

Shaping the future

Letter to Shareholders
Q. 1 2021/22

1 October – 31 December 2021



Contents

Key figures	3
Highlights	4
Interim management report	5
Energy sector environment	5
Business development	6
Shareholder structure	9
Segment reporting	10
Consolidated interim report	17
Consolidated statement of operations	17
Consolidated statement of comprehensive income	18
Consolidated statement of financial position	19
Consolidated statement of changes in equity	20
Condensed consolidated statement of cash flows	21
Notes to the consolidated interim report	22

Key figures

		2021/22 Q.1	2020/21 Q.1	+/- %	2019/20 Q.1	2020/21
Sales volumes						
Electricity generation volumes	GWh	963	1,047	-8.0	1,094	3,997
thereof from renewable energy	GWh	524	543	-3.5	544	2,283
Electricity sales volumes to end customers	GWh	5,558	5,174	7.4	5,054	20,207
Natural gas sales volumes to end customers	GWh	1,840	1,826	0.8	1,719	5,412
Heat sales volumes to end customers	GWh	842	783	7.5	708	2,545
Consolidated statement of operations						
Revenue	EURm	900.9	604.1	49.1	576.2	2,394.9
EBITDA	EURm	201.9	333.8	-39.5	190.6	836.5
EBITDA margin ¹⁾	%	22.4	55.2	-32.8	33.1	34.9
Results from operating activities (EBIT)	EURm	129.5	135.9	-4.7	118.8	386.4
EBIT margin ¹⁾	%	14.4	22.5	-8.1	20.6	16.1
Result before income tax	EURm	113.1	128.0	-11.6	108.1	366.4
Group net result	EURm	81.5	93.5	-12.7	82.9	325.3
Earnings per share	EUR	0.46	0.52	-12.8	0.47	1.83
Statement of financial position						
Balance sheet total	EURm	12,326.9	9,592.4	28.5	7,965.6	11,139.8
Equity	EURm	7,084.1	5,449.8	30.0	4,446.3	6,544.3
Equity ratio ¹⁾	%	57.5	56.8	0.7	55.8	58.7
Net debt ²⁾	EURm	905.9	1,052.4	-13.9	1,127.4	813.8
Gearing ¹⁾	%	12.8	19.3	-6.5	25.4	12.4
Cash flow and investments						
Gross cash flow	EURm	204.4	407.8	-49.9	140.7	762.3
Net cash flow from operating activities	EURm	0.8	43.7	-98.2	-28.9	789.6
Investments ³⁾	EURm	110.1	86.8	26.8	76.2	415.0
Share performance						
Share price at 31 December	EUR	26.60	17.88	48.8	17.30	22.95
Value of shares traded ⁴⁾	EURm	92.4	56.8	62.7	49.0	350.6
Market capitalisation at 31 December	EURm	4,785	3,216	48.8	3,112	4,128
Employees	∅	7,145	7,152	-0.1	7,015	7,126

1) Changes reported in percentage points

2) Incl. non-current personnel provisions

3) In intangible assets and property, plant and equipment

4) Vienna Stock Exchange, single counting of daily trading volume

Highlights

Business development in the first quarter of 2021/22

- Increase in revenue (+49.1%), decline in EBIT (-4.7%) and Group net result (-12.7%)
- Different effects of energy market distortions on the diversified business areas
- Earnings in South East Europe negatively influenced by higher energy procurement costs as expected; extraordinary government and regulatory measures as compensation for additional costs

Energy sector environment

- Temperature-related energy demand in all three markets above both previous year and long-term average
- Wind flows above long-term average and substantially higher than low previous year
- Year-on-year decline in water flows
- Market prices for natural gas, CO₂ emission certificates as well as base and peak load electricity reach historic highs

Higher procurement costs lead to decline in sales result

- Higher procurement costs passed on to household customers through EnergieAllianz (for electricity as of 1 January 2022 and for natural gas as of 1 February 2022)

New network tariffs for household customers as of 1 January 2022

- Electricity: average increase of 8.4%
- Natural gas: average increase of 4.7%

Share of renewable generation for the full financial year expected to reach roughly 75%

- Expansion of wind power and complete exit from coal (sale of the 49% investment in the Walsum 10 power plant) as key drivers
- 54.4% share of renewable generation in first quarter of 2021/22 (previous year: 51.9%); frequent use of the Theiss power plant for network stabilisation

Extensive investment programme in implementation

- Increase of up to EUR 500m in annual investments, thereof roughly three-fourths in Lower Austria
- Focal points: network infrastructure, renewable generation and drinking water supplies
- Goals for expansion of renewable energy by 2030: increase in wind power by 350 MW to 750 MW, photovoltaics by 300 MW

Focus on increasing the attractiveness of the EVN share for ESG investors

- Path to reduce CO₂ emissions by 2034 as agreed with Science Based Targets Initiative
- EVN's contribution to reach the 2°C goal set by the Paris Climate Agreement

Outlook for the 2021/22 financial year confirmed

- EVN expects Group net result of approximately EUR 200m to EUR 240m for the 2021/22 financial year
- However, stronger or sustained distortions on the energy markets could have a negative influence on expected results

Confirmation of dividend policy

- Absolute amount of the dividend – most recently EUR 0.52 per share – should remain at least constant
- Commitment to allow shareholders to appropriately participate in future earnings growth

Interim management report

Energy sector environment

Energy sector environment		2021/22 Q.1	2020/21 Q.1	2019/20 Q.1
Temperature-related energy demand¹⁾				
Austria	%	108.3	102.5	92.8
Bulgaria	%	111.6	89.3	74.1
North Macedonia	%	100.7	92.1	66.4
Primary energy and CO₂ emission certificates				
Crude oil – Brent	EUR/bbl	67.5	35.6	58.2
Natural gas – GIMP ²⁾	EUR/MWh	95.0	14.3	12.9
Hard coal – API#2 ³⁾	EUR/t	150.9	49.2	50.9
CO ₂ emission certificates	EUR/t	65.3	27.0	25.4
Electricity – EPEX spot market⁴⁾				
Base load	EUR/MWh	208.7	42.3	39.9
Peak load	EUR/MWh	257.1	53.2	48.8

1) Calculated based on the heating degree total; the basis (100%) corresponds to the adjusted long-term average for the respective countries.

2) Trading Hub Europe (THE) – EEX (European Energy Exchange) stock exchange price for natural gas

3) ARA notation (Amsterdam, Rotterdam, Antwerp)

4) EPEX spot – European Power Exchange

EVN's key energy business indicators	2021/22 Q.1	2020/21 Q.1	+/-		2019/20 Q.1
			Nominal	%	
GWh					
Electricity generation volumes	963	1,047	-84	-8.0	1,094
thereof renewable energy sources	524	543	-19	-3.5	544
thereof thermal energy sources	439	504	-65	-12.9	550
Network distribution volumes					
Electricity	6,239	5,965	274	4.6	5,767
Natural gas ¹⁾	5,726	5,234	492	9.4	4,960
Energy sales volumes to end customers					
Electricity	5,558	5,174	384	7.4	5,054
thereof Central and Western Europe ²⁾	2,295	2,259	36	1.6	2,114
thereof South Eastern Europe	3,263	2,915	347	11.9	2,940
Natural gas	1,840	1,826	14	0.8	1,719
Heat	842	783	59	7.5	708
thereof Central and Western Europe ²⁾	767	722	46	6.3	646
thereof South Eastern Europe	75	62	13	21.2	61

1) Incl. network distribution volumes to EVN power plants

2) Central and Western Europe covers Austria and Germany.

Business development

Statement of operations

Highlights

- Revenue: +49.1% to EUR 900.9m
 - EBITDA: –39.5% to EUR 201.9m
 - EBIT: –4.7% to EUR 129.5m
 - Group net result: –12.7% to EUR 81.5m
-

Revenue recorded by the EVN Group rose by 49.1% to EUR 900.9m in the first quarter of 2021/22. The sharp rise in electricity prices was the main driver for this growth and also formed the basis for substantially higher energy sales in South East Europe. In addition to weather-related volume effects in all three core markets and the higher network tariffs set by E-Control in Austria as of 1 January 2021 had a positive effect on network sales volumes. The upward trend in wholesale prices was also responsible for an increase in the revenue from renewable generation. The more frequent use of the Theiss power plant by the Austrian transmission network operator for network stabilisation largely offset the lost revenue from the Walsum 10 power plant, after EVN sold its 49% investment as of 30 September 2021 and terminated electricity purchases from this source.

