

Encavis AG

Transcript Q3/9M 2021 Interim Statement Conference Call

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Speakers:

Dr Christoph Husmann (CFO) and Dr Dierk Paskert (CEO)

Dr Christoph Husmann

Good morning to all of you, a warm welcome to our Q3 interim statement conference call. I hope that you're all well and are not impacted or even infected by Corona, or the newly implemented lockdown measures so far. Well, as you know, we have always a full presentation on the cumulative figures and presenting to you all the respective highlights. But, as you know, we, in this conference call, will only hop to the most recent developments which are relevant for this third quarter.

As you might be aware, we converted our outstanding hybrid convertible, which we issued in 2017 and 2019 on October 4th mandatorily, and the reason for that is quite an efficiency reason due to the very strong increase of our share price in 2019 and 2020 with hybrid convertibles price moved, or developed, parallel to the share price. And so therefore it was meaningless for the hybrid convertible owners to keep that paper instead of the shares.

So, it was to be expected that they would convert their hybrid convertible into shares, which already was done on August 5th, and September 24th by several investors. To streamline that process, we decided to mandatorily convert all remaining outstanding hybrid convertibles on October 4th into shares. Why do I reiterate that? I would like to confirm to you that this does have no impact on earnings per share in 2021.

It does not have any impact on total assets, equity or equity ratios. Well, ladies and gentlemen, as you might know we are pretty backloaded in our own portfolio with the investments. Usually during the course of the year, we invest mostly in the second half of the year, and a very big portion at the end of Q4. And that applies to this year as well.

In May, we acquired Paltusmäki, a 22 MW wind farm in Finland, and in the course of the last three weeks we announced three acquisitions. Firstly, it was Groß Behnitz, an acquisition which we announced on 21st October. This is a new solar farm, which is to be built in Brandenburg, nearby Berlin.

These ones who participated in the capital markets day, or our last physical capital markets day, when we visited our Brandenburg solar farm, might have recognised it is not too far away from that area. It is a 25 MW new acquisition here from our strategic

development partner Sunovis GmbH. Six days later, on 27th October, we announced that we started the construction of the new park, Ringkøbing, which is at the Danish west coast of the North Sea, 12 MW.

It's a small park, but what is worthwhile to note here, firstly, it is our first solar farm in Denmark. And it comes from the strategic development partnership with GreenGo Energy, with whom we have a strategic development partnership of 500+ MW. And the most recent acquisition was then two weeks later on 12th November, last Friday.

We announced that we acquired five solar farms in the Netherlands, with a total generation capacity of 74 MW. Here, from Statkraft. By the way, precisely we have to say from the former SolarCentury, which was acquired from Statkraft. Three of the five solar farms are already connected to the grid. They do have a total capacity of 50 MW. The remaining two ones are almost fully built, so they are done, all the equipment is on the place, there is no logistics issue, so it is only a question of acceptance by the authorities that these parks will be connected to the grid within the next weeks or months.

All these parks are receiving fixed tariffs for 15 years under the Dutch subsidies scheme, SDE+. In total, as of today, Encavis added with that 133 MW of new capacity to our own portfolio, mostly solar. And what is worthwhile to note, the last three ones out of strategic development partnerships, that are functioning, we outlined during our last capital markets day some weeks ago. So, having said that, 133 MW so far, this year is by far not over yet, so more parks are expected. But as we pointed out, this is sometimes timing-wise a little bit beyond our control due to authorisations which are outstanding.

The Asset Management was quite busy as well this year, so in this quarter they were successful in investing money in parks for Encavis Infrastructure Fund II. Which is the fund which is designed for saving and loan banks and smaller corporate banks which are participating in that fund.

And they acquired a solar farm portfolio as well. As well as a wind farm portfolio; the solar farm portfolio in Germany, the wind farm portfolio in France. And with both together, almost 120 MW. And the Encavis Infrastructure Fund III, which is a special fund for Versicherungskammer Bayern. Here they invested 66 MW into a solar portfolio in Western and Southern France.

In addition to that, on the 29th September we announced that Encavis Asset Management together with BayernLB designed the new Encavis Infrastructure Fund IV, which is about to be placed on the market next year, with a total fund volume of EUR 500 million for further investments. This is important to foster the growth of Encavis Asset Management in the years to come. Regarding financing within that quarter, we announced on 16th

August that we have signed a sustainable ESG revolving credit facility (RCF). This is a very long name for quite a unique thing. Maybe you are aware that most of our parks are financed non-recourse on SPV level. So, all cash flows firstly go to the financing bank on SPV level, and then to Encavis AG.

