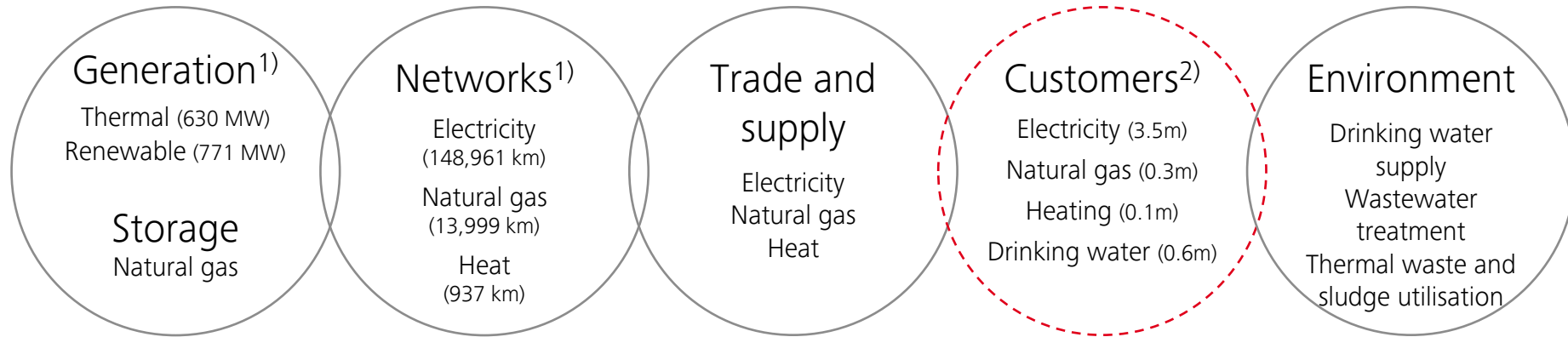


# EVN – the company for energy, water and environmental services

June 2023

- 
- EVN at a glance
  - Business development (FY 2021/22)
  - Back-up information

