-Investment- Gesellschaft mbH	1,445,087 shares
Union Investment Privatfonds GmbH	724,748 shares

Universal Investment Gesellschaft mbH last reported a shareholding of 10.09% as of 31 March 2021. Due to the lack of reporting, the shareholding is currently likely to be below 10%.



Research coverage

In the 2021 financial year, four renowned analyst firms (First Berlin, Bankhaus Metzler, Warburg Research and Hauck & Aufhäuser) published regular equity research reports on Energiekontor and the markets in which the Company operates. The average rating is "Buy" and this results in an average target price of € 82.17. Research reports can be requested from Investor Relations.

Our investor relations activities

Transparency and openness in a continuous dialogue with our shareholders and capital market participants are our aspiration. Our investor relations work is aimed at strengthening confidence in our share in the long term and achieving a fair valuation on the capital market. To this end, we provide our shareholders and the capital market with accurate, timely and relevant information both about Energiekontor's business and about the market environment in which we operate. Furthermore, Energiekontor is committed to adhering to the principles of good corporate governance.

In individual or group meetings at investor roadshows, our management and Investor Relations answered investors' and financial analysts' questions about Energiekontor's business strategy and development as well as industry and market trends. Since the outbreak of Covid-19, the talks have taken place in video conferences and have even increased in number since then.

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Sector and market development

Industry growth in the renewable energy sector continues to be led by China for both wind and solar power, followed by the USA. Together, the two countries each account for well over half of the annual addition of wind and solar power.

The international goals for climate protection and sustainable energy supply remain the main driving force for further growth in the sector. The countries within the EU have committed themselves to binding expansion targets. Not only the international agreement of the UN Climate Conference in Paris at the end of 2015 has shown that there is now an almost global consensus on climate protection and the necessary containment of carbon dioxide emissions. Under President Biden, who announced the renewed accession of the USA to the Paris climate agreement as one of his first official acts, the USA has now also formulated ambitious expansion targets for renewable energies.

Wind and solar energy worldwide

The expansion of wind and solar energy is progressing inexorably. Energy markets worldwide are in a state of flux, and conventional energy sources and fossil fuels are increasingly being replaced by the expansion and use of renewable energy sources.

Many factors play a role here, such as:

- Negative impacts of climate change require increasingly ambitious goals for climate protection and combating global warming. One example of this is the Paris Climate Agreement of 2015 / 2016, which the USA rejoined under President Biden. Not least due to worldwide protest movements (keyword "Fridays for Future"), the topic of climate protection is high on the political agenda of many industrialised countries.
- Not only the demand for electricity but also the demand for energy continues to rise, even if this development was temporarily curbed in 2020 due to the economic slump. It is to be expected that the demand for renewable energies from air conditioning/heating and transport (ships, trucks and cars) will also increase strongly in the coming years. In addition, there are topics such as "e-mobility" and the "hydrogen initiative", which only make sense if the energy is provided by renewables.
- More and more companies are committing to sustainable production and replacing their current energy mix with renewable energies. Initiatives such as "RE100" show that companies are very interested in sourcing a large part of their energy needs from renewable sources. In addition to aspects of sustainability, the increasing economic viability of renewable energies and the long-term predictability of energy costs through the conclusion of long-term power purchase agreements also play a significant role.
- The decline in the price of electricity in photovoltaics and wind power has significantly increased the competitiveness and economic viability of electricity generation from renewable energies. In many regions, wind and solar farms can already be operated economically without state subsidies.
- Global investment in renewable energies continues to grow. Investment funds are also increasingly being invested according to ESG criteria; renewable energies are virtually predestined for these investments.

Globally, renewable energy sector growth for both wind and solar power continues to be led by China, followed by the US. Together, the two countries each account for well over half of the annual addition of wind and solar power.

The international goals for climate protection and sustainable energy supply remain the main driving force for further growth in the sector.

