



GBC Research Initial Coverage

PFISTERER Holding SE

PFISTERER

IMPORTANT NOTE:

Please note the disclaimer/risk warning and the disclosure of potential conflicts of interest in accordance with Section 85 WpHG and Art. 20 MAR from page 38

Note in accordance with MiFID II regulation for "minor non-monetary benefit" research: This research fulfils the requirements for classification as a "minor non-monetary benefit". Further information on this can be found in the disclosure under "I. Research under MiFID II"

PFISTERER Holding SE^{*5a,11}

Attractive triad of dynamic business development, high profit margins and strong market growth

Industry: technology
Focus: products for power grids
Foundation: 1921

Employees: 1,259 (31/03/2025)
Headquarters: Winterbach
Management Board: Johannes Linden, Dr Konstantin Kurfiss

PFISTERER is a globally-leading and independent technology company headquartered in Winterbach near Stuttgart. The company develops, produces and sells solutions for insulating and connecting electrical conductors for the interfaces in power grids - from the generation and transmission to the distribution of electrical energy - on land, at sea and in the air. With its innovative strength, state-of-the-art production and worldwide distribution network, PFISTERER offers advanced solutions to the challenges of electrification. Since its foundation in 1921, PFISTERER has established itself internationally as a pioneer in modern energy infrastructure and employs more than 1,200 people. PFISTERER Holding SE is represented worldwide with 17 operating locations in 15 countries.

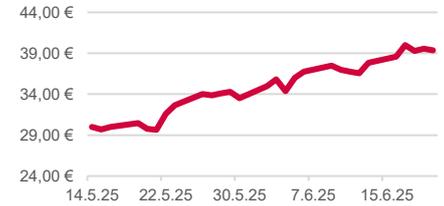
in € million	FY 23	FY 24	FY 25e	FY 26e	FY 27e	FY 28e
Sales	334.14	383.12	427.37	478.23	540.01	604.45
EBITDA	51.89	60.15	72.37	91.02	105.65	118.32
EBIT	41.60	47.95	60.20	69.92	83.16	94.58
EAT	25.23	32.18	43.03	50.67	60.96	69.79
Earnings per share	1.73	2.21	2.38	2.80	3.37	3.86
Dividend per share	0.00	0.80	0.71	0.84	1.01	1.16
EV/sales	2.33	2.03	1.82	1.63	1.44	1.29
EV/EBITDA	15.00	12.94	10.75	8.55	7.36	6.58
EV/EBIT	18.71	16.22	12.92	11.13	9.36	8.23
KGV	28.23	22.12	16.55	14.05	11.68	10.20
KBV	16.22	8.51				

Investment Case

- The world's only independent supplier of connection and insulation technology for electrical networks covering all voltage levels and network connections. The products are compatible with all cable manufacturers, enabling customers to benefit from a high degree of flexibility and reduced spare parts inventory.
- The company has long-standing relationships and development partnerships with its customers, who are generally risk-averse (network operators, distributors, plant manufacturers, cable manufacturers, etc.).
- There is a high level of development expertise based on metal and silicone. High-voltage development laboratories and testing capacities are associated with high barriers to entry.
- Production at five locations in Europe and the USA ensures customer proximity and enables a high degree of production flexibility.
- PFISTERER's market environment is characterised by increasing demand. This is offset by an ageing infrastructure that is also undergoing a transformation process. Market growth is expected to reach 11.6% (CAGR until 2030).
- A successful IPO secures part of the financing for the €215 million CAPEX programme. The funds will be used to finance the expansion of production and product development in the high-growth high-voltage (HVDC) segment.
- A fair price of €48.00 was determined. Rating: BUY

Rating: BUY
Target price: 48.00 EUR

Share and master data



Closing price 04/06/25)	39.35 EUR
Stock exchange	XETRA
ISIN	DE000PFSE212
WKN	PFS21
Number of shares (in m)	18.10
MCap (in EUR m)	712.05
Enterprise value (in EUR)	778.06

Transparency	Regulated unofficial market
Market segment	Scale
End of FY	31.12
Accounting	IFRS

Shareholder structure

Free Float	38.5%
Founder family / Supervisory Board / Executive	61.5%

Financial dates

August 2025	Half-Year-Report 2025
November 2025	Q3-figures 2025
24.-25.11.25	Eigenkapitalforum

Analysts

Cosmin Filker (filker@gbc-ag.de)
Marcel Goldmann (goldmann@gbc-ag.de)

Last GBC Research

Date: Publication / Target price in EUR / Rating

** The research studies listed above can be viewed

Completion: 23.06.2025 (09:13 am)
First publication: 24.06.2025 (10:00 am)

Validity of the price target: until max. 31.12.2025

* Catalogue of possible conflicts of interest on p38



EXECUTIVE SUMMARY

- PFISTERER Holding SE (PFISTERER) reported on 14 May 2025 that it had successfully listed on the Scale segment of the Frankfurt Stock Exchange. A total of 6.97 million shares were placed: 3.5 million shares came from a capital increase, with the remaining shares coming from the reallocation of existing shareholders. At an offer price of €27.00, PFISTERER will receive cash proceeds of approximately €95 million (GBC estimate, net: €85.90 million). Among other things, the IPO proceeds will be used to finance the company's CAPEX programme in order to expand existing production capacities and address growth markets with newly developed products.
- Their successful IPO means that the world's only independent supplier of connection and insulation technology for electrical grids, covering all voltage levels and grid connections, is now represented on the capital market. Founded in 1921, PFISTERER offers products developed in-house for the areas of "generation", "transmission" and "distribution" based on the two materials silicone and metal. The company has a range of products in its portfolio for every interface in the electricity grid, which are essential components of the transmission and distribution networks. Customers include grid operators, cable manufacturers, general contractors, etc. As PFISTERER covers the entire voltage spectrum with its products, there is a high barrier to market entry, which is also secured by long-standing customer relationships and development partnerships.
- With its product range, PFISTERER is part of a market that is characterised by increasing demand for electricity (economic growth, electromobility, AI, etc.) on the one hand, and a partially outdated energy infrastructure on the other. In addition, the infrastructure is in a transformation phase (decentralisation, HVDC), which is accompanied by a high investment requirement overall. According to a study by Roland Berger, the market addressable by PFISTERER is expected to grow by an average of 11.6% in the coming years.
- With its growth strategy, the company aims to participate disproportionately in market growth. On the one hand, growth in the core business is to be realised by gaining market share. On the other hand, global presence is to be expanded. Finally, new products are to be developed. The focus here is on the HVDC sector and a general expansion of products in the high-margin high and extra-high voltage range (over 250 kV). To this end, PFISTERER has launched a CAPEX programme of € 215 million, which will be financed by the cash inflow from the IPO on the one hand and the expected positive cash flows on the other.
- This is intended to continue the growth trajectory already embarked upon in previous financial years. In 2024, sales growth amounted to 14.7% (€ 383.12 million) and the EBITDA margin improved to 15.7%, which corresponds to EBITDA of € 60.15 million. According to our estimates, which cover the period up to 2030, sales should increase to € 717.02 million (2030) and EBITDA to € 141.91 million, which would then correspond to an EBITDA margin of 19.8%.
- As part of our DCF valuation model, we have determined a target price of €48.00 per share, which corresponds to a fair market capitalisation of €868.52 million. Based on the current share price, this represents upside potential of 22.0%. We are initiating coverage of PFISTERER Holding SE with a BUY rating.

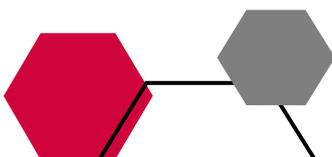
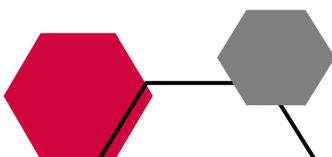


TABLE OF CONTENTS

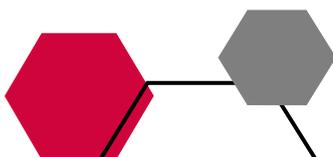
Executive summary	3
The company.....	5
Company history	5
Management Board of PFISTERER	6
Business activities.....	7
Product examples	9
USP	10
Footprint and production sites of PFISTER SE	12
Market and market environment.....	14
Development of global energy requirements (demand)	14
Development of energy generation (offer).....	16
Development of network infrastructure	18
Historical Development.....	22
Historical sales development	22
Sales development 2023 and 2024.....	23
Earnings development 2023 and 2024	24
Development q1 2025.....	25
Balance sheet development and cash flow	26
Swot analysis	28
Forecasts and modelling assumptions	29
Growth strategy as a basis for forecasting.....	29
Sales forecasts 2025 to 2030	31
Earnings forecasts 2025 to 2030	32
Valuation.....	34
Model assumptions	34
Determination of capital costs	34
Valuation result	34
DCF model.....	35
Figures at a glance.....	36
Annex	37



THE COMPANY

Company history

Year	Event
1921	Karl Pfisterer founds the "Karl Pfisterer Fabrik elektrischer Spezialartikel" in Stuttgart-Untertürkheim. Even back then, the products included solutions and interfaces for power transmission
1946	Reconstruction of the plant after its destruction in an air raid during the Second World War.. In the 1950s, the plant is expanded and the Gussenstadt plant is built.
1962	At the new plant in Winterbach near Stuttgart, PFISTERER enters the high-volume processing of plastics.
1971	Karl-Heinz Pfisterer, grandson of the company founder and current majority shareholder, joins the company.
1975	Introduction of the CONNEX connection system. It enables the simple connection of cables, transformers and switchgear in the sense of "plug and play".
1982	Foundation of PFISTERER Holding
1985	PFISTERER develops new overhead line insulators based on silicone. Compared to the insulator material porcelain, silicone is lighter and more robust and is now used worldwide.
1992	Reorganisation of the plant in Gussenstadt, making production significantly more efficient.
1997	The PLUG product system, a pluggable connection system for high-current applications, is introduced.
2000	The CONNEX portfolio is expanded to include pluggable bushings for high-voltage systems.
2001	Relocation of the company headquarters to Winterbach.
2003	SICON screw connector is inserted. The stepless shear bolt enables quick, user-friendly and secure installation.
2015	New production site opens in Kadaň. The focus at this production site is on silicone processing.
2016	Development of voltage testers for HV/DC applications.
2018	Development of the FrontCon connector, which receives the Golden Amper Award. This allows single-wire insulated cables to be easily connected to each other and reduces assembly times by 80 %.
2020	Foundation of a new company for sales, assembly and training in Dubai.
2021	To mark its 100th anniversary, the company focuses on its core competencies in the areas of components and systems for high-voltage overhead lines and underground cable networks made of silicone and metal.
2023	Change of legal form to European Company SE.
2023	New locations are being established in the USA and Asia
2024	Innovation cycle is shortened by the construction of a new high-voltage test laboratory.
2024	New production facility opens in Rochester, USA.
2025	Successful stock market debut in the Scale segment of the Frankfurt Stock Exchange. The gross proceeds from the issue, amounting to approximately €95 million, will be used to finance further growth of the company.



Management Board of PFISTERER

Johannes Linden



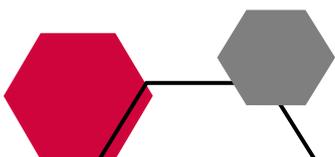
Johannes Linden, born in 1969, is a graduate engineer from RWTH Aachen University and an industrial engineer from the University of Hagen. Johannes Linden has been a member of the PFISTERER Executive Board since 2023 and is responsible for Operations and Finance.

Over the past 20 years, Johannes Linden has been the sole and group managing director of large, medium-sized, internationally-active solution providers in the automation and mechanical engineering industry. From 2017 to 2021, he was Managing Director (CEO) of PIA Automation Holding GmbH, a medium-sized company for automated manufacturing processes. During this time, he was also Managing Director and Deputy Managing Director of companies in the PIA Group. Johannes Linden has been appointed Co-CEO of PFISTERER until December 2028.

Dr Konstantin Kurfiss



Dr Konstantin Kurfiss, born in 1964, holds a degree in agricultural engineering and a doctorate from the University of Hohenheim. He has more than 20 years of experience in energy transmission and distribution technology as a board member, managing director and vice president for technology, sales and production at international manufacturers of cables, cable accessories and overhead line systems. Between 2013 and 2019, he was Managing Director at NKT GmbH. He joined PFISTERER as a member of the Executive Board in 2020. He has also been appointed Co-CEO until December 2028 and is responsible for sales and technology.



Business activities

As with the flow of electricity, value creation in the electricity market essentially comprises the areas of "generation", "transmission" and "distribution". The energy generated, whether conventional (nuclear energy, coal, etc.) or renewable, must be transported via the electricity grid and then distributed to the end consumer via medium-voltage or low-voltage grids. PFISTERER offers solutions for insulating and connecting electrical conductors for the interfaces in power grids for the entire spectrum of this power generation value chain. The company's products cover all voltage levels and grid interfaces. Their independence from cable manufacturers, which ensures a high level of compatibility of PFISTERER products, is particularly noteworthy. This gives the company's customers a high degree of flexibility in the selection of cables, while at the same time benefiting from a significantly reduced stock of spare parts.