Other operating income fell by 79.0% year-on-year to EUR 28.9m, chiefly due to the absence of a positive non-recurring effect from the previous year which resulted from the takeover of an additional electricity procurement right from the Walsum 10 power plant.

Similar to the development of revenue, the cost of electricity purchases from third parties and primary energy expenses – which totalled EUR 552.8m (previous year: EUR 242.2m) – increased substantially. This development resulted, above all, from higher energy procurement costs in South East Europe, higher primary energy expenses from the above-mentioned, more frequent use of the Theiss power plant and higher procurement costs at EVN Wärme.

The cost of materials and services declined by 3.9% to EUR 110.6m based on a slight reduction in construction activity in the international project business.

Personnel expenses were 4.1% higher year-on-year at EUR 91.3m. The increase resulted entirely from adjustments required by collective bargaining agreements, while the average number of employees declined slightly to 7,145 (previous year: 7,152 employees).

Other operating expenses rose by 7.4% to EUR 25.2m due to higher receivables write-offs in North Macedonia.

The share of results from equity accounted investees with operational nature fell to EUR 52.0m (previous year: EUR 60.2m). Declines were recorded, among others, by Energie Burgenland and the supply business in Austria and Germany.

Based on these developments, EBITDA recorded by the EVN Group fell by 39.5% year-on-year to EUR 201.9m in the first quarter of 2021/22.

The sale of EVN's 49% investment in the Walsum 10 power plant contributed to a reduction of 7.1% in scheduled depreciation and amortisation to EUR 78.8m. A revaluation of EUR 6.4m was recognised to the Kavarna wind park in Bulgaria to reflect changed regulatory framework conditions in combination with increased electricity prices while, in the previous year, the takeover of an additional electricity procurement right had resulted in the recognition of impairment losses totalling EUR 113.1m to the Walsum 10 power plant. In total, EBIT declined by 4.7% to EUR 129.5m.

Financial results dropped to EUR –16.4m as a result of foreign exchange developments (previous year: EUR –8.0m).

The result before income tax amounted to EUR 113.1m and was 11.6% lower than the first quarter of 2020/21. After the deduction of EUR 28.0m (previous year: EUR 26.4m) in income tax expense and the earnings attributable to non-controlling interests, Group net result for the period equalled EUR 81.5m. This represents a year-on-year decline of 12.7%.

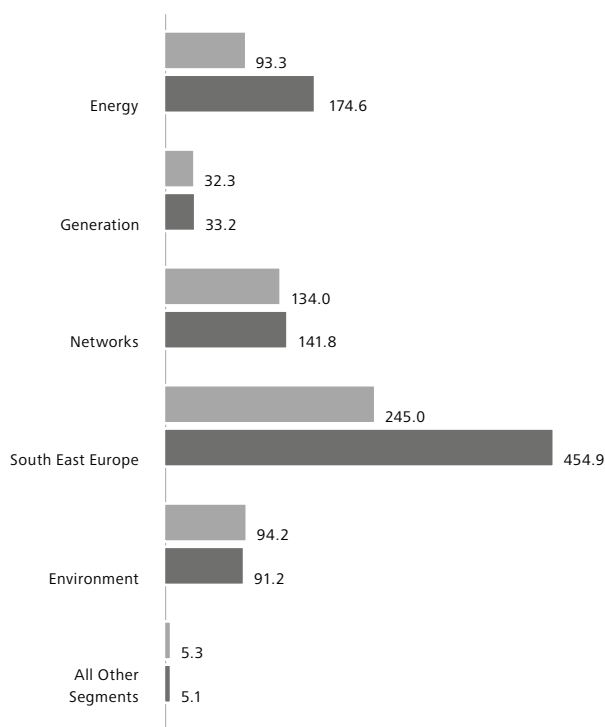
Statement of financial position

EVN's balance sheet total equalled EUR 12,326.9m as of 31 December 2021 and was 10.7% higher than on 30 September 2021. This increase was supported, in particular, by the development of the Verbund share price, which led to a substantial increase in non-current assets (closing price of EUR 98.90 as of 31 December 2021 versus EUR 87.70 as of 30 September 2021). Another factor was the increase in the carrying amount of equity accounted investees that resulted mainly from the valuation of hedges held by EVN KG and EnergieAllianz as of 31 December 2021. Non-current assets rose by a total of 6.4% to EUR 10,396.9m.

Current assets rose by 41.2% to EUR 1,930.0m during the reporting period. The main reasons included a seasonal rise in receivables from the energy and international project businesses as well as a receivable related to government compensation for the additional costs to cover network losses incurred by the Bulgarian network company following the sharp rise in wholesale prices. The development of current assets was also influenced by higher

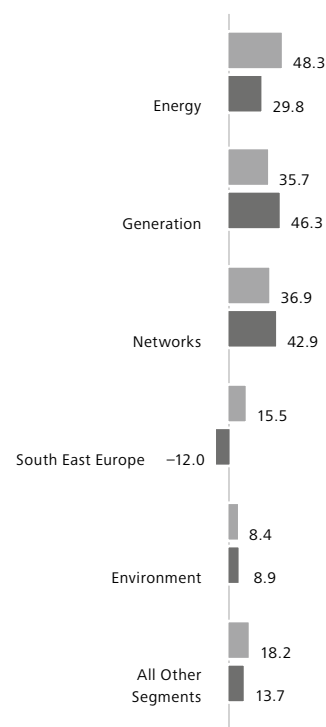
External revenue by segments Q. 1

EURm
2020/21
2021/22



EBIT by segments Q. 1

EURm
2020/21
2021/22



investments in cash funds. The liquidity for these investments originated from an increase in bank loans and from investments by EVN KG in the Group's cash pool.

Equity totalled EUR 7,084.1m at the end of the first quarter of the 2021/22 financial year and was 8.2% higher than on 30 September 2021. This increase was based, above all, on the positive effects from revaluations recorded directly in equity without recognition to profit or loss. The major influencing factors included the increase in the price of the Verbund share and the development of equity-accounted investees. The balance sheet as of 31 December 2021 does not include the dividend of EUR 0.52 per share for the 2020/21 financial year which was approved by the 93rd Annual General Meeting on 3 February 2022 and paid out on 11 February 2022. The equity ratio equalled 57.5% as of 31 December 2021 (30 September 2021: 58.7%).

Non-current liabilities were 13.9% higher at EUR 3,346.4m. The main factors underlying this development included the increase

in non-current tax liabilities which resulted from the higher price of the Verbund share at the end of the reporting period and three new bank loans totalling EUR 250m with terms until February, November and December 2023.

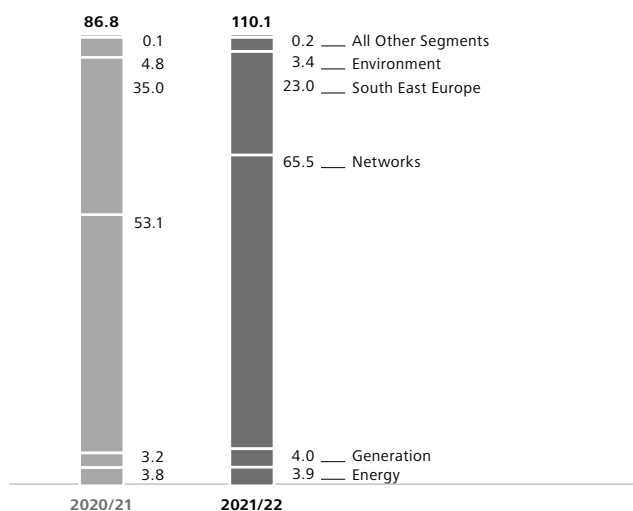
Current liabilities rose by 14.4% over the level on 30 September 2021 to EUR 1,896.4m. The main reasons involved three new short-term bank loans totalling EUR 150m. Current financial liabilities include the bond due in April 2022 with a nominal amount of EUR 300m. Increases were also recorded in trade payables, other current liabilities and tax liabilities.

Statement of cash flows

Gross cash flow for the first quarter of 2021/22 totalled EUR 204.4m and was substantially lower than the previous year (EUR 407.8m), which was unusually high due to compensation payments for the takeover of an electricity procurement right. The decline was reduced slightly by higher dividends from equity-accounted investees.