# Integrated business model as basis for our value chain



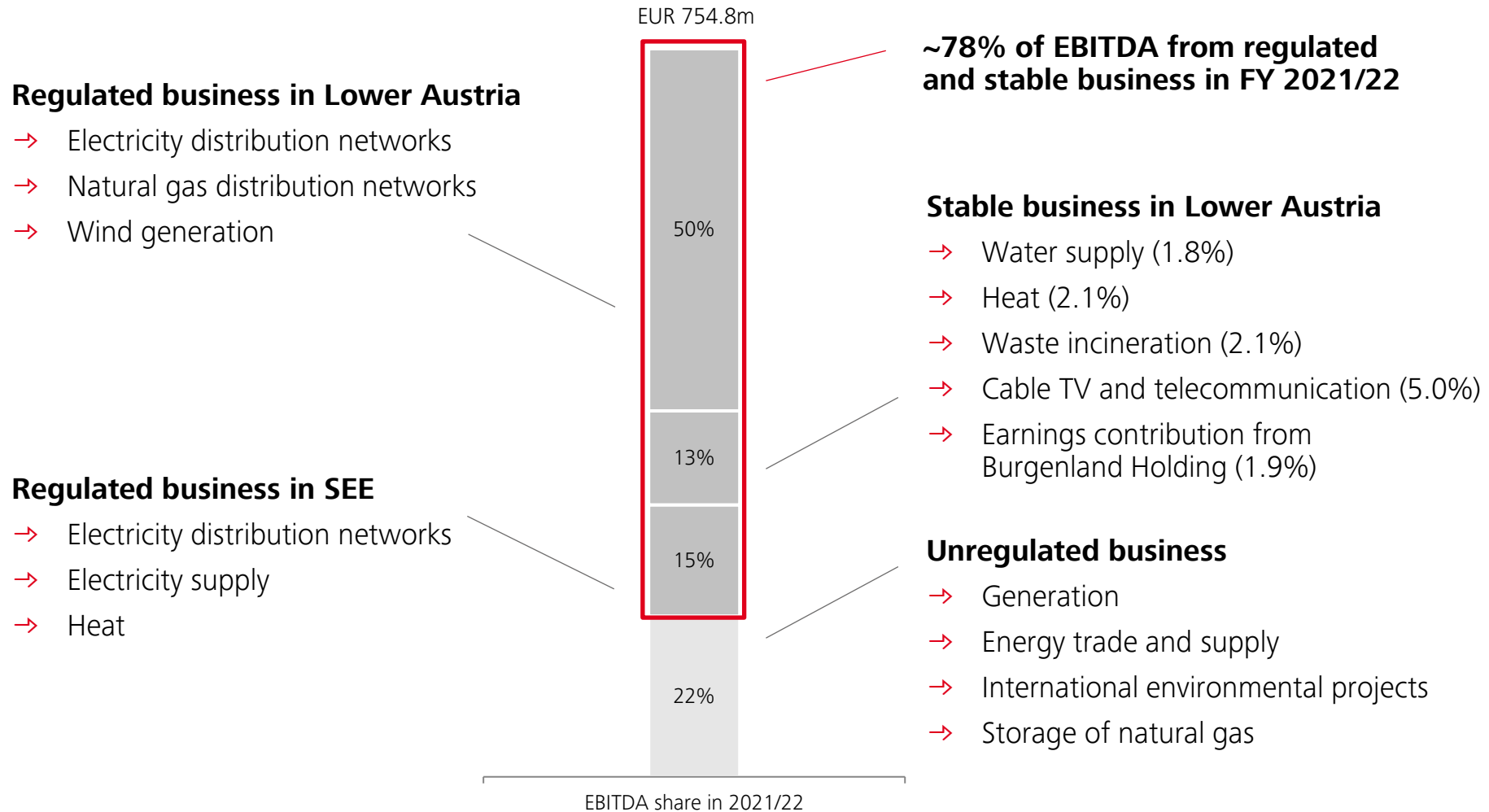
<sup>1)</sup> As of 30 September 2022

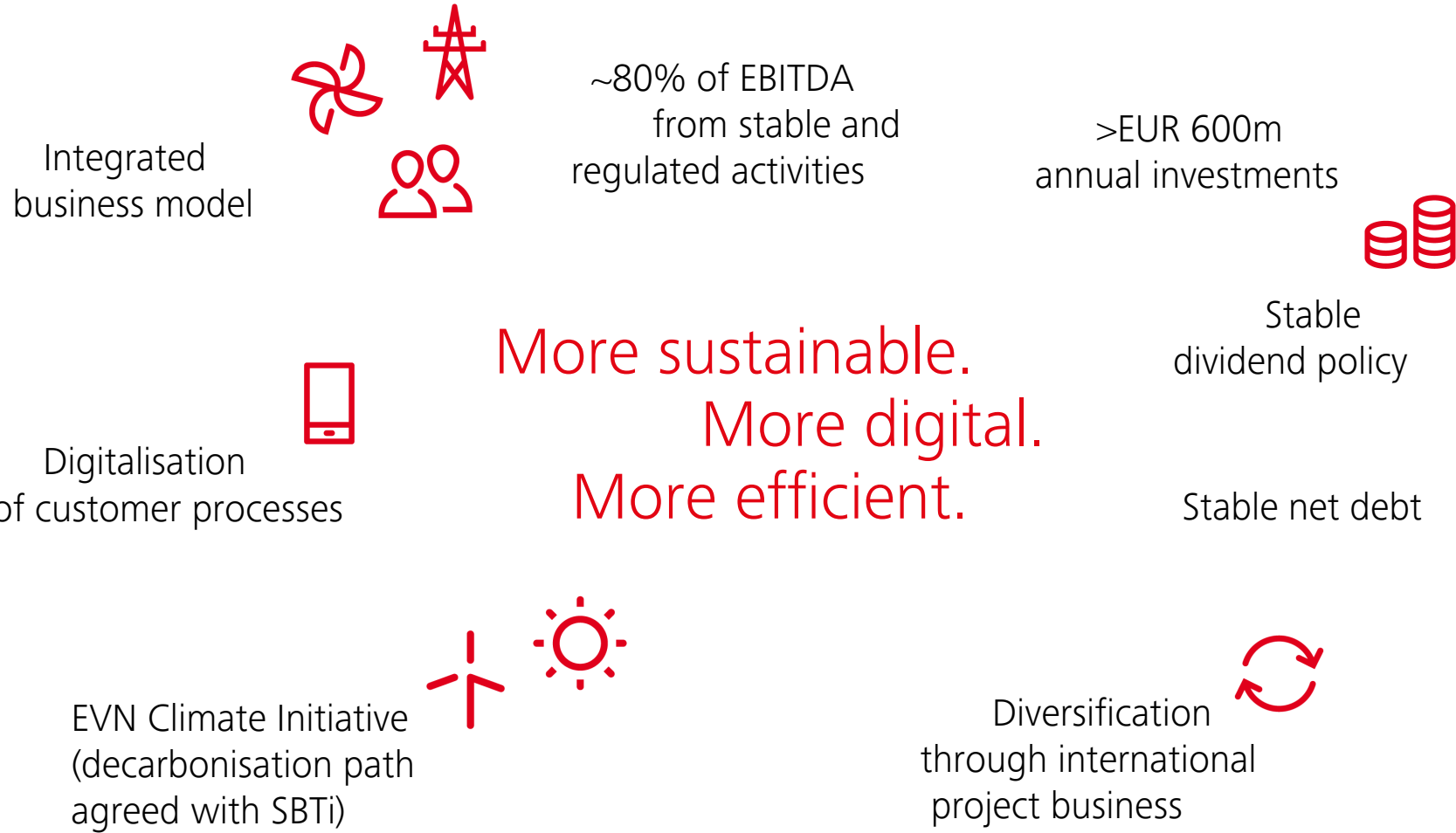
<sup>2)</sup> Number of customers in brackets

## → Foreign markets in the energy business

- Bulgaria: Electricity distribution networks, electricity supply, generation and heat
- North Macedonia: Electricity distribution networks, electricity supply and generation
- Selected activities in Germany, Croatia and Albania

# High share of regulated and stable business



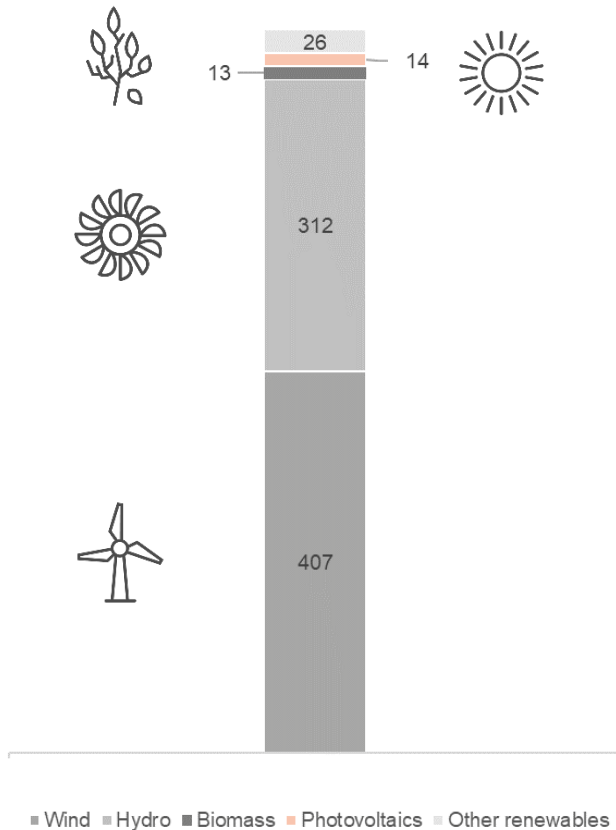




- EVN climate initiative
  - Expansion targets for renewables until 2030
  - CO<sub>2</sub> reduction goals agreed with Science Based Targets initiative (SBTi)
  - Climate neutrality in selected subsidiaries (PAS 2060)
- Capex KPI: 85% (share of taxonomy-aligned investments)
- Improvements in ESG ratings
  - CDP 2022: A-/Leadership
  - ISS Research: B-/prime status
- European Climate Leader 2023
  - Awarded by Financial Times
  - National leader in the “Energy and Services” sector