Wind and solar energy in Germany

The electricity supply in Germany is becoming more sustainable year by year. The share of renewable energies in gross electricity generation is growing steadily: from around 6 per cent in 2000 to almost 44 per cent in 2020. This means that the target of 35 per cent for 2020 has been significantly exceeded ahead of schedule and almost reached the level envisaged for 2025. Not least because of the recent Federal Constitutional Court ruling and the upcoming Bundestag election campaign, it is to be expected that the federal government will agree on new, ambitious targets in the short term. In the current government draft, the coalition parties have agreed on improvements to the EEG. The 2022 tender volumes for photovoltaics are to be increased from 1.9 gigawatts to 6 gigawatts and for onshore wind from 2.9 gigawatts to 4 gigawatts. No more changes are planned for 2021, and likewise no new targets for 2023 onwards.

Wind and solar energy are the most important renewable energy sources among the renewables. In 2020, onshore wind energy accounted for 105.3 TWh or 18.7 percent of gross electricity generation in Germany, while solar energy accounted for 50.4 TWh or 8.9 percent. On sunny days, PV electricity can at times cover more than two-thirds of Germany's current electricity consumption. At the end of 2020, PV modules with a nominal capacity of 54 GW were installed in Germany, distributed over 2 million systems. The installed capacity of onshore wind turbines was just under 55 GW and offshore just under 10 GW.

Wind energy in Germany

In the course of 2020, 420 onshore wind turbines (WTGs) with a total capacity of 1,431 MW were added in Germany. Compared to the record low in the previous year, an increase of around 46 percent was achieved. At the same time, the dismantling of 203 WTGs with a total capacity of 222 MW had to be recorded. The net increase in output in 2020 is accordingly 1,208 MW. It is to be feared that in 2021, too, the net addition will fall well short of the 2GW mark.

And there are no signs of any significant improvement for 2022 either, as the projects awarded in 2021 will not be built until 2022 at the earliest. At the bid deadline of 1 February 2021, only 89 bids with a volume of 691 MW were accepted out of a tendered volume of 1,500 MW.

It should also be taken into account that at the end of 2021, a further 4 GW of currently installed wind energy capacity will no longer be subsidised under the Renewable Energy Sources Act. It would be desirable if repowering were possible under easier conditions on the existing sites concerned. The area required by the new turbines, which are usually much taller and have larger rotor diameters, is greater than that of the old turbines.

As a result, repowering projects often replace a large number of small and low-performance turbines with a smaller number of modern, state-of-the-art turbines. Nevertheless, the repowering turbines can usually achieve significantly higher energy yields than the old, dismantled wind turbines. Existing turbines are usually located at the most cost-effective and accepted sites. There, the areas have already been shaped by existing turbines with regard to spatial planning and the natural landscape. Particularly for existing turbines that are no longer located on suitable wind areas in the updated regional planning, further measures for continued operation and thus CO₂ avoidance should be considered.

The extent to which this is implemented by policymakers has a significant influence on the number of projects that can be repowered in the future.

Solar energy in Germany

In Germany, 184,000 new photovoltaic (PV) systems with a capacity of around 4.9 GW were connected to the grid last year. This corresponds to a 27.6 percent increase in capacity compared to 2019, according to the Federal Network Agency.

In the solar tender for 1 March 2021, 288 bids with a volume of 1,504 MW were submitted. The tendered quantity of 617 MW was thus very significantly oversubscribed.

The surcharge values determined in the bid price procedure were between 4.69 ct/kWh and 5.18 ct/kWh. The average volume-weighted surcharge value has fallen and is 5.03 ct/kWh in this round.

This means that the picture in 2021 will be the same as in 2020. While there are significantly more projects with the corresponding capacity in the solar sector than will be put out to tender, in the wind sector bids will only be submitted for a portion of the volume put out to tender. Even if the situation in the wind sector improves somewhat, it is to be expected that the tendered volume will not always be reached in future tenders.

Abroad

Since the general conditions in the international markets in which Energiekontor operates have changed only insignificantly compared to the explanations in the 2020 annual report, we refer here to the comments made there.



The Company

Business model of Energiekontor AG

Energiekontor AG specialises in the project planning and operation of wind and solar parks in Germany and abroad. As one of the pioneers in this field, the Company can draw on more than 30 years of experience and covers the entire value chain in the area of onshore wind farms and solar parks, from acquisition and project development to financing, construction and operational management.

At the time of publication of this report, the Energiekontor Group had planned and erected 636 wind turbines with a total output of around 996 MW in 127 wind farms in Germany, the UK and Portugal, as well as twelve ground-mounted PV systems of around 72 MW in Germany. The total investment volume of these projects amounts to almost € 1.8 billion.