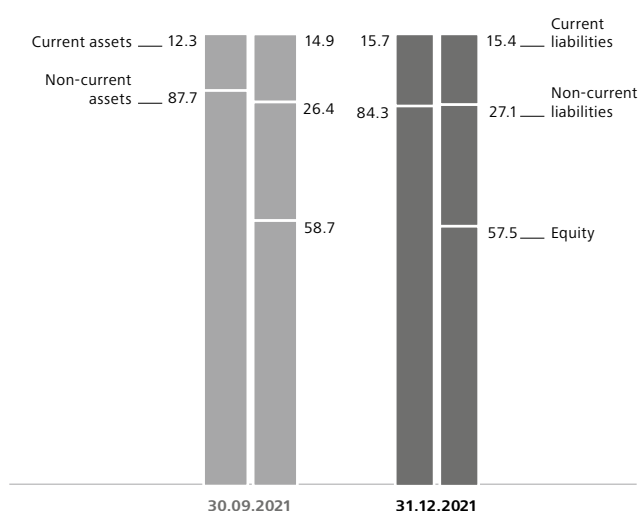
Structure of investments Q. 1

%, total in EURm



Balance sheet structure as of the balance sheet date

%



The decline in cash flow from operating activities was comparatively lower. It reflected the year-on-year decrease in income taxes as well as the inclusion of an instalment from the above-mentioned compensation payment for the additional electricity procurement right under receivables as of 31 December 2020. The sharp rise in energy prices was responsible for the negative development of working capital in the first quarter of 2021/22.

Cash flow from investing activities amounted to EUR –421.1m (previous year: EUR –174.7m). In addition to the year-on-year increase in investments in property, plant and equipment, it was also based on higher investments in cash funds.

The significant increase in cash flow from financing activities to EUR 237.9m (previous year: EUR 87.2m) is attributable to three bank loans totalling EUR 250m.

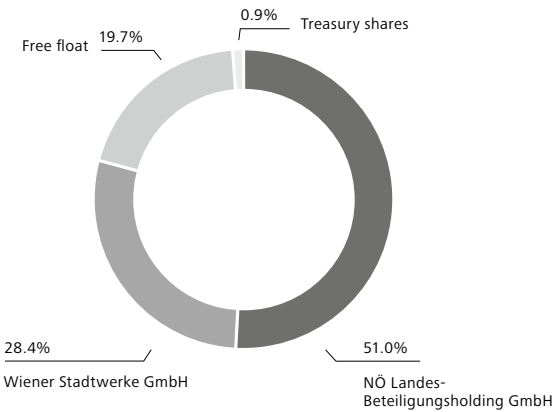
In total, cash flow amounted to EUR –182.5m in the first quarter of 2021/22, and cash and cash equivalents equalled EUR –60.3m as of 31 December 2021. This negative value reflects the three short-term bank loans for a total of EUR 150m which were concluded during the reporting period. As of 31 December 2021, the EVN Group had contractually committed, undrawn credit lines of EUR 552m at its disposal to service potential short-term financing requirements.

Shareholder structure

In accordance with Austrian federal and provincial constitutional law, the province of Lower Austria is the major shareholder of EVN AG with a stake of 51.0%. These constitutional requirements limit the transfer of the investment, which is held directly by NÖ Landes-Beteiligungsholding GmbH, St. Pölten.

The second largest shareholder of EVN AG is Wiener Stadtwerke GmbH, Vienna, with an investment of 28.4%. This company is wholly owned by the City of Vienna. As of 31 December 2021, EVN AG held treasury shares representing 0.9% of share capital and free float equalled 19.7%.

Shareholder structure¹⁾



1) As of 31 December 2021

Segment reporting

Overview

EVN's corporate structure comprises six reportable segments. In accordance with IFRS 8 "Operating Segments", they are differentiated and defined solely on the basis of the internal organisational

and reporting structure. Business activities which cannot be reported separately because they are below the quantitative thresholds are aggregated under "All Other Segments".

Business areas	Segments	Major activities
Energy business	Energy	<ul style="list-style-type: none"> → Marketing of electricity produced in the Generation Segment → Procurement of electricity, natural gas and primary energy carriers → Trading with and sale of electricity and natural gas to end customers and on wholesale markets → Production and sale of heat → 45.0% investment in ENERGIEALLIANZ Austria GmbH¹⁾ → Investment as sole limited partner in EVN Energievertrieb GmbH & Co KG (EVN KG)¹⁾
	Generation	<ul style="list-style-type: none"> → Generation of electricity from renewable energy sources as well as thermal production capacities for network stability at Austrian and international locations → Operation of a thermal waste utilisation plant in Lower Austria → 13.0% investment in Verbund Innkraftwerke GmbH (Germany)¹⁾ → 49.99% investment in Ashta run-of-river power plant (Albania)¹⁾
	Networks	<ul style="list-style-type: none"> → Operation of distribution networks and network infrastructure for electricity and natural gas in Lower Austria → Cable TV and telecommunication services in Lower Austria and Burgenland
	South East Europe	<ul style="list-style-type: none"> → Operation of distribution networks and network infrastructure for electricity in Bulgaria and North Macedonia → Sale of electricity to end customers in Bulgaria and North Macedonia → Generation of electricity from hydropower and photovoltaics in North Macedonia → Generation, distribution and sale of heat in Bulgaria → Construction and operation of natural gas networks in Croatia → Energy trading for the entire region
Environmental services business	Environment	<ul style="list-style-type: none"> → Water supply and wastewater disposal in Lower Austria → International project business: planning, construction, financing and/or operation (depending on the project) of plants for drinking water supplies, wastewater treatment and thermal waste utilisation
Other business activities	All Other Segments	<ul style="list-style-type: none"> → 50.03% investment in RAG-Beteiligungs-Aktiengesellschaft, which holds 100% of the shares in RAG Austria AG (RAG)¹⁾ → 73.63% investment in Burgenland Holding AG, which holds a stake of 49.0% in Energie Burgenland AG¹⁾ → 12.63% investment in Verbund AG²⁾ → Corporate services

1) The earnings contribution represents the share of results from equity accounted investees with operational nature and is included in EBITDA.

2) Dividends are included under financial results.

Energy

Increase in electricity, natural gas and heat sales volumes

→ Cooler weather compared with the previous year and economic catch-up effects after the corona-related downturn in 2020 as main factors

EBITDA, EBIT and result before income tax below previous year

→ Increase in revenue due to positive effects from higher wholesale prices for the marketing of electricity from renewable generation as well as higher sales volume at EVN Wärme

→ Operating expenses above previous year: absence of positive non-recurring effect from 2020/21 (higher other operating income following the takeover of an additional electricity procurement right from the Walsum 10 power plant) and increase in energy procurement costs at EVN Wärme

→ Decline in operating results due to higher procurement costs at the equity-accounted investee EVN KG, in part offset by higher valuation of hedges as of 31 December 2021

→ Higher procurement costs will be passed on to household customers as of 1 January 2022 for electricity and 1 February 2022 for natural gas within the framework of EnergieAllianz

Investment volume raised by 27.4%

→ Focus on projects in the heating business (e. g. construction of a biomass cogeneration plant in Krems)

Key indicators – Energy ¹⁾		2021/22	2020/21	+/-		2019/20
		Q. 1	Q. 1	Nominal	%	Q. 1
Key energy business indicators	GWh					
Energy sales volumes to end customers						
Electricity ²⁾		2,295	2,259	36	1.6	2,114
Natural gas ²⁾		1,796	1,790	5	0.3	1,691
Heat		767	722	46	6.3	646
Key financial indicators	EURm					
External revenue		174.6	93.3	81.3	87.1	129.9
Internal revenue		4.3	0.6	3.7	–	1.2
Total revenue		178.9	93.9	84.9	90.4	131.1
Operating expenses		-177.6	-78.1	-99.5	–	-107.6
Share of results from equity accounted investees with operational nature		33.7	37.7	-4.0	-10.7	8.2
EBITDA		35.0	53.6	-18.6	-34.7	31.7
Depreciation and amortisation including effects from impairment tests		-5.3	-5.3	0.0	0.7	-5.0
Results from operating activities (EBIT)		29.8	48.3	-18.6	-38.4	26.7
Financial results		-0.6	-0.5	-0.2	-37.1	-0.4
Result before income tax		29.1	47.9	-18.7	-39.1	26.3
Total assets		1,209.8	1,001.5	208.3	20.8	829.7
Total liabilities		618.4	877.7	-259.3	-29.5	687.5
Investments ³⁾		4.4	3.4	0.9	27.4	6.5

1) The comparative amounts for previous periods include the marketing of the electricity generated by the Walsum 10 power plant which was terminated as of 30 September 2021 following the sale of the 49% investment in STEAG-Walsum 10 Kraftwerksgesellschaft mbH and simultaneous cancellation of the electricity procurement contract for the Walsum 10 power plant.

