

Shaping the future

Letter to Shareholders
HY. 1 2021/22

1 October 2021 – 31 March 2022
Half-year financial report



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Key figures

		2021/22 HY. 1	2020/21 HY. 1	+/- %	2021/22 Q. 2	2020/21 Q. 2	+/- %	2020/21
Sales volumes								
Electricity generation volumes	GWh	1,998	2,080	-3.9	1,034	1,032	0.2	3,997
thereof from renewable energy	GWh	1,192	1,112	7.2	668	569	17.4	2,283
Electricity sales volumes to end customers	GWh	11,755	10,976	7.1	6,198	5,802	6.8	20,207
Natural gas sales volumes to end customers	GWh	3,950	4,167	-5.2	2,111	2,341	-9.9	5,412
Heat sales volumes to end customers	GWh	1,782	1,733	2.9	940	949	-1.0	2,545
Consolidated statement of operations								
Revenue	EURm	2,126.7	1,284.8	65.5	1,225.8	680.7	80.1	2,394.9
EBITDA	EURm	420.2	535.8	-21.6	218.3	202.0	8.1	836.5
EBITDA margin ¹⁾	%	19.8	41.7	-21.9	17.8	29.7	-11.9	34.9
Results from operating activities (EBIT)	EURm	211.0	254.5	-17.1	81.5	118.6	-31.3	386.4
EBIT margin ¹⁾	%	9.9	19.8	-9.9	6.6	17.4	-10.8	16.1
Result before income tax	EURm	179.7	233.5	-23.0	66.6	105.5	-36.9	366.4
Group net result	EURm	127.4	176.0	-27.6	45.9	82.5	-44.5	325.3
Earnings per share	EUR	0.71	0.99	-27.6	0.26	0.46	-44.5	1.83
Statement of financial position								
Balance sheet total	EURm	11,943.2	9,342.9	27.8	11,943.2	9,342.9	27.8	11,139.8
Equity	EURm	7,088.8	5,209.0	36.1	7,088.8	5,209.0	36.1	6,544.3
Equity ratio ¹⁾	%	59.4	55.8	3.6	59.4	55.8	3.6	58.7
Net debt ²⁾	EURm	1,134.4	929.9	22.0	1,134.4	929.9	22.0	813.8
Gearing ¹⁾	%	16.0	17.9	-1.8	16.0	17.9	-1.8	12.4
Cash flow and investments								
Gross cash flow	EURm	389.6	591.0	-34.1	185.1	183.2	1.0	762.3
Net cash flow from operating activities	EURm	-84.1	311.6	-	-84.9	267.9	-	789.6
Investments ³⁾	EURm	191.5	155.8	22.9	81.4	69.0	18.0	415.0
Share performance								
Share price at 31 March	EUR	23.30	18.36	26.9	23.30	18.36	26.9	22.95
Value of shares traded ⁴⁾	EURm	222.4	188.3	18.1	-	-	-	350.6
Market capitalisation at 31 March	EURm	4,191	3,303	26.9	4,191	3,303	26.9	4,128
Employees	∅	7,147	7,140	0.1	7,142	7,128	0.2	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

Highlights

Historic distortions on the international energy markets

- Wholesale prices for energy and energy carriers at all-time highs since summer 2021
- Developments intensified by the geopolitical environment, above all the war in Ukraine
- Economic recovery after the Covid-19 pandemic weakened by high inflation and global supply chain problems

Impact of the overall situation on EVN

- Decline in EBIT (-17.1%) and Group net result (-27.6%) in the first half of 2021/22
- Different effects on the Group's diversified business areas; increased procurement costs led to massive pressure on earnings in energy distribution; share of own production of roughly 17.0% limits opportunities for compensation
- Projected earnings decline in South East Europe due to increase in energy procurement costs; exceptional government and regulatory measures as compensation for additional costs
- Change in risk and earnings expectations for the Group led to impairment losses to goodwill in the international project business (EUR 52.9m) and to the residual carrying amount of the two combined heat and power plants in Moscow (EUR 4.4m)

Extensive investment programme in progress

- 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
- Three wind power projects with a total of 67.2 MW currently in realisation
- Goals for expansion of renewable energy by 2030: increase in wind power by 350 MW to 750 MW, photovoltaics by 300 MW

Focus on reduction of CO₂ emissions

- Reduction path for CO₂ emissions by 2034 coordinated with Science Based Targets Initiative
- EVN's contribution to reach the 2°C goal set by the Paris Climate Agreement

External ratings confirmed

- Moody's: A1, stable outlook (April 2022)
- Scope Ratings: A+, stable outlook (May 2022)

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.

Interim management report

General business and energy sector environment

GDP growth	%	2023f	2022f	2021	2020	2019
EU-27 ¹⁾²⁾⁴⁾		2.3 to 2.7	2.8 to 3.3	5.3	-6.4	1.6
Austria ¹⁾²⁾³⁾⁴⁾		2.0 to 3.0	2.6 to 3.9	4.5	-6.7	1.5
Bulgaria ¹⁾²⁾		3.1 to 3.5	2.1 to 3.3	4.2	-4.4	4.0
Croatia ¹⁾²⁾⁴⁾		3.0 to 4.0	2.7 to 3.8	10.4	-8.1	3.5
North Macedonia ⁴⁾		2.7	3.2	4.0	-6.1	3.9

1) Source: „European Economic Forecast, Spring 2022“, EU Commission, May 2022

2) Source: „Frühlings-Prognose der österreichischen Wirtschaft 2022–2023“, IHS, March 2022

3) Source: „Prognose für 2022 und 2023: Negative Angebotsschocks treffen auf kräftige Konjunktur“, WIFO, March 2022

4) Source: „World Economic Outlook“, International Monetary Fund, April 2022

General business environment

The strong growth generated by the global economy in the final quarter of 2021 has been weakened in many respects by the war in Ukraine and the resulting sanctions imposed on Russia. Drastic price increases for raw materials and, in particular, international energy are fuelling the upward trend in inflation. The sanctions have also been responsible for a significant reduction in exports by western countries to Russia. Supply chain problems are also expected to intensify, at least over the short term. The consequence has been a loss of momentum in the general economic upturn that followed the easing of pandemic-related obstacles. Sentiment indicators have deteriorated in this climate,

above all due to the substantial increase in uncertainty. This applies particularly to developments in the eurozone. After a strong recovery with a plus of 5.3% in 2021, GDP growth is expected to range from 2.8% to 3.3% in 2022 and from 2.3% to 2.7% in 2023.

The war in Ukraine and its economic consequences have also slowed growth in Austria. The beginning of the year brought a continuation of the strong recovery, but the war has overshadowed the outlook since the end of February. Private consumption remains the main driver for the reduced growth projections – but reflects the low prior year level caused by the pandemic-

Energy sector environment		2021/22 HY. 1	2020/21 HY. 1	2021/22 Q. 2	2020/21 Q. 2
Temperature-related energy demand¹⁾					
Austria	%	101.6	104.0	96.3	105.5
Bulgaria	%	106.5	93.4	103.0	97.5
North Macedonia	%	104.9	98.3	108.0	104.4
Primary energy and CO₂ emission certificates					
Crude oil – Brent	EUR/bbl	73.8	41.6	80.2	47.6
Natural gas – GIMP ²⁾	EUR/MWh	96.9	16.4	98.9	18.5
Hard coal – API#2 ³⁾	EUR/t	178.2	52.7	205.6	56.2
CO ₂ emission certificates	EUR/t	74.0	30.5	82.7	33.9
Electricity – EPEX spot market⁴⁾					
Base load	EUR/MWh	211.0	48.1	213.2	53.9
Peak load	EUR/MWh	251.4	58.9	245.8	64.5

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 GWh	2021/22	2020/21	+/-		2021/22	2020/21	+/-
	HY. 1	HY. 1	Nominal	%	Q. 2	Q. 2	%
Electricity generation volumes	1,998	2,080	-82	-3.9	1,034	1,032	0.2
Renewable energy sources	1,192	1,112	80	7.2	668	569	17.4
Thermal energy sources	805	968	-162	-16.8	366	463	-20.9
Network distribution volumes							
Electricity	12,888	12,569	320	2.5	6,649	6,604	0.7
Natural gas ¹⁾	11,277	10,750	527	4.9	5,551	5,516	0.6
Energy sales volumes to end customers							
Electricity	11,755	10,976	779	7.1	6,198	5,802	6.8
thereof Central and Western Europe ²⁾	4,613	4,588	26	0.6	2,318	2,329	-0.5
thereof South Eastern Europe	7,142	6,389	754	11.8	3,880	3,473	11.7
Natural gas	3,950	4,167	-217	-5.2	2,111	2,341	-9.9
Heat	1,782	1,733	49	2.9	940	949	-1.0
thereof Central and Western Europe ²⁾	1,599	1,569	30	1.9	831	847	-1.9
thereof South Eastern Europe	183	164	19	11.9	108	102	6.2

1) Incl. network distribution volumes to EVN power plants

2) Central and Western Europe covers Austria and Germany.

related measures. The increase in consumption has been supported by a robust labour market and decline in the savings rate, in spite of the steady rise in inflation. Growth in 2022 will also be based on the high catch-up potential inherent in the tourism sector. The 4.5% GDP increase in 2021 is expected to be followed by growth of 2.6% to 3.9% in 2022 and 2.0% to 3.0% in 2023.