In addition to selling turnkey projects, the Energiekontor Group operates a portfolio of Group-owned wind and solar farms as an independent electricity producer. As of 31 March 2021, just under 280 MW are operationally in the Group's own portfolio.

The Company is active in the country markets of Germany, Great Britain, Portugal, the USA and France.

In organisational terms, the Energiekontor Group is divided into three business divisions, according to which segment reporting is also carried out:

- a) Project planning and sales (wind, solar)
- b) Power generation in the Group's own wind and solar parks
- c) Operational development, innovation and other

Energiekontor AG	Project planning and sale (wind, solar)	Entire value chain from acquisition to commissioning and sale including repowering	
	Power generation in Group-owned wind and solar parks	Income from the sale of the electricity generated in the Group's own wind and solar parks	
	Operational management, innovation and others	Services after commissioning to optimise value chain through <ul style="list-style-type: none"> ▪ operational management ▪ increase in efficiency ▪ innovation 	

a) Project planning and sales (wind, solar)

The project planning and sales segment (wind, solar) comprises the project planning of onshore wind and solar parks, which are either taken over into the Company's own portfolio or sold to third parties. This business segment covers the entire value chain from acquisition, planning, financing and construction or repowering to the sale of the plants. The wind and solar parks are sold at home and abroad to institutional investors, private full buyers or local citizens. An independent project Company is founded for each wind / solar park.

The repowering of sites, i.e. the replacement of old turbines with new, more powerful ones, has been an important part of the Energiekontor Group's business activities for many years. From 2021 onwards, a very large number of wind farms in Germany will run out of their 20-year guaranteed remuneration every year. It is therefore foreseeable that repowering projects will become enormously important in the future.

b) Power generation in the Group's own wind and solar parks

This segment includes electricity generation in the Group's own wind and solar parks. The expansion of the portfolio of group-owned wind and solar parks is the core component for the organic growth of the Company. In addition, operating its own wind and solar parks allows Energiekontor to cover ongoing corporate costs, e.g. in the event of delays in project realisation, as well as increased independence from political framework conditions and interest and commodity price developments. Moreover, the plants in the Company's own portfolio create hidden reserves. If necessary, these assets could be sold and the financial resources tied up in them plus the hidden reserves could be released. Additional potential lies in the possibility of upgrading the Company's own wind farms, for example through repowering or efficiency-enhancing measures.

The Energiekontor Group acquired its first wind farm in 2002. Since then, the portfolio has been steadily expanded. This is currently being done mainly by taking over self-developed projects into the Company's own portfolio. Thus, about half of all projects developed by the Company each year are to be transferred to its own portfolio. In the past, economically interesting operational wind farms were also purchased. These were projects developed and sold by Energiekontor itself in earlier years as well as projects from other developers and operators. The total output of the wind and solar parks operated by Energiekontor in Germany, the UK and Portugal amounted to 279.4 MW at the end of the reporting period.



Own parks as of 31 March 2021:

Name of wind or solar park	Total power/ MW	Name of wind or solar park	Total power/ MW
Altlüdersdorf	13.5	Mafomedes (Energiekontor owns 97%)	4.2
Balje-Hörne	3.9	Marão	10.4
Beckum	1.3	Montemuro	10.4
Breitendeich	6.0	Penedo Ruivo	13.0
Briest	7.5	Wind farms in Portugal	38.0
Briest II	1.5		
Debstedt	3.0	Hyndburn	24.6
Engelrod	5.2	New Rides	9.0
Flögeln	9.0	Withernwick	18.5
Geldern	3.0	Withernwick II	8.4
Giersleben	11.3	Wind farms in Great Britain	60.5
Halde Nierchen I	5.0		
Halde Nierchen II	4.0	Garzau-Garzin	10.0
Hanstedt-Wriedel	16.5	Solar parks in Germany	10.0
Kajedeich	4.1		
Krempel	14.3		
Krempel II	6.5		
Kreuzau-Steinkaul	5.5		
Lengers	4.5		
Mauritz-Wegberg (Energiekontor owns 88.52 %)	7.5		
Niederzier-Steinstraß	8.3		
Nordleda (Energiekontor owns 51 %)	6.0		
Osterende	3.0		
Prenzlau	1.5		
Schwanewede	3.0		
Sievern	2.0		
Thüle	14.0		
Wind farms in Germany	170.9	Total	279.4