2) Consists mainly of sales volumes from EVN KG and ENERGIEALLIANZ Austria GmbH in Austria and Germany; the results from these two sales companies are included in EBITDA under the share of results from equity accounted investees with operational nature.

3) In intangible assets and property, plant and equipment

Generation

Electricity generation below previous year

- Higher wind flows unable to completely offset the decline in hydropower
- Sale of 49% investment in the Walsum 10 power plant as of 30 September 2021 led to reduction in thermal generation which was, however, offset in part by the increased use of the Theiss power plant by the Austrian transmission network operator for network stabilisation

EBITDA lower, EBIT and result before income tax above previous year

- Revenue nearly matches previous year; higher electricity prices offset the decline in electricity generation
- Operating expenses above previous year despite the decline in expenses for energy carriers following the sale of the 49%

investment in the Walsum 10 power plant; increase reflects the absence of a positive non-recurring effect from the previous year (higher other operating income owing to the premature termination of a construction subsidy for the Walsum 10 power plant due to the takeover of an additional electricity procurement right)

- Decline in scheduled depreciation and amortisation, including the effects from impairment testing: absence of depreciation for the Walsum 10 power plant and revaluation of EUR 6.4m for the Kavarna wind park in Bulgaria

Further wind power projects in implementation

- Construction of wind parks in Schildberg and Japons during the current financial year; installed capacity of 12.6 MW each; in Japons, repowering of an existing wind park

Key indicators – Generation ¹⁾		2021/22	2020/21	+/-		2019/20
		Q. 1	Q. 1	Nominal	%	Q. 1
Key energy business indicators	GWh					
Electricity generation volumes		771	870	-99	-11.4	913
thereof renewable energy sources		437	465	-27	-5.9	461
thereof thermal energy sources		334	405	-72	-17.7	452
Key financial indicators	EURm					
External revenue		33.2	32.3	0.9	2.7	32.6
Internal revenue		46.8	47.3	-0.5	-1.1	41.2
Total revenue		80.0	79.6	0.4	0.5	73.8
Operating expenses		-29.3	-23.1	-6.2	-26.9	-40.0
Share of results from equity accounted investees with operational nature		-0.4	0.3	-0.7	-	0.6
EBITDA		50.3	56.8	-6.5	-11.5	34.5
Depreciation and amortisation including effects from impairment tests		-3.9	-21.1	17.1	81.3	-16.6
Results from operating activities (EBIT)		46.3	35.7	10.6	29.7	17.9
Financial results		-0.8	-2.4	1.6	67.5	-4.5
Result before income tax		45.6	33.3	12.2	36.6	13.3
Total assets		849.5	1,090.0	-240.5	-22.1	1,205.2
Total liabilities		426.9	665.6	-238.7	-35.9	803.7
Investments ²⁾		4.5	2.7	1.8	65.0	6.1

1) The comparative amounts for previous periods include the 49% investment in STEAG-Walsum 10 Kraftwerksgesellschaft mbH, which was accounted for as a joint operation. Following the sale of the investment and simultaneous termination of the electricity procurement contract for the Walsum 10 power plant, the investment was deconsolidated as of 30 September 2021.

2) In intangible assets and property, plant and equipment

Networks

Increase in electricity and natural gas network volumes

- Temperature-related and cyclical increase in demand for electricity and natural gas
- Natural gas sales volumes also benefit from higher power plant use for network stabilisation

Revenue above previous year

- Network tariffs for household customers raised by an average of 6.3% for electricity and 6.4% for natural gas in 2021 calendar year
- Volume- and price-related increase in electricity and natural gas
- Positive development of revenue for cable TV, Internet and telecommunications

EBITDA, EBIT and result before income tax above previous year

- High level of investments led to increase in scheduled depreciation and amortisation

Investments in supply security significantly increased by 56.5%

- Continuing expansion of the grid networks and transformer stations to connect additional decentralised renewable electricity generation equipment
- Other projects include the continuing installation of smart meters and projects involving digitalisation

E-Control sets new network tariffs for household customers as of 1 January 2022

- Electricity: average increase of 8.4%
- Natural gas: average increase of 4.7%

Key indicators – Networks		2021/22	2020/21	+/-		2019/20
		Q.1	Q.1	Nominal	%	Q.1
Key energy business indicators	GWh					
Network distribution volumes						
Electricity		2,381	2,326	56	2.4	2,284
Natural gas		5,643	5,162	481	9.3	4,898
Key financial indicators	EURm					
External revenue		141.8	134.0	7.8	5.8	133.3
Internal revenue		14.8	12.3	2.5	20.1	11.4
Total revenue		156.6	146.3	10.3	7.0	144.7
Operating expenses		-77.7	-75.3	-2.4	-3.2	-76.1
Share of results from equity accounted investees with operational nature		-	-	-	-	-
EBITDA		78.9	71.0	7.9	11.1	68.6
Depreciation and amortisation including effects from impairment tests		-36.0	-34.2	-1.9	-5.4	-32.3
Results from operating activities (EBIT)		42.9	36.9	6.0	16.3	36.2
Financial results		-3.5	-3.6	0.1	1.9	-3.1
Result before income tax		39.4	33.3	6.1	18.3	33.1
Total assets		2,323.1	2,115.6	207.5	9.8	2,031.5
Total liabilities		1,650.0	1,483.5	166.5	11.2	1,426.1
Investments ¹⁾		72.2	46.1	26.0	56.5	32.8

1) In intangible assets and property, plant and equipment

South East Europe

Increase in network and energy sales volumes

- Temperature-related energy demand in Bulgaria and North Macedonia above previous year and long-term average

Electricity generation above previous year

- Water flows in North Macedonia above previous year and long-term average

EBITDA, EBIT and result before income tax below previous year

- Substantial growth in revenue; higher wholesale prices and volume effects as main drivers
- Increase in energy procurement costs parallel to revenue development; distortions on the energy markets lead to significant increase in the costs for network losses; higher receivables write-offs in North Macedonia

Extraordinary government and regulatory measures

- Bulgaria: Government compensation for additional costs incurred by the distribution network operator EVN Yug to cover network losses resulting from the sharp rise in wholesale prices
- North Macedonia:
 - Extraordinary increase of 9.5% in electricity prices for household customers of EVN Home DOO by the regulator (effective as of 1 January 2022)
 - Extraordinary increase in network tariffs by the regulator (effective as of 1 January 2022) as partial compensation for the significant increase in costs to cover network losses; the remaining additional costs should be covered by future tariff decisions

Expansion of photovoltaics in North Macedonia

- Commissioning of a plant with 1.5 MW of installed capacity in October 2021
- Preparations for the construction of two further plants, each with approximately 1.1 MW of installed capacity

Key indicators – South East Europe		2021/22	2020/21	+/-		2019/20
		Q.1	Q.1	Nominal	%	Q.1
Key energy business indicators	GWh					
Electricity generation volumes		111	98	12	12.5	101
thereof renewable energy		26	17	8	49.3	21
thereof thermal power plants		85	81	4	4.7	80
Electricity network distribution volumes		3,858	3,639	219	6.0	3,483
Energy sales volumes to end customers		3,381	3,012	369	12.3	3,030
thereof electricity		3,263	2,915	347	11.9	2,940
thereof natural gas		44	35	9	24.0	29
thereof heat		75	62	13	21.2	61
Key financial indicators	EURm					
External revenue		454.9	245.0	209.9	85.7	238.4
Internal revenue		0.4	0.2	0.2	92.4	0.2
Total revenue		455.3	245.2	210.1	85.7	238.6
Operating expenses		-448.3	-211.6	-236.7	-	-205.3
Share of results from equity accounted investees with operational nature		-	-	-	-	-
EBITDA		7.0	33.6	-26.6	-79.2	33.3
Depreciation and amortisation including effects from impairment tests		-19.0	-18.1	-0.9	-5.1	-17.8
Results from operating activities (EBIT)		-12.0	15.5	-27.5	-	15.5
Financial results		-3.2	-3.9	0.8	19.1	-5.4
Result before income tax		-15.2	11.5	-26.7	-	10.1
Total assets		1,366.1	1,210.7	155.4	12.8	1,254.3
Total liabilities		1,008.2	872.8	135.4	15.5	945.1
Investments ¹⁾		25.3	30.3	-5.1	-16.7	35.0