Having said that, all debt on corporate level is structurally subordinated to the debt on SPV level. So, therefore, we consider this to be a success, which is, by the way, unique in the renewables market where we have an unsecured commitment to draw the facility from five well-known banks, like Commerzbank, Rabobank, BayernLB, DZ-Bank, and Landesbank Baden-Württemberg, which together guarantee us whenever we need EUR 25 million of working capital facility, and EUR 100 million hunting line.

And that is for us very important, because as we pointed out, the decision making of the authorities in Europe is sometimes timing-wise surprising. Sometimes they speed up dramatically, sometimes they are totally slow. So, for how long have we to keep the money in place to pay the developers for the development? It's up to us to draw the facility, it makes it very efficient to draw down the amount of money needed for the acquisition of a park whenever the authorisation is given. This sustainable ESG revolving credit facility became possible on the back of our investment grade rating by SCOPE Rating. We have a BBB- here. This is unique in the renewables market in Europe as well as for a pure-play, non-utility player of our size, and that helped us to convince the banks.

Well, let's come to the figures. First, let's have a look on the Q3 figures isolated, so without the first half. In the end, and first, as a management summary, the picture is the same or similar to that one what we have seen the first two quarters of 2021, but somewhat better. We had an energy production in the third quarter of 778 GW power, which is 55%, or 277 GW more than in the previous years' third quarter.

But if we look more into the details, there we see that the existing portfolio, which was already in place in 2019 and 2020, produced this year 31 GW hours, or 7% less than in the previous year's quarter. And that is due to weaker meteorological situation. On the back of the 778 GW hours, we realised revenue of EUR 97 million, which is 22% more than in the previous year's quarter.

And the same applies to EBITDA, EBIT, and operating EPS. So, we have now a more sound development of our figures, not so much extremely deteriorated by meteorological issues. Because the meteorological impact, now, is smaller when compared to the additional energy production of our parks which are newly connected to the grid.

What we consider to be a progress is the development of the earnings per share, and under which we realised EUR 0.19 in Q3

2021, compared to EUR 0.15 in the last year's quarter. The operating cash flow improved by 51%, up to EUR 77.7 million in that reporting quarter.

Well, if we have a look now on the cumulative figures, then we see what this quarter means to our figures so far. We produced, in the first nine months, 2.2 terawatts hours (TWh) of electricity, which is 35% more than previous year, or 569 gigawatts hours (GWh) more. But then if we look just in the existing portfolio, which was there in place in the first nine months in the previous year's already, then we see the reduction of the energy production by 11%. So, after the second quarter, we added now the third quarter to the overall figures and that was calming down the very harsh reduction of energy production in our existing portfolio, which we suffered in the first quarter due to very poor weather in that first quarter. The revenue, now, increased to almost EUR 260 million, EUR 25 million up compared to previous year: plus 11%. As a matter of fact, we see here the effect from the first quarter. Usually we have revenue, EBITDA and EBIT, that increase with almost the same percentage as the revenue. This is still not the case due to the disturbing figures of the first quarter, where we had a huge lack due to meteorological effects. Please have in mind that in these quarters the lack of meteorological revenue leads to the same lack of figures in EBITDA and EBIT, so the figures are reduced 100%, all through the way to the P&L. While the addition of new revenue from new parks are reflected in the EBITDA and EBIT only with a respective margin because these revenue come along with additional costs.

So, that's the reason why the operating EPS is, in total up to now, EUR 0.05 below the cumulative figures of previous years. If we take out that pure meteorological effect, then only for calculation purposes, it's to see that the growth of the Company is healthy. We increased the revenue and the EBITDA and EBIT by solid double-digit figures. The operating cash flow increased over the nine months by 12%, or EUR 20.5 million, up to EUR 187.1 million.

If we compare these figures with the consensus in the market, then we see that, in the single Q3, as well as after nine months, we surpassed all figures. This applies to revenue, EBITDA and EBIT, but in operating cash flow and operating earnings per share, we are above expectations. Specifically in operating cash flow, where we surpassed the expectations by EUR 10 million.