c) Operational development, innovation and other

All services aimed at optimising operational value creation after the commissioning of the wind and solar parks are combined in the Operational Development, Innovation and Other segment. This includes in particular the technical and commercial management of the parks, including the direct marketing of the electricity generated, as well as all measures to reduce costs, extend service life and increase yields in order to optimise the yields of wind and solar plants, e.g. through:

- Rotor blade extension and improvement of blade aerodynamics
- Updates in the system control or replacement of the old controls with new, modern controls

- More accurate wind tracking and increased generator output
- Reduction of failure rates through preventive maintenance
- Reduction of downtimes by converting all wind farms to permanent live data monitoring with automated fault clearance workflow
- Consistent reduction of the power generation costs for existing parks
- Conclusion of short-term PPA contracts for post-EEG wind farms

Irrespective of whether the projected plants are sold or taken over into the Company's own portfolio, Energiekontor generally provides the commercial and technical operational management and thus generates an ongoing cash flow for the Company.

In the commercial area, the core tasks include, in particular, forward-looking liquidity management, billing with the energy supplier, the service and maintenance companies and the lessors, and the long-term optimisation of profitability. This also includes communication with banks, insurance companies, tax advisors and investors. Furthermore, billing for feed-in management is carried out variably, either via the flat-rate or peak-load procedure.

In the technical area, in addition to monitoring the wind turbines and evaluating and assessing data, the tasks mainly include the coordination of repair and maintenance operations as well as the planning and implementation of preventive maintenance measures. This process can decisively extend the service life of the individual turbine and the overall project. At the same time, the costs for repairing the main components can be significantly reduced. The primary goal is to maximise the availability and yield of the plants and to guarantee safe operation over the entire service life. For this purpose, the plant data is monitored around the clock by means of live data and automated workflows. In addition, we guarantee the legally compliant operation of the parks by complying with all legal requirements and also assume operator responsibility.

Technical innovations, such as the rotor blade extension, are also part of the measures to optimise performance, yield and costs. This is a process patented by Energiekontor to increase the rotor diameter, which has been successfully tested and used in practice for several years. The installation is carried out on the hanging blade, i.e. without dismantling the blade. This can significantly minimise crane costs and downtime. In the last three years, the improvement measures at the Company's own wind farms have already had a positive impact on the operating result.

Goals and strategy

In the three decades since the Company was founded, the market for renewable energies has changed and developed continuously. In 1990, when the first electricity feed-in law was introduced, wind and solar farms were still virtually unknown and only hydropower made a modest contribution to the overall energy supply. It was not until the turn of the millennium that renewables very slowly began their ascent and slowly grew out of their small niche. Large electricity companies, which now play a very important role in the renewable energy sector, were initially extremely critical of the new technologies. Today, however, renewable energies have developed into a mature, established and recognised technology that contributes significantly to the energy supply in all industrial nations. In Germany alone, the share of renewable energies in total gross electricity generation is currently around 45 percent; and the trend is still rising. The higher the share of renewable energies in meeting demand, the more sustainable and environmentally friendly the entire energy supply becomes.

Energiekontor is a pioneer of sustainable and environmentally friendly energy supply.

Energiekontor's self-image: pioneer in renewable energies

Since its founding, Energiekontor has had a clear vision of the future: a world in which all energy needs are met 100 percent from renewable energy. The Company has placed this vision at the forefront of its mission

statement. It is the overriding guiding principle of Energiekontor's entrepreneurial activities and the strongest motivation for the employees in their efforts to get a little closer to this goal every day with creative ideas and joy in shared success.

Sustainable penetration of the energy market with 100 percent renewable energy will only be possible when the generation costs for electricity from renewable energies are lower than those from fossil and nuclear energy sources. In order to drive forward the expansion of renewable energies, Energiekontor is striving to play a pioneering role in the addressed markets and to be one of the first to realise wind and solar parks whose electricity generation costs are lower than those of the conventional energy industry. Once this is achieved, a large number of barriers will fall away. Social support in politics and society will also increase significantly when wind and solar energy are no longer dependent on public subsidies. The spread of renewable energies will thus receive a strong boost.