1) In intangible assets and property, plant and equipment

Environment

EBIT slightly above previous year; decline in result before income tax

- Revenue from drinking water supplies in Lower Austria stable; slight reduction in construction activity in the international project business for seasonal reasons led to overall decline in segment revenue
- Decline in operating expenses generally corresponds to the decline in revenue in the international project business; the absence of a positive non-recurring effect from an energy duty refund at EVN Wasser represents a contrary effect
- Share of results from equity accounted investees with operational nature slightly below previous year
- Financial results negatively influenced by foreign exchange developments

Completion on schedule of the natural filter plant in Petronell

- Step-by-step commissioning in progress; full commercial operations starting in March 2022
- EVN's fifth natural filter plant will supply ten communities in the region east of Vienna International Airport with water softened in a natural way and without the use of chemicals
- Investment volume: EUR 10.3m

Solid order level in the international project business

- Eleven projects by WTE Wassertechnik for wastewater, drinking water and thermal sewage sludge treatment currently under planning and construction (Germany, Poland, Lithuania, Romania, Bahrain and Kuwait)
- Three further sewage sludge treatment projects under planning and construction by the 50:50 joint venture sludge2energy (Halle-Lochau, Hanover and Straubing)

Effects of the global Covid-19 pandemic

- National measures to combat the pandemic, travel restrictions and the interruption of international supply chains continue to represent a challenge for the international project business
- Further intensification of the corona crisis could therefore lead to project delays and a decline in earnings

Key financial indicators – Environment	EURm	2021/22	2020/21	+/-		2019/20
		Q.1	Q.1	Nominal	%	Q.1
External revenue		91.2	94.2	-2.9	-3.1	36.8
Internal revenue		0.1	0.1	0.0	20.0	0.1
Total revenue		91.4	94.3	-2.9	-3.1	36.9
Operating expenses		-77.3	-80.1	2.8	3.5	-34.1
Share of results from equity accounted investees with operational nature		3.1	3.7	-0.7	-18.3	2.7
EBITDA		17.1	17.9	-0.8	-4.4	5.5
Depreciation and amortisation including effects from impairment tests		-8.2	-9.6	1.4	14.2	-3.0
Results from operating activities (EBIT)		8.9	8.4	0.6	6.8	2.5
Financial results		-7.9	-0.5	-7.4	-	-1.1
Result before income tax		1.1	7.9	-6.8	-86.5	1.4
Total assets		1,020.3	844.3	176.1	20.9	692.5
Total liabilities		811.9	684.8	127.2	18.6	537.2
Investments ¹⁾		3.7	4.2	-0.5	-12.3	2.6

1) In intangible assets and property, plant and equipment

All Other Segments

Lower earnings contribution from equity accounted investees with operational nature

- Stable development at RAG
- Decline in earnings at Energie Burgenland

Decline in EBITDA, EBIT and result before income tax

Key financial indicators – All Other Segments	EURm	2021/22	2020/21	+/-		2019/20
		Q.1	Q.1	Nominal	%	Q.1
External revenue		5.1	5.3	-0.2	-3.6	5.2
Internal revenue		18.7	18.3	0.4	2.3	17.1
Total revenue		23.8	23.5	0.2	0.9	22.3
Operating expenses		-25.1	-23.2	-1.9	-8.2	-22.3
Share of results from equity accounted investees with operational nature		15.6	18.5	-2.9	-15.4	17.5
EBITDA		14.3	18.9	-4.5	-24.1	17.6
Depreciation and amortisation including effects from impairment tests		-0.6	-0.6	0.0	-1.5	-0.5
Results from operating activities (EBIT)		13.7	18.2	-4.5	-24.9	17.0
Financial results		15.0	17.1	-2.1	-12.4	17.8
Result before income tax		28.7	35.4	-6.7	-18.8	34.8
Total assets		7,540.7	5,912.4	1,628.4	27.5	4,348.7
Total liabilities		2,640.2	2,195.4	444.8	20.3	1,589.2
Investments ¹⁾		0.2	0.0	0.1	-	0.6

1) In intangible assets and property, plant and equipment

Consolidated interim report

according to IAS 34

Consolidated statement of operations

EURm	2021/22	2020/21	+/-		2020/21
	Q. 1	Q. 1	Nominal	%	
Revenue	900.9	604.1	296.8	49.1	2,394.9
Other operating income	28.9	137.8	-108.9	-79.0	250.1
Electricity purchases and primary energy expenses	-552.8	-242.2	-310.6	-	-1,064.7
Cost of materials and services	-110.6	-115.1	4.4	3.9	-509.2
Personnel expenses	-91.3	-87.7	-3.6	-4.1	-361.3
Other operating expenses	-25.2	-23.4	-1.7	-7.4	-113.0
Share of results from equity accounted investees with operational nature	52.0	60.2	-8.2	-13.7	239.6
EBITDA	201.9	333.8	-131.9	-39.5	836.5
Depreciation and amortisation	-78.8	-84.8	6.0	7.1	-337.7
Effects from impairment tests	6.4	-113.1	119.5	-	-112.4
Results from operating activities (EBIT)	129.5	135.9	-6.4	-4.7	386.4
Results from other investments	-	-	-	-	37.6
Interest income	1.0	1.0	0.0	-2.0	6.1
Interest expense	-10.5	-11.9	1.4	12.1	-59.4
Other financial results	-7.0	2.9	-9.9	-	-4.3
Financial results	-16.4	-8.0	-8.5	-	-20.0
Result before income tax	113.1	128.0	-14.9	-11.6	366.4
Income tax expense	-28.0	-26.4	-1.6	-6.1	-14.7
Result for the period	85.1	101.6	-16.5	-16.2	351.7
thereof result attributable to EVN AG shareholders (Group net result)	81.5	93.5	-11.9	-12.7	325.3
thereof result attributable to non-controlling interests	3.6	8.2	-4.5	-55.8	26.4
Earnings per share in EUR ¹⁾	0.46	0.52	-0.1	-12.8	1.83

1) There is no difference between basic and diluted earnings per share.

Consolidated statement of comprehensive income

EURm	2021/22	2020/21	+/-		2020/21
	Q.1	Q.1	Nominal	%	
Result for the period	85.1	101.6	-16.5	-16.2	351.7
Other comprehensive income from					
Items that will not be reclassified to profit or loss	366.1	760.6	-394.5	-51.9	1,408.7
Remeasurements IAS 19	-3.0	-2.5	-0.5	-21.7	12.4
Investments in equity accounted investees	-0.3	-0.1	-0.1	-	4.3
Shares and other equity instruments measured at fair value and reported in other comprehensive income	491.5	1,016.7	-525.3	-51.7	1,860.3
thereon apportionable income tax expense	-122.1	-253.6	131.5	51.9	-468.4
Items that may be reclassified to profit or loss	88.6	44.3	44.2	99.7	352.4
Currency translation differences	3.0	-0.2	3.3	-	5.4
Cash flow hedges	-2.6	14.6	-17.2	-	-0.4
Investments in equity accounted investees	116.6	45.8	70.8	-	462.1
thereon apportionable income tax expense	-28.5	-15.9	-12.6	-79.4	-114.6
Total other comprehensive income after tax	454.6	804.9	-350.3	-43.5	1,761.1
Comprehensive income for the period	539.8	906.5	-366.7	-40.5	2,112.8
thereof income attributable to EVN AG shareholders	536.0	899.1	-363.1	-40.4	2,085.5
thereof income attributable to non-controlling interests	3.8	7.4	-3.6	-48.4	27.2