Economic recovery in Bulgaria has been slow, primarily as a result of the Covid-19 pandemic. Bulgaria has one of the lowest vaccination rates in Europe, a standing that has weakened production in numerous branches. In addition, the postponement of public and private sector investments – also due to the uncertainty surrounding the war in Ukraine – has had a negative effect on GDP growth. Consumer spending, in contrast, has provided support for the Bulgarian economy. Consumption has been strengthened by the wage increases caused, not least, by the tight labour market. The Bulgarian economy grew by roughly 4.2% in 2021, while forecasts point to an increase of 2.1% to 3.3% in 2022 and 3.1% to 3.5% in 2023.

The Croatian economy appeared to have managed the turnaround with GDP growth of 10.4% in 2021 after the sharp downturn in 2020 after the outbreak of the Covid-19 pandemic and several severe earthquakes. This recovery was supported by private consumption and investments as well as the export of

goods and services. Tourism services played a key role with a strong season in 2021. However, the further course of recovery is exposed to risks – not least due to the war in Ukraine. The GDP in Croatia is expected to increase by 2.7% to 3.8% in 2022 and by 3.0% to 4.0% in 2023.

The economy in North Macedonia returned to a growth course after the pandemic-related recession in 2020 with a plus of 4.0% in 2021. Development has been slowed, however, by the war in Ukraine as well as supply chain problems, especially in the automotive supplier sector, and political uncertainty. Forecasters are projecting growth of 3.2% in 2022 and 2.7% in 2023.

Energy sector environment

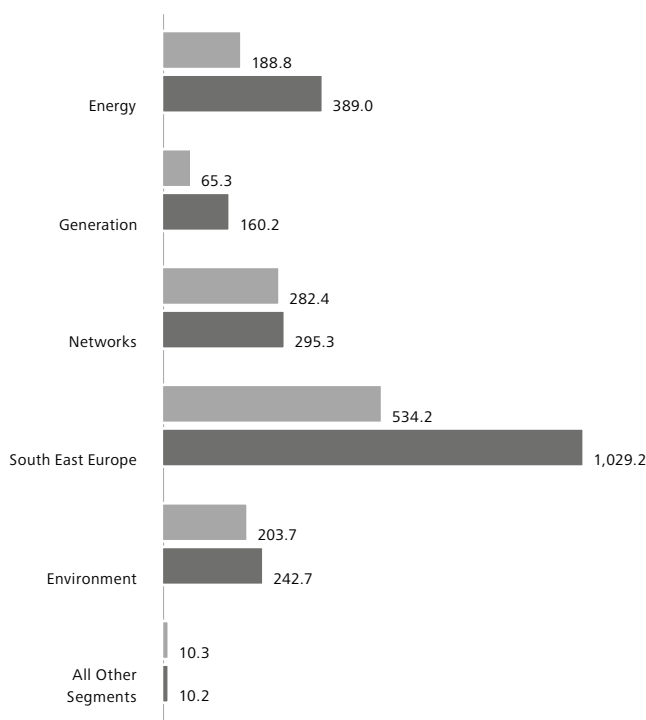
Temperatures in EVN's three core markets were lower than the long-term average during the first half of 2021/22. In Austria, the heating degree total – which defines the temperature-related demand for energy – was slightly below the previous year. South East Europe, in contrast, recorded significant increases: the heating degree total rose by 13.1 percentage points in Bulgaria and by 6.6 percentage points in North Macedonia.

Primary energy carriers and CO₂ emission certificates were faced with massive price increases and significant market distortions during the first half of 2021/22. The underlying reasons included the increasing economic recovery after Covid-19 as well as the

External revenue by segments HY. 1

EURm

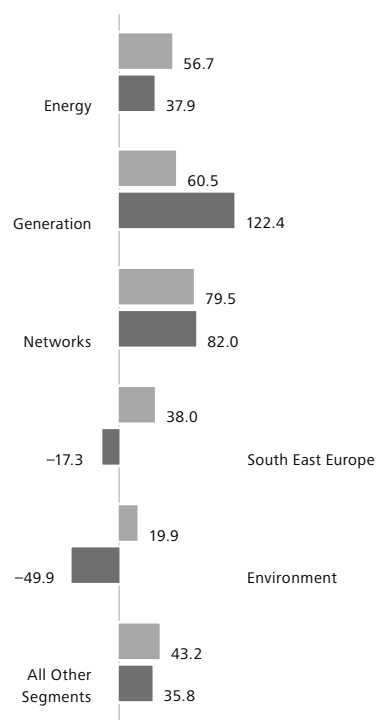
2020/21
2021/22



EBIT by segments HY. 1

EURm

2020/21
2021/22



war in Ukraine. The average EEX price for natural gas rose sharply from roughly EUR 16 per MWh to nearly EUR 97 per MWh, and the average coal price increased from roughly EUR 53 to EUR 178.2 per tonne. In addition, the price for CO₂ emission certificates has more than doubled to an average of EUR 74 per tonne (previous year: EUR 30.5 per tonne).

The market prices for base load and peak load electricity followed these trends with a significant increase in the first half of 2021/22. The spot market prices for base load and peak load electricity averaged EUR 211.0 per MWh and EUR 251.4 per MWh, respectively, for a substantial increase over the comparable prior year values of EUR 48.1 per MWh and EUR 58.9 per MWh.

Business development

Statement of operations

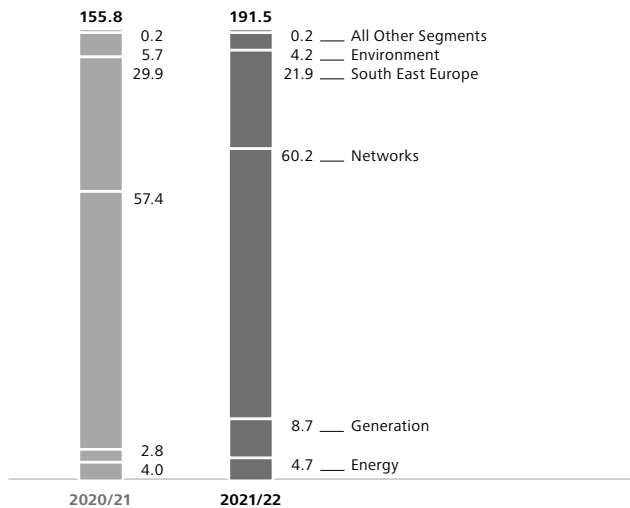
Highlights

- Revenue: +65.5% to EUR 2,126.7m
- EBITDA: -21.6% to EUR 420.2m
- EBIT: -17.1% to EUR 211.0m
- Group net result: -27.6% to EUR 127.4m

Revenue recorded by the EVN Group rose by 65.5% to EUR 2,126.7m in the first half of 2021/22, based on a variety of individual factors: In South East Europe, the upsurge in electricity

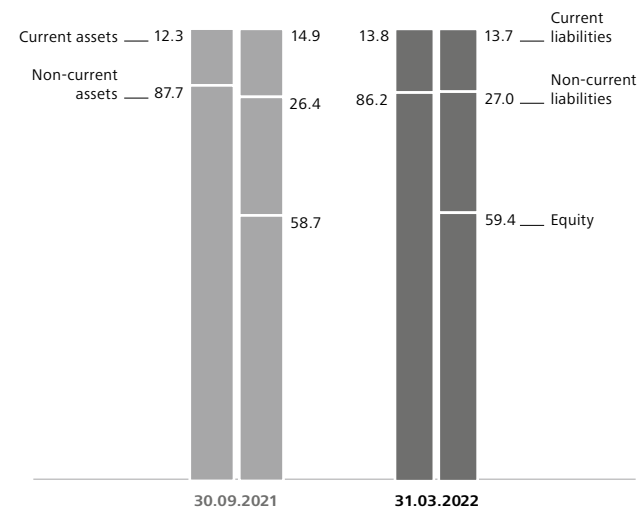
Structure of investments HY. 1

%, total in EURm



Balance sheet structure as of the balance sheet date

%



prices led to sound growth in energy distribution while weather-related volume effects were responsible for higher network revenue. In Austria, the higher network tariffs set by E-Control as of 1 January 2021 and 1 January 2022 had a positive influence on network revenue. Other important impulses were provided by price effects from renewable electricity generation and positive valuation effects from hedges. The more frequent use of the Theiss power plant by the Austrian transmission network operator for network stabilisation offset the revenue lost from the Walsum 10 power plant following the sale of EVN's investment and the termination of electricity purchases from this source. Growth was also recorded in the international project business.

Other operating income fell by 67.1% year-on-year to EUR 54.4m, 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 1,314.0m (previous year: EUR 568.7m) – increased substantially. This development resulted, above all, from higher energy procurement costs in South East Europe, above all to cover network losses, as well as an increase in 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 increased by 20.6% to EUR 290.4m in line with the development of revenue in the international project business.

Personnel expenses were 1.4% higher year-on-year at EUR 179.4m due to adjustments required by collective bargaining agreements. The average number of employees increased to 7,147 (previous year: 7,140 employees).

Other operating expenses rose by 12.4% to EUR 62.4m due to higher receivables write-offs in North Macedonia.

The share of results from equity accounted investees with operational nature fell by 33.0% to EUR 85.2m. A major part of this decline resulted from higher procurement costs for electricity and natural gas at the supply company EVN KG in Austria as well as a lower earnings contribution from RAG. In the previous year, this position also included a revaluation of EUR 9.6m to the Ashta hydropower plant in Albania.

EBITDA recorded by the EVN Group fell by 21.6% year-on-year to EUR 420.2m in the first half of 2021/22.