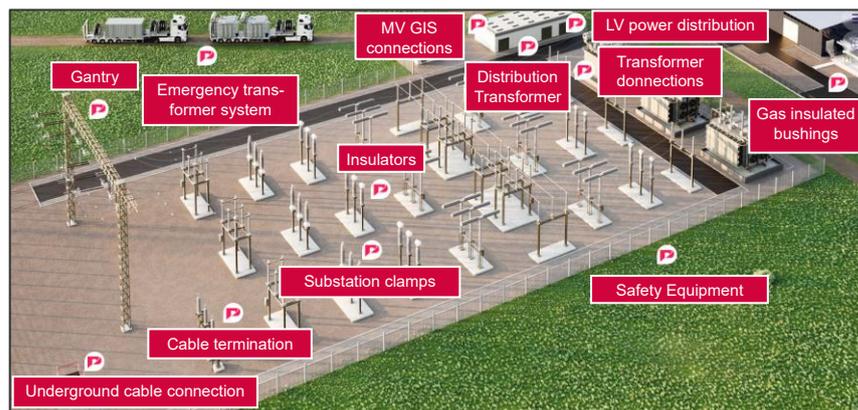
- Offshore wind
- Overhead lines
- Rail & mobility
- Onshore wind
- Underground cable
- Energy distribution
- Solar
- Substations
- Conventional
- Test fields
- Nuclear power
- Safety equipment



Sources: Pfisterer SE; GBC AG

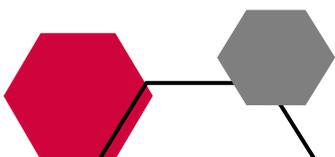
The company offers a range of products for every interface. According to its own information, around 15 different PFISTERER products are used in a substation, some of them in multiple quantities. This illustrates the wide range of possible applications and the critical importance of the products for success, coupled with low price elasticity.

Transformer station with product examples



Sources: PFISTERER; GBC AG

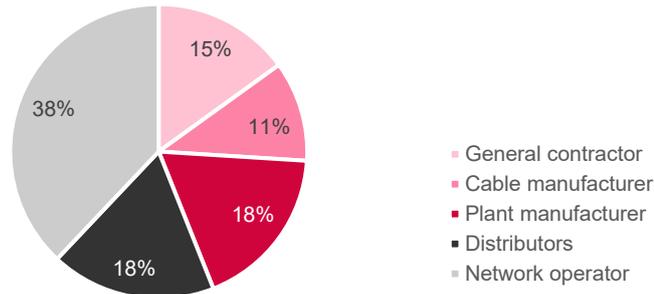
The company's products are key components of the transmission and distribution grids, meaning that the respective grid operators are to be regarded as PFISTERER's end customers. Around 38% of revenue, and thus the largest share of revenue, is generated directly with network operators, DSOs and TSOs. These include TenneT, RWE, E.ON, Amprion, etc. Around 15% of sales are generated with general contractors who are responsible for the construction of the electricity grids. These general contractors ultimately build the infrastructure for the grid operators,



meaning that the distribution and transmission grid operators are also indirectly addressed via this customer segment. The same applies to other customer groups such as distributors, cable manufacturers and plant constructors.

In principle, there is a very heterogeneous concentration of customers, with the largest PFISTERER customer accounting for only 4.8% of sales. In some cases, these are long-standing relationships with customers who can be categorised as risk-averse and whose focus is on the reliability, safety and durability of the products.

Breakdown of sales by customer group (in %)



Sources: PFISTERER; GBC AG

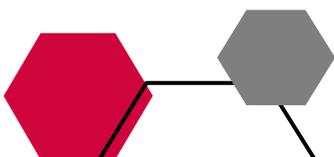
Some of their long-standing customer relationships are strengthened by development partnerships that have been in place for years. A good example of this is the partnership with TenneT, one of the four German transmission system operators. As part of this partnership, PFISTERER supplied 200 pluggable CONNEX connectors for the high-voltage grid connection of the DoIWin kappa converter platform. As a partner of TenneT, PFISTERER supports TenneT's offshore platform programme and develops, manufactures and supplies mission-critical high-voltage transmission solutions.

PFISTERER was also commissioned by TenneT to develop a universal repair joint for submarine cables.



The initial situation: TenneT uses submarine cables from various cable manufacturers to connect the offshore wind farms to the mainland. Various spare cables, repair sleeves and other spare parts must be kept in stock to be able to repair any faults or damage. In view of TenneT's complex warehousing requirements, PFISTERER was commissioned to develop a universal repair joint that is independent of the cable, material or conductor cross-section and enables faults to be rectified quickly.

The solution: PFISTERER presented a universal joint based on the CONNEX product family that enables quick repairs for completely different cables and materials, regardless of the cross-section. The joint covers the extra-high voltage range up to 245 kV. According to the company, this allows TenneT to reduce its stock levels by around 90 per cent.



Product examples

Since its foundation in 1921, PFISTERER has built up extensive expertise in dealing with the two materials metal and silicone. Particularly since 1962, when PFISTERER was the first company to use silicone as an insulating medium, basic research has been carried out into this material. Silicone is now used in many areas of application in electrical engineering.

In-house development laboratories and cooperation with research centres and industrial partners enable a constant flow of new developments and market launches. The following is a brief, non-exhaustive overview of the company's most important product families.

CONNEX



The CONNEX connection system, introduced in 1975 and continuously developed since then, is a pluggable connection for cables and stands for simplified installation and maintenance. The system consists of a large number of products, is freely configurable and can be used for a wide voltage range. Thanks to the plug-in technology and the possibility of pre-assembly, the overall installation time is reduced. Thanks to this and the fact that the system is touch-proof, maintenance-free and submersible, CONNEX connections can also be used in difficult environments (submarine cables, etc.).

SICON screw connector



Launched in 2003, the SICON product group is a screw connector with a wide range of applications. It is used for joints and terminations as well as for connecting all conductors (e.g. cables in the low-voltage range). A unique feature of this product family is the patented shear bolt, which achieves optimum contact pressure without the risk of wire damage or sharp edges. As soon as the optimum contact pressure is reached, the screw head breaks off automatically and continuously. This greatly simplifies installation, provides a consistent connection for all materials and ensures long-term electrical reliability.

FrontCon

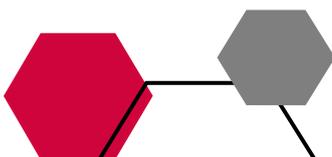


Cables with single-wire insulated conductors enable higher performance with the same cable diameter and are therefore increasingly being used for energy transmission. However, connecting such individually-insulated cable harnesses is very time-consuming, as each individual strand has to be stripped. The FrontCon product family, which was launched in 2018 and has since been expanded, considerably simplifies the connection process with a direct contact system and significantly reduces the assembly time. As there is no need to strip the individual wires, the time saving is up to 80%, according to the company. This means that the time required is comparable to that of standard connections.

ISICOMPACT



The ISICOMPACT product family is a branch terminal for the low-voltage range with a patented single-screw connection. Thanks to the extensive safety features (protection against accidental contact, no stripping required) of the ISICOMPACT, installation can be carried out without disconnecting the power supply. This branch terminal is also equipped with their patented screw connection, which ensures simple and error-free installation.



USP

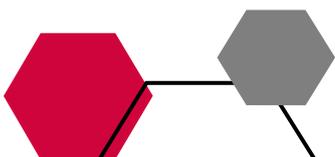
PFISTERER boasts of being the only independent supplier of connection and insulation solutions for electrical grids in the world that covers all voltage levels and all grid connections on the product side. As demonstrated in this study using the example of the TenneT cooperation, the broad compatibility of the products offers PFISTERER's customers a high degree of flexibility, combined with potential savings in the stocking of spare parts.

PFISTERER has demonstrated its high level of innovation with the continuous development of new product families and the expansion of existing product families based on two materials: metal and silicone. Internal product developments, collaborations with leading universities and research centres as well as the aforementioned partnerships with industrial companies contribute significantly to the high speed of innovation.

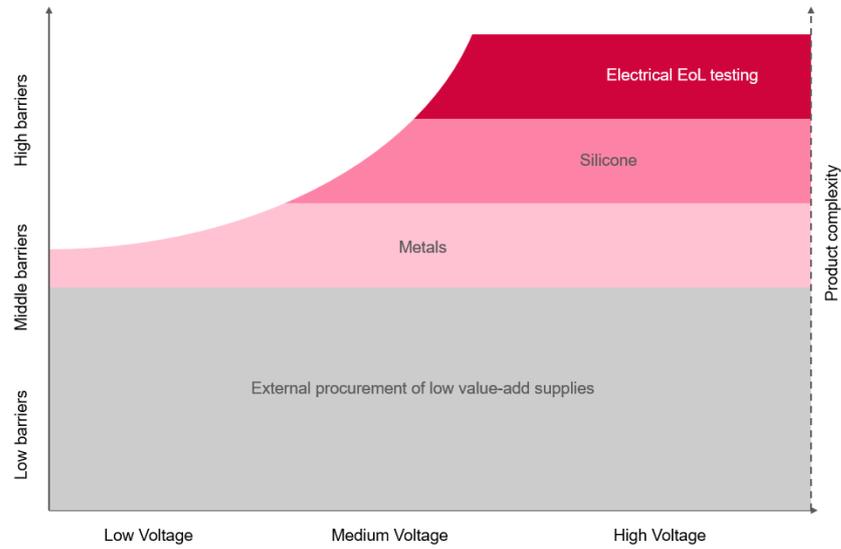
One important aspect of this is the company's own high-voltage development laboratories, which take into account the increasing complexity of higher voltages. Higher voltage levels go hand in hand with higher demands on development, production and testing expertise. PFISTERER has built up specialised know-how in all areas, which is supported by established processes.

Range	PFISTERER USP
Development	<ul style="list-style-type: none"> - Extensive track record in the continuous improvement of material properties (including silicone) - In-house prototype development speeds up processes and market entry. Prototypes are subjected to rigorous laboratory and field tests. - Components for seamless integration at all voltage levels are developed in-house. - Product properties are validated to ensure operational stability under extreme conditions.
Production	<ul style="list-style-type: none"> - High material requirements in terms of durability and efficiency are guaranteed by in-house, self-developed manufacturing processes. - Improvements in the production processes go hand in hand with cost benefits and an improvement in marketing time. - The degree of automation has been continuously increased. Production processes have a modular structure, enabling a fast and reliable production set-up. - Complexity has been reduced during on-site installations thanks to customised or pre-installed products. - Efficient supply chain management ensures seamless production
Testing	<ul style="list-style-type: none"> - PFISTERER operates its own test centres for all voltage ranges. Customised tests under extreme conditions are therefore possible. Above a certain voltage level, end-of-line tests are mandatory for every product before delivery. - Supplier and material inspections are carried out on the basis of strict quality standards in order to avoid defects in production. - Standard industry requirements are exceeded through the integration of network simulations and live performance tests on site. - Cable solutions are pre-tested, thus avoiding installation errors and gaining competitive advantages over generalists and specialists.

With the expertise it has acquired and the USP presented here, PFISTERER has a high barrier to market entry. According to the company, the variety of products on offer and the high product complexity of individual products, as well as the production, material and testing expertise, go hand in hand with a time advantage of 10 to 15 years.

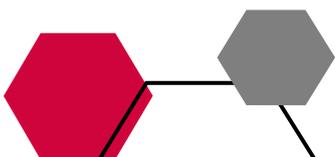


Market entry will increase with rising voltages and product complexity.



Sources: PFISTERER; GBC AG

As the chart above illustrates, the barrier to market entry increases with the processing expertise of different materials, product complexity and the level of tension. With its in-house processing expertise, PFISTERER has established a leading position in a protected market.



Footprint and production sites of PFISTER SE

Global footprint



Sources: PFISTERER; GBC AG

The division of production at the five sites in Germany, the Czech Republic and the USA is accompanied by cost benefits, ensures rapid delivery capability and enables a high degree of production flexibility. As the same processes are implemented at all production sites, they can support each other without barriers. A good example of leveraging cost advantages is the establishment of the production site in Kadaň in the Czech Republic, which covers a similar product range to the site in Winterbach with the same processes and simultaneously leverages cost advantages due to the low cost level. The production site in Rochester (USA), which will open in 2024, ensures regional proximity to the rapidly growing US market and makes PFISTERER independent of possible customs or import restrictions.