The operating EPS is now cumulative, and in the single quarter slightly above the consensus. If we then have a look into the segment, then we see the growth on the one hand-side, and the meteorological weakness compared to the extremely strong previous year on the other hand-side. What does that mean to our figures? In the solar park segment, revenue increased from EUR 172 million in previous years' nine months, to EUR 198 million this year. Here, we do have a lack of revenue due to meteorological weakness compared to the very strong previous year of EUR 5

million. And on the other side, additional EUR 32 million of revenue from our new to the grid-connected Spanish parks. And that can be seen on the EBITDA level and EBIT level as well. So, if we correct the EUR 5 million meteorological effect in the previous year, then the margins would stick at the same level.

In the wind farms, where we had not so important acquisitions in the last years, only Viertkamp and Paltusmäki adding some additional revenue, the reduction in revenue as well as the EBITDA and the EBIT, is due to a negative meteorological effect of more than EUR 7 million.

In the Technical Services we see almost the same business activities as in previous years, but we see a heavily reduced EBITDA and EBIT. But this is due only to one effect: Last year we disposed our Encavis Technical Service GmbH to our minority holding Stern S.p.A, and realised EUR 1.9 million profit in the first half. And that cannot be repeated here, so that's the reason why we have reduced profit here. In a nutshell is the same level without that effect than in previous year's nine months.

The Asset Management had a very strong start into the year, so after the nine months realised EUR 11.3 million of revenue, which is 85% more revenue than in the previous year. And it more than quadrupled the profits.

The headquarters streamlined their cost, and could reduce the cost, so the costs of the headquarters decreased from EUR 7.4 million to EUR 6.5 million.

Having a very short look on the balance sheet: The growth in the Company, which led to the 11% increase in revenue so far compared to previous year is reflected in our balance sheet growth by 8%. What we do see here is the full connection to the grid, and with that full consolidation of the Talayuela park. La Cabrera was already connected to the grid, and therefore fully consolidated in the last year's report 2020. So, the 8% growth is based on that full consolidation of Talayuela, and with the profitability we could increase our equity.

Let's have a look into the guidance: the Executive Board had a look on the guidance. We balanced everything and confirmed the guidance. After nine months we can state that we realised already at this point of time 80% and more of our guidance already, for some of the key figures even already 89%. So, therefore, we absolutely confirm our guidance and see currently no reason to deviate from it.

The same applies to our respective segmentational report, although there might be some weakness, maybe, in wind, but this is something we have to check in the next one and a half months, which we cannot forecast by now.

Ladies and gentlemen, that was my presentation on the figures and if you have now any questions for that I would like to hand

over to our moderator. Thank you.

Operator Ladies and gentlemen, at this time we will begin the question-and-answer session. Anyone who wishes to ask a question may press star followed by one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star followed by two. If you're using speaker equipment today, please lift the handset before making your selection. Anyone who has a question may press star followed by one at this time.

One moment for the first question, please. The first question is from the line of Jan Bauer from Warburg Research. Please go ahead.

Jan Bauer Good morning and thank you for taking my question. I've got one question regarding the Spanish PV parks. Can you tell us how high the merchant market sales for those two parks has been during the first nine months?

Dr Christoph Husmann So, firstly the La Cabrera park, like the Talayuela park, is 75% hedged under long-term PPA contracts. In the La Cabrera park the 25% are hedged under a 15-month hedge contract until end of March of next year. So, it's only Talayuela with 25% which is exposed to the spot market price which, as you might know, is quite favourable.

But please have in mind that Talayuela had a ramp-up phase in January, February and March, so that was not the full production we had in these days. But in the summer months, we were pretty well-off, and it's EUR 3-4 million in total, which should be exposed to spot market prices. Mr Bauer, honestly said, this is hard to figure because it depends on the spot market price, which was increasing within the six months. So, it is an average price.

Jan Bauer Yes, I just try to figure that out.

Dr Dierk Paskert If I could add to that, Mr Bauer. So, please bear with us that we are not individually giving any figures for our hedging positions in the market, because this is also something which we do not want to disclose. So, therefore, we stick to our hedging policy, which says on the overall portfolio, maximum 5% of our revenue on an annual basis calculated will be exposed to merchant prices.

So, that is our guideline and risk policy. How we then hedge individually every asset in the country, or on the portfolio perspective, that is nothing we would like to disclose to the market.

Jan Bauer Yes, fair enough. So, for Q4, can we expect that you will again spin off a minority share of one of your wind farms?