Scheduled depreciation and amortisation declined by 5.9% year-on-year to EUR 158.3m, among others due to the sale of EVN's 49% investment in the Walsum 10 power plant as of

30 September 2021. The effects from impairment tests – which totalled EUR 50.9m in the first half of 2021/22 (previous year: EUR 113.1m) – reflected different effects: In the second quarter of 2021/22, a change in the Group's risk and earnings expectations for future projects based on the ongoing global distortions led to the recognition of an impairment loss to goodwill in the international project business (EUR 52.9m) and to the residual carrying amount of the two sludge-fired combined heat and power plants in Moscow (EUR 4.4m). These impairment losses were contrasted by a revaluation of EUR 6.4m to the Kavarna wind park in Bulgaria to reflect the changed regulatory conditions in combination with an increase in electricity prices. In the previous year, the takeover of an additional electricity procurement right resulted in the recognition of impairment losses totalling EUR 113.1m to the Walsum 10 power plant. In total, EBIT declined by 17.1% to EUR 211.0m.

Financial results dropped to EUR –31.3m (previous year: EUR –21.0m) owing to weaker performance of the R138 fund in the current market environment and as a result of foreign exchange developments.

The result before income tax amounted to EUR 179.7m and was 23.0% lower than in the first half of 2020/21. After the deduction of EUR 44.1m (previous year: EUR 38.7m) in income tax expense and the earnings attributable to non-controlling interests, Group net result for the period equalled EUR 127.4m. This represents a year-on-year decline of 27.6%.

Statement of cash flows

Gross cash flow for the first half of 2021/22 totalled EUR 389.6m and was substantially lower than the previous year (EUR 591.0m), 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.

Cash flow from operating activities was unfavourably influenced by a substantially lower volume of investments by EVN KG in the Group's cash pool as well as the sharp rise in energy prices and the resulting negative effect on working capital. The year-on-year reduction in income taxes only partially offset this development. Consequently, the decline in cash flow from operating activities was considerably higher than the decline in gross cash flow.

Cash flow from investing activities amounted to EUR –255.4m (previous year: EUR –295.9m). Contributing factors included the year-on-year increase in investments in property, plant and equipment and, above all, a change in the investments in cash funds which are included under current financial investments.

The significant increase in cash flow from financing activities to EUR 126.9m (previous year: EUR –13.9m) is attributable to

three bank loans totalling EUR 250m. The dividend payment for the 2020/21 financial year represented a contrary effect.

In total, cash flow amounted to EUR –212.6m in the first half of 2021/22, and cash and cash equivalents equalled EUR –90.7m as of 31 March 2022. This negative value reflects the three short-term bank loans for a total of EUR 150m which were contracted during the reporting period. As of 31 March 2022, the EVN Group had contractually committed, undrawn credit lines of EUR 602m at its disposal to service potential short-term financing requirements.

Statement of financial position

EVN's balance sheet total equalled EUR 11,943.2m as of 31 March 2022 and was 7.2% 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 95.50 as of 31 March 2022 versus EUR 87.70 as of 30 September 2021). Another factor was the increase in the carrying amount of equity accounted investees with operational nature that resulted mainly from the valuation of hedges held by EVN KG and EnergieAllianz as of 31 March 2022. In contrast, the recognition of an impairment loss (EUR 52.9m) to goodwill in the international project business led to a decline in intangible assets. Non-current assets rose by a total of 5.4% to EUR 10,300.3m.

Current assets rose by 20.2% to EUR 1,642.9m as of 31 March 2022. This increase was based primarily on a substantially higher balance of trade receivables, especially in South East Europe, due to the sharp rise in electricity prices. The change in current assets was also influenced by a higher balance of investments in cash funds. The liquidity for these investments originated, above all, from an increase in borrowings.

Equity totalled EUR 7,088.8m as of 31 March 2022 and was 8.3% higher than on 30 September 2021 despite the dividend payment for the 2020/21 financial year which was made in February 2022. This increase was based on the earnings recorded in the first half of 2021/22 and, 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 Verbund share price and the development of equity accounted investees. The equity ratio equalled 59.4% as of 31 March 2022 (30 September 2021: 58.7%).

Non-current liabilities were 9.6% higher at EUR 3,219.2m. The main reasons 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 ending in February, November and December 2023.

Current liabilities were 1.3% lower than on 30 September 2021 at EUR 1,635.2m as of 31 March 2022. This decline reflected a substantial reduction in investments by EVN KG in the Group's cash pool as of 31 March 2022 (reported under other current liabilities). Current liabilities were increased by three additional short-term bank loans totalling EUR 150m. As of 31 March 2022, current financial liabilities still included the EUR 300m bond that was redeemed in April 2022.

Risk management report

pursuant to § 125 (4) of the Austrian Stock Exchange Act 2018 ("Börsegesetz 2018")

Risk profile

The risk profile of the EVN Group is influenced primarily by common industry risks and uncertainties and, above all, by political, legal and regulatory challenges. The classification of the related aspects is based on EVN's risk management process.

The start of the war in Ukraine on 24 February 2022 triggered a Group-wide, ad-hoc analysis by EVN's central risk management of the potential risks and impact of the hostilities and was followed by a report to EVN's Supervisory Board. The uncertainties and effects of the conflict which are relevant for EVN can be assigned

to existing risk categories. The qualitative and quantitative assessment of the risks identified in connection with the war in Ukraine is therefore based on the risk categories listed in the table on the following pages. This method applies correspondingly to potential risks and effects of the Covid-19 pandemic, which are also the subject of continuous monitoring.

The most important uncertainties with a potentially high impact include, among others, the following (excerpt):

- Margin reduction due to higher energy procurement costs
- Payment delays up to default by business partners or major customers
- Termination of natural gas deliveries to Austria and the related conditional enactment of government energy control measures as well as a negative influence on the operation of natural gas storage facilities
- Rising procurement costs for investments and maintenance
- Supply chain problems
- Cybersecurity

This growing uncertainty has led to an increase in EVN's overall risk profile since the end of the previous financial year on 30 September 2021. However, it is still not possible to identify any future risks at the present time that could endanger the continued existence of the EVN Group. The following table provides a summary of the material risks and uncertainties to which the EVN Group is exposed.

EVN's major risks and related risk management measures

Risk category	Description	Measure
Market and competition risks		
Profit margin risk (price and volume effects)	<p>Energy sales and production: failure to meet profit margin targets</p> <ul style="list-style-type: none"> → Procurement and selling prices (esp. for energy carriers) that are volatile and/or deviate from forecasts → Weaker demand (above all due to weather/ climate change, politics, reputation or competition) → Decline in own generation → Reduced project volume in the environmental services business (in particular due to market saturation, limited resources for infrastructure projects, non-inclusion in or failure to win tenders) <p>Potential climate risk</p>	<p>Procurement strategy tailored to the market environment; hedging strategies; diversification of customer segments and business areas; product portfolio that reflects customer demands; longer-term sale of power plant capacity</p>
Supplier risk	<p>Cost overruns on planned projects; incomplete performance of contracted services or failure to meet contract obligations</p>	<p>Partnerships; contractual controls wherever possible; third party expert opinions</p>
Financial risks		
Foreign currency risks	<p>Transaction risks (foreign exchange losses) and translation risks on the conversion of foreign currency amounts in the consolidated financial statements; financing for Group companies that does not reflect the respective foreign exchange situation</p>	<p>Monitoring; limits; hedging instruments</p>
Liquidity, cash flow and financing risk	<p>Failure to repay liabilities on schedule or to obtain the required liquidity/funds when needed at the expected conditions; potential climate risk</p>	<p>Long-term, centrally managed financial planning; safeguarding financing requirements (e. g. through credit lines)</p>
Market price risks	<p>Decline in the value of investments (e. g. funds) and listed strategic holdings (e. g. Verbund AG, Burgenland Holding AG); potential climate risk</p>	<p>Monitoring of loss potential via daily value-at-risk calculations; investment guidelines</p>
Counterparty/credit risks (default risks)	<p>Complete or partial failure of a business partner or customer to provide the agreed performance</p>	<p>Contractual construction; credit monitoring and credit limit systems; regular monitoring of customer behaviour; hedging instruments; insurance; systematic diversification of business partners</p>
Investment risks	<p>Failure of a core subsidiary or holding company to meet profit targets; potential climate risk</p>	<p>Representation on corporate bodies of the respective company</p>
Rating changes	<p>Higher refinancing costs due to rating downgrades; potential climate risk</p>	<p>Ensuring compliance with key financial indicators</p>
Interest rate risks	<p>Changes in market rates; increase in interest expense; negative effects of low interest rates on the valuation of assets and provisions and on future tariffs</p>	<p>Use of hedging instruments; fixed interest rates in financing contracts</p>