Winterbach site (head office)



IT and supply chain management

Production area: 2,424 square metres

Core expertise: silicone processing, innovation and development of prototypes in the silicone sector

Applications: MVA, HVA, HVD

Objectives: establishment of HVDC production and expansion of HV laboratories; expansion of office space for further growth in R&D,

Location Gussenstadt



Production area: 8,035 square metres

Core competence: metal processing, development of prototypes in the metal sector

Applications: COM

Goals: further expansion of metal expertise and processing; expansion of production area

Location Selb



Production area: 600 square metres, another 660 square metres as test area

Core expertise: testing and production of components for HV, test system of up to 1,000,000 volt

Applications: HVA, HVD

Goals: expansion of further testing and assembly capacities

Location Rochester



Production area: 7,160 square metres

Core expertise: customer training, offshore HVA, metal production, silicone processing

Applications: COM, HVA

Goals: strong expansion of production and start of OHL production

Location Kadaň



Production area: 10,395 square metres (space for expansion of 50,000 square metres)

Core expertise: silicone processing for OHL and cable accessories for HVA and MVA, end-of-line testing

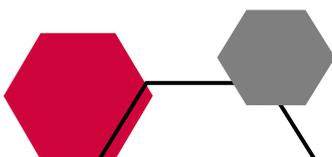
Applications: OHL, HVA, MVA

Goals: doubling of floor space planned, new HV laboratories for R&D in planning, further expansion of production for HVA and MVA

Sources: PFISTERER; HVA=High Voltage Cable Accessories, MVA=Medium Voltage Cable Accessories, OHL=Overhead Lines, COM=Components, HVD=High Voltage Direct Cable Accessories

Until September 2024, PFISTERER had an additional production site in Wunsiedel, which was destroyed by a major fire. After the fire, production of silicone insulators from Wunsiedel was permanently relocated to the Kadaň site, where appropriate capacities and qualified specialist staff is available. The sales, technology and administration departments (approximately 20 employees) remain at the Wunsiedel site.

The company has considerable space reserves at all locations to support the planned expansion. There are concrete expansion plans in Winterbach, Gussenstadt and Kadaň. In Winterbach, for example, a new test laboratory is to be built in a 32 metre high test hall. After the planned start of construction in 2025, the hall is scheduled to go into operation in 2026. The total investment volume currently stands at around 25 million euros. The new test hall will primarily serve to fulfil the legal requirements for testing new HVDC products and thus cover higher voltages (> 1,000,000 volts). Due to the expansion opportunities at the existing sites, the company's planning does not envisage any new production sites.



MARKET AND MARKET ENVIRONMENT

PFISTERER addresses the key aspects of the electricity market with the product portfolio for energy generation, transmission and distribution described in the previous section. In the following market analysis, we therefore undertake a comprehensive overall market analysis in which we present the overarching trends in electricity demand, the current transformation of the electricity supply and the resulting implications for the electricity grid.

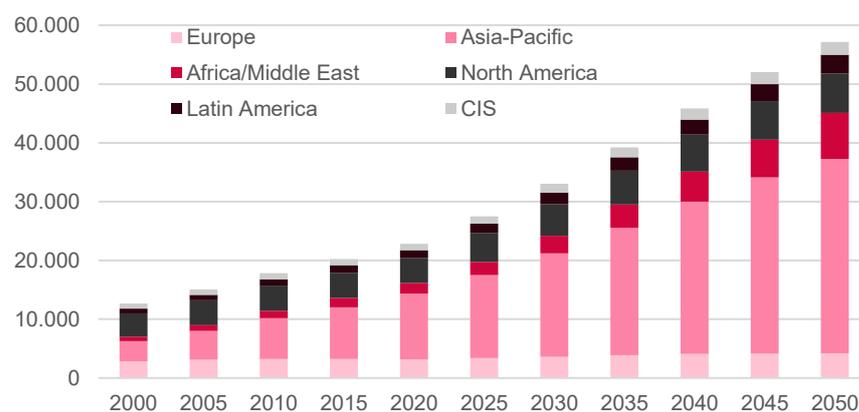
Development of global energy requirements (demand)

Global demand for electricity, which is forecast to grow strongly in the coming years, depends on the development of the global economy on the one hand and is also experiencing strong growth impetus from new technologies on the other. New technologies include electric vehicles, heat pumps and data centres, which are providing particular impetus for rising demand for electricity. Finally, climate change should also be seen as a demand factor. This is because more intense heat waves or cold spells naturally lead to higher electricity consumption.

Forecasted development of demand for electricity

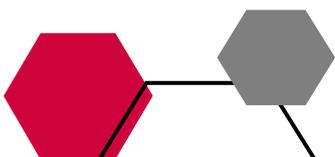
The forecast population growth and global economic development have historically shown a high correlation with energy demand. This continues to be the case on a global level, while in some regions this correlation has recently weakened. According to McKinsey data, the correlation between GDP growth and electricity demand in Europe between 2000 and 2008 was 0.96. This value fell to 0.53 after 2008. In addition to the coronavirus pandemic, this is due to a fundamental change in economic structures. The service sector has gained in importance in Europe, while energy-intensive production has been relocated outside Europe. This structural change explains the development in global electricity demand forecast by EnerOutlook, which expects only a slight increase in Europe between 2020 and 2030 with a CAGR of 1.5%. In contrast, average annual growth of 5.1 % is forecast for the Asia-Pacific region over the same period. Global electricity consumption is expected to grow at a CAGR of 3.9% between 2020 and 2030.

Forecast electricity consumption (in TWh)



Sources: EnerOutlook; GBC AG

In addition to the expected rise in global economic output, technological disruptions are likely to play an increasingly important role in the anticipated increase in demand. Ember's Global Electricity Review 2025 forecasts a rise in global electricity



demand of around 4.0% in 2024, corresponding to an increase of around 1,172 TWh. This is the third-largest absolute increase in electricity demand ever recorded and will be driven primarily by increased cooling demand during extreme heat waves and the growing use of data centres, AI systems, electric vehicles and heat pumps.

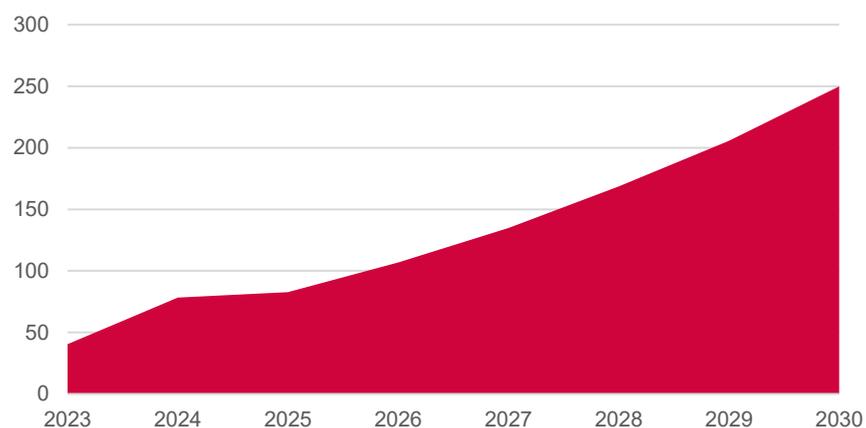
Electromobility on the rise

The importance of the increasing electrification of transport for increasing demand will continue to grow in the coming years. According to current data from the International Energy Agency, a total of 14 million new electric vehicles were registered worldwide in 2023, which already corresponds to an 18% share of total registrations. In 2022, this share was still at 14%, which indicates extraordinarily high momentum. Developments in battery technology and falling battery prices are cited as important drivers. This is also making electric vehicles economically competitive. Government subsidy programmes, particularly in China, have also contributed to this growth spurt.

In view of regulatory requirements to reduce emissions, this trend is expected to accelerate. One example of this is the so-called "combustion engine phase-out", according to which only emission-free cars may be registered in the EU from 2035. CO₂ emissions from transport in the USA are also set to fall by almost 50% between 2026 and 2032. China, the country with the largest number of electric vehicles in the world at present, wants to achieve CO₂ neutrality by 2060. The registration of new electric vehicles is therefore being particularly promoted, e.g. by exempting them from purchase tax.

All forecast scenarios that we have researched as part of this market study assume high market growth for electric vehicles. The International Energy Agency (IEA) forecasts an increase in the number of registered electric vehicles to 240 million by 2030. The average annual growth rate would then be just under 30%.

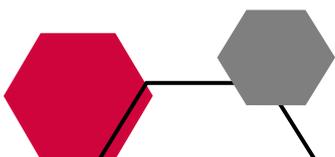
Forecast number of registered electric vehicles (in million)



Source: *iae.org*; GBC AG

Heat pumps

The increasing use of heat pumps is also likely to have a significant impact on the demand for electricity. Similar to the market development of electric vehicles, the short-term demand for heat pumps depends on government subsidy measures, meaning that there may be strong fluctuations in individual years. This is shown by the sharp decline in heat pump sales in Europe, which fell by around 23% to 2.0 million in 2024 (2023: 2.6 million) (source: *ehpa.org*). Various factors are cited as



causes, such as a fall in gas prices or the generally weak economic development. However, changes in government subsidy programmes are also likely to have had a major influence.

Nevertheless, heat pumps remain an important technology for reducing emissions in the building sector. Demand is therefore expected to develop dynamically in the medium to long term. The Business Research Company expects the market to grow by an average of 10.1 % per year between 2024 and 2025.

Data centres

The share of data centres in total energy consumption is low. Worldwide, the share of total energy consumption is stated in various publications at 1% to 2% (source: iae.com). According to the DOE (U.S. Department of Energy), data centres in the USA accounted for 4.4% of total energy consumption in 2023. According to the European Commission, the share in Europe was between 1.8% and 2.6% in 2022. In contrast to other consumers, data centres have a very high regional focus. A good example of this is Ireland, where data centres account for around 18% of national electricity consumption, while the share in other countries is significantly lower.

It is expected that the increase in the number and size of data centres in connection with the increasing use of artificial intelligence will outstrip technical efficiency gains. According to the DOE, this is expected to lead to an increase in electricity consumption in the USA to 325 to 580 TWh by 2028 (2023: 176 TWh), which would correspond to a share of 6.7% to 12% of total electricity consumption in the USA. In principle, the expected development and spread of artificial intelligence is associated with a very high degree of uncertainty, although the majority of studies assume dynamic growth.

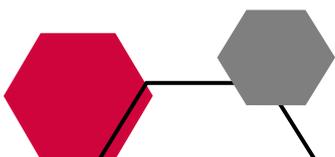
Electricity share increases

The factors mentioned above have led to an increase in the share of electricity in global end consumption in recent years. As shown, increasing electrification in industry, the residential and service sectors and the recent rise in e-mobility in Europe have led to an increase in the share of electricity from 18.5% (2000) to 21.4% (2023). In Asia, this trend is even more pronounced with an increase from 14.7% (2000) to 25.2 % (2023). According to the IAE's scenario analysis, the global share in 2030 will be 30% in 2030 and thus continue to rise visibly. This has a direct implication for the necessary further expansion of the grid infrastructure (see chapter on grid infrastructure), which is an important driver of demand for PFISTERER products.

Development of energy generation (offer)

The expected increase in energy demand is matched by an energy infrastructure that is currently undergoing change. PFISTERER supplies products for all key segments of energy generation and should therefore benefit in full from the market development described below.

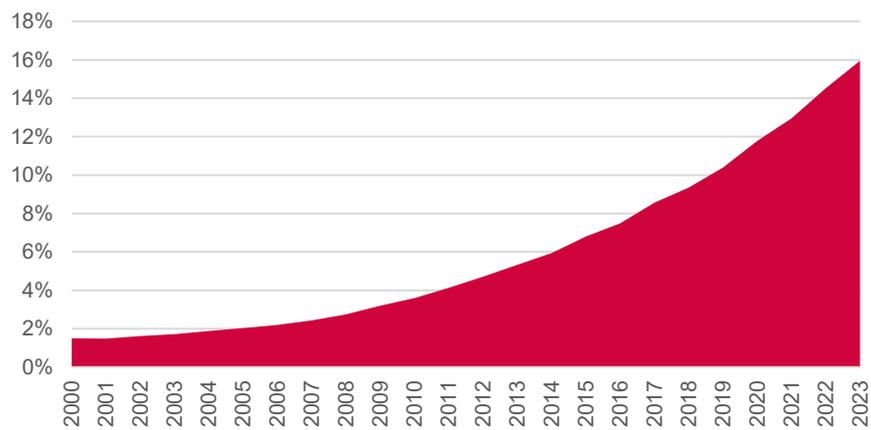
The change in the energy infrastructure is based on the increase in renewable electricity generation, which goes hand in hand with the need for a more decentralised infrastructure. The increasing awareness of the finite nature of raw materials for primary energy production and advancing climate change are key factors in the expansion of renewable energies. Even after the USA withdrew from the Paris Climate Agreement, energy transition is a high priority for many governments and companies around the world. For energy transition to succeed, massive changes in the way energy is generated, distributed, stored and utilised are fundamentally



necessary. The general aim of energy transition is to switch from a traditionally fossil-fuelled energy supply to more climate-friendly renewable energies (solar, wind, etc.). This necessary structural change within the economy and society encompasses several areas and sectors (energy, transport, industry, etc.).