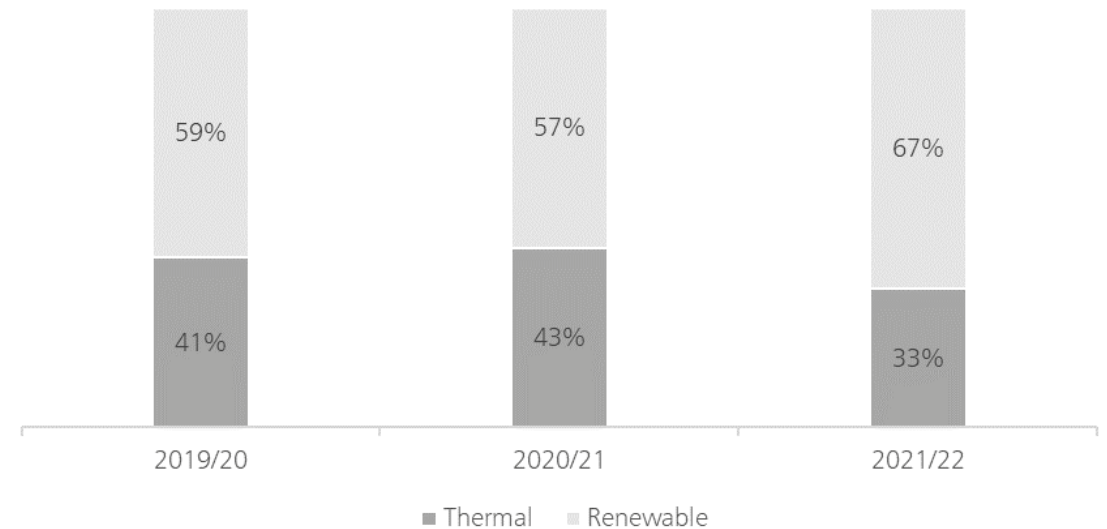
# EVN is #3 wind producer in Austria

→ EVN's renewable portfolio with 771 MW installed capacity<sup>1)</sup>



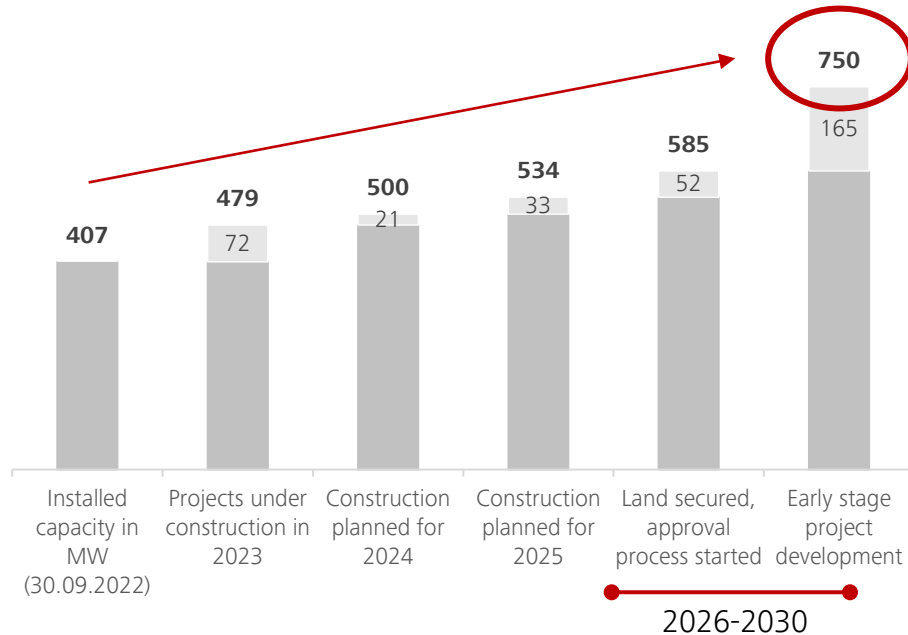
→ Successful reduction of CO<sub>2</sub> footprint in electricity generation

- Complete exit from coal-fired electricity generation as of 30 September 2021
- Natural gas-fired generation only used for network stabilization and for cogeneration of heat and electricity



# Wind expansion target of 750 MW installed capacity by 2030 to be achieved on the back of a strong project pipeline

→ Planned wind expansion path until 2030<sup>1)</sup>



→ Potential growth in annual wind production<sup>2)</sup>



→ Pipeline only includes projects in Austria

→ Construction in 2023

- Wind park Palterndorf-Dobermannsdorf (42 MW)
- Wind park Großkrut-Altlichtenwarth (12.4 MW)
- Wind park Prottes (18 MW)

→ Construction in 2024

- Wind park Paasdorf (22.2 MW)
- Wind park Sigleß-Pöttelsdorf (repowering; from 9.2 MW to 8.4 MW)

→ Total Capex: EUR 500-550m until 2030

1) Development also reflects various repowering projects

2) Assumption: 2,700 average full load hours



# EVN is confident to reach its wind power expansion targets as planned by 2030 – albeit some challenges

## Challenges

- Length of approval process (incl. long court proceedings)
- Acceptance of projects by local communities
- Grid connection
- Future land zoning for wind parks in Lower Austria

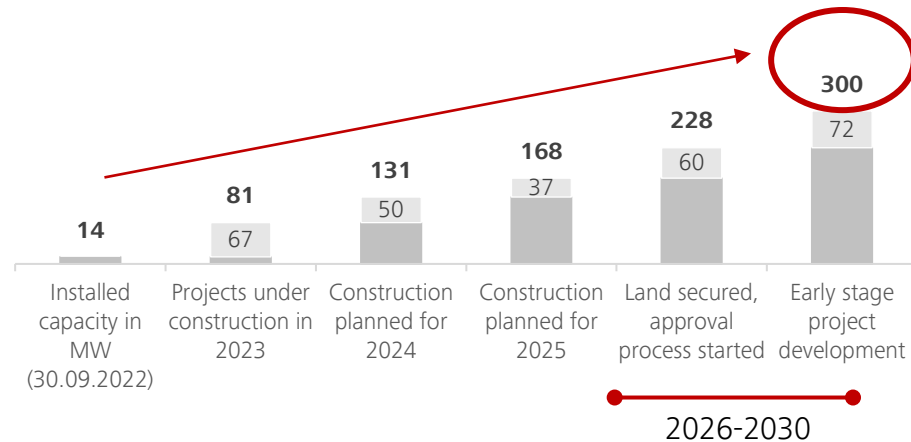
EVN's 2030 wind expansion target of 750 MW

## Success factors

- EVN's strong track record in its home market lower Austria
- Strong project pipeline
- Sufficient land secured
- Ambitious political renewable expansion targets in Austria

# Photovoltaic expansion target of 300 MW installed capacity by 2030 to be achieved on the back of a strong project pipeline

→ Planned PV expansion path until 2030



→ Pipeline includes projects in Austria, North Macedonia and Bulgaria

→ Construction in 2023

- PV plant Grafenwörth (12.3 MWp)
- PV plant Trumau (10 MWp)
- PV plant Theiss (3.1 MWp)
- PV plant Dürnrrohr (23.4 MWp)
- PV projects in North Macedonia (in total ~18 MWp)

→ Potential growth in annual PV production<sup>1)</sup>



1) Assumption: 1,100 average full load hours in Austria; 1,400 average full load hours in Bulgaria and North Macedonia

# Largest floating photovoltaic plant in Central Europe



- Large-scale floating PV plant Grafenwörth
  - Innovative design using the water surface of gravel pit ponds
  - Project realisation with a 50% partner
  - 45,000 PV modules
  - Total installed capacity 24.5 MWp (EVN-share: ~12.3 MWp)

## → Generation

- Pre-running hedging strategy for renewable generation on a rolling 12-18 months basis
- Natural gas-fired electricity generation exclusively as contracted reserve capacity for the Austrian transmission network operator, therefore no hedging required

## → Supply

- Energy procurement is subject to contract type
- Different floating- or fixed-price supply contracts tailored to specific customer needs
- Pre-running hedging strategy for fixed-price supply contracts on a rolling 12-18 months basis
- Back-to-back (for floating and fixed price industry contracts)

# Record level of investments dedicated to electricity networks in Lower Austria

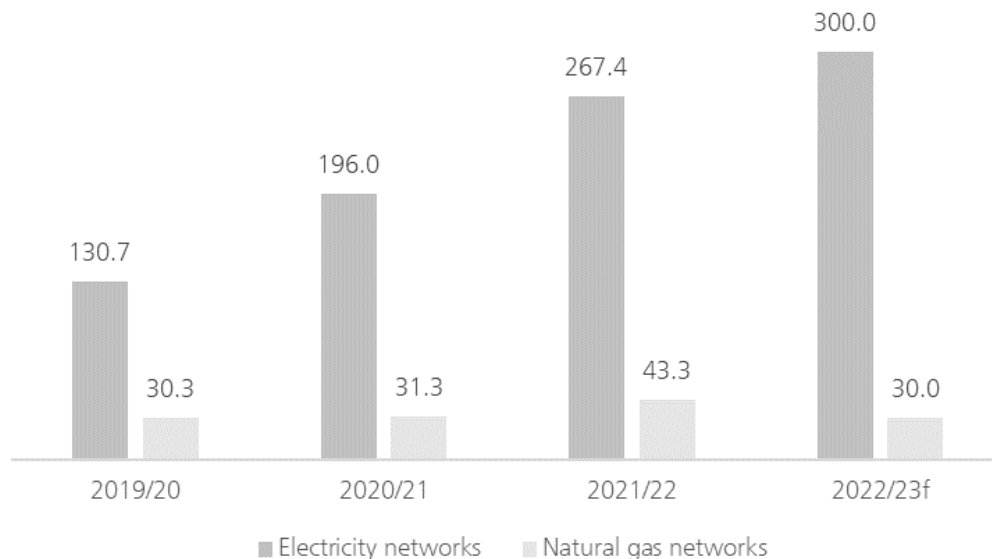
→ Capex<sup>1)</sup> plan for electricity networks until 2030

- Annual investments in electricity networks more than doubled since FY 2019/20
- New investment level of EUR 300m