EVN's major risks and related risk management measures

Risk category	Description	Measure
Impairment risks	Recognition of impairment losses to receivables, goodwill, investments, generation equipment and other assets (profitability/value significantly dependent on electricity and primary energy prices and energy sector framework conditions); potential climate risk	Monitoring via sensitivity analyses
Guarantee risk	Financial loss due to claim of contingent liabilities; potential climate risk	Limit volume of guarantees as far as possible; routine monitoring
Strategy and planning risks		
Technology risk	Late identification of and reaction to new technologies (delayed investments) or to changes in customer needs; investments in "wrong" technologies; potential climate risk	Active participation in external research projects; own demonstration facilities and pilot projects; ongoing adjustments to keep technologies at the latest level
Planning risk	Model risks; incorrect or incomplete assumptions; lost opportunities	Feasibility studies by experienced, highly qualified employees; monitoring of parameters and regular updates; four-eyes principle
Organisational risks	Inefficient or ineffective processes and interfaces; duplication; potential climate risk	Process management; documentation; internal control system (ICS)
Operating risks		
Infrastructure risks	Incorrect design and use of technical facilities; potential climate risk	Elimination of technical weaknesses; regular inspections and reviews of current and planned infrastructure
Service disruptions/network breakdowns (own and third party), accidents	Supply interruptions; physical danger to persons or infrastructure through explosions/accidents; potential climate risk	Technical upgrading at interfaces of the different networks; expansion and maintenance of network capacity
IT/security risks (incl. cybersecurity)	System losses; data loss or unintended transfer; hacker attacks	Strict system and risk monitoring (internal control system); backup systems; technical maintenance; external audits; occupational safety and health measures; crisis training
Workforce risks	Loss of highly qualified employees; absence due to work accidents; surplus or shortfall of personnel; communication problems; cultural barriers; fraud; intentional or unintentional misrepresentations of transactions or items in the annual financial statements	Attractive work environment; occupational health care and safety measures; flexible working time models; training; events for employees for the exchange of information and networking purposes; internal control system (ICS)
External risks		
Legislative, regulatory and political risks	Change in political and legal parameters and/or the regulatory environment (e.g. environmental laws, changes in the legal framework, shifting subsidy scheme, market liberalisation in South East Europe); political and economic instability; network operations: non-inclusion of actual operating costs in the network tariffs established by regulatory authority; potential climate risk	Cooperation with interest groups, associations and government agencies on a regional, national and international level; appropriate documentation and service charges

EVN's major risks and related risk management measures

Risk category	Description	Measure
Legal and litigation risks	Non-compliance with contracts; litigation risk from various lawsuits; regulatory and supervisory audits	Representation in local, regional, national and EU-wide interest groups; legal consulting
Social and general economic environment	Macroeconomic developments; debt/financial crisis; stagnating or declining purchasing power; rising unemployment; potential climate risk	Best possible utilisation of (anti-)cyclical optimisation potential
Contract risks	Failure to identify legal, economic or technical problems; contract risks under financing agreements	Extensive legal due diligence; involvement of external experts/legal advisors; contract database and ongoing monitoring
Other risks		
Granting of undue advantages, non-compliance, data protection incidents	Distribution of confidential internal information to third parties and the granting of undue advantages/corruption; violation of regulations for the protection of personal data	Internal control systems; uniform guidelines and standards; Code of Conduct; compliance organisation
Project risk	Cost overruns on the construction of new capacity; potential climate risk	Contractual agreement on economic parameters
Co-investment risk	Risks related to the implementation of major projects jointly with partners; potential climate risk	Contractual safeguards; efficient project management
Sabotage	Sabotage, e. g. to natural gas lines, wastewater treatment plants or waste incineration plants	Suitable security measures; regular measurement of water quality and emissions
Image risk	Reputational damage; potential climate risk	Transparent and proactive communications; sustainable management

Transactions with related parties

The material transactions with related companies and persons which require disclosure are presented in the notes.

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 and heat sales volumes, decline in natural gas

- New major customers in Germany responsible for higher electricity volumes; decline in private customer business
- Milder temperatures in year-on-year comparison led to lower natural gas consumption by private customers

EBITDA, EBIT and result before income tax below previous year

- Massive increase in revenue due to price effects in the marketing of own electricity and positive valuation effects from hedges; higher sales volumes and price adjustments at EVN Wärme and higher revenue from CO₂ emission certificate trading as further drivers
- Operating expenses also above previous year: higher primary energy expenses for increased use of the Theiss power plant for network stabilisation, increased costs for third-party energy purchases and higher procurement costs at EVN Wärme

- Decline in operating income due to higher procurement costs at the equity accounted investee EVN KG
- Increase as of 1 January 2022 in electricity prices and as of 1 February 2022 for natural gas within the framework of EnergieAllianz

Investment volume raised by 36.9%

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

Confirmation of segment outlook for 2021/22

- In the absence of non-recurring effects from the termination of onerous contracts, which had a positive influence at the segment level in the previous year, segment results for the current 2021/22 financial year are expected to be substantially lower.
- The results of EVN KG in the second half of 2021/22 will be substantially reduced by higher procurement costs which can only be passed on to customers with a delay because of contract terms.

Key indicators – Energy ¹⁾		2021/22	2020/21	+/-		2021/22	2020/21	+/-
		HY. 1	HY. 1	Nominal	%	Q. 2	Q. 2	%
Key energy business indicators	GWh							
Energy sales volumes to end customers								
Electricity ²⁾		4,613	4,588	26	0.6	2,318	2,329	-0.5
Natural gas ²⁾		3,861	4,084	-224	-5.5	2,065	2,294	-10.0
Heat		1,599	1,569	30	1.9	831	847	-1.9
Key financial indicators	EURm							
External revenue		389.0	188.8	200.2	-	214.4	95.5	-
Internal revenue		5.9	2.3	3.7	-	1.7	1.7	0.4
Total revenue		394.9	191.1	203.8	-	216.0	97.1	-
Operating expenses		-387.9	-190.1	-197.7	-	-210.3	-112.1	-87.7
Share of results from equity accounted investees with operational nature		41.4	66.5	-25.0	-37.7	7.7	28.7	-73.1
EBITDA		48.5	67.4	-18.9	-28.1	13.4	13.8	-2.6
Depreciation and amortisation including effects from impairment tests		-10.6	-10.7	0.1	1.1	-5.3	-5.4	1.5
Results from operating activities (EBIT)		37.9	56.7	-18.8	-33.2	8.1	8.4	-3.3
Financial results		-1.3	-1.0	-0.3	-33.8	-0.7	-0.5	-31.0
Result before income tax		36.6	55.7	-19.2	-34.4	7.5	7.9	-5.5
Total assets		1,291.8	1,026.9	265.0	25.8	1,291.8	1,026.9	25.8
Total liabilities		610.0	892.7	-282.7	-31.7	610.0	892.7	-31.7
Investments ³⁾		9.1	6.6	2.5	36.9	4.7	3.2	47.0

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

- Above-average wind flows offset the decline in hydropower
- Sale of 49% investment in the Walsum 10 power plant as of 30 September 2021 led to a 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
- Coverage ratio (own production in relation to sales volumes): 17.0% (previous year: 18.9%)
- Share of renewable generation: 59.7% (previous year: 53.5%)

EBITDA, EBIT and result before income tax above previous year

- Higher electricity prices supported increase in revenue despite decline in electricity generation
- Decline in share of results from equity accounted investees with operational nature to EUR 0.6m (previous year: EUR 10.1m) after revaluation of EUR 9.6m to the Ashta hydropower plant in the first half of 2020/21

- Decline in scheduled depreciation and amortisation, including the effects of impairment testing: absence of depreciation for the Walsum 10 power plant and revaluation of EUR 6.4m for the Kavarna wind park in Bulgaria in the first quarter of 2021/22

Three wind power projects with a total of 67.2 MW in progress

- Realisation of wind parks in Schildberg (new construction) and Japons (repowering of existing equipment) in 2021/22; installed capacity of 12.6 MW each
- Commissioning of the Palterndorf-Dobermannsdorf wind park with 42 MW in the next financial year; first construction of high-efficiency 6 MW wind power plants by EVN

Adjustment of segment outlook for 2021/22

- Segment results are expected to exceed the previous year due to the increase in electricity prices and above-average electricity generation from wind power in the first six months.

Key indicators – Generation ¹⁾		2021/22	2020/21	+/-		2021/22	2020/21	+/-
		HY. 1	HY. 1	Nominal	%	Q. 2	Q. 2	%
Key energy business indicators	GWh							
Electricity generation volumes		1,592	1,677	-85	-5.1	821	808	1.7
thereof renewable energy sources		1,011	930	81	8.7	574	465	23.3
thereof thermal energy sources		581	747	-166	-22.2	248	342	-27.6
Key financial indicators	EURm							
External revenue		160.2	65.3	94.9	-	127.0	32.9	-
Internal revenue		38.7	92.4	-53.7	-58.1	-8.0	45.1	-
Total revenue		198.9	157.7	41.2	26.2	118.9	78.1	52.3
Operating expenses		-62.5	-65.1	2.5	3.9	-33.2	-42.0	20.9
Share of results from equity accounted investees with operational nature		0.6	10.1	-9.5	-94.3	1.0	9.8	-90.2
EBITDA		137.0	102.7	34.2	33.3	86.7	46.0	88.7
Depreciation and amortisation including effects from impairment tests		-14.5	-42.2	27.7	65.6	-10.6	-21.2	50.1
Results from operating activities (EBIT)		122.4	60.5	62.0	-	76.1	24.8	-
Financial results		-1.5	-4.8	3.3	69.3	-0.7	-2.5	71.0
Result before income tax		121.0	55.7	65.3	-	75.4	22.3	-
Total assets		847.8	1,102.4	-254.7	-23.1	847.8	1,102.4	-23.1
Total liabilities		365.5	663.1	-297.7	-44.9	365.5	663.1	-44.9
Investments ²⁾		17.3	4.5	12.8	-	12.8	1.8	-

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

Network sales volumes: stable development for electricity, increase in natural gas

- Electricity network sales volumes at prior year level in the first half of 2021/22
- Decline in natural gas sales volumes to household customers offset by higher power plant use for network stabilisation

Improvement in revenue

- Price effects for electricity, price and volume effects for natural gas
- Network tariffs for household customers raised by an average of 8.4% for electricity and by an average of 4.7% for natural gas as of 1 January 2022
- Positive development of revenue at kabelplus

EBITDA, EBIT and result before income tax above previous year

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

Further substantial investment of 29% in supply security

- Continuation of smart meter roll-out
- Expansion of eco-electricity (distribution networks and substations) and transformer stations
- Ongoing strong demand for photovoltaic connections at all voltage levels

Adjustment of segment outlook for 2021/22

- Segment results are expected to be lower than the previous year in 2021/22 due to the increase in market prices and the resulting costs to cover network losses as well as an increase in general expenses and the higher depreciation and amortisation resulting from investments.