Despite the fact that the various nations have not yet fully implemented measures to improve climate protection, the share of electricity generation from wind and solar in global electricity production has risen sharply in recent years. By 2023, this had already reached 16%. A decade before, in 2013, this figure was just 5.3%. In the same period, electricity generation from coal, gas and oil fell from 67.7% to 60.7%.

Share of renewable energies* in total electricity production



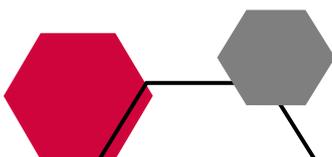
Sources: ourworldindata.org; GBC AG; *Wind and Solar

Experts from the International Energy Agency expect the current transformation to accelerate. By 2030, the capacity of renewable energies worldwide could almost triple and thus cover half of global electricity demand. In this scenario, China would account for most of the growth, particularly in the construction of solar power plants.

Solar

The expansion of global solar capacities has recently accelerated significantly. According to Solarpower Europe, new solar installations with a capacity of 447 GW were commissioned worldwide in 2023, around 87% more than in the previous year. Various factors such as the expansion of global PV production capacities and the improvement of supply chains have contributed to this. As expected, China was responsible for the largest share of new installations, totalling 253 GW, and is also the most important driver for the future development of the global solar market. However, according to the IAE, the European Union and the USA are also expected to show visible growth. While the tax benefits of the Inflation Reduction Act are expected to have a positive effect in the USA, companies in Europe believe that PPAs (Power Purchase Agreements) have high growth potential.

In its medium scenario, Solarpower Europe assumes that installed solar capacity will more than triple by 2028, which corresponds to a CAGR of 25.8%. The GSC (Global Solar Council) also sees a similar expansion dynamic, assuming a tripling of installed solar capacity between 2024 and 2030. The International Energy Agency (IEA) also expects an expansion of 4.2 TW for the period from 2024 to 2030 and thus a similarly high growth rate.



Wind

Even though the expansion of photovoltaics is considered to be the most important factor in the further expansion of renewable energies, wind energy is expected to make an equally important contribution to the decarbonisation of electricity generation. As with photovoltaics, the expansion of wind energy also reached a new expansion record in 2023. At just over 116,000 MW, the mark of 1 TW of installed capacity was exceeded for the first time (source: WWEA). The further short and long-term potential is estimated to be high. This is particularly true against the backdrop of changed approval procedures and improved grid connections, which should enable a significant expansion of wind energy in Europe, the USA and other industrialised and emerging countries. Between 2024 and 2030, the annual expansion is expected to increase to over 1 TW and thus more than double compared to the period from 2017 to 2023. Between 2023 and 2030, the share of wind energy in global electricity generation is set to increase from 8% to 14%.

Development of network infrastructure

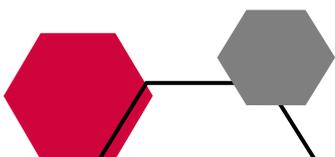
The increasing global demand for electricity and the ongoing restructuring of energy infrastructure pose major challenges for grid infrastructure. One challenge that is directly related to the expansion of renewable energies is the decentralisation of electricity grids. In the past, large fossil-fuelled power plants were the standard for energy generation. Renewable energy sources are much more fragmented and require greater distribution and grids that enable multidirectional interaction.

Electricity grids can be categorised according to voltage levels. In the medium and low voltage range, these are operated by the so-called DSOs (Distribution System Operators) and the transmission grids of the extra-high and high voltage range are operated by so-called TSOs (Transmission System Operators). The decentralisation of the electricity grids described above initially poses particular challenges for the DSOs, which primarily have to expand and modernise the grids and also increase flexibility. In addition, the various voltage levels must be more closely inter-linked, which requires greater coordination between DSOs and TSOs.

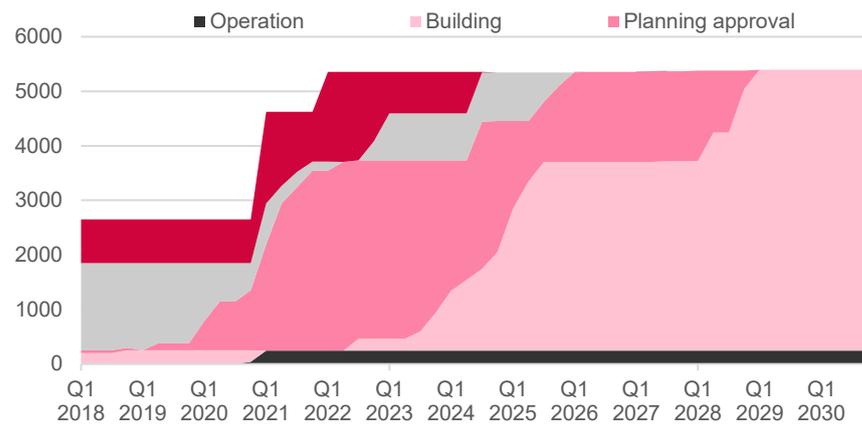
Market for extra-high-voltage direct current transmission lines

However, TSOs are also facing challenges. In addition to the greater fragmentation of energy generation, the increasing share of renewable energies is accompanied by the need to transport electricity over greater distances. In Germany, for example, wind energy is mainly generated in the north and east, but the large industrial operations and therefore the largest electricity consumers are located in the south. Renewable energy is generated where the conditions are best, even globally, but not where consumption is highest.

The so-called electricity highways, i.e. high-voltage direct current (HVDC) transmission lines, play an important role in long-distance transmission. Examples in Germany include the SuedLink, SuedOstLink, A-Nord and Ultranet, some of which are currently under construction. HVDC technology is particularly attractive for transmitting energy over long distances due to its low power losses. As this technology also enables the construction of electricity grids through water, HVDC grids in Europe are particularly associated with the expansion of offshore wind energy. The 2GW programme of the transmission system operator Tennet, for example, which aims to install a total of 14 offshore grid connection systems for HVDC with a capacity of 2 GW each by 2032, should be understood in this context. According to the Federal Network Agency's grid development plan, a total of 35 connections (total capacity: 63.2 GW) are required from today's perspective based on the planned completion of offshore projects, which shows that the current plans will not be sufficient to bring offshore electricity onshore.



Progress in the grid expansion of HVDC projects



Sources: BMWK Controlling; GBC AG

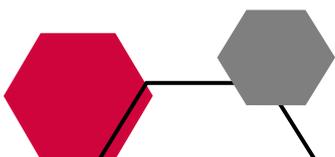
Based on the established procedural steps, which cover an average period of around 14 years from inclusion in the Federal Requirements Plan Act (BBPIG) to completion, a sharp increase in HVDC kilometres in the planning approval process is expected from mid-2025. Similarly, a significant proportion of the planned grid kilometres to be built will complete the planning approval procedure and move on to construction. This picture, which is limited to Germany, also applies internationally.

According to DNV, tenders and framework agreements for the construction of at least 46 HVDC projects with a total capacity of 94.3 GW and a completion horizon of 10 years have been concluded worldwide by 2023. The current HVDC capacity in the most important industrialised countries is currently around 400 GW (source: PTR). Completion of the projects tendered by 2023 alone would therefore increase total global capacity by almost 25%. Market research institutes predict dynamic growth in the HDVC market over the next few years, which is expected to grow at a high single-digit CAGR in US dollar terms until 2030. As part of its "Strategy 2030", PFISTERER has announced that it is preparing to enter this high-growth segment. In this context, several of the company's solutions are close to series production readiness so that it can participate in the expected high market growth in the future.

Expansion of the electricity infrastructure necessary

In contrast to offshore wind farms, which are directly linked to the expansion of HVDC grids, the connection of PV systems or smaller wind farms takes place at the distribution grid level, which goes hand in hand with the decentralisation of the energy supply described above. Various studies assume that small-scale distribution grids will be the main consumers of future PV expansion and the expansion of onshore wind energy. According to a study by the German Electrical and Electronic Manufacturers' Association (ZVEI), around 95% of the generation capacity of PV systems will be fed into the low- and medium-voltage grid. The share of wind turbines is likely to be slightly lower at 69%, but we believe this is due to the mixed consideration of onshore and offshore generation. Based on the expected expansion of RE plants, the study comes to the conclusion that a six- to eight-fold increase in generation capacity can be expected in the low-voltage range and a three- to four-fold increase in the medium-voltage range.

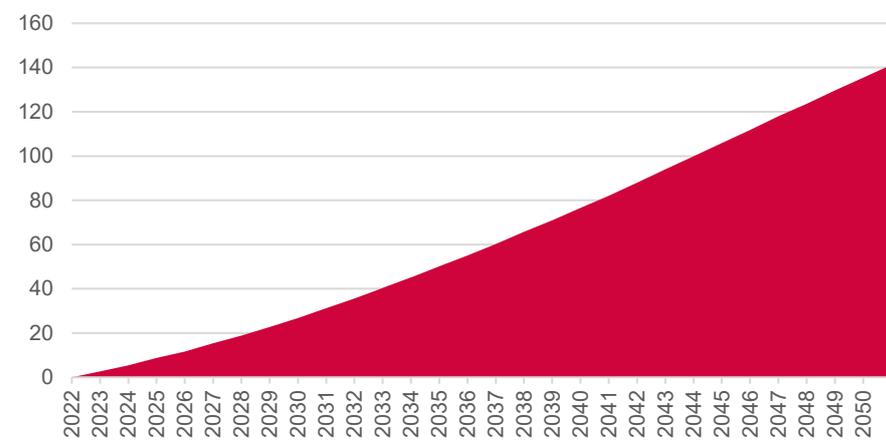
With this in mind, the German distribution grid operators have specified a line length of 92,642 km in their ten-year plan, which is to be reinforced, optimised or newly built (Source: Federal Network Agency), which corresponds to around 6 %



of the current distribution network in Germany. The grid expansion requirement for the distribution grids is estimated at € 42.27 billion for the next 10 years. Added to this is the expansion of the transmission grid, which, according to BMWK data, is to be expanded by around 4,500 kilometres by 2030, which corresponds to around 12% of the current transmission grid.

A global view, which also includes developing countries, naturally shows a significantly higher need to expand electricity infrastructure. According to the International Energy Agency, more than 80 million kilometres of power lines will have to be built or renewed worldwide by 2040 in order to achieve national climate targets. This is roughly equivalent to the current electricity infrastructure. In its scenario analysis, the IEA assumes that the expansion and renewal requirements for distribution and transmission grids will increase steadily in the coming years.

Expansion requirements for global electricity grids to fulfil national climate targets (in million km)



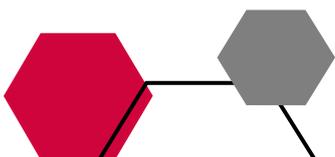
Sources: IEA; GBC AG

The already existing need to expand the electricity grids is coming up against an increasingly ageing grid infrastructure, which is accompanied by a high need for modernisation. According to data from the European Commission, around 40% of the electricity grids in Europe are more than 40 years old, meaning that there is a high need for modernisation. With an expected service life of 40 years, industry estimates suggest that between € 375 billion and € 425 billion will need to be invested in the distribution grids by 2030. The picture is similar in the USA, where the majority of the US electricity grid was built in the 1960s and 1970s (Department of Energy). Around 70% of the transmission grids are more than 25 years old and are approaching the end of their typical life cycle.

Conclusion

On the one hand, the market relevant to PFISTERER is characterised by a rising demand for energy. In addition to general economic growth, rising electricity consumption is likely to increase disproportionately due to the increasing use of new technologies. This includes electromobility, the increasing use of heat pumps and air-conditioning systems as well as the advance of artificial intelligence, which is accompanied by an increase in the number and size of data centres.

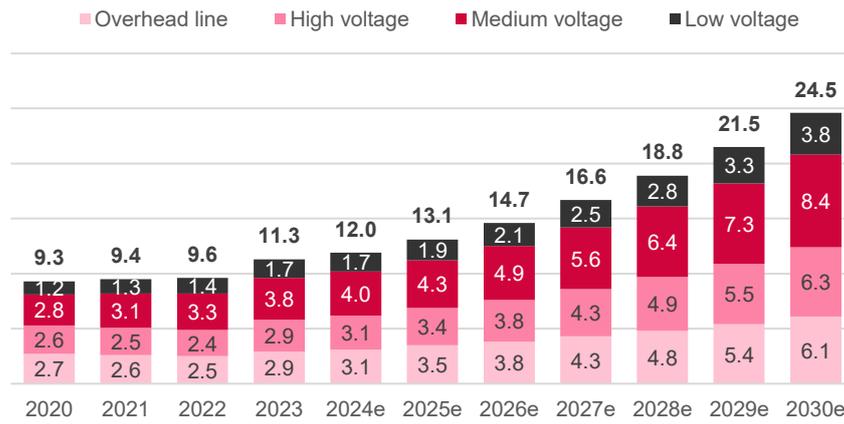
On the other hand, energy generation is currently undergoing a process of change. This is characterised by an increasing share of renewable energies, which is leading to greater decentralisation across all voltage levels. This poses major challenges for an increasingly ageing energy infrastructure. In addition to the



decentralisation of the grids, the increasing share of renewable energies also increases the need to transport electricity over greater distances. As a result, both the distribution grids and the transmission grids need to be significantly expanded or renewed due to their advanced age structure.