As a pioneer in the realisation of wind and solar parks at pure market prices, Energiekontor is not only making an important contribution to helping renewable energies achieve a breakthrough on the way to 100% full supply. At the same time, its pioneering role secures Energiekontor an edge over other competitors and thus a strong competitive position in the industry. The efficiency measures to reduce costs along the entire value chain, which have been prepared and developed for a long time, should provide Energiekontor with decisive competitive advantages in order to drive forward the expansion of renewable energies as an innovative pioneer and independent of state subsidies.

Sustainable growth on a solid foundation

Overall, Energiekontor AG's growth model is closely aligned with the Company's mission statement. By strengthening the regional approach and opening up new foreign markets, the organic growth of the Company is being consolidated in order to continue to actively accelerate the expansion of renewable energies, even in an intensified competitive environment. In doing so, the management relies heavily on the participation and development of the employees and creates the necessary organisational framework for this. The basis and foundation of the growth strategy is Energiekontor's financial stability, which is essentially based on the stable cash surpluses from electricity generation in the Group's own wind and solar parks and from commercial and technical management activities.

Strengthening the regional approach

Energiekontor has always attached importance to a regional approach. This allows close cooperation with the municipalities and regions as well as tailor-made regional approaches with high local acceptance. At the same time, this generates a competitive advantage in the respective region and accelerates project development. Organisationally, this approach is implemented with own teams on site and largely independent decision-making competences. This principle is to be further strengthened by expanding the number of regions in which Energiekontor has a local presence, both in Germany and abroad.

Opening up new foreign markets - Strengthening solar activities

A key element of Energiekontor's growth strategy is increased internationalisation through the successive expansion of the existing country portfolio (Germany, Great Britain, Portugal), as well as the expansion of solar activities in order to tap additional growth potential for the coming years. In addition to Germany, the solar sector will be expanded primarily in the USA and France, as these countries have much more favourable irradiation conditions and corresponding electricity production costs.

The focus in France and the USA is initially primarily on the solar sector. Only native speakers with regional roots are employed, a principle that also contributes significantly to success in all other markets.

The solar sector in the USA is managed from the office in Austin (Texas), while the office in Rapid City (South Dakota) is responsible for the wind sector.

In France, an office was opened in Toulouse for the development of solar activities and an office in Rouen for the development of wind activities. As solar projects can usually be projected faster, we expect the first success stories from the solar sector in France as well.

Innovation and efficiency measures

In recent years, Energiekontor has developed a range of measures to increase economic efficiency in the planning, construction and operation of wind and solar farms and to optimise processes along the entire value chain.

There are three thrusts here:

- Increasing the profitability of the projects planned by Energiekontor
- The increase in earnings from the wind and solar parks in the Group's own portfolio
- Accelerated solution finding in project development

These measures are closely interlinked with the deepening of the decentralised organisation and an employee-led project organisation.

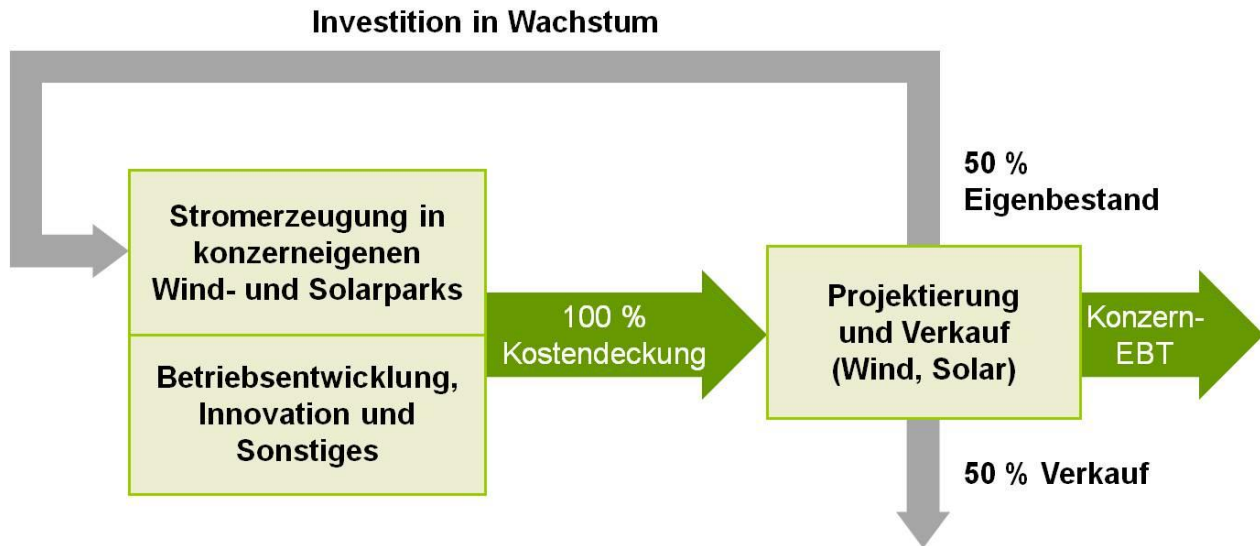
Design space and organisational decentralisation