Consolidated statement of financial position

EURm	31.12.2021	30.09.2021	+/-	
			Nominal	%
Assets				
Non-current assets				
Intangible assets	233.3	216.5	16.8	7.8
Property, plant and equipment	3,719.6	3,692.1	27.5	0.7
Investments in equity accounted investees	1,666.1	1,577.5	88.6	5.6
Other investments	4,521.0	4,029.5	491.5	12.2
Deferred tax assets	55.8	57.0	-1.2	-2.0
Other non-current assets	201.1	200.0	1.1	0.5
	10,396.9	9,772.6	624.3	6.4
Current assets				
Inventories	110.8	95.7	15.1	15.8
Trade and other receivables	984.3	749.9	234.4	31.3
Securities	726.1	399.1	327.0	81.9
Cash and cash equivalents	108.8	122.5	-13.7	-11.2
	1,930.0	1,367.1	562.8	41.2
Total assets	12,326.9	11,139.8	1,187.2	10.7
Equity and liabilities				
Equity				
Share capital	330.0	330.0	0.0	-
Share premium and capital reserves	254.2	254.2	0.0	-
Retained earnings	2,944.5	2,863.0	81.5	2.8
Valuation reserve	3,312.1	2,860.6	451.5	15.8
Currency translation reserve	-5.2	-8.1	2.9	36.4
Treasury shares	-18.5	-18.5	0.0	-
Issued capital and reserves attributable to shareholders of EVN AG	6,817.1	6,281.2	536.0	8.5
Non-controlling interests	267.0	263.2	3.8	1.5
	7,084.1	6,544.3	539.8	8.2
Non-current liabilities				
Non-current loans and borrowings	964.5	718.9	245.6	34.2
Deferred tax liabilities	1,196.4	1,035.4	161.0	15.5
Non-current provisions	445.0	445.3	-0.3	-0.1
Deferred income from network subsidies	623.1	622.2	0.9	0.1
Other non-current liabilities	117.4	116.0	1.3	1.2
	3,346.4	2,937.9	408.6	13.9
Current liabilities				
Current loans and borrowings	484.5	318.0	166.5	52.4
Taxes payable	29.3	44.8	-15.5	-34.6
Trade payables	356.9	331.7	25.3	7.6
Current provisions	115.9	124.8	-9.0	-7.2
Other current liabilities	909.7	838.2	71.5	8.5
	1,896.4	1,657.6	238.8	14.4
Total equity and liabilities	12,326.9	11,139.8	1,187.2	10.7

Consolidated statement of changes in equity

EURm	Issued capital and reserves of EVN AG shareholders	Non-controlling interests	Total
Balance on 30.09.2020	4,282.1	261.2	4,543.3
Comprehensive income for the period	899.1	7.4	906.5
Balance on 31.12.2020	5,181.1	268.6	5,449.8
Balance on 30.09.2021	6,281.2	263.2	6,544.3
Comprehensive income for the period	536.0	3.8	539.8
Balance on 31.12.2021	6,817.1	267.0	7,084.1

Condensed consolidated statement of cash flows

EURm	2021/22	2020/21	+/-		2020/21
	Q.1	Q.1	Nominal	%	
Result before income tax	113.1	128.0	-14.9	-11.6	366.4
+ Depreciation and amortisation of intangible assets and property, plant and equipment	72.3	197.8	-125.5	-63.4	450.1
- Results of equity accounted investees and other investments	-52.0	-60.2	8.2	13.6	-277.2
+ Dividends from equity accounted investees and other investments	79.9	57.8	22.1	38.3	166.9
+ Interest expense	10.5	11.9	-1.4	-12.1	59.4
- Interest paid	-7.3	-8.5	1.2	14.4	-42.6
- Interest income	-1.0	-1.0	-	2.0	-6.1
+ Interest received	0.7	0.9	-0.1	-16.1	5.5
+/- Losses/gains from foreign exchange translations	7.0	-0.3	7.3	-	5.8
+/- Other non-cash financial results	-0.4	-1.5	1.1	73.2	0.1
- Release of deferred income from network subsidiaries	-13.5	-31.2	17.7	56.6	-70.4
+/- Gains/losses on the disposal of intangible assets and property, plant and equipment	-0.4	-0.2	-0.3	-	0.8
- Gains from deconsolidations	-	-	-	-	-25.6
- Decrease in non-current provisions	-4.4	114.5	-118.8	-	129.2
Gross cash flow	204.4	407.8	-203.4	-49.9	762.3
- Changes in assets and liabilities arising from operating activities	-194.6	-314.0	119.5	38.0	94.4
+/- Income tax paid	-9.1	-50.1	41.0	81.9	-67.0
Net cash flow from operating activities	0.8	43.7	-42.9	-98.2	789.6
+ Proceeds from the disposal of intangible assets and property, plant and equipment	0.9	1.0	-0.1	-11.2	7.3
+/- Changes in intangible assets and property, plant and equipment	-90.0	-66.7	-23.3	-34.9	-338.1
- Outflows in connection with deconsolidations	-	-	-	-	-275.2
+/- Changes in financial assets and other non-current assets	-5.0	2.5	-7.5	-	-0.3
+/- Changes in current securities	-327.0	-111.4	-215.6	-	-148.1
Net cash flow from investing activities	-421.1	-174.7	-246.5	-	-754.3
- Dividends paid to EVN AG shareholders	-	-	-	-	-87.3
- Dividends paid to non-controlling interests	-	-	-	-	-25.3
+/- Sales/repurchase of treasury shares	-	-	-	-	0.9
+/- Changes in financial and lease liabilities	237.9	87.2	150.7	-	58.7
Net cash flow from financing activities	237.9	87.2	150.7	-	-53.0
Net change in cash and cash equivalents	-182.5	-43.8	-138.7	-	-17.7
Cash and cash equivalents at the beginning of the period¹⁾	122.3	140.0	-17.7	-12.6	140.0
Currency translation differences on cash and cash equivalents	0.1	-0.1	0.1	-	-
Cash and cash equivalents at the end of the period¹⁾	-60.3	96.1	-156.4	-	122.3

1) By adding bank overdrafts this results in cash and cash equivalents according to the consolidated statement of financial position.

Notes to the consolidated interim report

Accounting and valuation methods

This consolidated interim report as of 31 December 2021, of EVN AG, taking into consideration § 245a Austrian Commercial Code (UGB), was prepared in accordance with the guidelines set forth in the International Financial Reporting Standards (IFRS) by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that were applicable at the balance sheet date and adopted by the European Union (EU).

EVN has exercised the option stipulated in IAS 34 to present condensed notes. Accordingly, the consolidated interim report contains merely condensed reporting compared to the Annual report, pursuant to IAS 34, as well as selected information and details pertaining to the period under review. For this reason, it should be read together with the Annual report of the 2020/21 financial year (balance sheet date: 30 September 2021).

The accounting and valuation methods applied in preparing the consolidated financial statements as of 30 September 2021 remain unchanged, with the exception of the following new rules issued by the IASB which require mandatory application in the current financial year. The preparation of a consolidated interim report according to IFRS requires EVN to make assumptions and estimates which influence the reported figures. Actual results can deviate from these estimates.

In order to improve clarity and comparability, all amounts in the notes and tables are generally shown in millions of euros (EURm) unless indicated otherwise. Immaterial mathematical differences may arise from the rounding of individual items or percentage rates. The financial statements of companies included in this consolidated interim report are prepared on the basis of unified accounting and valuation methods.

Reporting in accordance with IFRS

The following standards and interpretations require mandatory application beginning with the 2021/22 financial year:

Standards and interpretations applied for the first time		Effective ¹⁾
Revised standards and interpretations		
IAS 39, IFRS 4, IFRS 7, IFRS 9, IFRS 16	Interest Rate Benchmark Reform – Phase 2	01.01.2021
IFRS 4	Extension of the Temporary Exemption from Applying IFRS 9	01.01.2021
IFRS 16	Covid-19-Related Rent Concessions	01.04.2021

1) In accordance with the Official Journal of the EU, these standards are applicable to financial years beginning on or after the effective date.

The initial mandatory application of the revised standards and interpretations had no material effect on the consolidated interim financial report.

Seasonally-related effects on business operations

In particular, the energy business is subject to weather-related fluctuations in power generation and sales, thus lower revenue and earnings are typically achieved in the second half of the financial year. The environmental business is also subject to seasonal effects. The construction of many large projects is usually scheduled to begin in the springtime due to weather conditions. For this reason, the Environment Segment usually generates lower revenues in the first half of the financial year than in the second half. Accordingly, business in the Environment Segment serves to principally counteract the seasonable nature of the energy business. However, the volatile nature of large construction projects results in fluctuations in revenue and earnings, which depend on the progress made in the particular projects.