Dr Christoph Husmann Usually, as you might know, we are always exposing participations in wind farms during the course of the year. And as you know, this is mostly pretty backloaded in the year's end, so last year we announced, I think shortly before Christmas. We are confident that we will be able to give an announcement regarding a sale of a participation, a wind farm, this year as well, but the

other party has to sign as well and to approve. So, we are absolutely positive that runs very smoothly, but you never know. But we are confident that we will reach it, and it is part of our guidance.

Jan Bauer

Okay perfect, thank you. And one last question regarding your fast forward strategy. I just went through the figures. I was asking myself, how high is the share of the Asset Management in your 2025 guidance?

Dr Christoph Husmann

The Asset Management itself is a very different business compared to our own business here. We are accumulating parks, and every new park if it is there, is ours. While the Asset Management enjoys one-off payments for the investment, and then payments for the regular maintenance and operations of these parks. So, the major chunk is the one-off payment that we reach at the very beginning.

And this has some limitations, because the number of bringing in new funds, convincing investors and investing the parks, so therefore the growth rate, which we see currently in the Asset Management, won't go forever. So, we see still a slight increase in these figures backed on the operating and Asset Management payments that we see from the fund as well. So, if you assume a slight increase in the future, then I think you have reflected it quite clear in your calculations.

Jan Bauer

Okay, thank you very much.

Operator

The next question is from the line of Peter Crampton from Barclays. Please go ahead.

Peter Crampton

Good morning, I'm Peter Crampton here from Barclays. Just one question if I may. Now, we've already had SPD, Greens and FDP in their exploratory paper on the negotiations for this coalition government, talk very aggressively about new energy policy. And particularly mentioned wanting to step up new on-shore wind and solar capacity newbuilds by easing planning laws.

And I was wondering whether you see opportunities here? And what would need to happen for you to maybe step up renewable builds more in Germany, in terms of whether this could be an exciting opportunity for Encavis? Thank you.

Dr Dierk Paskert

Thank you for that question. If the outcome is such as you just described, then definitely this would have positive effects for us. But that remains to be seen. So, we do not see so much use in just announcing new plans, because that was already there with the old government. What has to be taken off, or really done in a different way, is what Christoph Husmann alluded to at the beginning of this call, that is permission.

And really granting permits, and that we have to expediate drastically in Germany in order to really catch up. We see a lot of demand from the energy market and from the off-takers, so that is

very high, not only in Germany, also in other countries. And I would rather foresee that there is a lack of really good projects being built, rather than a lack of demand. So, therefore, permissioning and permitting the parks should be key priority to the governments, more or less in all European countries.

If that is done by the new government in Germany, then definitely it would help.

Peter Crampton

Okay, perfect, thank you for your answer.

Operator

The next question is from the line of Igor Kim from Berenberg.

Igor Kim

Yes, hi, good morning. I've got three questions from my side. First one, on your last acquisition of 74 MW that you announced last week, could you give some colour, what revenue contribution we could expect when it's fully operational? And also, for the next year, if you can't give a precise figure, then at least maybe remuneration per megawatt hour, what we could expect here?

Second question is, if I correctly understood, you still expect some acquisitions before the year ends, if there will be no delay, of course. But as a best-case scenario, that we could expect some more Megawatts here before the end of the year. And the third question, with the pretty strong operating cashflow that you had in the first nine months, don't you think that your guidance for the full year on operating cash flow is conservative? Could you give some colour for the fourth quarter, what you expect here? Yes, that's it so far, thank you.

Dr Dierk Paskert

Okay, Christoph, would you take the first one on expected revenue?

Dr Christoph Husmann

Yes. So, the expected revenues will be a medium one-digit million euros figure derived from that park portfolio when they are all connected to the grid. Please have in mind, Mr Kim, that there are two parks which are, like the other ones, already built, but not connected to the grid yet. And since we already stated that permissions in Europe are sometimes, time-wise surprising it could be that there is some delay just in the commissioning in the end. This would mean that they are not connected to the grid before the year's end. And the remaining two ones, we are already connecting to the grid. This could be that the overall revenue contribution in the next year will be somewhat lower. Then I will take the last question, Dierk, and then I'll give it over to you...

Dr Dierk Paskert

Yes.