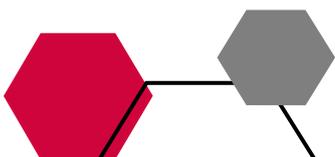
PFISTERER commissioned a study from Roland Berger to determine the market potential in the markets addressed by the company. This study identified average annual market growth of 11.6% up to 2030, with all product segments relevant to the company contributing almost equally.

Market growth in the product segments relevant to PFISTERER



Sources: PFISTERER; Roland Berger

Our findings from the above market analysis underpin this growth assumption, which we believe is actually somewhat conservative. However, we base our forecasts and modelling assumptions on the expected CAGR of 11.6%.



HISTORICAL DEVELOPMENT

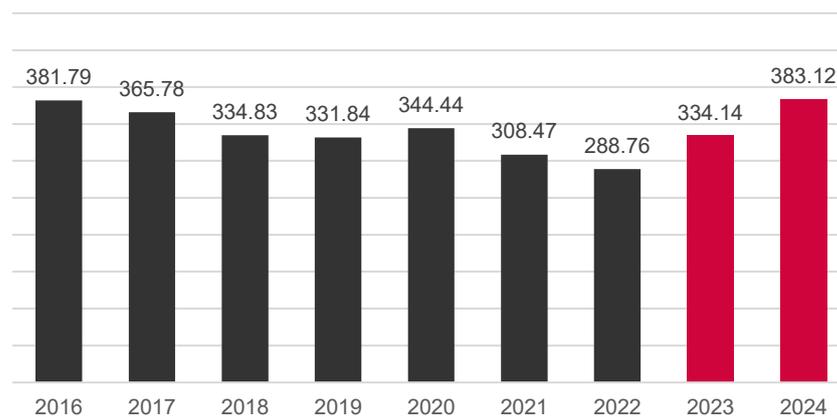
P&L in € million	FY 2023	FY 2024
Sales	334.14	383.12
EBITDA (EBITDA margin)	51.89 (15.5%)	60.15 (15.7%)
EBIT (EBIT margin)	41.59 (12.5%)	47.95 (12.5%)
Net income for the year	25.22	32.18

Sources: PFISTERER; GBC AG

Historical sales development

In preparation for the IPO, PFISTERER converted its accounting to IFRS for the first time for the 2024 financial year and retrospectively for the 2023 financial year for comparison purposes. The company had previously prepared its consolidated financial statements in accordance with the provisions of the German Commercial Code (HGB), meaning that a historical comparison is only of limited value. Accordingly, we focus on the financial years 2024 and 2023 when analysing the key financial figures. In our opinion, a good comparison between the two accounting standards is only possible at the level of sales revenue, so that a multi-year presentation of sales revenue is possible.

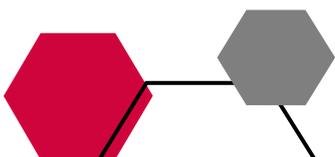
Historical development of sales revenue 2016 - 2024 (in € million)



Sources: PFISTERER; GBC AG; 2016 - 2022 according to HGB; 2023 and 2024 according to IFRS

The long-term sales presentation shows a declining sales trend for the period from 2016 to 2022, which reached its lowest point in the 2022 financial year. In the last two financial years 2023 and 2024, which we analyse separately below, PFISTERER has initiated a turnaround in sales.

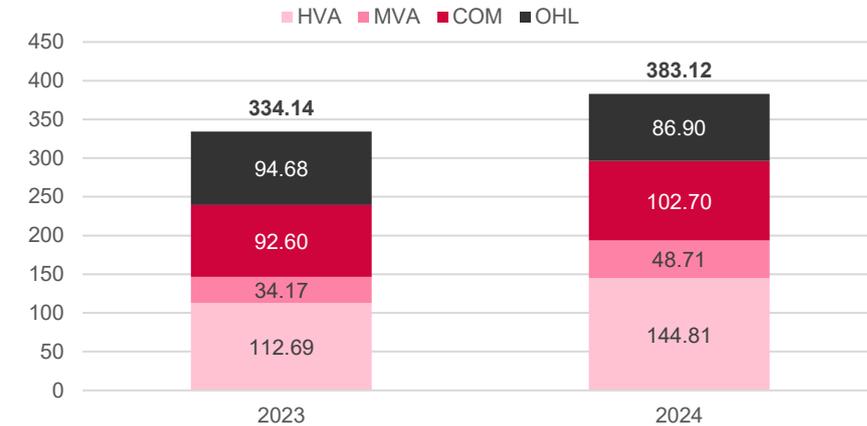
Two key factors were decisive for the decline in revenue in the financial years 2017 to 2022. Firstly, as part of the focus on the core business in the 2021 financial year, the LAPP Group (insulators business segment) and the railway business segment were sold. Both business areas had contributed € 86.70 million to consolidated revenue in the 2020 financial year. Another factor was the relocation of silicone product manufacturing to the Czech site in Kadaň, which led to delayed delivery times during the ramp-up phase.



Sales development 2023 and 2024

After successfully focussing on its core business, PFISTERER has achieved impressive sales growth of 15.7% (2023) and 14.7% (2024) in each of the past two financial years. Revenue is segmented firstly at product level (HVA, MVA, COM, OHL) and secondly according to the regions addressed (Europe & Africa, Americas, Middle East & India, Asia-Pacific).

Sales segmentation by product 2023 and 2024 (in € million)

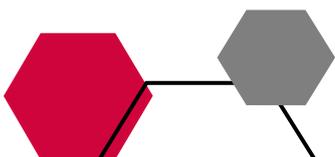


Sources: PFISTERER; GBC

The product segmentation shows that, with the exception of OHL (Overhead Lines), significant growth was achieved in all product areas. This reflects the fundamental increase in investment in energy infrastructure, in which PFISTERER was able to participate with an improved market position. The improved market position includes focussing on the core product portfolio, increased customer loyalty and better alignment of the product portfolio with customer needs.

Overall, this would have led to even stronger sales growth if the production site in Wunsiedel had not been destroyed by a major fire in September 2024. Although work began immediately on relocating production to Kadaň, the old production level is not expected to be reached until the second quarter of 2025. The OHL division was particularly affected by the temporary loss of production, meaning that the decline in sales is to be seen as a special effect.

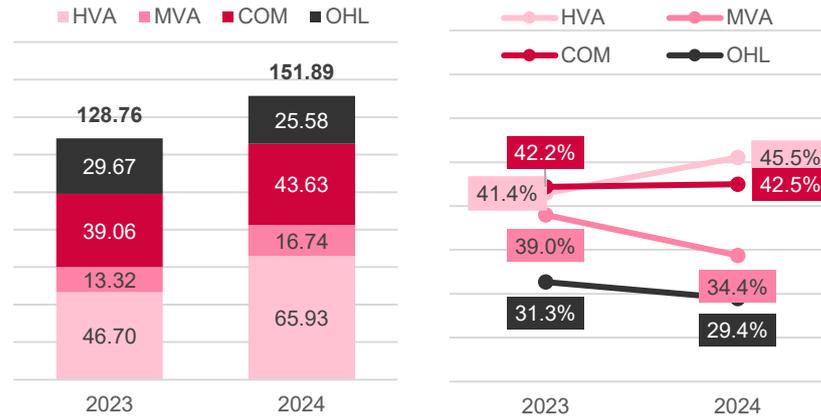
The decline in sales at OHL is also reflected in the regional distribution of sales. As the majority of products for the "Middle East & India" region were produced at the Wunsiedel site, sales in this region fell by 1.9% to € 56.09 million (previous year: € 57.18 million). All other regions recorded at least double-digit sales growth, with the "Americas" segment recording the largest increase of 55.0% to € 66.90 million (previous year: € 43.15 million). PFISTERER's improved market position was particularly noticeable here. In addition, the opening of the new production site in Rochester (USA) in 2024 accelerated the internationalisation strategy and simultaneously improved market access in this region.



Earnings development 2023 and 2024

The 14.7% increase in sales achieved in the financial year is reflected in a disproportionately high increase in gross profit of 18.0% to € 151.89 million (previous year: € 128.76 million), which corresponds to an improvement in the gross margin to 39.6% (previous year: 38.5%). This development is remarkable in light of the special effects caused by the fire in Wunsiedel. The size of the margin is directly proportional to the voltage level addressed, as product complexity increases with rising voltage.

Segment-related development of gross profit (in € million) and gross margin



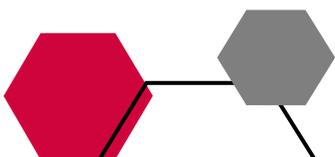
Sources: PFISTERER; GBC AG

Accordingly, the sales increases in the HVA product area in particular, which has the highest gross margins across the Group, led to a visible increase in gross profit. However, this was offset by declining gross margins in the MVA and OHL segments. While the OHL segment was impacted by the fire at the production site, the product mix within MVA shifted towards lower-margin products.

EBITDA followed the trend of the gross profit with a disproportionately high increase of 16.5% to € 60.15 million (previous year: € 51.89 million), which corresponds to a slight improvement in the EBITDA margin to 15.7% (previous year: 15.5%).

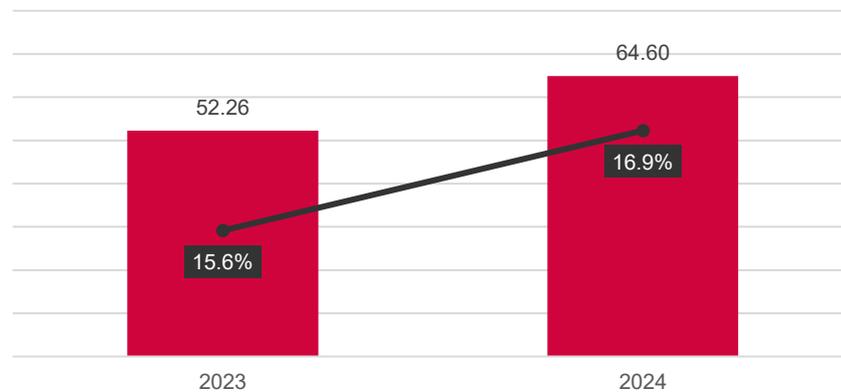
The significant increase in administrative expenses to € 33.38 million (previous year: € 25.01 million) should be emphasised. This is due in particular to the virtual stock option programme (VSOP), under which virtual shares were issued to members of the Executive Board and senior managers in 2023 and 2024. This led to extraordinary expenses of € 4.45 million (previous year: € 0.37 million). Adjusted for this effect, EBITDA increased even more strongly by 23.6% to € 64.60 million (previous year: € 52.26 million). Further expenses, e.g. in connection with the change in accounting and the further development of the corporate strategy (implementation, consulting, etc.), are likely to have led to additional expenses of around € 3 million and are no longer expected in this amount for the current financial year.

However, this is offset by one-off income from the liquidation and deconsolidation of the LAPP Group totalling around € 5.25 million net. In addition, the company recognised provisions of € 3.84 million for the employees in Wunsiedel, whereby this effect was partially offset by the compensation from the fire insurance in the amount of € 2.45 million. These events were recognised in other operating income,



which on balance was down on the previous year at € 5.27 million (previous year: € 5.73 million).

Adjusted EBITDA (in € million) and adjusted EBITDA margin



Sources: PFISTERER; GBC AG

Below EBITDA, the significant decrease in financial expenses to € 3.98 million (previous year: € 8.59 million) is particularly striking. PFISTERER has utilised the high free cash flows in each of the last two financial years to significantly reduce outstanding financial liabilities. In the 2024 financial year alone, outstanding bank loans were reduced to € 33.48 million (31/12/2023: € 50.53 million), which ultimately led to the sharp decline in financial expenses.

Overall, and taking into account a tax rate of 23.1%, PFISTERER reported earnings after taxes of € 32.76 million (previous year: € 25.22 million).

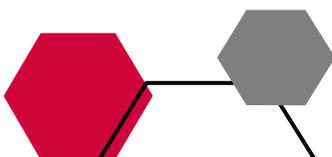
Development q1 2025

P&L in € million	q1 2024	q1 2025
Sales	101.56	100.13
EBITDA (EBITDA margin)	18.91 (18.6%)	19.73 (19.7%)
EBIT (EBIT margin)	15.95 (15.7%)	16.65 (16.6%)
Net income for the periode	10.60	11.53

Sources: PFISTERER; GBC AG

The development in Q1 2025 should be viewed as a continuation of the development in the 2024 financial year. Although the company continued to be affected by production losses resulting from the relocation of the Wunsiedel site to Kadaň, it was nevertheless able to almost match the previous year's sales at €100.13 million (previous year: €101.56 million). The decline in sales in the OHL segment (-28.3%) is attributable to the fire and the relocation and was offset in particular by increased sales in HVA (+13.8%) and MVA (+39.1%). Due to the higher margin level in these segments, PFISTERER recorded an improvement in its operating result.

