

EVN Capital Markets Day 2023

5 October 2023

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EVN senior management team
- Participants via webcast:
Please send your questions via e-mail to: **cmd@evn.at**

Information on FY 2022/23 already public:

- Full year guidance was confirmed with Q. 1-3 results
 - Contribution of the operating activities of EVN to Group net result in the financial year 2022/23 is expected to be at approximately EUR 250m¹⁾
 - In addition, earnings contribution from the dividend from Verbund AG in the amount of EUR 158m
- Dividend proposals to the 95th AGM of EVN²⁾
 - Ordinary dividend of at least EUR 0.52 per share
 - Special dividend of EUR 0.62 per share

- The following will be published on 15 December 2023
 - Additional information on FY 2022/23 (which just ended on 30 September 2023)
 - Outlook for the next FY 2023/24
 - Dividend policy for FY 2023/24 and beyond

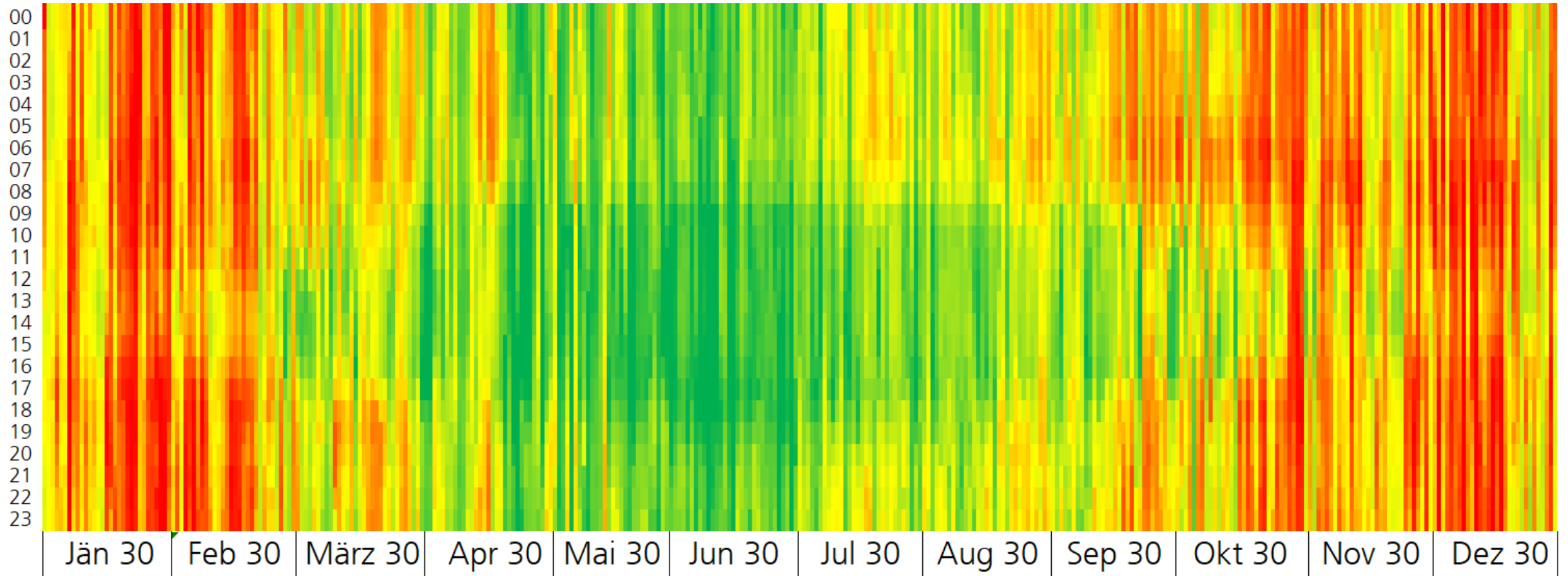
1) Based on currently available information on first three quarters of 2022/23 financial year

2) Dividends subject to approval by 95th AGM on 2 February 2024

Part 1 – Strategy 2030

Stefan Szyszkowitz

Residual total load in 2030



Scenario for the residual load in 2030; green: oversupply of electricity; red: electricity shortage

Creating value by doing the right things

→ Grid expansion



→ Innovation



→ Investing in renewable energy



→ Focus on sustainability – ecologically & economically



Update on strategic decision for the future of the international project business



- WTE Wassertechnik is extremely well positioned for further international growth and expansion
 - Reference of more than 120 projects in 18 countries
 - Wastewater treatment project Umm Al Hayman (Kuwait): WTE's largest project and top reference for Arabic region
 - Track record in thermal utilisation of sewage sludge treatment as area with high future potential
 - Currently more than 10 projects under planning and construction (Germany, Poland, Lithuania, North Macedonia, Bahrain, Kuwait)
- Short- and mid-term growth potentials for WTE:
 - WTE was already approached to bid for further large projects in Kuwait
 - Expansion to new countries (e. g. within the Arabic region)