Dr Christoph Husmann

For the next question, and this is the operating cash flow, whether it is conservative or not. Once again, I certainly would love to tell you that, but as a matter of fact, as we know, that we have a capital gains tax repayment always, which is done by the tax authority. Sometimes it comes within the year, sometimes it is paid on 3rd January. So, therefore, since the operating cashflow is different to

revenues and others, depending on an exact day, we cannot forecast it so exactly yet with the operating cash flow as it's stated, we already reached almost 90% of this year's figures. It could be higher, but there is some risk in it. So, therefore, we refrain from increasing that goal, and stick with our above figure, which we stated.

Dr Dierk Paskert

Okay, then I will take the second question on the megawatts we expected. Also there, clearly no guidance until end of the year can we give you now. However, we have definitely processes going on which we see at least as being able to at least find them within the next six weeks, so until the year's end. One of which will be dependent on permitting, so everything so far is done. We simply have to reach veritable status, that is something we are waiting for. All signs we see currently is that the permissions will be granted this year, but we can only announce once we have it in our hands. So, quite easily you can see that this is something coming from a bigger project which would come from our development partnerships in Germany. And second one is more an acquisition of an already connected to the grid, or under construction, project which we are currently exclusively negotiating. So, that is the second one. For those two we are pretty optimistic that they will come, but we can only announce it once they are done.

Igor Kim

Okay, thanks a lot. Thank you.

Operator

The next question is from the line of Teresa Schinwald from Raiffeisen Bank International. Please go ahead.

Teresa Schinwald

Yes, good morning and thanks for taking my question. I have three, one a bit more detailed one. There was an increase in other operating expenses in the third quarter. Why has this been this way, and is this sustainable, or can it be reversed? The second one concerns the confirmation of the operating EPS guidance, which was confirmed despite the higher number of shares.

So, is it fair to assume that the absolute bottom-line guidance is now a bit higher? And the last one, I would like to follow up from Peter's question. We have heard the same complaints about permissioning from lots of infrastructure companies, be it energy, motorways, trains, or you name it. At the same time, the private sector consistently offers higher salaries to the qualified employees.

Is there a solution to that, when the public sector needs to match employment and start to approve the massive infrastructure in that investment announced?

Dr Dierk Paskert

I'll start with the last question. If your question, I don't know whether I got it 100% right. But if it is also with regard to cost increases, which we see currently for infrastructure projects, not only in the renewables business but all over the place. That is definitely something we are also carefully watching out for, and it

is not insignificant, I can tell you.

When we are talking about cost increase of double-digit, percentage numbers for some components. However, so far, that is at least compensated partially, if not all, with higher than expected megawatt hour prices in some of the markets. So, therefore, we are quite confident that we can keep that. If there's a further cost inflation to be expected through more infrastructure projects, that is nothing we see at least long term will be staying in the market. Our expectation, and that is, I think, goes in line with most market participants, is that for 2022 it will be for EPCs still a very relevant topic, but then it will also melt away. Like we have seen, for instance, it currently also on supply, and the supply chain in the world where transport cost and so on, logistics costs have already come down significantly. Raw materials prices did come down already, significantly. We haven't seen the impact for the components yet, but I am absolutely sure that this will also come later next year, so that we are back to normal by end of 2022.

Teresa Schinwald

May I clarify my question? It was rather about the timing issues. So, the strong demand from the infrastructure side, but the lack of ability from the public sector to catch up with the pace. Is there a solution to the problem?

Dr Dierk Paskert

The solution can only be given from the permitting side, because without permitting we can't build, and construct, and connect. We have at least hopes, because that program is seen now from the authorities. However, it remains to be seen whether the administration really then catches up with that problem. We have some signs, at least, that this will be the case, but that is still to be done.

For us, it is, therefore, of utmost importance that we read the markets, on the one hand from the off-takers side, as well as from the construction side, in the right manner, and match it. And that is our management expertise to do that. The ones who have the best handling of these timing issues will probably be the ones who do the best projects.

Because if you shoot out for projects when there is no off-take, that doesn't help you, and it goes the other way round, it doesn't help either. So, therefore, matching those two things and getting the timings right is probably the management expertise in the renewables business these days. And we are quite confident that with our development partnerships, we are pretty much well-placed to exactly really spot that timing issue.

Teresa Schinwald

Thank you.