The increase in order intake to €144.2 million (previous year: €106.5 million) and thus in the order backlog to €285.3 million (previous year: €196.9 million) is particularly noteworthy. This provides a good basis for the development of the current financial year.



Balance sheet development and cash flow

in € million	31.12.2023	31.12.2024
Equity (equity ratio)	42.90 (20.8%)	83.70 (34.5%)
Financial liabilities	103.42	78.67
Cash and cash equivalents	10.13	12.49
Net debt	93.16	66.02
Operating fixed assets	64.09	73.15
Working capital	90.62	98.95
Cash flow (operating)	20.82	42.59
Cash flow (investment)	-4.11	-17.92
Cash flow (financing)	6.57	-25.32

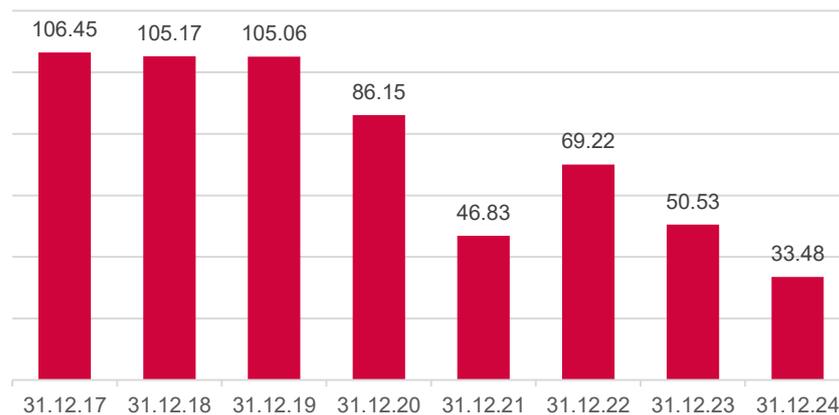
Sources: PFISTERER; GBC AG

Key balance sheet figures

In the past 2024 financial year, PFISTERER achieved a significant improvement in its balance sheet ratios. On the one hand, there is the earnings-related improvement in equity to € 83.70 million (31 Dec. 2023: € 42.90 million), which now accounts for 34.5% (31 Dec. 2023: 20.8%) of total assets. With regard to the IPO capital increase, the post-IPO balance sheet should show a significant improvement in the equity ratio.

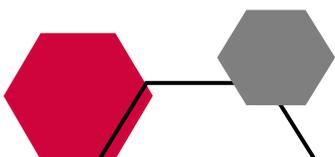
On the other hand, the reduction in liabilities to banks to € 33.48 million (31/12/2013: € 50.53 million) should be emphasised. This is to be seen as a continuation of a multi-year trend. The multi-year development of liabilities to banks can be presented without limiting the informative value of the various accounting standards. In 2015, PFISTERER concluded a syndicated loan agreement with a volume of € 135 million. The volume has since been reduced to € 90 million. At the same time, loan utilisation has been significantly reduced in recent financial years and the balance sheet quality has improved significantly.

Outstanding bank liabilities (in € million)



Sources: PFISTERER; GBC AG

After taking into account lease liabilities in accordance with IFRS 16 in the amount of € 26.53 million and cash and cash equivalents, PFISTERER also reported a significant improvement in net debt to € 66.02 million (31/12/2013: € 93.16 million). In relation to adjusted EBITDA, the ratio of net debt to EBITDA is just 1.0 (previous year: 1.8), which is also a significant improvement.



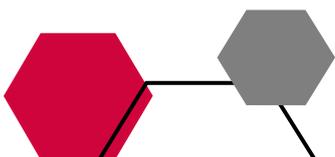
Another key aspect of the PFISTERER balance sheet is net working capital, which plays an important role in terms of delivery security and reliability. Although working capital increased to € 98.95 million in the past financial year (31/12/2013: € 90.62 million), in particular due to an increase in inventories as at the reporting date, the ratio to sales fell slightly to 25.8% (31/12/2013: 27.1%). Against the backdrop of the corporate strategy, which aims to increase the speed at which products are delivered, this ratio should rise again slightly in future.

Against the backdrop of planned investments, fixed assets are also likely to increase, rising to € 73.15 million in the past financial year (31/12/2013: € 64.09 million). This includes investments in the new location in the USA and, to a lesser extent, in Germany and the Czech Republic.

Development of cash flow

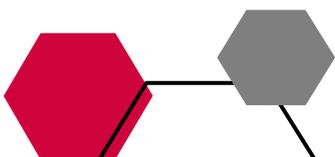
The changes in the balance sheet are also reflected in the development of cash flow. The declining working capital ratio in relation to sales has released tied-up liquidity and led to a sharp increase in operating cash flow to € 42.59 million (previous year: € 20.82 million). In our view, this is a new record and at the same time a good indication of the quality of PFISTERER's earnings.

The high level of operating liquidity generation was sufficient to cover the high investments (investment cash flow: € -17.92 million) and the extensive loan repayments (financing cash flow: € -25.32 million), which demonstrates PFISTERER's high internal financing power.



SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none"> ● Product range covers all voltage levels and network interfaces and is therefore deeply integrated in a large number of applications. ● Independence from cable manufacturers ensures high compatibility and reduces spare parts inventory for customers. ● The customer structure is heterogeneous and diverse, resulting in low cluster risk. ● Long-standing customer relationships with risk-averse customers ● High speed of innovation enables rapid entry into high-growth markets. ● Operation of own test centres for all voltage ranges ensures high product quality. ● High market entry barrier gives the company a head start. ● A global footprint ensures customer proximity and goes hand in hand with cost benefits. ● Comprehensive expertise in handling both metal and silicone materials. ● Solid balance sheet ratios and high level of profitability. 	<ul style="list-style-type: none"> ● Bank liabilities in the amount of € 33.06 million have a term until December 2025 and are therefore classified as current. An extension is still pending. ● Gross margin in the MVA segment is 4.6 percentage points lower than in the previous year. High margin dependency on product mix. ● The predictability of income is low as it is not of a recurring nature. ● Most framework agreements with key customers have a term of one year and are therefore categorised as short-term. ● Around 33% of the increase in sales in 2024 was due to higher prices, 67% was volume growth. ● The operating result for the current financial year will continue to be characterised by special effects in connection with VSOP.
Opportunities	Risks
<ul style="list-style-type: none"> ● The market environment is characterised by an investment backlog and high market momentum. ● Early positioning to benefit from the expected strong growth in the high-margin HVDC segment. ● Improving production processes, optimising supply chains and expanding in-house value creation should shorten delivery times and increase profit margins. ● High-growth regions (USA, Saudi Arabia, India) are increasingly being addressed. ● Rising profit margins expected with improvement in product mix. ● PFISTERER has space reserves at all locations for the realisation of its expansion course. ● Investment programme can be largely financed from own funds. 	<ul style="list-style-type: none"> ● Delays in the development of new products (HVDC) could lead to a loss of market share. ● A change in the regulatory environment could lead to a change in the market structure. ● A strengthening of protectionist tendencies could have a negative impact on PFISTERER's business activities. ● The investment programme of € 215 million is based on liquidity inflows from the operating business in addition to the IPO proceeds. Insufficient operating cash flow could have a negative impact here. ● In order to ensure delivery capability, it may be necessary to increase working capital. ● An unfavourable exchange rate trend for the company could have a negative impact on sales volumes.



FORECASTS AND MODELLING ASSUMPTIONS

in € million	FY 24	FY 25e	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e
Sales	383.12	427.37	478.23	540.01	604.45	675.94	717.02
EBITDA	60.15	72.37	91.02	105.65	118.32	132.30	141.91
EBITDA margin	15.7%	16.9%	19.0%	19.6%	19.6%	19.6%	19.8%
EBIT	47.95	60.20	69.92	83.16	94.58	107.44	116.03
EBIT margin	12.5%	14.1%	14.6%	15.4%	15.6%	15.9%	16.2%
EAT	32.18	43.03	50.67	60.96	69.79	79.68	86.25

Source: GBC AG

Growth strategy as a basis for forecasting

In October 2024, PFISTERER presented its "Strategy 2030", which is based on three pillars of growth. Firstly, the company wants to use its existing and self-developed technological expertise to participate in the expected expansion of the energy infrastructure in existing markets. At the same time, the company plans to supplement its existing product portfolio and expand its regional presence. Finally, the third pillar of growth is to address new fields of application with new product developments. One example of this is the promising market for high-voltage direct current (HVDC) transmission, which has high growth potential.



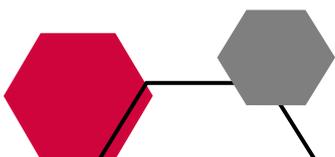
Sources: PFISTERER; GBC AG

1. Growth in the core business and in existing markets

With its existing product portfolio, PFISTERER is already well positioned to participate in future market growth. We have described the high market potential in detail in the "market and market environment" section. The key criteria for this are rising demand for electricity, driven by general economic growth, increasing electrification in the mobility and property sectors and new applications (keyword: AI), among other things. Due to the decentralisation of electricity generation, rising demand is accompanied by the need for fundamental infrastructure restructuring, which is also characterised by the increasing ageing of electricity grids.

With its expertise built up at all voltage levels, PFISTERER already has a broad product portfolio that will enable it to benefit from the upcoming investment phase after a period of low investment lasting several years. Long-term partnerships with customers also enable better utilisation of the high market potential. The collaboration has resulted in a product portfolio that better meets customer needs and puts PFISTERER in a good position to gain market share.

PFISTERER already supplies 90 countries directly or via local distributors. Short delivery times can be realised thanks to the strategically-located production sites. In order to further improve delivery times, the company is currently implementing various optimisation measures. These include the optimisation of supply chains,



the implementation of forward-looking processes and the expansion of in-house value creation. One example of this is the planned in-sourcing of electroplating at the Gussenstadt site, which will significantly reduce delivery times.

2. Expansion of existing product portfolio and footprint

In the 2024 financial year, PFISTERER generated more than 40% of its sales outside Europe, with the "Asia-Pacific" and "Americas" reporting regions showing particularly strong growth momentum. The "Middle East & India" region grew less strongly, which is due to the fire at the Wunsiedel site, where the majority of products for this region are manufactured. High growth is expected for the regions outside Europe, but PFISTERER still has a somewhat smaller presence here than in Europe. Against this backdrop, the expansion of the site in the USA and the establishment of a new branch in Saudi Arabia are important factors for the further internationalisation of the PFISTERER Group. The site in the USA, which was established in 2024, is to be continuously expanded and the company expects to increase its production output sixfold.

3. Development of new products

In addition to a stronger presence in foreign growth markets, new products are to be added to the existing portfolio. As an example, PFISTERER cites a planned product expansion in the extra high voltage range (over 250 kV), in which electricity is transported over longer distances. The increasing distance between electricity generation and consumption (e.g. for offshore wind power plants) should lead to strong market growth in the low double-digit percentage range in this high-margin area. Similarly, dynamic market growth is also expected in the medium-voltage (MV) sector, where the company is planning to round off its product portfolio.

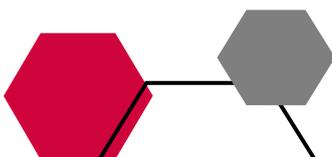
With the ongoing development of products for new applications, the company aims to position itself for entry into potential growth markets at an early stage. One such growth market is HVDC (High Voltage Direct Current), which is used for loss-free transmission over long distances. Examples of this transmission technology include the SuedLink, SuedOstLink, A-Nord and Ultranet power lines, some of which are currently under construction in Germany. With the increasing integration of offshore wind energy, strong market growth is expected for HVDC, which is currently only served by a few players. There are currently no independent manufacturers of HVDC accessories, so PFISTERER would be entering a gap in the market here.

The company is currently developing HVDC cable accessories, which should be launched on the market from 2026. Extra test capacities need to be built up for this voltage range, which will be covered by the new test hall that will go into operation at the Winterbach site from 2026. Development activities have also been finalised on the basis of various development agreements with international cable manufacturers.

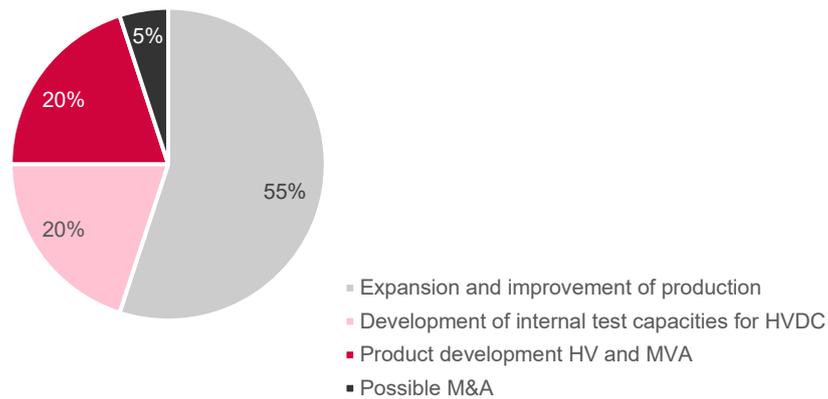
CAPEX planning to support the growth strategy

PFISTERER's growth strategy is underpinned by a concrete investment plan that provides for the utilisation of the funds from the capital increase carried out and the positive operating cash flows to be generated in the coming financial years.