→ Ø future RAB growth >5% p.a. in Lower Austria

→ Total RAB<sup>2)</sup> ~1.6bn

- RAB<sup>electricity</sup> ~1.0bn
- RAB<sup>gas</sup> ~600m (to remain stable in future)



1) Capex according to IFRS  
 2) RAB according to Austrian GAAP

# Sustaining high share of stable income from regulated network business

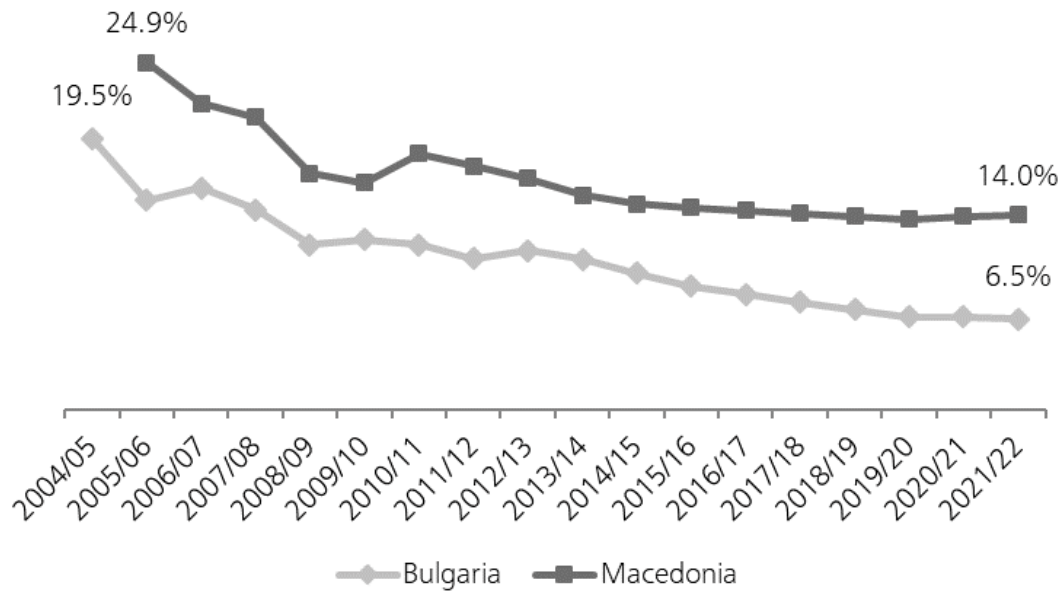


- High share of renewables in Lower Austria as major challenge for electricity networks
  - 53% of Austria's installed wind capacity
  - 25% of Austria's installed PV capacity
- Transformation to CO<sub>2</sub>-neutral energy system and e-mobility as investment drivers
  - New construction or expansion of transformer stations and substations
  - Expansion of 110 kV power lines
- Ø future RAB growth >5% p.a.

Network	Electricity	Natural gas	Comments
Regulatory authority	E-Control GmbH	E-Control GmbH	
Start of the regulatory period	01.01.2019	01.01.2023	
Next regulatory adjustment	01.01.2024	01.01.2028	Adjustment of WACC and productivity factors
Duration of the regulatory period	5 years	5 years	
Regulatory method	Revenue caps	Revenue caps	
RAB (EURm)	Annually adjusted	Annually adjusted	Annual investments are added to the RAB in the following year
WACC (pre-tax, nominal)	<ul style="list-style-type: none"> <li>– New RAB (as of 2019): 5.20%</li> <li>– Existing RAB of DSO with average efficiency: 4.88%</li> </ul>	<ul style="list-style-type: none"> <li>– New RAB (in 2023): 4.88%</li> <li>– Existing RAB of DSO with average efficiency: 3.72%</li> </ul>	Set for length of regulatory period Higher WACC for existing RAB of DSO with above-average efficiency (such as EVN/Netz NÖ)
General productivity factor	0.95%	0.40%	Gains from cost reductions remain with the company during the regulatory period
Inflation	Annual adjustment	Annual adjustment	Network operator price index consists of consumer price index and wage increase index

# Continuous efforts to achieve further operating improvements in SEE

→ Ongoing reduction in grid losses



→ Number of customers

- Bulgaria: 1.8m
- North Macedonia: 0.9m

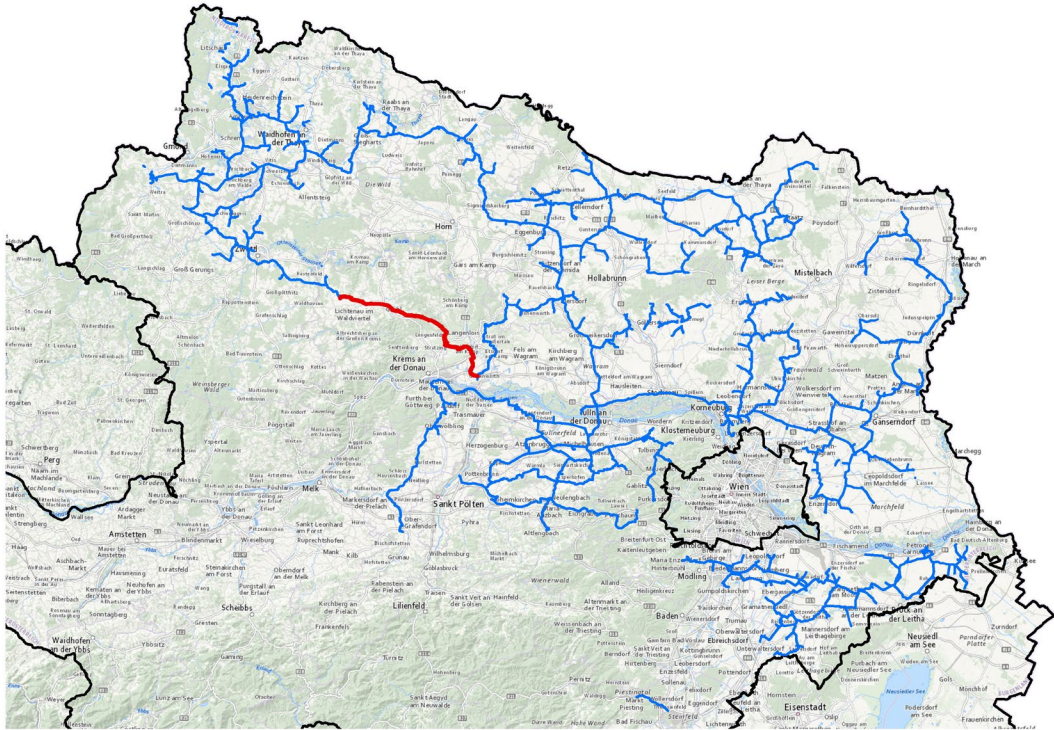
→ Commitment to supply security

→ Investment strategy for SEE

- Expansion and upgrading of network infrastructure to continuously reduce network losses
- Replacement of metres to further improve collection rates



# Drinking water business in Lower Austria – stable earnings contribution and future growth area



EVN's drinking water supply area in Lower Austria

- Largest regional drinking water supplier
  - 0.6m drinking water customers
  - Supra-regional pipeline networks and local water supply networks
  - Operation of 5 natural filter plants to reduce the hardness of water by natural means
- Expansion of cross-regional pipeline networks (until 2030)
  - ~EUR 165m total investments
  - ~300 km additional pipelines

# International environmental projects further diversify EVN's business mix



Thermal sludge treatment plant in Halle-Lochau (Germany)