Innovation and efficiency are not necessarily limited to technical innovations. For Energiekontor, increasing the Company's efficiency includes deepening the decentralised organisation. Thus, the management consciously relies on a strong decentralisation of work and decision-making processes with flat hierarchies in order to thus avoid unnecessary bureaucratisation and to ensure flexibility and quick decisions even as the number of employees grows. At the same time, the Company creates scope for creative and flexible solutions and motivates each individual employee to act on his or her own responsibility.

Own savings portfolio as a reliable growth generator

The engine and core element of the growth model is the expansion of electricity generation from the group's own wind and solar parks. The sale of the electricity generated in the wind and solar parks generates continuous income. Another guarantee for continuous income is the assumption of operational management of the completed and running parks by specialised teams of the Energiekontor Group. This applies both to the wind and solar parks in the Company's own portfolio and to the turnkey plants sold to energy suppliers, strategic investors or financial investors. By taking over operational management, the vast majority of buyers remain associated with Energiekontor AG as customers, thus securing the Company ongoing income from the wind and solar farms even beyond the completion date.

Growth model of Energiekontor AG



Together with the steady income from the operation of own and third-party parks, the income from electricity sales ensures financial stability and forms the basis for the Company's sustainable growth. With the cash surpluses generated, Energiekontor essentially covers the costs of project development, including group-wide personnel and overhead costs. The income from the sale of the self-developed wind and solar parks generates the annual result and is used to pay taxes and dividends as well as to form liquidity reserves.

Electricity generation in the Group's own wind farms is to be expanded by:

- Takeover of self-developed and constructed projects
- Repowering of the own portfolio
- Optimisation and efficiency increase

About half of the self-developed projects are to be taken over into the Company's own portfolio, the other half is earmarked for distribution. The management reserves the right to adjust this ratio depending on the business situation.

Different growth dynamics

Corporate growth is taking place in different ways in the individual segments. In the project development segment, Energiekontor is driving growth by strengthening its site acquisition and regional approach and expanding into new markets. In contrast, the electricity generation segment is growing in the Group's own wind and solar farms by taking over projects from project development into its own portfolio. The more wind farms are transferred to the Company's own portfolio, the stronger the cash surpluses from electricity sales and operational management activities increase. This in turn makes more funds available for project development in order to accelerate growth. Further growth is thus essentially determined by the further expansion of the own park portfolio and the increase in cash surpluses from the operation of own wind parks and operational management. This organic growth process will be reinforced by accompanying innovation and efficiency measures, which will lead to further increases in earnings and further increase the cash surplus from electricity generation in the Group's own wind farms and solar parks.

A positive side effect of this growth strategy is that it reduces the dependence on project sales and income from project sales. Even if no income could be generated from project sales, the liquidity of the group as

well as the financing of project development (including group-wide personnel and overhead costs) is ensured by the cash surpluses generated from electricity generation in the group's own wind and solar parks and operational management. The risk of financial difficulties is thus minimised as far as possible. In this respect, the Energiekontor growth model also differs from the business models of many competitors in the industry who do not have a comparable portfolio of their own wind and solar parks.