Auditor's review

The consolidated interim report was neither subject to a comprehensive audit nor subject to an auditor's review by chartered accountants.

Scope of consolidation

The scope of consolidation is established in accordance with the requirements contained in IFRS 10. Accordingly, including the parent company EVN AG, a total of 26 domestic and 29 foreign

subsidiaries (30 September 2021: 26 domestic and 29 foreign subsidiaries) were fully consolidated as of 31 December 2021. As of 31 December 2021, a total of 11 subsidiaries were not consolidated due to their immaterial influence on the assets, liabilities, cash flows and profit and loss, both in detail and altogether (30 September 2021: 11).

Changes in the scope of consolidation	Fully	Line-by-line (joint operation)	Equity	Total
30.09.2020	60	1	17	78
First consolidation	–	–	–	–
Deconsolidation	–4	–1	–1	–6
Reorganisation	–1	–	–	–1
30.09.2021	55	–	16	71
First consolidation	–	–	–	–
Deconsolidation	–	–	–	–
31.12.2021	55	–	16	71
thereof foreign companies	29	–	6	35

During the reporting period there was no new acquisition of companies according to IFRS 3.

Effects of Covid-19

The potential effects of the Covid-19 pandemic were re-evaluated in connection with the preparation of the consolidated interim financial statements, above all with regard to the impairment testing of assets in accordance with IAS 36 and IFRS 9 and further uncertainties involving judgments and assessments.

The Covid-19 pandemic is expected to result in an increase in bankruptcies over the coming years. A higher volume of receivables defaults is therefore expected. The EVN Group has included the projected increase in potential receivable defaults in the forward-looking component, as was done in the 2019/20 and 2020/21 financial years.

As reported in the consolidated financial statements for 2020/21, the progress on assignments in the international project business has not met original expectations due to the corona crisis and the postponement of closings. This will result in the shift of earnings contributions to the following years.

The further course of the corona crisis, the current volatility on the energy markets and the increase in general uncertainty could have a material negative impact on earnings through the development of the cost of capital.

Selected notes to the consolidated statement of operations

Revenue by product	2021/22	2020/21
EURm	Q.1	Q.1
Electricity	664.2	378.3
Natural gas	41.7	34.3
Heat	55.5	48.1
Environmental services	91.2	94.2
Others	48.2	49.2
Total	900.9	604.1

Revenue by country	2021/22	2020/21
EURm	Q.1	Q.1
Austria	362.0	272.8
Germany	70.3	75.1
Bulgaria	313.1	148.1
North Macedonia	142.4	96.2
Others	13.1	11.9
Total	900.9	604.1

The share of results from equity accounted investees with operational nature developed as follows:

Share of results from equity accounted investees with operational nature	2021/22	2020/21
EURm	Q.1	Q.1
EVN KG	33.3	35.2
RAG	13.4	12.9
ZOV; ZOV UIP	3.1	2.7
Energie Burgenland	2.3	5.6
EAA	0.2	2.1
Umm Al Hayman Holding Company WLL	0.1	1.0
Verbund Innkraftwerke	–0.9	0.3
Other companies	0.5	0.5
Total	52.0	60.2

The increase in revenue resulted primarily from the sharp rise in energy prices, but also led to substantial higher expenditures for electricity purchases from third parties and energy carriers. Since the increase in energy procurement costs cannot be passed on in full during the same period due to regulatory and contractual conditions, this has a negative impact on the operating result and leads to shifts between periods because price adjustments are reflected in subsequent accounting periods.

In the first quarter of 2021/22, an agreement was reached with the Bulgarian government over a compensation payment of EUR 31.6m for the period from July 2021 to December 2021 to cover the sharp rise in procurement costs for network losses incurred by the Bulgarian network company. This compensation payment was recorded as a reduction of expenses under the income statement position "electricity purchases and primary energy expenses" in accordance with IAS 20.29.

The share of results from equity accounted investees with operational nature declined to EUR 52.0m in the first quarter of 2021/22 (previous year: EUR 60.2m). This decline was mainly due to lower results from operating activities.

Earnings per share are calculated by dividing the Group net result (= net profit for the period attributable to EVN AG shareholders) by the weighted average number of shares outstanding, i. e. 178,181,157 as of 31 December 2021 (31 December 2020: 178,137,693 shares). There is no difference between basic earnings per share and diluted earnings per share. Calculated on the basis of a Group net result amounting to EUR 81.5m (previous year: EUR 93.5m), earnings per share at the balance sheet date 31 December 2021 totalled EUR 0.46 (previous year: EUR 0.52 per share).

The Kavarna wind park was tested for impairment as a consequence of changes in the regulatory framework in Bulgaria. The impairment test led to a revaluation of EUR 6.4m. The recoverable amount was determined on the basis of the value in use and equalled EUR 18.4m (previous year: EUR 12.7m). A WACC after tax of 4.31% was used as the discount rate for the regulated period and 4.58% for the non-regulated period (previous year: 5.24%, respectively 5.30%). This corresponds to an iteratively derived pre-tax WACC of 6.04%.

Selected notes to the consolidated statement of financial position

In the first quarter of 2020/21, EVN acquired intangible assets and property, plant and equipment to the sum of EUR 110.1m (previous year: EUR 86.8m). Property, plant and equipment with a net carrying amount (book value) of EUR 0.4m (previous year: EUR 0.8m) were disposed of, with a capital gain of EUR 0.5m (previous year: capital gain of EUR 0.2m).

The other investments of EUR 4,521.0m, mainly classified as FVOCI, include the Verbund shares held by EVN with a market value of EUR 4,339.9m, which has increased by EUR 491.5m since 30 September 2021 due to the development of the Verbund share price. In accordance with IFRS 9, the adjustments to the changed market values were offset with the valuation reserve after the deduction of deferred taxes.

The number of EVN shares in circulation developed as follows:

Development of the number of shares in circulation		2021/22
Number		Q.1
Balance 30.09.2021		178,181,157
Purchase of treasury shares		–
Balance 31.12.2021		178,181,157

As of 31 December 2021, the number of treasury shares amounted to 1,697,245 (or 0.94% of the share capital) with an acquisition value of EUR 18.5m. The treasury shares held by EVN are not entitled to any rights, and in particular, they are not entitled to dividends.

The 93rd Annual General Meeting of EVN AG on 3 February 2022 approved the recommendation by the Executive Board and Supervisory Board to distribute a dividend of EUR 0.52 per share for the financial year 2020/21. The total dividend payout amounted to EUR 92.6m. Ex-dividend date was 9 February 2022, and the dividend payment to shareholders of EVN took place on 11 February 2022.

The non-current loans and borrowings are composed as follows:

Breakdown of non-current loans and borrowings		
EURm	31.12.2021	30.09.2021
Bonds	319.0	319.6
Bank loans	645.5	399.3
Total	964.5	718.9

The decrease in bonds by EUR 0.6m resulted mainly from the change in value of the hedged foreign currency risk of the JPY bond. This was offset by an opposite movement in the market values of the hedging transactions.

The increase in bank loans is due to new borrowings. The bank loans include promissory note loans in the amount of EUR 187.5m (previous year: EUR 187.5m). The promissory note loans were issued in October 2012 and April 2020.