The majority (55%) of the investment programme of around € 215 million up to 2030 will be used to expand and improve existing production capacities. In each case, 20% is to be used to set up internal test laboratories (HVDC) and to supplement the current product range in the HV and MVA segments. The remaining 5% will be available for possible inorganic growth, although there are no concrete plans for this:



CAPEX allocation



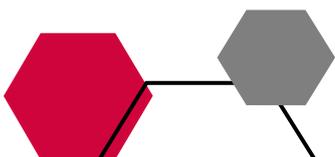
Source: PFISTERER; GBC AG

Sales forecasts 2025 to 2030

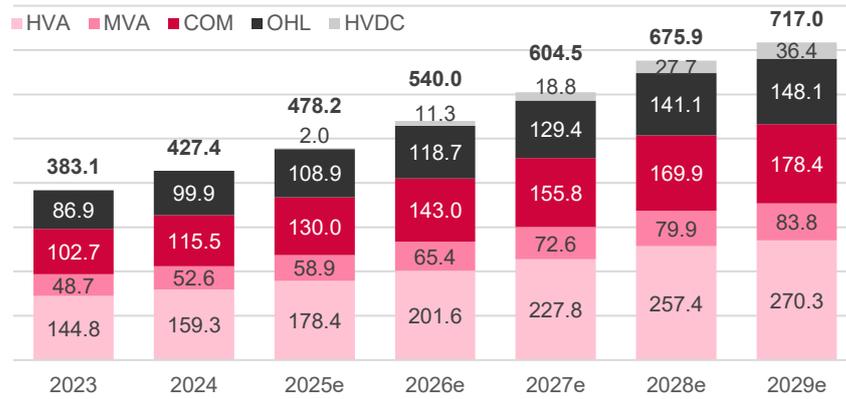
On the one hand, our sales and earnings estimates are based on the three-pronged medium-term growth strategy communicated by the company. We also take into account the market environment, which is characterised by high growth potential and in which PFISTERER should participate disproportionately with the market share gains we assume. Finally, the investment offensive planned by the company, as part of which total investments of around € 215 million are to be made by 2030, is an important building block for the implementation of the growth strategy.

As outlined in the Market and Market Environment section of this study, the market addressable to PFISTERER is expected to grow at an average rate of 11.6%. In line with its own objectives, PFISTERER's management expects to grow faster than the market in the coming financial years (2025 to 2030). As outlined above, this expectation is based on addressing particularly high-growth market segments, expanding business activities in high-growth regions and improving the market position in the existing core segments, thereby gaining market share.

We have prepared our sales forecast at product level and expect a CAGR of around 12% up to the 2030 financial year, which would correspond to sales of € 717.02 million in the final estimation period. Compared to the turnover of € 383.12 million in the past financial year 2024, this corresponds to almost a doubling. We are assuming particularly strong growth momentum for the HVA product segment. In addition, products for use in the high-growth HVDC segment should contribute to Group sales for the first time from 2026, initially in the low single-digit million range. For the following years, we assume very dynamic growth for this product segment, starting from a low level:



Sales forecasts by product segment (in € million)



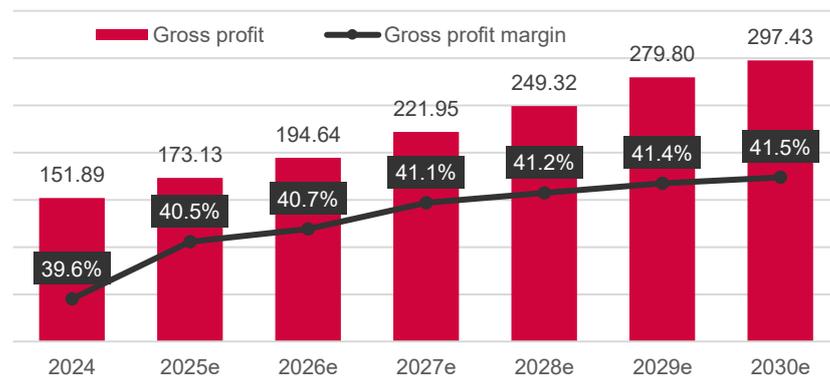
Source: GBC AG

From a regional perspective, sales in the USA, Middle East and India are expected to grow particularly strongly, while the largest share of sales will continue to be generated in the Europe & Africa region, which is summarised by the company.

Earnings forecasts 2025 to 2030

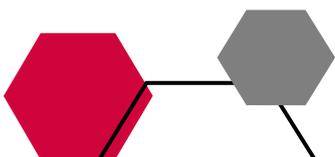
The level of the cost of sales, which essentially includes the cost of materials, depends primarily on the product mix. The gross margin, i.e. the margin after taking the cost of sales into account, is directly related to the voltage level addressed, as product complexity increases with rising voltage, product quality requirements increase and there are ultimately higher barriers to market entry. Therefore, our sales assumption that the HVDC product areas and the entry into the HVDC segment in particular are disproportionately responsible for the expected sales growth should be reflected in an improvement in the gross margin. In our opinion, this should establish itself in the coming financial years with slightly increasing values above 40%:

Forecast gross profit (in € million) and gross margin (in %)



Source: GBC AG

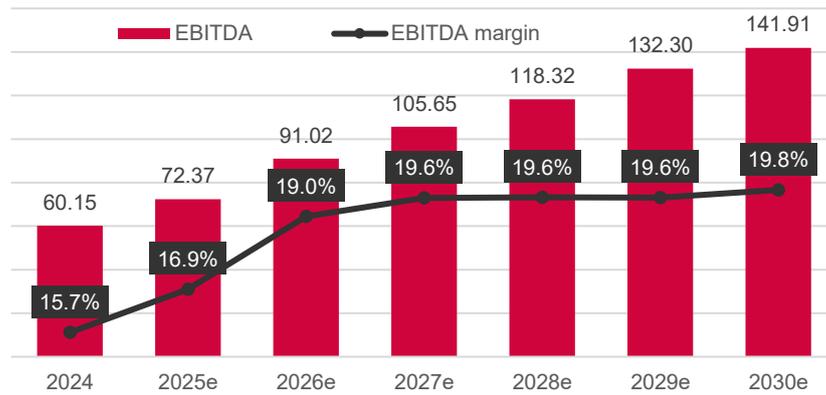
EBITDA should follow the gross profit, whereby we assume economies of scale in the cost items below the gross profit, so that the EBITDA margin should increase slightly more than the gross margin. After the past financial year was characterised by special effects in connection with the change in accounting and the further development of the corporate strategy, not least in preparation for the IPO, these



should no longer represent a special burden in the current financial year. In addition, administrative expenses in 2024 were characterised by expenses in connection with the virtual share option programme (VSOP) in the amount of € 4.45 million. Spread over the current and coming financial year, we expect further expenses totalling around € 4.0 million in connection with the VSOP; in absolute terms, we expect a decrease in expenses here.

We believe that the elimination of these extraordinary expenses should lead to a visible increase in the EBITDA margin to 16.9% in the current financial year (previous year: 15.7%). We believe that an EBITDA margin of over 19.0% is achievable on a sustainable basis in subsequent years.

EBITDA (in € million) and EBITDA margin (in %)

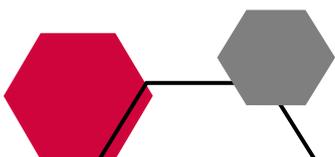


Source: GBC AG

Below EBITDA, we take into account the investments of € 215 million in connection with the CAPEX programme, which are likely to lead to an increase in depreciation and amortisation. The programme is expected to be financed on the one hand by the IPO proceeds of approximately €95 million gross (net: €85.90 million). Furthermore, in connection with the positive operating cash flow, we assume a high level of internal financing power, so that our growth assumptions do not include any bank borrowings. According to our estimates, future interest expenses, which in 2024 still mainly comprised interest on loans, will primarily include IFRS 16 expenses in connection with leases.

After taking into account a tax rate of 23%, we also expect a gradual improvement in the return on sales at the level of earnings after taxes, which should even reach double digits from the current financial year 2025.

In accordance with the company's dividend policy, a dividend of 30% of the distributable annual profit is to be paid from 2026 onwards, based on the results of the current 2025 financial year. Accordingly, we expect a dividend payment of €0.71 per share for the current financial year, which corresponds to a dividend yield of 1.8% based on the current share price.



VALUATION

Model assumptions

We valued PFISTERER Holding SE using a three-stage DCF model. Starting with specific estimates for the years 2025 to 2030 in phase 1, the forecast for the years 2031 and 2032 is based on value drivers. We expect revenue to increase by 2.5%. In the specific estimation period, we anticipate an increase in the EBITDA margin to up to 19.8%. We assume this figure as the target EBITDA margin for 2031 and 2032. The tax rate of 23% (final value: 25%) we have assumed reflects the company's business activities in countries with different tax rates. In the third phase, a residual value is also determined using the perpetual annuity method after the end of the forecast horizon. In the final value, we assume a growth rate of 2.5%.

Determination of capital costs

PFISTERER's weighted average cost of capital (WACC) is calculated from the cost of equity and the cost of debt. To determine the cost of equity, the fair market premium, the company-specific beta and the risk-free interest rate must be determined.

The risk-free interest rate is derived from current yield curves for risk-free bonds in accordance with the recommendations of the IDW's Expert Committee for Company Valuation and Business Management (FAUB). This is based on the zero bond interest rates published by the Deutsche Bundesbank using the Svensson method. To smooth out short-term market fluctuations, the average yields of the previous three months are used and the result is rounded to 0.25 basis points. The risk-free interest rate currently used is 2.50%.

We assume the historical market premium of 5.50% as an appropriate expectation for a market premium. This is supported by historical analyses of stock market returns. The market premium reflects the percentage by which the stock market is expected to outperform low-risk government bonds.

According to the GBC estimation method, the beta is currently 1.34.

Using the assumptions made, the cost of equity is calculated at 9.85% (previously: 9.85%) (beta multiplied by risk premium plus risk-free interest rate). As we assume a sustainable weighting of equity costs of 95%, this results in a weighted average cost of capital (WACC) of 9.52%.

Valuation result

The fair value of the company determined using the DCF valuation model amounts to €868.52 million at the end of the 2025 financial year. This figure also includes the net proceeds of €85.90 million generated during the IPO. The fair value per share is €48.00.



DCF model

Phase	estimate		consistency						final
	FY 25e	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e	FY 31e	FY 32e	
Sales	427.37	478.23	540.01	604.45	675.94	717.02	734.94	753.32	
Sales growth	11.6%	11.9%	12.9%	11.9%	11.8%	6.1%	2.5%	2.5%	2.5%
EBITDA	72.37	91.02	105.65	118.32	132.30	141.91	145.45	149.09	
EBITDA margin	16.9%	19.0%	19.6%	19.6%	19.6%	19.8%	19.8%	19.8%	
EBIT	60.20	69.92	83.16	94.58	107.44	116.03	119.58	122.76	
EBIT margin	14.1%	14.6%	15.4%	15.6%	15.9%	16.2%	16.3%	16.3%	17.5%
NOPLAT	46.35	53.84	64.03	72.83	82.73	89.34	92.08	94.52	101.38
Working Capital (WC)	115.39	131.51	148.50	166.22	185.88	197.18	202.11	207.16	
Fixed Assets (OAV)	135.98	189.88	202.39	213.65	223.79	232.91	237.03	240.70	
Invested capital	251.37	321.39	350.90	379.88	409.67	430.09	439.14	447.86	
Return on capital	26.9%	21.4%	19.9%	20.8%	21.8%	21.8%	21.4%	21.5%	22.6%
EBITDA	72.37	91.02	105.65	118.32	132.30	141.91	145.45	149.09	
Taxes on EBITA	-13.85	-16.08	-19.13	-21.75	-24.71	-26.69	-27.50	-28.23	
Change OAV	-75.00	-75.00	-35.00	-35.00	-35.00	-35.00	-30.00	-30.00	
Change WC	-16.44	-16.12	-16.99	-17.72	-19.66	-11.30	-4.93	-5.05	
Investments in goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free cash flow	-32.91	-16.19	34.53	43.84	52.93	68.92	83.02	85.80	1285.50

Development of capital costs	
Risk-free return	2.50%
Market risk premium	5.50%
Beta	1.34
Cost of equity	9.85%
Target weighting	95.00%
Borrowing costs	4.30%
Target weighting	5.00%
Taxshield	24.99%
WACC	9.52%