Key indicators – Networks		2021/22	2020/21	+/-		2021/22	2020/21	+/-
		HY. 1	HY. 1	Nominal	%	Q. 2	Q. 2	%
Key energy business indicators	GWh							
Network distribution volumes								
Electricity		4,665	4,673	-8	-0.2	2,283	2,347	-2.7
Natural gas		11,103	10,583	520	4.9	5,460	5,421	0.7
Key financial indicators	EURm							
External revenue		295.3	282.4	12.9	4.6	153.5	148.4	3.4
Internal revenue		29.0	24.8	4.2	16.9	14.2	12.5	13.8
Total revenue		324.3	307.2	17.1	5.6	167.7	160.9	4.2
Operating expenses		-169.9	-158.9	-11.1	-7.0	-92.2	-83.6	-10.4
Share of results from equity accounted investees with operational nature		-	-	-	-	-	-	-
EBITDA		154.4	148.3	6.0	4.1	75.5	77.3	-2.4
Depreciation and amortisation including effects from impairment tests		-72.4	-68.8	-3.6	-5.2	-36.3	-34.6	-4.9
Results from operating activities (EBIT)		82.0	79.5	2.5	3.1	39.1	42.7	-8.3
Financial results		-7.3	-6.2	-1.1	-18.1	-3.8	-2.6	-45.7
Result before income tax		74.7	73.4	1.3	1.8	35.3	40.1	-11.8
Total assets		2,283.7	2,216.8	66.8	3.0	2,283.7	2,216.8	3.0
Total liabilities		1,577.6	1,437.2	140.4	9.8	1,577.6	1,437.2	9.8
Investments ¹⁾		115.2	89.4	25.9	29.0	43.1	43.3	-0.4

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
- Increase in sales volumes supported by customer changes from the liberalised market

Electricity generation above previous year

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

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 in part higher for the regulated customer segments: distortions on the energy markets led to a significant increase in the costs for network loss coverage; higher receivables write-offs in North Macedonia

Extraordinary government and regulatory measures

- Bulgaria: Government compensation for added costs incurred by the distribution network operator EVN Yug for the coverage of 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 shall 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
- Construction of two further plants, each with approximately 1.1 MW of installed capacity

Key indicators – South East Europe		2021/22	2020/21	+/-		2021/22	2020/21	+/-
		HY. 1	HY. 1	Nominal	%	Q. 2	Q. 2	%
Key energy business indicators	GWh							
Electricity generation volumes		243	238	4	1.8	132	140	-5.6
thereof renewable energy		59	58	0	0.6	33	41	-19.7
thereof thermal power plants		184	180	4	2.2	99	99	0.2
Electricity network distribution volumes		8,224	7,896	328	4.2	4,366	4,256	2.6
Energy sales volumes to end customers		7,415	6,636	780	11.7	4,034	3,623	11.3
thereof electricity		7,142	6,389	754	11.8	3,880	3,473	11.7
thereof natural gas		90	83	7	7.9	46	48	-4.2
thereof heat		183	164	19	11.9	108	102	6.2
Key financial indicators	EURm							
External revenue		1,029.2	534.2	495.0	92.7	574.3	289.3	98.6
Internal revenue		0.7	0.4	0.4	-	0.3	0.2	-
Total revenue		1,030.0	534.6	495.4	92.7	574.7	289.4	98.6
Operating expenses		-1,008.9	-460.0	-548.9	-	-560.6	-248.4	-
Share of results from equity accounted investees with operational nature		-	-	-	-	-	-	-
EBITDA		21.1	74.6	-53.5	-71.7	14.1	41.0	-65.6
Depreciation and amortisation including effects from impairment tests		-38.4	-36.6	-1.8	-4.9	-19.4	-18.5	-4.7
Results from operating activities (EBIT)		-17.3	38.0	-55.3	-	-5.2	22.5	-
Financial results		-6.7	-7.8	1.1	13.8	-3.5	-3.9	8.4
Result before income tax		-24.0	30.2	-54.2	-	-8.8	18.6	-
Total assets		1,372.4	1,232.4	140.0	11.4	1,372.4	1,232.4	11.4
Total liabilities		1,050.8	877.6	173.2	19.7	1,050.8	877.6	19.7
Investments ¹⁾		42.0	46.7	-4.7	-10.0	16.7	16.3	2.6

1) In intangible assets and property, plant and equipment

Confirmation of segment outlook for 2021/22

- The distortions on the energy markets, which have been increased by the war in Ukraine, have a significant negative effect on earnings in South East Europe; a decline is therefore expected in earnings for the full 2021/22 financial year.
- Based on the current regulatory framework, the negative effects caused by higher costs for network loss coverage should be recovered through tariff adjustments in the following years.

Environment

EBITDA, EBIT and result before income tax below previous year

- Revenue from drinking water supplies in Lower Austria nearly stable; progress on Kuwait project supports increase in segment revenue
- Increase in operating expenses due to developments in the international project business, additional costs from delays on individual projects, and absence of a positive non-recurring effect from an energy duty refund at EVN Wasser
- Share of results from equity accounted investees with operational nature below previous year

- Change in risk and earnings expectations for the international project business
 - Uncertain geopolitical and economic environment, above all for global supply chains, increases the risk for future projects
 - Changed risk and earnings expectations for the Group led to the recognition of impairment losses to goodwill in the international project business (EUR 52.9m)
 - Recognition of impairment loss to the residual carrying amount (EUR 4.4m) of the two sludge-fired combined heat and power plants in Moscow (higher country risk premium for Russia as an additional factor); apart from that, no remaining activities in Russia
- Financial results negatively influenced by foreign exchange developments

Investments in drinking water supplies in Lower Austria

- Full commercial operations at the fifth natural filter plant in EVN's supply area since March 2022
- Commissioning of the first of three construction sections on the new cross-regional connecting pipeline from Krems to Zwettl in March 2022
- Further transport pipelines in planning and under construction

Key financial indicators – Environment	EURm	2021/22	2020/21	+/-		2021/22	2020/21	+/-
		HY. 1	HY. 1	Nominal	%	Q. 2	Q. 2	%
External revenue		242.7	203.7	39.0	19.1	151.5	109.5	38.3
Internal revenue		0.3	0.2	0.0	11.4	0.1	0.1	–
Total revenue		243.0	204.0	39.0	19.1	151.6	109.7	38.2
Operating expenses		-224.7	-171.5	-53.3	-31.1	-147.5	-91.4	-61.4
Share of results from equity accounted investees with operational nature		5.6	7.0	-1.4	-20.4	2.5	3.3	-22.7
EBITDA		23.8	39.5	-15.7	-39.7	6.6	21.5	-69.1
Depreciation and amortisation including effects from impairment tests		-73.7	-19.6	-54.1	–	-65.5	-10.0	–
Results from operating activities (EBIT)		-49.9	19.9	-69.8	–	-58.8	11.6	–
Financial results		-9.3	-4.9	-4.4	-91.1	-1.5	-4.4	66.6
Result before income tax		-59.2	15.0	-74.3	–	-60.3	7.2	–
Total assets		939.3	885.1	54.3	6.1	939.3	885.1	6.1
Total liabilities		777.3	731.6	45.7	6.2	777.3	731.6	6.2
Investments ¹⁾		8.1	9.1	-1.0	-11.2	4.4	4.9	-10.3

1) In intangible assets and property, plant and equipment

Developments in the international project business

- Contract received for the second section of the Cluj-Sălaj drinking water supply project in March 2022 (construction of transport pipelines, an elevated tank and a cleaning station; contract value: approximately EUR 45m)
- Commercial commissioning in April 2022 of the thermal sewage sludge treatment plant in Halle-Lochau which was built by the 50:50 joint venture sludge2energy
- Twelve projects by WTE Wassertechnik for wastewater, drinking water and thermal sewage sludge treatment currently under construction (Germany, Poland, Lithuania, Romania, Bahrain and Kuwait)
- Two further sewage sludge treatment projects under construction by sludge2energy (Hanover, Straubing)

Adjustment of segment outlook for 2021/22

- A decline in segment results for the full year is expected due to the necessary recognition of impairment losses in the second quarter of 2021/22.
- The intensification of international crises could lead to additional project delays due to the disruption of international supply chains and, consequently, to a further decline in earnings.