Economic objective

With this growth strategy, Energiekontor plans to sustainably increase EBT from project development to at least € 30 million p.a. by 2023. This already takes into account that in each year around half of the projects realised are to be taken over into the Company's own portfolio, whereby the construction profits of these own portfolio parks are eliminated within the scope of the group consolidation and therefore do not affect the group profit.

The expansion of the portfolio of the Group's own wind and solar parks is intended to establish Energiekontor as a medium-sized regenerative electricity producer and ensure a high degree of independence from general market developments. It is planned to further expand the own portfolio and to sustainably generate an EBT of at least € 25-30 million p. a. with the income from the own portfolio and the development of operations.

The expansion of the own park portfolio is to be achieved through own project development, the repowering of existing parks and, if necessary, the purchase of third-party parks. The financing of these new investments is planned through project financing loans, project-related bonds, own contributions and current liquidity surpluses from the operation of the own park portfolio.

Overall, the EBT generated by the Group is to be increased to at least € 55-60 million p.a. by 2023.

In recent years, Energiekontor has created the conditions for a stable and sustainable growth course and is ideally equipped for the challenges of the future in a competitive market environment.

Business performance

Project planning and sales (wind, solar)

Overall, Energiekontor is very satisfied with the start to the current financial year. Restrictions on business activity due to the Corona pandemic have only occurred to a minor extent. The concept of mobile working, which has been pursued since March 2020, has proven its worth. After more than a year of experience with the "new" working world, the advantages of a high-quality IT infrastructure that makes it possible to work anywhere are becoming increasingly apparent.

In Germany and Scotland, twelve wind farms with a total capacity of 237 MW were under construction at the time of publication of this report. In addition, one solar park with a capacity of 9 MW. In the second half of the year, as announced, a number of large solar projects will go into construction. These solar projects, which are based on PPAs, have a total volume of approximately 180 MW and will be commissioned in 2022.

On 2 March 2021, the British investment company Capital Dynamics acquired the Longhill onshore wind project from Energiekontor AG. The Longhill wind farm project will consist of eight Siemens-Gamesa wind turbines with a capacity of 6.25 MW each, making a total of 50 MW. The project in Scotland, once commissioned, is expected to be one of the largest subsidy-free onshore wind projects in the UK.

The special feature of this project, as well as the Sorbie wind farm project (also in Scotland, 12, 6 MW) sold in April 2021, is the transaction structure, which makes it possible to realise a significant part of the margin even before commissioning.

We were successful in the tenders of the Federal Network Agency this year in both the wind and solar sectors. On the one hand, we were awarded contracts for two wind farms in Lower Saxony with a total of 11.4 MW, and on the other hand for a solar farm in Brandenburg with 18.3 MW.

We were able to announce another important success on 10 February: We again concluded a long-term PPA (power purchase agreement) with the electricity supplier EnBW for a solar park planned by Energiekontor. The solar park planned in the municipality of Dettmannsdorf in Mecklenburg-Western Pomerania is to produce around 55.5 gigawatt hours of electricity per year with an installed capacity of approximately 52.3 megawatts.

In the USA, Energiekontor is still in the process of selling project rights to investors for two solar projects it has been working on, in order to gain initial experience in this market and generate first earnings.

The project pipelines at home and abroad are being continuously expanded. Especially due to the expansion of the projects in Scotland, which are in various stages of development, but also in the USA and France, the foreign markets will become increasingly important in the medium term. For a detailed presentation of the project pipeline, please refer to the 2020 Annual Report.

Power generation in the Group's own wind farms

The total output of the Group's own portfolio is just under 280 MW.

Wind yields in the first quarter were almost on target overall. While a shortfall of about 6% was recorded in Germany, wind yields in Great Britain were 3% above the long-term average and in Portugal about 2%.

Due to the still low own capacities in the solar sector, the below-average solar irradiation had no significant effect on earnings in the reporting period.

Operational development, innovation and other

The management fee is largely dependent on the energy generated in the managed wind and solar parks. In the first quarter of 2021, this developed largely according to plan.

Outlook

The forecast for the current financial year is based on the growth plans of Energiekontor AG on the basis of a solid business model and against the background of the different systems for the remuneration of regeneratively generated electricity.