Determination of fair value	FY 25e	FY 26e
Value of operating business	901.85	1003.85
PV of explicit FCFs	221.48	258.74
PV of continuing value	680.37	745.11
Net Debt	27.33	58.85
Value of equity	874.52	945.00
Minority interest	-6.00	-6.48
Value of the share capital	868.52	938.52
Outstanding shares in million	18.10	18.10
Fair value of the share in €	48.00	51.87

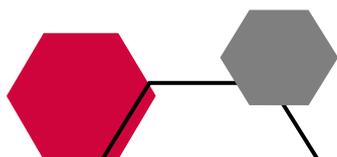
Sensitivity analysis

		WACC				
		8.9%	9.2%	9.5%	9.8%	10.1%
Return on capital	22.1%	52.06	49.44	47.06	44.89	42.91
	22.4%	52.60	49.94	47.53	45.33	43.32
	22.6%	53.13	50.44	48.00	45.77	43.74
	22.9%	53.66	50.94	48.46	46.21	44.15
	23.1%	54.19	51.43	48.93	46.65	44.56

FIGURES AT A GLANCE

in € million	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Sales revenue	334.14	383.12	427.37	478.23	540.01	604.45	675.94	717.02
Cost of sales	-205.38	-231.23	-254.24	-283.59	-318.07	-355.13	-396.14	-419.58
Net result	128.76	151.89	173.13	194.64	221.95	249.32	279.80	297.43
Distribution costs	-50.01	-54.18	-59.83	-66.95	-75.06	-83.41	-92.60	-96.80
R&D	-18.01	-21.30	-23.51	-26.30	-29.70	-33.24	-37.18	-39.44
Administrative costs	-25.01	-33.38	-32.58	-34.81	-37.80	-42.31	-47.32	-50.19
Other income	14.74	25.12	17.95	20.09	22.68	25.39	28.39	30.11
Other expenses	-9.01	-19.84	-14.96	-16.74	-18.90	-21.16	-23.66	-25.10
Impairment losses	-0.13	-0.35	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	41.60	47.95	60.20	69.92	83.16	94.58	107.44	116.03
Financial income	0.28	0.36	0.25	0.25	0.25	0.25	0.25	0.25
Financial expenses	-8.59	-3.98	-2.88	-2.68	-2.56	-2.51	-2.52	-2.58
EBT	33.28	44.33	57.57	67.50	80.86	92.32	105.17	113.70
Taxes	-7.37	-10.57	-13.24	-15.52	-18.60	-21.23	-24.19	-26.15
Minorities	-0.68	-1.58	-1.30	-1.30	-1.30	-1.30	-1.30	-1.30
EAT	25.23	32.18	43.03	50.67	60.96	69.79	79.68	86.25
EBITDA	51.89	60.15	72.37	91.02	105.65	118.32	132.30	141.91
EBITDA margin	15.7%	16.9%	19.0%	19.6%	19.6%	19.6%	19.8%	15.7%
EBIT	41.60	47.95	60.20	69.92	83.16	94.58	107.44	116.03
EBIT margin	12.5%	14.1%	14.6%	15.4%	15.6%	15.9%	16.2%	12.5%
EPS per share in €	1,73	2,21	2,38	2,80	3,37	3,86	4,40	4,77
Dividend per share in €	0,00	0,80	0,71	0,84	1,01	1,16	1,32	1,43

Sources: PFISTERER; GBC AG



ANNEX

I.

Research under MiFID II

1. A contract exists between the research company GBC AG and the issuer regarding the independent creation and publication of this research report on the respective issuer. GBC AG is remunerated for this by the issuer. If this is the case, it is indicated in the respective study in accordance with the notations.
2. The research report is provided to all interested investment service providers at the same time.
or
3. If the studies are not commissioned by the issuer, the studies are prepared on an independent basis. The preparation is also carried out without influence from third parties.
4. The research report is made widely available and published in a generally accessible manner and is not distributed exclusively to certain customers and investors. Thus, the research study is also to be classified as a 'minor non-monetary benefit' and is therefore MiFIDII compliant.

II.

§1 Disclaimer / Exclusion of liability

This document is for information purposes only. All data and information contained in this study has been obtained from sources that GBC believes to be reliable. Furthermore, the authors have taken the greatest possible care to ensure that the facts used and opinions presented are appropriate and accurate. Despite this, no guarantee or liability can be accepted for their accuracy - either expressly or implicitly. Furthermore, all information may be incomplete or summarised. Neither GBC nor the individual authors accept any liability for damages arising from the use of this document or its contents or otherwise in connection therewith.

Please note that this document does not constitute an invitation to subscribe for or purchase any security and should not be construed as such. Nor should it or any part of it form the basis of, or be relied upon in connection with, any binding contract of any kind whatsoever. A decision in connection with any prospective offer for sale of securities of the company or companies discussed in this publication should be made solely on the basis of information contained in any prospectus or offering circular issued in connection with such offer.

GBC does not guarantee that the implied returns or the stated price targets will be achieved. Changes in the relevant assumptions on which this document is based may have a material impact on the targeted returns. Income from investments is subject to fluctuation. Investment decisions always require the advice of an investment adviser. Thus, this document cannot assume an advisory function.

Distribution outside the Federal Republic of Germany:

This publication, if distributed in the UK, may only be made available to persons who qualify as authorised or exempt within the meaning of the Financial Services Act 1986 or persons as defined in Section 9(3) of the Financial Services Act 1986 (Investment Advertisement) (Exemptions) Order 1988 (as amended) and may not be communicated, directly or indirectly, to any other person or class of persons.

Neither this document nor any copy thereof may be brought into, transferred to or distributed in the United States of America or its territories or possessions. Distribution of this document in Canada, Japan or other jurisdictions may be restricted by law and persons into whose possession this publication comes should inform themselves about and observe any restrictions. Any failure to comply with such restriction may constitute a violation of US, Canadian or Japanese securities laws or the laws of any other jurisdiction.

By accepting this document, you accept any disclaimer and the above limitations. You can also find the information on the disclaimer/liability exclusion under: <https://www.gbc-ag.de/de/Disclaimer>

Legal Notices and Publications Pursuant to Section 85 WpHG and FinAnV

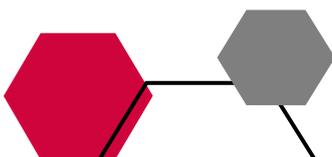
You can also find the notices on the Internet at the following address: <https://www.gbc-ag.de/de/Offenlegung>

§ 2 (I) Update:

A specific update of the present analysis(es) at a fixed point in time has not yet been scheduled. GBC AG reserves the right to update the analysis without prior notice.

§ 2 (II) Recommendation / Classifications / Rating:

GBC AG has been using a three-stage absolute share rating system since 1 July 2006. Since 1 July 2007, the ratings have referred to a time horizon of at least six to a maximum of 18 months. Previously, the ratings referred to a time horizon of up to 12 months. When the analysis is published, the investment recommendations are determined according to the ratings described



below with reference to the expected return. Temporary price deviations outside these ranges do not automatically lead to a change in the rating, but do give rise to a revision of the original recommendation.

The respective recommendations / classifications / ratings are associated with the following expectations:

BUY	The expected return, based on the determined price target, including dividend payment within the corresponding time horizon is $\geq + 10\%$.
HOLD	The expected return, based on the determined price target, including dividend payment within the corresponding time horizon is $> - 10\%$ and $< + 10\%$.
SELL	The expected return, based on the determined price target, including dividend payment within the corresponding time horizon is $\leq - 10\%$.

Price targets of GBC AG are determined on the basis of the fair value per share, which is determined on the basis of generally recognised and widely used methods of fundamental analysis, such as the DCF method, the peer group comparison and/or the sum-of-the-parts method. This is done by taking into account fundamental factors such as share splits, capital reductions, capital increases, M&A activities, share repurchases, etc.

§ 2 (III) Historical recommendations:

GBC's historical recommendations on the present analysis(es) are available on the internet at the following address:
<https://www.gbc-ag.de/de/Offenlegung>

§ 2 (IV) Information basis:

For the preparation of the present analysis(es), publicly available information on the issuer(s) (where available, the three most recently published annual and quarterly reports, ad hoc announcements, press releases, securities prospectus, company presentations, etc.) was used, which GBC considers to be reliable. Furthermore, in order to prepare the present analysis(es), discussions were held with the management of the company(ies) concerned in order to obtain a more detailed explanation of the facts regarding the business development.

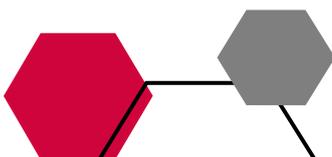
§ 2 (V) 1. Conflicts of interest pursuant to § 85 WpHG and Art. 20 MAR:

GBC AG and the responsible analyst hereby declare that the following possible conflicts of interest exist for the company(ies) named in the analysis at the time of publication and thus comply with the obligations of § 85 WpHG and Art. 20 MAR. An exact explanation of the possible conflicts of interest is listed below in the catalogue of possible conflicts of interest under § 2 (V) 2.

With respect to the securities or financial instruments discussed in the analysis, the following potential conflict of interest exists: (5a,11)

§ 2 (V) 2. Catalogue of possible conflicts of interest:

- (1) GBC AG or a related legal entity holds shares or other financial instruments in this analysed company or analysed financial instrument or financial product at the time of publication.
- (2) This company holds more than 3% of the shares in GBC AG or a related legal entity.
- (3) GBC AG or a related legal entity is a market maker or designated sponsor in the financial instruments of this company.
- (4) GBC AG or a related legal person has been involved in the public issue of financial instruments of this company in a leading or supporting role in the previous 12 months.
- (5) a) GBC AG or a related legal entity has reached an agreement in the past 12 months with this company or the issuer of the analysed financial instrument for the preparation of research reports in return for payment. As part of this agreement, the issuer was provided with the draft of the financial analysis (excluding the valuation section) prior to publication.
- (5) b) The draft of the financial analysis was amended on the basis of justified comments from the company or issuer.
- (6) a) GBC AG or a related legal entity has, in the preceding 12 months, entered into an agreement with a third party regarding the creation of research reports in return for payment in respect of this company or financial instrument. As part of this agreement, the draft of the analysis (excluding the valuation section) was made available to the third party and/or company and/or issuer of the financial instrument prior to publication.
- (6) b) The draft of the financial analysis was changed on the basis of justified comments from the third party and/or issuer.
- (7) The analyst responsible, the head analyst, the deputy head analyst and/or any other person involved in the preparation of the report holds shares or other financial instruments in the company in question at the time of publication.
- (8) The analyst responsible for this company is a member of the local management board or the supervisory board.
- (9) The analyst responsible has received or acquired shares in the company analysed by him.
- (10) GBC AG or one of its affiliated legal entities entered into an agreement with the analysed company for the provision of consultancy services in the last 12 months.



(11) GBC AG or a related legal entity has significant financial interests in the analysed company, such as the acquisition and/or exercise of mandates in the analysed company or the acquisition and/or provision of services for the analysed company (e.g. presentations at conferences, roundtables, roadshows, etc.).

(12) At the time of the financial analysis, the analysed company is in a financial instrument or financial product (such as a certificate, fund, etc.) managed or advised by GBC AG or its affiliated legal entity.

§ 2 (V) 3. Compliance:

GBC has taken internal regulatory precautions to prevent possible conflicts of interest and to disclose them if they exist. The current Compliance Officer, Karin Jägg, email: jaegg@gbc-ag.de, is responsible for compliance with the regulations.

§ 2 (VI) Responsible for the preparation:

The company responsible for the preparation of this analysis(es) is GBC AG, based in Augsburg, Germany, which is registered as a research institute with the competent supervisory authority (Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Marie-Curie-Str. 24-28, 60439 Frankfurt).

GBC AG is currently represented by its board members Manuel Hölzle (Chairman) and Jörg Grunwald.

The analysts responsible for this analysis are:

Cosmin Filker, Dipl. Betriebswirt (FH), Deputy Chief Analyst

Marcel Goldmann, M.Sc., Financial Analyst

Other persons involved in the preparation of the study:

Jörg Grunwald, Executive Board

§ 3 Copyrights

This document is protected by copyright. It is provided for your information only and may not be reproduced or distributed to any other person. Any use of this document outside the limits of copyright law generally requires the consent of the GBC or the relevant company, provided that there has been a transfer of rights of use and publication.

GBC AG

Halderstrasse 27

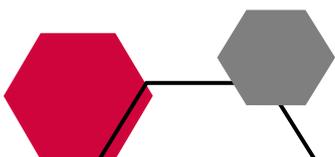
D 86150 Augsburg

Tel.: 0821/24 11 33-0

Fax: 0821/24 11 33-30

Internet: <http://www.gbc-ag.de>

E-mail: compliance@gbc-ag.de



GBC AG®
- RESEARCH & INVESTMENT ANALYSES -

GBC AG
Halderstrasse 27
86150 Augsburg
Internet: <http://www.gbc-ag.de>
Fax: ++49 (0)821/241133-30
Phone: ++49 (0)821/241133-0
Email: office@gbc-ag.de