All Other Segments

Lower earnings contribution from equity accounted investees with operational nature

- Declines at RAG and Energie Burgenland

EBITDA, EBIT and result before income tax below previous year

- Weaker performance of the R138 fund led to decline in financial results

Confirmation of segment outlook for 2021/22

- Segment results are expected to exceed the previous year due to an increase in the dividend from Verbund AG

Key financial indicators – All Other Segments	EURm	2021/22	2020/21	+/-		2021/22	2020/21	+/-
		HY.1	HY.1	Nominal	%	Q.2	Q.2	%
External revenue		10.2	10.3	-0.1	-1.1	5.1	5.1	1.6
Internal revenue		37.1	36.3	0.8	2.1	18.4	18.1	2.0
Total revenue		47.3	46.7	0.7	1.4	23.6	23.1	1.9
Operating expenses		-47.9	-45.9	-2.0	-4.3	-22.8	-22.7	-0.4
Share of results from equity accounted investees with operational nature		37.7	43.7	-6.0	-13.8	22.0	25.2	-12.6
EBITDA		37.1	44.5	-7.4	-16.6	22.8	25.6	-11.1
Depreciation and amortisation including effects from impairment tests		-1.2	-1.2	0.0	-1.3	-0.6	-0.6	-1.1
Results from operating activities (EBIT)		35.8	43.2	-7.4	-17.1	22.1	25.0	-11.4
Financial results		10.4	17.9	-7.6	-42.3	-4.7	0.8	-
Result before income tax		46.2	61.2	-15.0	-24.5	17.5	25.8	-32.2
Total assets		7,039.7	5,399.0	1,640.7	30.4	7,039.7	5,399.0	30.4
Total liabilities		2,235.1	2,095.2	139.8	6.7	2,235.1	2,095.2	6.7
Investments ¹⁾		0.5	0.3	0.2	70.1	0.3	0.2	26.9

1) In intangible assets and property, plant and equipment

EVN on the capital market

The EVN share

Market environment and performance

Against the backdrop of the Covid-19 pandemic and the war in Ukraine, developments on the international stock markets differed during the first half of 2021/22. The German benchmark index DAX fell by 5.5% from October 2021 to March 2022, while Vienna's benchmark index ATX lost 9.5% and was unable to continue its pursuit of the international indexes. In contrast, the US benchmark index Dow Jones rose by 2.5% – presumably because the USA is not as directly involved in the war in Eastern Europe.

The DJ Euro Stoxx Utilities, the relevant industry index for EVN, surprised the markets with an increase of nearly 4%. In this generally challenging environment, the performance of the EVN share was also positive with an increase of 1.5%.

The average daily turnover in EVN shares equalled 71,530 in the first half of 2021/22 (single counting), which represents an annual

trading volume of EUR 222.4m on the Vienna Stock Exchange (single counting) and 1.1% of the total trading volume in Vienna's Prime Market.

Dividend policy

EVN's strategy is to create and maintain a balance between current investment projects and attractive dividends for its shareholders. The 93rd Annual General Meeting on 3 February 2022 approved an ordinary dividend of EUR 0.52 per eligible share to the shareholders of EVN AG for the 2020/21 financial year. The ex-dividend day was 9 February 2022, and payment was made to shareholders on 11 February 2022.

EVN's dividend policy is designed to hold the absolute amount of the ordinary dividend of EUR 0.52 per share at least constant in the future. Moreover, the Executive Board is committed to allowing shareholders to participate appropriately in future earnings growth.

		2021/22 HY. 1	2020/21 HY. 1
EVN share – performance			
Share price at 31 March	EUR	23.30	18.36
Highest price	EUR	27.70	21.00
Lowest price	EUR	20.35	13.38
Value of shares traded ¹⁾	EURm	222.4	188.3
Average daily turnover ¹⁾	Shares	71,530	85,015
Market capitalisation at 31 March	EURm	4,191	3,303
ATX prime weighting at 31 March	%	2.30	1.95

1) Vienna Stock Exchange, single counting

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 March 2022, EVN held treasury shares representing 0.9% of share capital and free float equalled 19.7%.

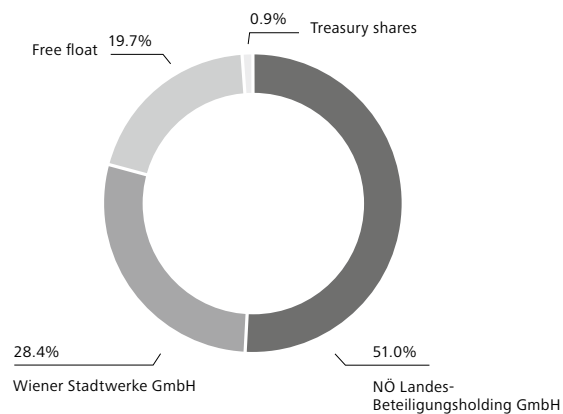
External ratings

Independent evaluations by the rating agencies Moody's and Scope represent an important part of EVN's financing strategy. The goal is to maintain ratings in the solid A range.

EVN's ratings were confirmed by the rating agencies in April 2022 and May 2022, respectively:

- Moody's: A1, stable outlook
- Scope Ratings: A+, stable outlook

Shareholder structure¹⁾



1) As at 31 March 2022

Consolidated interim report

according to IAS 34

Consolidated statement of operations

EURm	2021/22 HY. 1	2020/21 HY. 1	+/- %	2021/22 Q. 2	2020/21 Q. 2	+/- %	2020/21
Revenue	2,126.7	1,284.8	65.5	1,225.8	680.7	80.1	2,394.9
Other operating income	54.4	165.5	-67.1	25.5	27.7	-7.6	250.1
Electricity purchases and primary energy expenses	-1,314.0	-568.7	-	-761.2	-326.5	-	-1,064.7
Cost of materials and services	-290.4	-240.8	-20.6	-179.7	-125.7	-43.0	-509.2
Personnel expenses	-179.4	-176.9	-1.4	-88.1	-89.1	1.2	-361.3
Other operating expenses	-62.4	-55.5	-12.4	-37.2	-32.1	-16.2	-113.0
Share of results from equity accounted investees with operational nature	85.2	127.3	-33.0	33.2	67.1	-50.4	239.6
EBITDA	420.2	535.8	-21.6	218.3	202.0	8.1	836.5
Depreciation and amortisation	-158.3	-168.2	5.9	-79.6	-83.4	4.6	-337.7
Effects from impairment tests	-50.9	-113.1	55.0	-57.3	-	-	-112.4
Results from operating activities (EBIT)	211.0	254.5	-17.1	81.5	118.6	-31.3	386.4
Results from other investments	-	-	-	-	-	-	37.6
Interest income	3.3	4.0	-17.7	2.3	3.0	-23.0	6.1
Interest expense	-20.7	-23.5	11.8	-10.3	-11.6	11.5	-59.4
Other financial results	-13.9	-1.6	-	-6.9	-4.4	-55.8	-4.3
Financial results	-31.3	-21.0	-49.0	-14.9	-13.0	-13.9	-20.0
Result before income tax	179.7	233.5	-23.0	66.6	105.5	-36.9	366.4
Income tax expense	-44.1	-38.7	-14.1	-16.1	-12.3	-31.2	-14.7
Result for the period	135.6	194.8	-30.4	50.5	93.2	-45.9	351.7
thereof result attributable to EVN AG shareholders (Group net result)	127.4	176.0	-27.6	45.9	82.5	-44.5	325.3
thereof result attributable to non-controlling interests	8.2	18.8	-56.4	4.6	10.7	-56.9	26.4
Earnings per share in EUR ¹⁾	0.71	0.99	-27.6	0.26	0.46	-44.5	1.83

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

Consolidated statement of comprehensive income

EURm	2021/22 HY.1	2020/21 HY.1	+/- %	2021/22 Q.2	2020/21 Q.2	+/- %	2020/21
Result for the period	135.6	194.8	-30.4	50.5	93.2	-45.9	351.7
Other comprehensive income from							
Items that will not be reclassified to profit or loss	338.8	509.0	-33.4	-27.3	-251.5	89.2	1,408.7
Remeasurements IAS 19	10.3	-4.6	-	13.3	-2.1	-	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	341.7	683.4	-50.0	-149.8	-333.3	55.1	1,860.3
thereon apportionable income tax expense	-12.8	-169.7	92.5	109.3	83.9	30.3	-468.4
Items that may be reclassified to profit or loss	165.4	51.8	-	76.8	7.4	-	352.4
Currency translation differences	1.9	0.5	-	-1.1	0.7	-	5.4
Cash flow hedges	-20.4	1.0	-	-17.8	-13.7	-30.4	-0.4
Investments in equity accounted investees	228.1	68.7	-	111.5	22.8	-	462.1
thereon apportionable income tax expense	-44.2	-18.4	-	-15.7	-2.5	-	-114.6
Total other comprehensive income after tax	504.2	560.8	-10.1	49.6	-244.1	-	1,761.1
Comprehensive income for the period	639.8	755.6	-15.3	100.0	-150.9	-	2,112.8
thereof income attributable to EVN AG shareholders	634.0	738.3	-14.1	98.1	-160.8	-	2,085.5
thereof income attributable to non-controlling interests	5.8	17.3	-66.7	2.0	9.9	-80.3	27.2