- International project business
  - WTE Wassertechnik GmbH (Germany)
  - Planning and construction of plants for drinking water supplies, wastewater disposal and thermal waste incineration
  - Operation and financing (upon request)
  - 14 projects under planning and construction (Germany, Poland, Lithuania, Romania, North Macedonia, Bahrain, Kuwait)<sup>1)</sup>
- Plants for thermal utilisation of sewage sludge as area with high future potential
  - Contracts for projects in major German cities (Berlin, Hanover)

# Wastewater treatment project Umm Al Hayman (Kuwait)

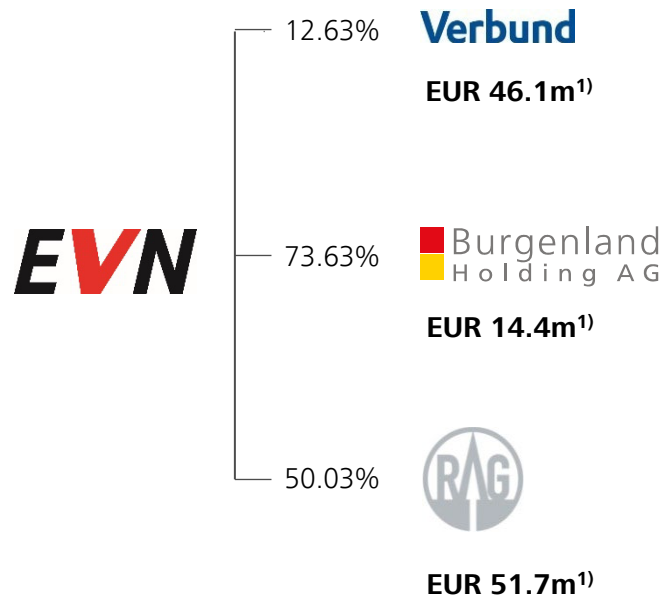


- Wastewater treatment plant (PPP)
  - Capacity: 500,000 m<sup>3</sup>/d (~1.7m people)
  - EPC contractor: WTE (100%)
  - Contract value: ~EUR 600m
  - Stage of completion: 85%<sup>1)</sup>
  - Financing: equity<sup>2)</sup> (20%), bank debt (80%)
- Sewage infrastructure (DBO)
  - Pipes (450 km), pumping stations etc.
  - EPC contractor: WTE (67.6%) and two local partners
  - Contract value: ~EUR 950m
  - Stage of completion : 60%<sup>1)</sup>
  - Financing through State of Kuwait (100%)

1) As of 31 March 2023

2) Shareholders: State-owned Kuwaiti institutions (80%), WTE (20%);  
WTE's equity contribution (~EUR 30m) is covered by a state guarantee from the  
Federal Republic of Germany

# Significant contribution to EVN's net profit from strategic investments



→ Verbund AG

- #1 electricity producer in Austria and #2 hydropower producer in Europe with 8.2 GW installed capacity

→ Burgenland Holding AG

- Holds a 49% stake in Burgenland Energie (#1 green energy producer in Austria, distribution networks, sale of energy)

→ RAG Austria AG

- ~6.3bn m<sup>3</sup> storage capacity for natural gas

<sup>1</sup>) Contribution to EVN's result before income tax in FY 2021/22

- High share of earnings from regulated and stable business
- Continuous strengthening and expansion of domestic regulated and stable activities
  - Networks, wind generation, heating, drinking water supply
- Active role in energy transition
- Sustainable company with ESG-focused strategy
  - CO<sub>2</sub> reduction goals agreed with Science Based Targets initiative; renewable expansion; exit from coal
- Robustness of integrated business model
- Highly reliable dividend stock

- 
- Contribution of EVN's operating activities to Group net result is expected to be at around EUR 250m
  - In addition, earnings contribution from the investment in Verbund AG in the amount of EUR 158m
  
  - Dividend proposal for FY 2022/23<sup>1)</sup>
    - Ordinary dividend of at least EUR 0.52 per share
    - Special dividend of EUR 0.62 per share
  
  - Expansion of investment program
    - Increase of investments to >EUR 600m p.a. over the coming years
    - Thereof three-fourths to renewable generation, networks, district heating and drinking water in Lower Austria

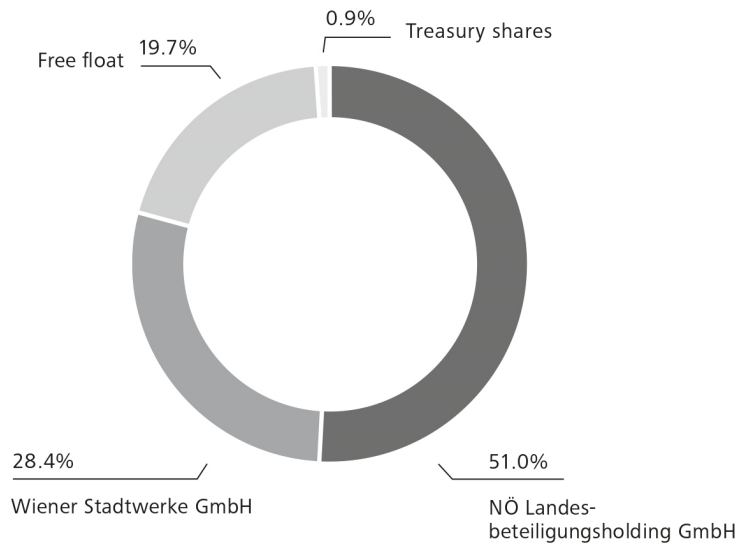
1) Dividends subject to approval by 95<sup>th</sup> AGM on 2 February 2024

# Segment outlook for 2022/23



Segment	Previous Outlook 2022/23	Adjusted Outlook 2022/23	Comments
Energy	↗	↘	<p>Segment earnings <b>outlook adjusted</b>: expected to be negative, but reflecting prior year</p> <ul style="list-style-type: none"> <li>– High loss recorded by EVN KG in the first half of 2022/23</li> <li>– Ongoing difficult market environment for distribution</li> <li>– Deviations possible by effects from the valuation of hedges as of the respective reporting dates</li> </ul>
Generation	→	↘	<p>Segment earnings <b>outlook adjusted</b>: expected to be lower than the previous year, but still at a high level</p> <ul style="list-style-type: none"> <li>– Decline in generation volumes caused by below-average wind and water flows</li> <li>– Current decline in electricity prices</li> </ul>
Networks	↘	↘	<p>Segment <b>outlook confirmed</b>: earnings before tax expected to be below the previous year</p> <ul style="list-style-type: none"> <li>– Lower WACC in the new regulatory period for the natural gas distribution network</li> <li>– Customer savings in electricity and natural gas consumption</li> <li>– Inflation-related increase in operating costs</li> </ul>
South East Europe	→	↗	<p>Segment <b>outlook adjusted</b>: earnings expected to exceed the EBIT range of EUR 40m to EUR 60m</p> <ul style="list-style-type: none"> <li>– Based on the development in the first half of 2022/23</li> <li>– Based on the regulatory measures to offset the additional costs for network losses</li> </ul>
Environment	↗	↗	<p>Segment <b>outlook confirmed</b>: earnings expected to be above prior year</p> <ul style="list-style-type: none"> <li>– Based on the development of business during the first half 2022/23</li> <li>– Excluding the non-recurring effects from impairment losses in the previous year</li> </ul>
All other Segments	→	↗	<p>Segment <b>outlook adjusted</b>:</p> <ul style="list-style-type: none"> <li>– Stable to positive earnings development expected for RAG and Burgenland Energie</li> <li>– Segment results include dividend from Verbund AG (EUR 158m)</li> </ul>

