

Corporate News

PNE AG signs investment agreement and supports voluntary public takeover offer by Morgan Stanley Infrastructure Partners

- Takeover offer at a price of EUR 4,00 per share in cash
- Attractive premium of about 31 percent
- Comprehensive commitments to workforce and existing business units
- 'Scale-Up' strategy fully supported
- Accelerated implementation of strategic next steps

Cuxhaven, 10 October 2019. Following intensive talks, the management board of PNE AG with the approval of the supervisory board signed today an investment agreement with Photon Management GmbH ("Bidder"), an indirect wholly-owned subsidiary of funds managed and advised by Morgan Stanley Infrastructure Inc. and part of Morgan Stanley's global private infrastructure investment platform, Morgan Stanley Infrastructure Partners ("MSIP"), according to which the Bidder announced today its intention to make a public takeover offer for PNE AG at a price of EUR 4,00 per share in cash. The investment agreement contains the terms and conditions of the Bidder's strategic investment in PNE AG including commitments regarding the continuity of the workforce and existing business units as well as for its strong support of the business strategy, in particular with respect to financing.

Equity valued at about EUR 300 Mio.

The offer price communicated by the Bidder to PNE AG corresponds to an approximate 31 percent premium in relation to the unaffected share price on 26 August 2019 (3,05 Euro), the price before the publication of the ad-hoc statement concerning the first confirmation of talks of PNE AG with MSIP, and an approximate 21 percent premium on the volume-weighted average share price over the past three months (as per October 9: 3,30 Euro). The offer values PNE AG with an equity value of approximately EUR 300 Mio.. The offer will provide for a minimum acceptance threshold of 50 percent plus one share and further customary offer conditions. The acceptance threshold does not include the treasury shares of PNE AG.

Following a thorough review of the transaction offer, the management board and supervisory board of PNE AG have come to the conclusion that it would be in the best interest of the company and in the interest of the shareholders and other stakeholders of PNE AG to support the Bidder's offer.

"Highly professional and long-term partner"

Markus Lesser, Chief Executive Officer of PNE AG: "Over the course of our talks, we have gotten to know MSIP as a highly professional and long-term partner. Their strong support for our long-term business model and in particular for our strategy 'Scale Up', as well as for our employees and existing business units, have convinced us. Not least, we welcome the offered attractive premium for our shareholders. Consequently, and subject to a thorough assessment of the final offer documents, we support the offer by MSIP."

Following the settlement of the offer and subject to the acquisition of more than 50 percent of the voting rights, it is intended to pursue the withdrawal of admission for trading of the PNE AG shares from the regulated market in accordance with the rules of the German Securities Acquisition and Transfer Act (WpÜG) and the German Stock Exchange Act (Börsengesetz, BörsG).

As a wind power pioneer operating on an international level, PNE Group is developing along its strategy 'Scale Up' toward a "Clean Energy Solution Provider". The strategic orientation of PNE includes the entire renewable energy value chain and the processing of electricity. Earnings are to be increased and stabilized with 'Scale Up'. A significant increase in the service share and even greater diversification in the project business will improve the risk profile on a sustained basis. In the newly signed investment agreement, MSIP expressed a strong commitment to this strategy and support its, also in financial terms. Together with the management board of PNE AG, MSIP wants to continue to implement and accelerate the strategy. Furthermore, MSIP is committed to the workforce and existing business units.

"Offer provides sustainably stable and positive perspective for the company"

Per Hornung Pedersen, Chairman of the Supervisory Board of PNE AG: "We welcome the offer by MSIP and are convinced, that it offers a fair and appropriate value for the shareholders. Further, the offer provides a sustainably stable and positive perspective, as well as leading position in a future market, for the company and its further stakeholders."

Pursuant to the provisions of the WpÜG, the offer document will be released at a later time by the Bidder, following approval by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin). The management board and the supervisory board will, following its publication, thoroughly review the offer document and issue a reasoned opinion pursuant to Section 27 of the WpÜG. From today's perspective, PNE AG's management board and supervisory board assume that they both will recommend to the shareholders to accept the offer.

PricewaterhouseCoopers (PwC) and Latham & Watkins support PNE AG in the transaction.

About PNE Group

The internationally operating PNE Group with its brands PNE and WKN is one of the most experienced project developers of onshore and offshore wind farms. Based on this success, the Group has developed to become a "clean energy solutions provider". From initial site exploration and implementation of approval procedures via financing and turnkey construction to operation and repowering, the Company's services encompass all the phases of developing and operating wind farms. In addition to wind energy, in the future, the Company's range of offers will include photovoltaics, electricity storage, services and the supply of clean electricity. In this context, PNE is also involved in the development of power-to-gas solutions.

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