Consolidated statement of financial position

EURm	31.03.2022	30.09.2021	+/-	
			Nominal	%
Assets				
Non-current assets				
Intangible assets	177.7	216.5	-38.8	-17.9
Property, plant and equipment	3,725.7	3,692.1	33.6	0.9
Investments in equity accounted investees	1,779.9	1,577.5	202.4	12.8
Other investments	4,372.4	4,029.5	342.8	8.5
Deferred tax assets	56.7	57.0	-0.2	-0.4
Other non-current assets	187.9	200.0	-12.1	-6.1
	10,300.3	9,772.6	527.7	5.4
Current assets				
Inventories	111.8	95.7	16.1	16.8
Trade and other receivables	927.4	749.9	177.6	23.7
Securities	504.1	399.1	105.0	26.3
Cash and cash equivalents	99.5	122.5	-22.9	-18.7
	1,642.9	1,367.1	275.7	20.2
Total assets	11,943.2	11,139.8	803.4	7.2
Equity and liabilities				
Equity				
Share capital	330.0	330.0	-	-
Share premium and capital reserves	254.2	254.2	-	-
Retained earnings	2,897.7	2,863.0	34.7	1.2
Valuation reserve	3,365.4	2,860.6	504.8	17.6
Currency translation reserve	-6.3	-8.1	1.8	22.5
Treasury shares	-18.5	-18.5	-	-
Issued capital and reserves attributable to shareholders of EVN AG	6,822.6	6,281.2	541.4	8.6
Non-controlling interests	266.2	263.2	3.0	1.2
	7,088.8	6,544.3	544.4	8.3
Non-current liabilities				
Non-current loans and borrowings	957.2	718.9	238.3	33.1
Deferred tax liabilities	1,097.6	1,035.4	62.2	6.0
Non-current provisions	428.1	445.3	-17.3	-3.9
Deferred income from network subsidies	623.5	622.2	1.3	0.2
Other non-current liabilities	112.8	116.0	-3.2	-2.8
	3,219.2	2,937.9	281.3	9.6
Current liabilities				
Current loans and borrowings	498.1	318.0	180.1	56.6
Taxes payable and levies	48.3	44.8	3.5	7.7
Trade payables	328.2	331.7	-3.5	-1.1
Current provisions	132.9	124.8	8.0	6.4
Other current liabilities	627.8	838.2	-210.4	-25.1
	1,635.2	1,657.6	-22.3	-1.3
Total equity and liabilities	11,943.2	11,139.8	803.4	7.2

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	738.3	17.3	755.6
Dividends 2019/20	-87.3	-2.7	-90.0
Balance on 31.03.2021	4,933.1	275.9	5,209.0
Balance on 30.09.2021	6,281.2	263.2	6,544.3
Comprehensive income for the period	634.0	5.8	639.8
Dividends 2020/21	-92.7	-2.7	-95.4
Balance on 31.03.2022	6,822.6	266.2	7,088.8

Condensed consolidated statement of cash flows

EURm	2021/22	2020/21	+/-		2020/21
	HY. 1	HY. 1	Nominal	%	
Result before income tax	179.7	233.5	-53.8	-23.0	366.4
+ Depreciation and amortisation of intangible assets and property, plant and equipment	209.2	281.3	-72.1	-25.6	450.1
- Results of equity accounted investees and other investments	-85.3	-127.3	42.0	33.0	-277.2
+ Dividends from equity accounted investees and other investments	110.4	103.0	7.4	7.2	166.9
+ Interest expense	20.7	23.5	-2.8	-11.8	59.4
- Interest paid	-15.6	-21.4	5.9	27.3	-42.6
- Interest income	-3.3	-4.0	0.7	17.7	-6.1
+ Interest received	2.7	4.0	-1.3	-32.7	5.5
+/- Losses/gains from foreign exchange translations	7.9	3.3	4.6	-	5.8
+/- Other non-cash financial results	1.6	-0.5	2.1	-	0.1
- Release of deferred income from network subsidies	-28.4	-44.3	15.9	35.9	-70.4
+/- Gains/losses on the disposal of intangible assets and property, plant and equipment	-0.8	-0.3	-0.5	-	0.8
- Gains from deconsolidations	-	-	-	-	-25.6
- Decrease in non-current provisions	-9.3	140.2	-149.5	-	129.2
Gross cash flow	389.6	591.0	-201.5	-34.1	762.3
- Changes in assets and liabilities arising from operating activities	-459.0	-217.2	-241.9	-	94.4
+/- Income tax paid	-14.6	-62.2	47.6	76.6	-67.0
Net cash flow from operating activities	-84.1	311.6	-395.7	-	789.6
+ Proceeds from the disposal of intangible assets and property, plant and equipment	1.5	1.8	-0.3	-17.3	7.3
+/- Changes in intangible assets and property, plant and equipment	-153.2	-118.8	-34.4	-28.9	-338.1
- Outflows in connection with deconsolidations	-	-	-	-	-275.2
+/- Changes in financial assets and other non-current assets	1.3	2.4	-1.0	-43.1	-0.3
+/- Changes in current securities	-105.0	-181.2	76.1	42.0	-148.1
Net cash flow from investing activities	-255.4	-295.9	40.4	13.7	-754.3
- Dividends paid to EVN AG shareholders	-92.7	-87.3	-5.4	-6.1	-87.3
- Dividends paid to non-controlling interests	-2.7	-2.7	-	-	-25.3
+/- Sales/repurchase of treasury shares	-	-	-	-	0.9
- Changes in financial and lease liabilities	222.3	76.1	146.2	-	58.7
Net cash flow from financing activities	126.9	-13.9	140.8	-	-53.0
Net change in cash and cash equivalents	-212.6	1.8	-214.4	-	-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	-0.2	-0.2	-	21.3	0.0
Cash and cash equivalents at the end of the period¹⁾	-90.7	141.6	-232.4	-	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 March 2022, 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 28 foreign subsidiaries (30 September 2021: 26 domestic and 29 foreign subsidiaries) were fully consolidated as of 31 March 2022. As of 31 March 2022, 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	–	–	–	–1
Deconsolidation	–1	–	–	–
31.03.2022	54	–	16	70
thereof foreign companies	28	–	6	34

EVN Projektgesellschaft Müllverbrennungsanlage Nr. 1 mbH, Essen, Germany, was deconsolidated as of 30 March 2022 due to immateriality.

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

Effects of Covid-19 and the Ukraine war

The potential effects of the Covid-19 pandemic and the war in Ukraine 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. This will result in the shift of earnings contributions to the following years.

The war in Ukraine has caused a sharp rise in energy prices. This development was responsible for negative operating effects at EVN during the reporting period because the applicable contract terms only permit price adjustments with a delay or, in the case of South East Europe, in later periods due to the regulatory framework. Moreover, higher energy prices can lead to higher invoices to customers and, in turn, to receivables defaults. The forward-looking component included in connection with the Covid-19 pandemic is, according to current estimates, adequate to deal with the expected receivables defaults – especially in view of the numerous measures implemented by governments in Austria, Bulgaria, Croatia and North Macedonia to support household and commercial customers. The negative effects for end consumers will be moderated by the implementation of various government-approved energy policy instruments (among others, compensation payments for network losses, energy vouchers, subsidies for energy prices at the end customer level etc.).

The global distortions and subsequent change in the Group's risk and earnings expectations for future projects led to the recognition of an impairment loss to goodwill of the international project business in the second quarter of 2021/22.

As a consequence of the political developments in Russia, EVN tested the two combined heat and power plants in Moscow for impairment and, subsequently, wrote off these assets in full (see the **selected notes to the consolidated statement of operations**).

A possible delivery stop for natural gas from Russia could have an influence on EVN's supplies depending on the timing and duration of the imposed measures. EVN is continuously increasing the volume of non-Russian natural gas as well as its strategic gas supplies. Measures to protect supply security are connected with higher costs and can have a negative effect on earnings in individual periods.

Stronger or sustained distortions on the energy markets could have a significant negative influence on Group results.

Selected notes to the consolidated statement of operations

Revenue by product	2021/22	2020/21
EURm	HY. 1	HY. 1
Electricity	1,568.0	801.2
Natural gas	85.9	81.3
Heat	127.9	101.8
Environmental services	242.7	203.7
Others	102.2	96.7
Total	2,126.7	1,284.8

Revenue by country	2021/22	2020/21
EURm	HY. 1	HY. 1
Austria	867.7	559.8
Germany	202.4	167.3
Bulgaria	671.8	322.1
North Macedonia	358.6	212.6
Others	26.1	22.9
Total	2,126.7	1,284.8

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	HY. 1	HY. 1
EVN KG	38.9	62.5
RAG	23.3	27.7
Energie Burgenland	14.3	15.9
ZOV; ZOV UIP	6.0	5.6
Umm Al Hayman Holding Company WLL	0.7	1.5
EAA	0.3	2.2
Ashta	0.1	9.6
Other companies	1.5	2.1
Total	85.2	127.3

The increase in revenue resulted primarily from the sharp rise in energy prices, which 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 half of 2021/22, EVN was awarded compensation payments by the Bulgarian government for the sharp rise in gas procurement costs and grid losses. In accordance with IAS 20.29, compensation payments of EUR 67.5m were recognised as an expense reduction in the item electricity purchases and primary energy sources.

The share of results from equity accounted investees with operational nature declined to EUR 85.2m in the first half of 2021/22 (previous year: EUR 127.3m). This decline was mainly due to lower results from operating activities in the distribution business and the reversal of impairment losses on the Ashta hydropower plant from the previous year.

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 March 2022 (31 March 2021: 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 127.4m (previous year: EUR 176.0m), earnings per share at the balance sheet date 31 March 2022 totalled EUR 0.71 (previous year: EUR 0.99 per share).

The Kavarna wind park was tested for impairment as at 31 December 2021 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%).

The goodwill in the CGU "International Project Business" was tested for impairment as of 31 March 2022 due to the uncertain geopolitical and economic environment and the resulting changes in the Group's underlying risk and earnings expectations. This test led to an impairment loss of EUR 52.9m to previously recognised goodwill. The recoverable amount was based on the value in use and equalled EUR 392.2m. An after-tax WACC of 4.17% (previous year: 3.47%) was used as the discount rate.

Political developments and the increased country risk premium for Russia led to the impairment testing and subsequent full write-off of the combined heat and power plants in Moscow. The impairment loss included on the consolidated statement of operations totalled EUR 4.4m. The recoverable amount was based on the value in use and resulted in a negative figure. An after-tax WACC of 16.38% was used as the discount rate.