Segment reporting

EURm	Energy		Generation		Networks		South East Europe	
	2021/22 Q.1	2020/21 Q.1	2021/22 Q.1	2020/21 Q.1	2021/22 Q.1	2020/21 Q.1	2021/22 Q.1	2020/21 Q.1
External revenue	174.6	93.3	33.2	32.3	141.8	134.0	454.9	245.0
Internal revenue (between segments)	4.3	0.6	46.8	47.3	14.8	12.3	0.4	0.2
Total revenue	178.9	93.9	80.0	79.6	156.6	146.3	455.3	245.2
Operating expenses	-177.6	-78.1	-29.3	-23.1	-77.7	-75.3	-448.3	-211.6
Share of results from equity accounted investees operational	33.7	37.7	-0.4	0.3	-	-	-	-
EBITDA	35.0	53.6	50.3	56.8	78.9	71.0	7.0	33.6
Depreciation and amortisation	-5.3	-5.3	-3.9	-21.1	-36.0	-34.2	-19.0	-18.1
Results from operating activities (EBIT)	29.8	48.3	46.3	35.7	42.9	36.9	-12.0	15.5
Financial results	-0.6	-0.5	-0.8	-2.4	-3.5	-3.6	-3.2	-3.9
Result before income tax	29.1	47.9	45.6	33.3	39.4	33.3	-15.2	11.5
Total assets	1,209.8	1,001.5	849.5	1,090.0	2,323.1	2,115.6	1,366.1	1,210.7
Investments ¹⁾	4.4	3.4	4.5	2.7	72.2	46.1	25.3	30.3

	Environment		All Other Segments		Consolidation		Total	
	2021/22 Q.1	2020/21 Q.1	2021/22 Q.1	2020/21 Q.1	2021/22 Q.1	2020/21 Q.1	2021/22 Q.1	2020/21 Q.1
External revenue	91.2	94.2	5.1	5.3	-	-	900.9	604.1
Internal revenue (between segments)	0.1	0.1	18.7	18.3	-85.0	-78.8	-	-
Total revenue	91.4	94.3	23.8	23.5	-85.0	-78.8	900.9	604.1
Operating expenses	-77.3	-80.1	-25.1	-23.2	84.3	160.8	-751.0	-330.6
Share of results from equity accounted investees operational	3.1	3.7	15.6	18.5	-	-	52.0	60.2
EBITDA	17.1	17.9	14.3	18.9	-0.8	82.0	201.9	333.8
Depreciation and amortisation	-8.2	-9.6	-0.6	-0.6	0.8	-109.0	-72.3	-197.8
Results from operating activities (EBIT)	8.9	8.4	13.7	18.2	-	-27.0	129.5	135.9
Financial results	-7.9	-0.5	15.0	17.1	-15.5	-14.3	-16.4	-8.0
Result before income tax	1.1	7.9	28.7	35.4	-15.5	-41.3	113.1	128.0
Total assets	1,020.3	844.3	7,540.7	5,912.4	-1,982.7	-2,582.0	12,326.9	9,592.4
Investments ¹⁾	3.7	4.2	0.2	-	-	-	110.1	86.8

1) In intangible assets and property, plant and equipment

The results shown in the total column represent the results reported on the consolidated statement of operations. The consolidation column reflects the elimination of intersegment transactions. The comparative figures for previous periods include the 49% stake in STEAG Walsum 10 Kraftwerksgesellschaft mbH, which was deconsolidated as of 30 September 2021 following its sale and

the simultaneous termination of the power purchase agreement from the Walsum 10 power plant. In this respect, there were reconciliation amounts before deconsolidation resulting from the difference between the separate consideration of the Energy and Generation segments and the Group level with regard to the inclusion of Steag-EVN Walsum as a joint operation.

Selected notes on financial instruments

Information on classes and categories of financial instruments

EURm

Classes	Measurement category	Fair value hierarchy (IFRS 13)	31.12.2021		30.09.2021	
			Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets						
Other investments						
Investments	FVOCI	Level 3	177.0	177.0	177.0	177.0
Miscellaneous investments	FVOCI	Level 1	4,339.9	4,339.9	3,848.4	3,848.4
Other non-current assets						
Securities	FVTPL	Level 1	79.4	79.4	74.4	74.4
Loans receivable	AC	Level 2	36.5	38.2	35.4	38.5
Lease receivables	AC	Level 2	13.5	13.9	14.0	15.2
Receivables arising from derivative transactions	FVTPL	Level 2	4.5	4.5	4.9	4.9
Receivables	AC		11.8	11.8	10.8	10.8
Current assets						
Current receivables and other current assets						
Receivables	AC		629.4	629.4	453.6	453.6
Receivables arising from derivative transactions	FVTPL	Level 2	54.1	54.1	58.7	58.7
Securities	FVTPL	Level 1	726.1	726.1	399.1	399.1
Cash and cash equivalents						
Cash on hand and cash at banks	AC		108.8	108.8	122.5	122.5
Non-current liabilities						
Non-current loans and borrowings						
Bonds	AC	Level 2	319.0	360.6	319.6	367.1
Bank loans	AC	Level 2	645.5	705.1	399.3	467.3
Other non-current liabilities						
Other liabilities	AC		30.4	30.4	33.3	33.3
Liabilities arising from derivative transactions	FVTPL	Level 2	11.9	11.9	11.6	11.6
Liabilities arising from derivative transactions	Hedging	Level 2	21.2	21.2	16.0	16.0
Current liabilities						
Current loans and borrowings						
Trade payables	AC		484.5	484.5	318.0	318.0
Other current liabilities						
Other financial liabilities	AC		447.1	447.1	417.2	417.2
Liabilities arising from derivative transactions	FVTPL	Level 2	116.1	116.1	141.9	141.9
Liabilities arising from derivative transactions	Hedging	Level 2	13.4	13.4	9.8	9.8
thereof aggregated to measurement categories						
Fair value through other comprehensive income	FVOCI		4,516.9	–	4,025.5	–
Financial assets designated at fair value through profit or loss	FVTPL		864.1	–	537.1	–
Financial assets and financial liabilities at amortised cost	AC		3,083.4	–	2,455.4	–
Financial liabilities designated at fair value through profit or loss	FVTPL		128.1	–	153.5	–

The previous table shows the financial instruments carried at fair value and their classification in the fair value hierarchy according to IFRS 13.

Level 1 input factors are observable parameters such as quoted prices for identical assets or liabilities. These prices are used for valuation purposes without modification.

Level 2 input factors represent other observable parameters which must be adjusted to reflect the specific characteristics of the valuation object. Examples of the parameters used to measure the financial instruments classified under Level 2 are forward price curves derived from market prices, exchange rates, interest structure curves and the counterparty credit risk.

Level 3 input factors are non-observable factors which reflect the assumptions that would be used by a market participant to determine an appropriate price.

There were no reclassifications between the various levels during the reporting period.

Information on transactions with related parties

There were no changes in the group of individuals and companies who are considered as related parties compared to the Annual report of 2020/21.

The value of services provided to investments in equity accounted investees is as follows:

Transactions with investments in equity accounted investees	2021/22	2020/21
EURm	Q. 1	Q. 1
Revenue	123.9	45.4
Cost of materials and services	46.1	12.7
Trade accounts receivable	66.9	21.1
Trade accounts payable	27.7	17.5

Other obligations and risks

Other obligations and risks increased by EUR 60.9m to EUR 1,028.3m compared to 30 September 2021. This change was mainly due to the increase in guarantees in connection with energy transactions and guarantees for projects in the environmental sector as well as from the increase in scheduled orders for investments in intangible assets and property, plant and equipment. This was partially offset by a reduction in guarantees in connection with the construction and operation of power plants.

Contingent liabilities related to guarantees for subsidiaries for energy transactions are recognised on the basis of the guarantees issued by EAA at an amount equalling the risk exposure of EVN AG. This risk is measured by the changes between the stipulated price and the actual market price, whereby EVN is only exposed to procurement risks when market prices decline and to selling risks when market prices increase. Accordingly, fluctuations in market prices may lead to a change in the risk exposure after the balance sheet date. The risk assessment resulted in a contingent liability of EUR 31.2m as of 31 December 2021. The nominal volume of the guarantees underlying this assessment was EUR 282.0m.

Significant events after the balance sheet date

The following events occurred between the quarterly closing date on 31 December 2021 and the editorial deadline for this interim financial report on 21 February 2022:

A decision by the Austrian E-Control Commission raised the network tariffs for household customers by 8.4% for electricity and 4.7% for natural gas as of 1 January 2022.

In North Macedonia, the regulator announced extraordinary increases in the electricity prices for household customers of EVN Home DOO and in the network tariffs as of 1 January 2022 as partial compensation for the significant rise in energy procurement costs; the remaining additional costs shall be reflected in future tariff decisions.

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Financial calendar¹⁾

Results HY. 2021/22	25.05.2022
Results Q. 1–3 2021/22	25.08.2022
Annual results 2021/22	15.12.2022

EVN share – Basic information²⁾

Share capital	330,000,000.00 EUR
Denomination	179,878,402 shares
ISIN security code number	AT0000741053
Tickers	EVNV.VI (Reuters); EVN AV (Bloomberg); EVN (Dow Jones); EVNVY (ADR)
Listing	Vienna
ADR programme; depository	Sponsored Level I ADR programme (5 ADR = 1 share); The Bank of New York Mellon
Ratings	A1, stable (Moody's); A+, stable (Scope Ratings)

1) Preliminary

2) As of 31 December 2021

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