## → Shareholder structure



→ According to federal and provincial laws, the Province of Lower Austria is required to hold a stake of at least 51% in EVN

## → Dividend history

	2022/23 <sup>1)</sup>	2021/22	2020/21
Dividend per share (EUR)	0.52	0.52	0.52
Special dividend per share (EUR)	0.62	-	-
Payout ratio (%)		44.2	28.5
Dividend yield (%)		2.3	3.1

	31.03.2023	31.12.2022	30.09.2022
Share price (EUR)	20.45	16.90	17.04
Market capitalisation (EURm)	3,678	3,040	3,065

1) Dividends subject to approval by 95<sup>th</sup> AGM on 2 February 2024

→ Member of the ATX



- 
- EVN at a glance
  - Business development (FY 2021/22)
  - Back-up information

# Key financials

(FY 2021/22)



	<b>FY 2021/22</b>	+/-
	EURm	%
<b>Revenue</b>	4,062.2	69.6
<b>EBITDA</b>	754.8	-9.8
Depreciation and amortisation	-318.0	5.8
Effects from impairment tests	-105.2	6.3
<b>EBIT</b>	331.6	-14.2
Financial results	-30.5	-52.5
<b>Group net result</b>	209.6	-35.6
Net cash flow from operating activities	151.0	-80.9
Investments <sup>1)</sup>	564.0	35.9
Net debt	1,245.1	53.0
	%	
Equity ratio <sup>2)</sup>	58.9	0.1
	EUR	
Earnings per share	1.18	-35.6

<sup>1)</sup> In intangible assets and property, plant and equipment

<sup>2)</sup> Changes reported in percentage points

Company presentation, June 2023

## → Increase in revenue

- High electricity prices as key driver
- Price effects in networks business
- Higher demand for gas-fired generation to support network stability
- Growth from international project business

## → Decline in EBITDA, EBIT and Group net result

- High procurement costs
- Lower earnings contribution from EVN KG
- Impairment losses (in particular natural gas network and goodwill in international project business)
- Takeover of electricity procurement right led to positive one-off effect in the previous year

# Key energy business indicators

(FY 2021/22)



	2021/22	+/-
	GWh	%
<b>Electricity generation volumes</b>	3,365	-15.8
Renewable energy sources	2,248	-1.5
Thermal energy sources	1,117	-34.8
<b>Network distribution volumes</b>		
Electricity	23,092	-0.7
Natural gas	15,877	-1.9
<b>Energy sales volumes to end customers</b>		
Electricity	20,853	3.2
thereof Austria and Germany	8,662	-0.6
thereof South Eastern Europe	12,191	6.1
Natural gas	4,987	-7.9
Heat	2,545	0.0

## → Decline in electricity generation

- Y-o-y increase in wind flows only partially offset lower water flows
- Divestment of 49%-stake in Walsum 10 power plant as of 30 September 2021
- Higher demand for gas-fired generation to support network stability

## → Decline in network distribution volumes

- Temperature-related decline in Austria

## → Higher electricity sales volumes

- Increase in South East Europe segment due to customer changes from liberalized market

# EBITDA development by segments

(FY 2021/22)



<b>Segment</b>	<b>2021/22</b>	<b>+/-</b>	<b>Comment</b>
	EURm	%	
Generation	292.9	11.6	Higher electricity prices offset decline in electricity generation
Energy	-26,7	-	Lower earnings contribution from EVN KG due to higher procurement costs
Networks	236.5	-0,3	Positive price effects from tariff decisions of Austrian regulatory authority
South East Europe	142.2	2.3	Financial performance supported by government compensation for additional costs for network losses in Bulgaria
Environment	56.5	-11,6	In line with progress of international projects

- 
- EVN at a glance
  - Business development (FY 2021/22)
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	<b>HY. 1 2022/23</b>	+/-
	EURm	%
<b>Revenue</b>	2,192.6	3.1
<b>EBITDA</b>	466.4	11.0
Depreciation and amortisation	-162.6	-2.7
Effects from impairment tests	-	-
<b>EBIT</b>	303.8	44.0
Financial results	-27.5	11.9
<b>Group net result</b>	217.4	70.6
Net cash flow from operating activities	-94.4	-12.3
Investments <sup>1)</sup>	219.4	14.6
Net debt	1,748.4	54.1
	%	
Equity ratio <sup>2)</sup>	57.4	-2.0
	EUR	
Earnings per share	1.22	70.6

<sup>1)</sup> In intangible assets and property, plant and equipment

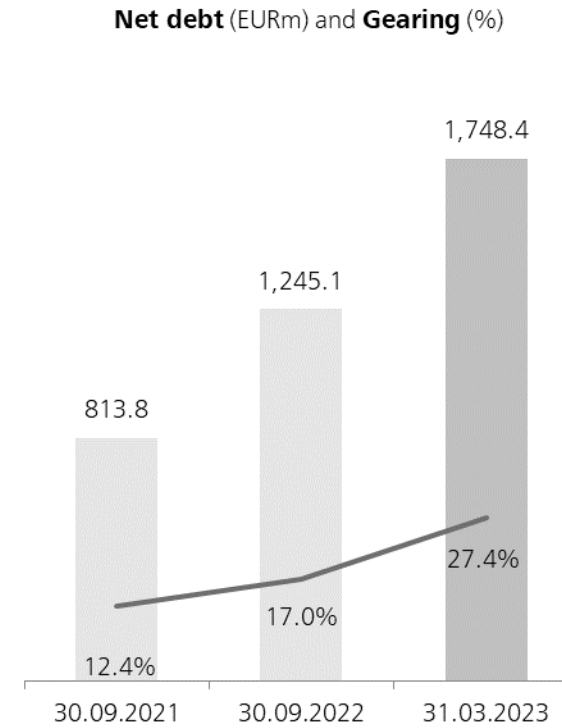
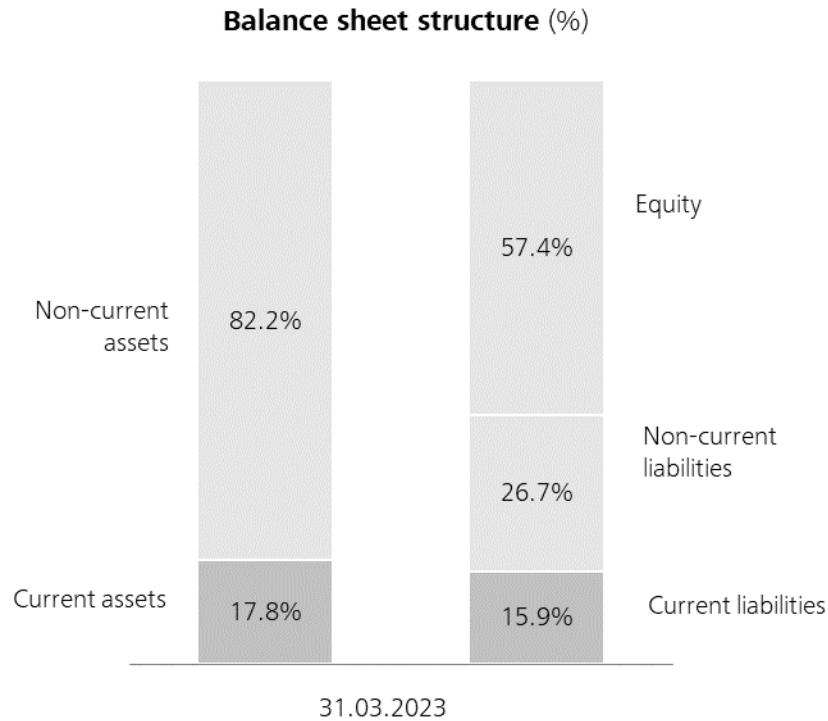
<sup>2)</sup> Changes reported in percentage points