Dr Christoph Husmann

And then regarding your question on the other operating expenses, these other operating expenses are usually linked to the cost of the ordinary business of our parks. We had a reduction from last year, we have 11.8 million this year, and 12.6 million last year, so this is the operating part of that. That running part is linked

to the new Spanish parks connected to the grid.

But last year in the third quarter we had some small extra expenses with ramping up the La Cabrera park. And we had additional costs last year in the third quarter due to our filing against the Italian state for the retrospective feed-in-tariff cut in 2015. And so, this was some reduction we had here.

And now your question regarding earnings per share. I didn't get the question correctly, what you are referring to. Could you please repeat the question?

Teresa Schinwald Yes, the operating EPS forecast of 46 cents was left unchanged, although your number of shares increases in the fourth quarter. And there was a communication of a small negative impact, of course, of the higher number of shares. So, is this actually a small increase in the absolute figure that you're communicating, of the operating net income?

Dr Christoph Husmann Yes, in the end it is. Otherwise, we couldn't compensate for it. But please have in mind that the calculation basis for the operating EPS is the average number of shares during the course of the year. And with the conversion of the shares on October 4th, they are only reflected for October, November and December, so only with one fourth in the calculations.

Teresa Schinwald Sure, of course.

Dr Christoph Husmann Okay, thank you.

Teresa Schinwald Thank you.

Operator The next question is from the line of Emmanuel Chevalier from CIC. Please go ahead.

Emmanuel Chevalier Thank you for taking my question. I have only one on cuts, it's solar tariff in France. I have in mind that you have two parks potentially impacted for a total of 50 MW. Do you already have an estimation of the EBITDA losses for 2022, please?

Dr Christoph Husmann Well, we see there's an ongoing discussion on that. There is some law implemented, but that law is contradictory in itself. Firstly there is some proposed cuts in feed-in tariffs. But secondly there are two additional thresholds which have to be fulfilled, and one is that firstly the DFCR of the park should be above 1.0 so that the repayment of the debt is possible. And secondly, there is an accepted return on the level of the investor, and that is also fulfilled by our parks. So, therefore, it is debatable whether that proposed feed-in tariff cut applies to our parks.

Emmanuel Chevalier Okay, thank you.

Dr Christoph Husmann You are welcome.

Operator The next question is from the line of Martin Tessier from Stifel. Please go ahead.

Martin Tessier Yes, good morning, thanks for the presentation. One question from me, you said that you expect a revenue contribution in the one-digit million euro-range for the parks in the Netherlands that you recently acquired. But if I'm not mistaken, and there has been an upside when spot prices are above the SDE price, the asset benefits from the other side.

So, could you just clarify whether the one-digit million euro-amount is a floor, or whether it already includes some merchant upside? Thanks.

Dr Christoph Husmann Okay. So, from my point of view, that's very nice. We know that you always enjoy the upside of higher spot market prices, applied to the German feed-in-tariff system, but not to the Dutch. In the Netherlands, you have some smaller proportions, it's more like the Italian system, where you have some maybe additional adjustment, but not full contribution of the spot market price, unfortunately. But this has positive and negative side effects. So, the SDE+ in the Netherlands is really a fixed, fixed, fixed rule. But in the Netherlands, as you might be aware of, it is that the planned annual electricity production is subsidised. So, if you enjoy, like in the last two years, very nice summers in the Netherlands, then the additional electricity, which goes beyond the planned gigawatt power production has to be marketed by yourself. And then you enjoy the higher spot market price.

So, there is an upside element in that Dutch system, but we never plan weather forecasts, so we always assume planned energy production. So, therefore, higher spot market prices are not yet reflected here, of which are the Netherlands only due to better summers.

Martin Tessier Okay, thanks for the clarification.

Dr Christoph Husmann You're welcome.

Operator There are no more questions at this time. I hand back to Dr Christoph Husmann for closing comments.

Dr Christoph Husmann Yes, thank you very much for dialling in, thank you very much for your interest in our Company. As you see, Encavis is progressing and developing like planned, although it looks sometimes, compared to the previous year with fantastic weather conditions, to be sometimes a bit negative deviation. But in total, the Company is developing on plan, and therefore the Executive Board is confident that we will reach our guidance like in the past years.

So, thank you very much for following us, thank you very much for commenting us. If you have any further questions, please do not hesitate to contact us in the next days and weeks. And, well, in the meantime, please stay safe and healthy. Thank you very much and have a good day.

Dr Dierk Paskert Thank you also from my side.