Under the premise of supplying 100 percent of energy needs with renewable energies, Energiekontor has set itself the goal of realising the first wind and solar parks whose electricity production costs are below those of the conventional energy industry, in order to help renewable energies as a whole achieve greater market penetration. Thus, the Company's various departments have been preparing for this for years with diverse efficiency measures along the entire value chain. At the same time, these cost-cutting measures represent a competitive advantage and help the Company to position itself well within the industry in a tightening market environment with increased cost pressure.

In addition to participating in future German tenders in the wind and solar sectors, Energiekontor is concentrating primarily on concluding power purchase agreements with large industrial partners (PPAs). The Company has already been able to successfully gain experience with these PPAs in the UK for many years and gain trust among industrial partners.

In addition, the focus for the development of further projects is now on Scotland, where large-scale wind farms are to be realised economically without subsidies due to excellent wind conditions. Currently, planning permission has been granted for nine major projects in Scotland; further approvals are expected in the course of the year.

For the individual segments, the expectations for 2021 can be summarised as follows:

In the "Project Planning and Sales (Wind, Solar)" segment, segment EBT is expected to be above the previous year's level.

In the segment "electricity generation in the Group's own wind and solar parks", assuming an almost normal wind year, a comparable segment EBT is expected compared to the previous year, as on the one hand the guaranteed 20-year remuneration under the EEG has expired for some older wind parks, which results in a reduction in earnings, and on the other hand the Group's own portfolio is to be replenished as planned in the current financial year through the acquisition of several projects currently under construction. The resulting effects should largely offset or more than compensate for the reductions in income from the old parks.

In the "Operational Development, Innovation and Other" segment, revenue and EBT are currently expected to be at the previous year's level. This is due to further efficiency measures, which should compensate for the negative revenue effect from the portfolio described above.

An availability of 98 per cent is expected for the Company's own parks.

Personnel costs are expected to increase slightly in 2021 due to the expansion of the workforce, especially at the newer locations.

Overall, the Executive Board expects earnings growth of 10-20 per cent compared to the previous year. From today's perspective, further growth and continuous increases in earnings are also expected for 2022 onwards.

Supplementary report

On 15 April 2021, the sale of the Sorbie wind farm project was announced. Less than a week later, on 21 April 2021, Energiekontor announced the sale of the Theilenhofen solar park.

No other events of particular significance occurred after the end of the interim reporting period.

Other

Risk management

The statements described in the opportunities and risks report of the 2020 annual financial report continue to apply with regard to current developments. The annual financial report and other financial reports of Energiekontor AG are published on the Company's website www.energiekontor.de under "Investor Relations - Financial Reports".

Corporate Governance Statement

The declaration on corporate governance in accordance with the German Accounting Law Modernisation Act (BilMoG) can also be found on the website www.energiekontor.de under the heading "Investor Relations/Corporate Governance".

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Note on pro forma key figures (EBIT, EBITDA, cash flow)

The earnings figures EBIT and EBITDA as well as the cash flow figure used in this report are examples of so-called pro forma figures. Pro forma figures are not part of the national accounting regulations, the German Commercial Code (HGB) or the international accounting regulations according to the International Financial Reporting Standards (IFRS). Since other companies, in the absence of legal definitions of these terms, may not calculate the pro forma figures presented by the Energiekontor Group in the same way, the pro forma disclosures of the Energiekontor Group are only comparable with disclosures of other companies named in this way or in a similar way to a limited extent. The pro forma figures stated in this interim report should therefore not be viewed in isolation as an alternative to the Energiekontor Group's operating result, net income, consolidated net income or other reported key figures.

Disclaimer

This report contains forward-looking statements. These are statements that are not historical facts, including statements about the expectations and beliefs of the management of Energiekontor AG. These statements are based on current plans, estimates and forecasts of the Company's management. Investors should not place unqualified reliance on these statements. Forward-looking statements are made in the context of the time and environment in which they were made. The Company undertakes no obligation to update any forward-looking statements contained in this report as a result of new information or future events. This does not affect the Company's obligation to comply with its statutory information and reporting obligations. Forward-looking statements always involve risks and uncertainties. A variety of factors may cause actual and future events to differ materially from the forward-looking statements contained in the report.



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