The eco-social tax reform was passed by the Austrian Parliament in January 2022. The corporate tax rate of 25% which is currently applicable in Austria will be reduced to 24% in 2023 and to 23% in 2024. The resulting revaluation of deferred taxes as of 31 March 2022 led to income of EUR 4.9m which was recognised to profit or loss. The change in the tax rate also led to the adjustment of the valuation effects reported under other comprehensive income without recognition to profit or loss and to comparable adjustments to these items (see the **consolidated statement of comprehensive income**).

Selected notes to the consolidated statement of financial position

In the first half of 2021/22, EVN acquired intangible assets and property, plant and equipment to the sum of EUR 191.5m (previous year: EUR 155.8m). Property, plant and equipment with a net carrying amount (book value) of EUR 0.7m (previous year: EUR 1.5m) were disposed of, with a capital gain of EUR 0.8m (previous year: capital gain of EUR 0.3m).

The other investments of EUR 4,372.4m, mainly classified as FVOCI, include the Verbund shares held by EVN with a market value of EUR 4,190.7m, which has increased by EUR 342.3m 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		HY. 1
Balance 30.09.2021		178,181,157
Purchase of treasury shares		–
Balance 31.03.2022		178,181,157

As of 31 March 2022, 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	31.03.2022	30.09.2021
Bonds	315.4	319.6
Bank loans	641.7	399.3
Total	957.2	718.9

The decrease in bonds by EUR 4.2m 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	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	HY.1	HY.1	HY.1	HY.1	HY.1	HY.1	HY.1	HY.1
External revenue	389.0	188.8	160.2	65.3	295.3	282.4	1,029.2	534.2
Internal revenue (between segments)	5.9	2.3	38.7	92.4	29.0	24.8	0.7	0.4
Total revenue	394.9	191.1	198.9	157.7	324.3	307.2	1,030.0	534.6
Operating expenses	-387.9	-190.1	-62.5	-65.1	-169.9	-158.9	-1,008.9	-460.0
Share of results from equity accounted investees operational	41.4	66.5	0.6	10.1	0.0	-	0.0	-
EBITDA	48.5	67.4	137.0	102.7	154.4	148.3	21.1	74.6
Depreciation and amortisation	-10.6	-10.7	-14.5	-42.2	-72.4	-68.8	-38.4	-36.6
Results from operating activities (EBIT)	37.9	56.7	122.4	60.5	82.0	79.5	-17.3	38.0
Financial results	-1.3	-1.0	-1.5	-4.8	-7.3	-6.2	-6.7	-7.8
Result before income tax	36.6	55.7	121.0	55.7	74.7	73.4	-24.0	30.2
Total assets	1,291.8	1,031.1	847.7	1,102.4	2,283.7	2,216.8	1,372.4	1,232.4
Investments ¹⁾	9.1	6.6	17.3	4.5	115.2	89.4	42.0	46.7

	Environment		All Other Segments		Consolidation		Total	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	HY.1	HY.1	HY.1	HY.1	HY.1	HY.1	HY.1	HY.1
External revenue	242.7	203.7	10.2	10.3	-	-	2,126.7	1,284.8
Internal revenue (between segments)	0.3	0.2	37.1	36.3	-111.7	-156.4	-	-
Total revenue	243.0	204.0	47.3	46.7	-111.7	-156.4	2,126.7	1,284.8
Operating expenses	-224.7	-171.5	-47.9	-45.9	110.2	215.2	-1,791.7	-876.3
Share of results from equity accounted investees operational	5.6	7.0	37.7	43.7	0.0	-	85.2	127.3
EBITDA	23.8	39.5	37.1	44.5	-1.6	58.8	420.2	535.8
Depreciation and amortisation	-73.7	-19.6	-1.2	-1.2	1.6	-102.2	-209.2	-281.3
Results from operating activities (EBIT)	-49.9	19.9	35.8	43.2	0.0	-43.4	211.0	254.5
Financial results	-9.3	-4.9	10.4	18.0	-15.5	-14.3	-31.3	-21.0
Result before income tax	-59.2	15.0	46.2	61.2	-15.5	-57.7	179.7	233.5
Total assets	939.3	885.1	7,039.7	5,398.8	-1,831.5	-2,523.7	11,943.2	9,342.9
Investments ¹⁾	8.1	9.1	0.5	0.3	-0.6	-0.7	191.5	155.8

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)	31.03.2022		30.09.2021	
			Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets						
Other investments						
Investments	FVOCI	Level 3	176.3	176.3	177.0	177.0
Miscellaneous investments	FVOCI	Level 1	4,190.7	4,190.7	3,848.4	3,848.4
Other non-current assets						
Securities	FVTPL	Level 1	70.4	70.4	74.4	74.4
Loans receivable	AC	Level 2	36.3	34.7	35.4	38.5
Lease receivables	AC	Level 2	13.3	13.6	14.0	15.2
Receivables arising from derivative transactions	FVTPL	Level 2	4.5	4.5	4.9	4.9
Receivables	AC		12.8	12.8	10.8	10.8
Current assets						
Current receivables and other current assets						
Receivables	AC		598.5	598.5	453.6	453.6
Receivables arising from derivative transactions	FVTPL	Level 2	55.7	55.7	58.7	58.7
Securities	FVTPL	Level 1	504.1	504.1	399.1	399.1
Cash and cash equivalents						
Cash on hand and cash at banks	AC		99.5	99.5	122.5	122.5
Non-current liabilities						
Non-current loans and borrowings						
Bonds	AC	Level 2	315.4	327.3	319.6	367.1
Bank loans	AC	Level 2	641.7	664.6	399.3	467.3
Other non-current liabilities						
Other liabilities	AC		25.9	25.9	33.3	33.3
Liabilities arising from derivative transactions	FVTPL	Level 2	13.5	12.6	11.6	11.6
Liabilities arising from derivative transactions	Hedging	Level 2	21.3	22.2	16.0	16.0
Current liabilities						
Current loans and borrowings						
Trade payables	AC		498.1	498.1	318.0	318.0
Other current liabilities						
Other financial liabilities	AC		217.7	217.7	417.2	417.2
Liabilities arising from derivative transactions	FVTPL	Level 2	109.0	109.0	141.9	141.9
Liabilities arising from derivative transactions	Hedging	Level 2	33.2	33.2	9.8	9.8
thereof aggregated to measurement categories						
Fair value through other comprehensive income	FVOCI		4,367.0	–	4,025.5	–
Financial assets designated at fair value through profit or loss	FVTPL		634.6	–	537.1	–
Financial assets and financial liabilities at amortised cost	AC		2,787.6	–	2,455.4	–
Financial liabilities designated at fair value through profit or loss	FVTPL		122.5	–	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	HY. 1	HY. 1
Revenue	307.8	93.8
Cost of materials and services	113.0	17.8
Trade accounts receivable	17.8	17.9
Trade accounts payable	16.2	9.6

Other obligations and risks

Other obligations and risks increased by EUR 80.2m to EUR 1,047.6m 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 0.8m as of 31 March 2022. The nominal volume of the guarantees underlying this assessment was EUR 280.0m.

Significant events after the balance sheet date

The following events occurred between the quarterly closing date on 31 March 2022 and the editorial deadline for the consolidated interim financial statements on 23 May 2022:

In April 2022, EVN issued a registered bond (nominal value: EUR 155m, two tranches with terms of 12 and 15 years).

EVN's ratings were confirmed by the rating agencies in April 2022 and May 2022, respectively:

- Moody's: A1, stable outlook
- Scope Ratings: A+, stable outlook

The 75th Annual General Meeting of Verbund AG on 25 April 2022 approved the payment of a EUR 1.05 dividend per share for the 2021 financial year (previous year: EUR 0.75 per share).

Statement by the Executive Board

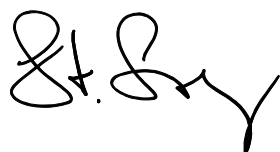
pursuant to § 125 (1) no. 3 of the Austrian Stock Exchange Act 2018 ("Börsegesetz 2018")

The Executive Board of EVN AG certifies that these condensed interim financial statements which were prepared in accordance with the decisive reporting standards present a true and fair view of the assets, liabilities, financial position and profit or loss of the

EVN Group and that the half-year management report of the Group presents a true and fair view of the assets, liabilities, financial position and profit or loss of the EVN Group with regard to important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements, with regard to the principal risks and uncertainties for the remaining six months of the financial year and to transactions with related companies and individuals to be disclosed.

Maria Enzersdorf, 23 May 2022

EVN AG
The Executive Board



Stefan Szyszkowitz
Spokesman of the Executive Board



Franz Mittermayer
Member of the Executive Board

Contact

Investor Relations

Gerald Reidinger
Phone: +43 2236 200-12698

Matthias Neumüller
Phone: +43 2236 200-12128

Karin Krammer
Phone: +43 2236 200-12867

Doris Lohwasser
(currently on maternity leave)

E-mail: investor.relations@evn.at

Service telephone for investors: 0800 800 200

Service telephone for customers: 0800 800 100

Information on the internet

www.evn.at

www.investor.evn.at

Financial calendar¹⁾

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

EVN share – Basic information²⁾

Share capital	EUR 330,000,000.00
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 March 2022

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EVN AG

EVN Platz, 2344 Maria Enzersdorf, Austria

Phone: +43 2236 200-0

Telefax: +43 2236 200-2030

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