## → Increase in revenue

- Price effects in renewable generation
- Valuation effects of hedges and higher prices at EVN Wärme
- Decreased revenue in South East Europe
- Growth from international project business

## → Rise in EBITDA, EBIT and Group net result

- Lower procurement prices in South Eastern Europe
- Higher operating expenses related to the energy crisis contribution for electricity
- Negative earnings contribution from EVN KG

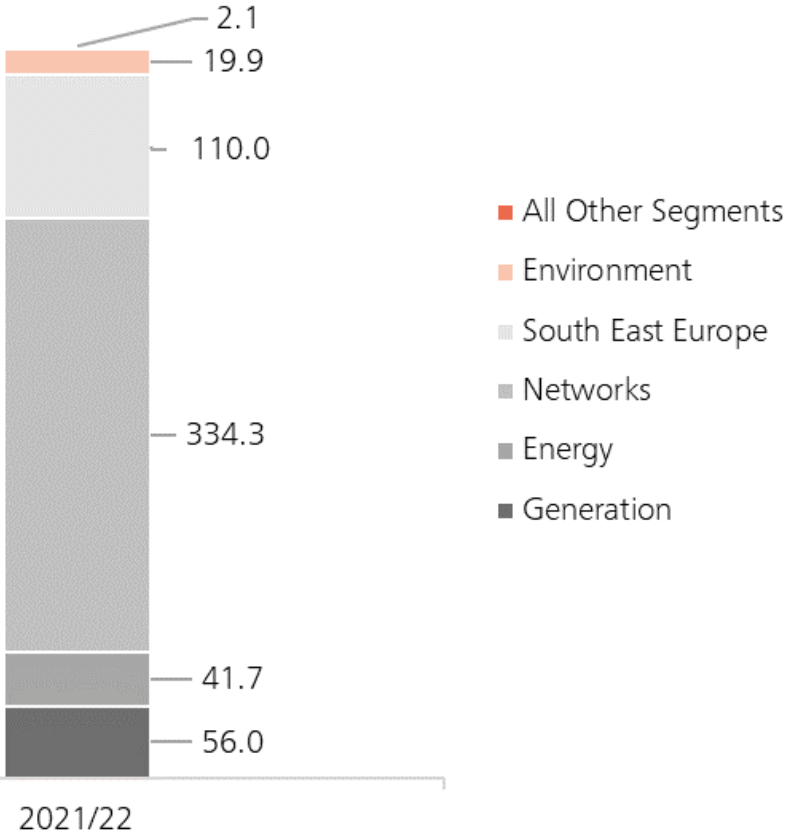


- Strong balance sheet as a basis for increased investment programme (exceeding EUR 600m p.a., mainly in Lower Austria)
- Working Capital related increase in net debt

# Structure of investments<sup>1)</sup>

(FY 2021/22)

EURm



## → Investment strategy

- Annual investments over the coming years >EUR 600m
- Thereof approximately  $\frac{3}{4}$  directed to networks, renewable generation and drinking water in Lower Austria

<sup>1)</sup> In intangible assets and property, plant and equipment

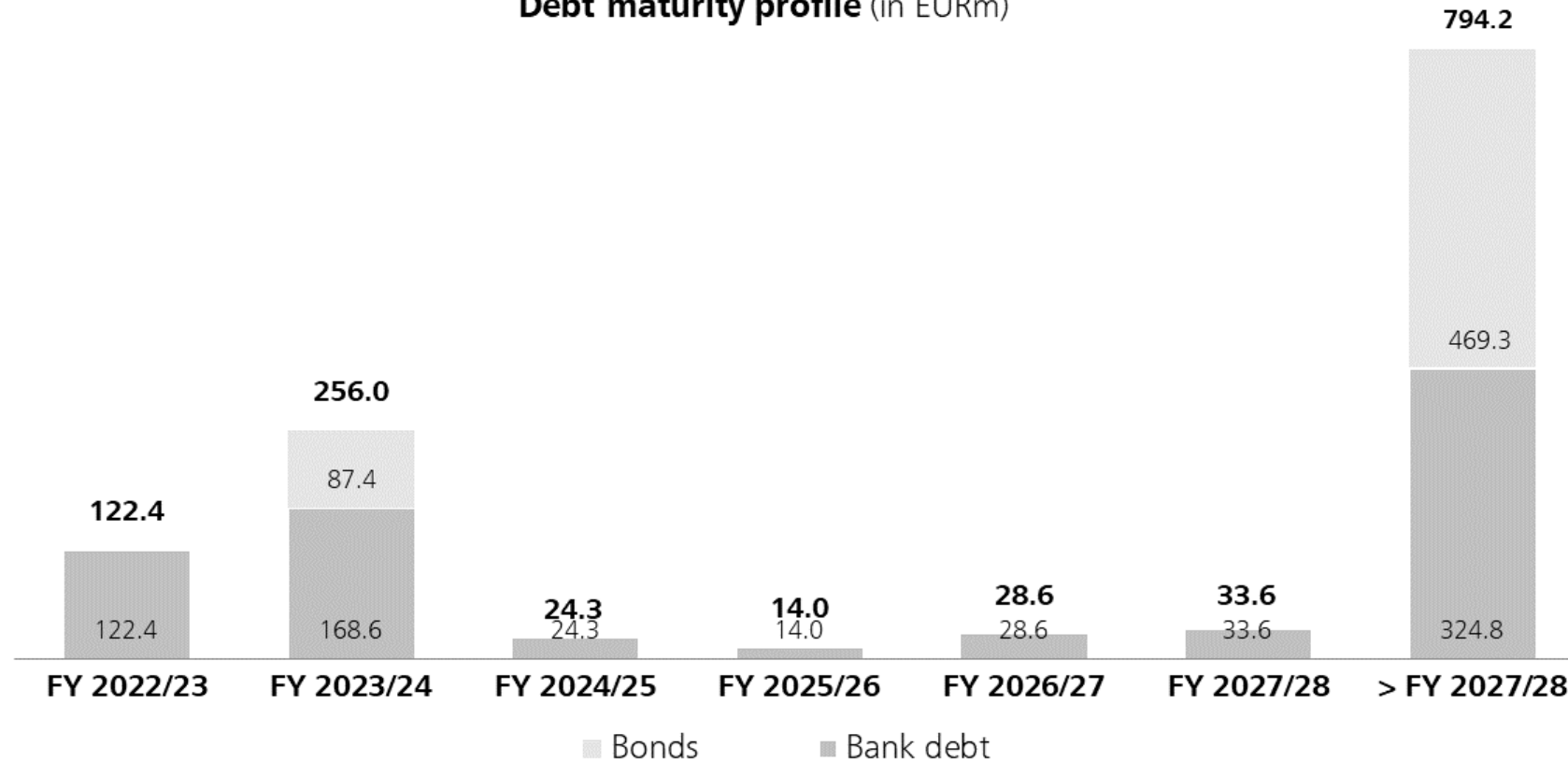


- Stable dividend policy
  - Hold the absolute amount of the dividend constant at a level of at least EUR 0.52 per share
  - Commitment to appropriate participation in future earnings growth
- Dividend proposal for FY 2022/23<sup>1)</sup>
  - Ordinary dividend of at least EUR 0.52 per share
  - Special dividend of EUR 0.62 per share
- Financial policy
  - EVN's goal is to maintain solid A category ratings in the future
  - In order to achieve such ratings, EVN is strictly monitoring the adjusted target ratios of both rating agencies
- Credit ratings
  - Moody's: A1, stable outlook (April 2023)
  - Scope Ratings: A+, stable outlook (May 2023)

1) Dividends subject to approval by 95<sup>th</sup> AGM on 2 February 2024

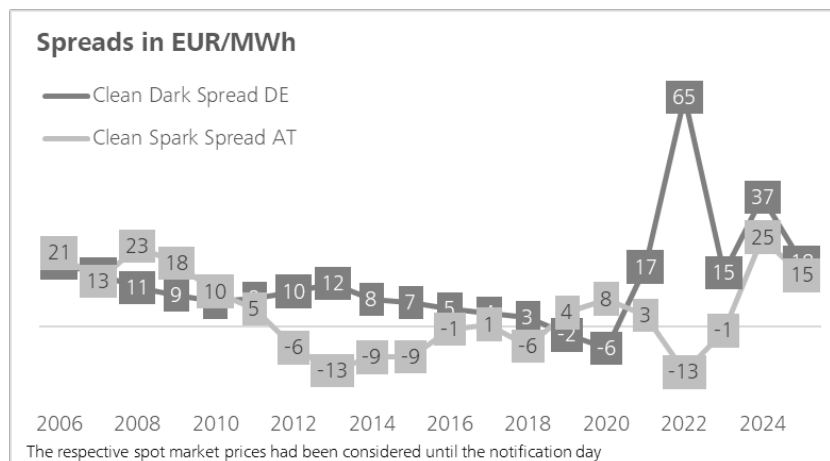
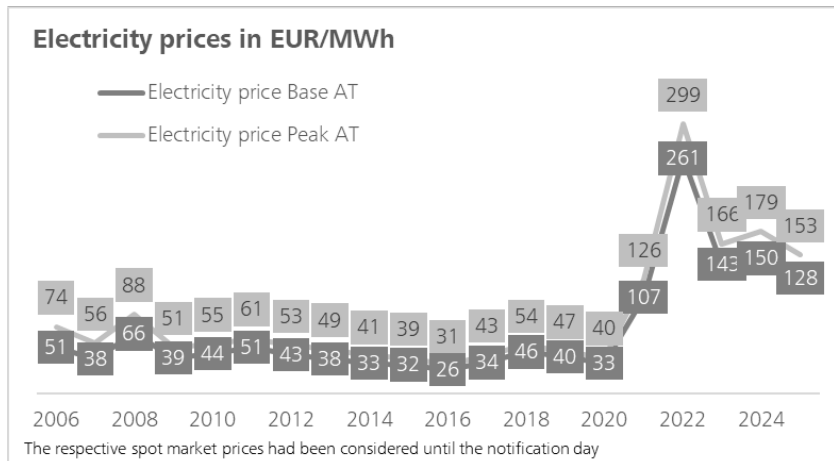
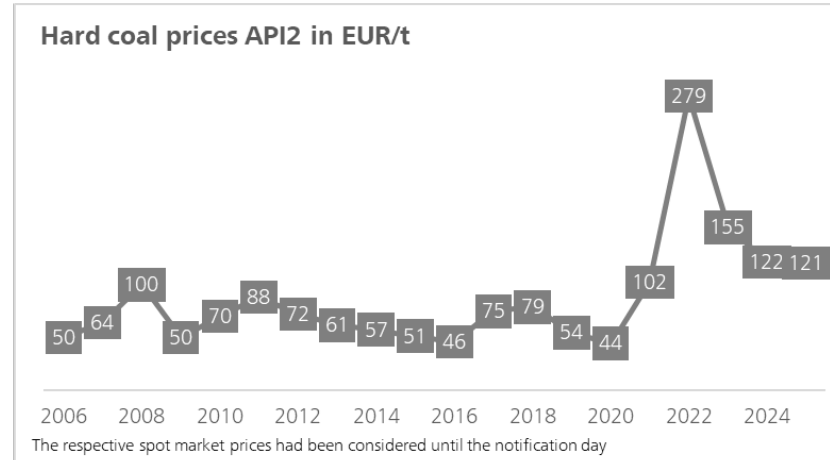
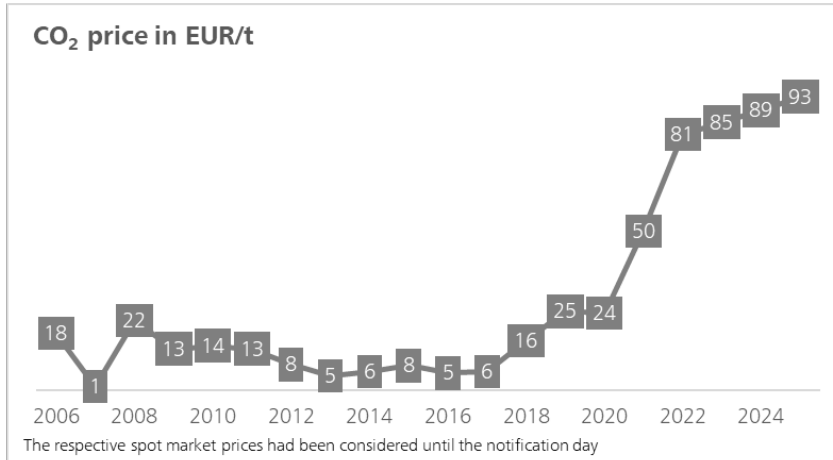
# Well-balanced maturity profile

Debt maturity profile (in EURm)



→ EUR 627m undrawn, committed credit lines (as of 30 September 2022)

# Challenging market environment



Source: EVN, June 2023

Company presentation, June 2023



## Key financials (EURm)

	<b>FY 2022</b>
Revenue	736.5
Profit after tax	50.4

<sup>1)</sup> Indirectly through RAG-Beteiligungs-Aktiengesellschaft (100%)

- Shareholder structure
  - EVN AG (50.03%)<sup>1)</sup>
  - Uniper Exploration & Production GmbH (29.97%)
  - Energie Steiermark Kunden GmbH (10.00%)
  - Salzburg AG (10.00%)
- 100% of RAG earnings are recognised as share of profit of equity accounted investees with operational nature
- 49.97% of RAG earnings assigned to minority interest
- EVN contractually not entitled to exercise a controlling influence over RAG

→ Stefan Szyszkowitz, CEO

→ IR contact partners:

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- Matthias Neumüller
- Karin Krammer
- Doris Lohwasser

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→ Information on the internet

- [www.evn.at](http://www.evn.at)
- [www.investor.evn.at](http://www.investor.evn.at)
- [www.responsibility.evn.at](http://www.responsibility.evn.at)

→ Headquarters of EVN AG

- EVN Platz  
2344 Maria Enzersdorf

→ Financial calendar

- Next event: Results Q. 1-3 2022/23,  
24 August 2023
- [www.investor.evn.at/financial-calender](http://www.investor.evn.at/financial-calender)

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Certain statements made in this presentation may constitute „Forward-Looking Statements“ within the meaning of the U.S. federal securities law. Forward-looking information is subject to various known and unknown risks and uncertainties. These include statements concerning our expectations and other statements that are not historical facts.

The Company believes any such statements are based on reasonable assumptions and reflect the judgement of EVN’s management based on factors currently known by it.

No assurance can be given that these forward-looking statements will prove accurate and correct, or that anticipated, projected future results will be achieved.

For additional information regarding risks, investors are referred to EVN’s latest Annual report.