Part 2 – Energy business

Jörg Sollfelner

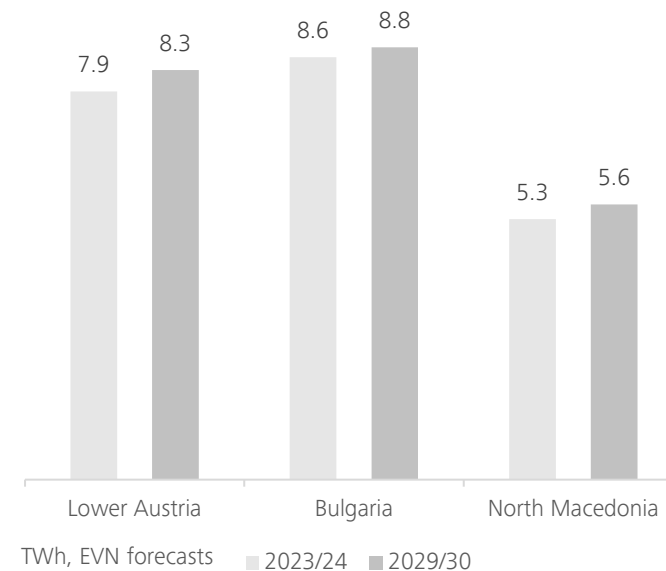
Electricity for ~3.5m customers in Lower Austria, Bulgaria and North Macedonia

→ Three core markets in electricity:



→ Estimated growth of electricity demand¹⁾ in our three markets until 2030

- Increase in electricity demand despite energy efficiency; heating pumps and e-mobility as growth drivers
- Seasonal demand volatility due to photovoltaic production and electricity-to-heat

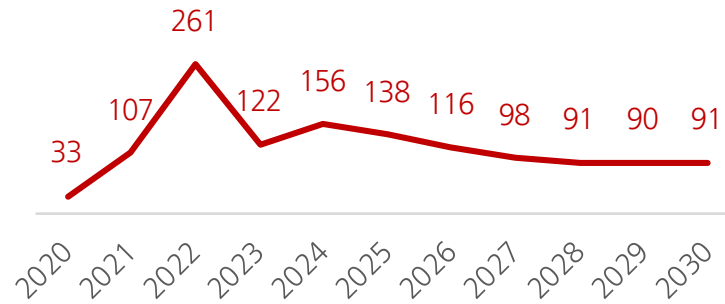


1) Electricity grid sales volumes as indication for demand

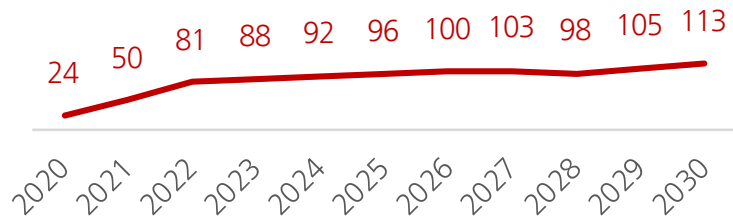
Planning assumptions for wholesale market prices for electricity, natural gas and CO₂ until 2030

- Planning assumptions until 2027:
 - Forward prices (as of 30 June 2023)
- Planning assumptions 2028-2030:
 - Price scenarios¹⁾
- Prices are annual average prices

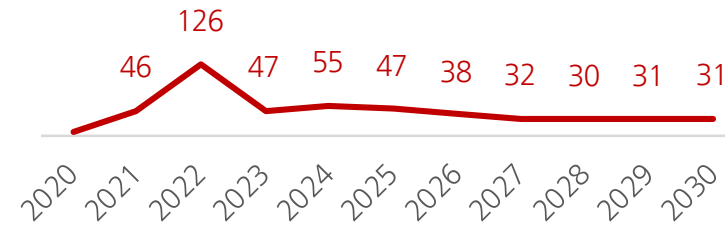
Electricity base in EUR/MWh (nominal)



CO₂ certificates EUA in EUR/t (nominal)



Natural gas NCG in EUR/MWh (nominal)



1) Based on price studies from Enervis and Afry

High volatility of electricity prices due to fluctuations in wind and photovoltaic production

→ Hourly spot market prices (EPEX) on 2 July 2023

- Oversupply in wind and photovoltaic production
- Negative electricity prices in several countries
- 25 GW of wind production was taken off the grid in Europe

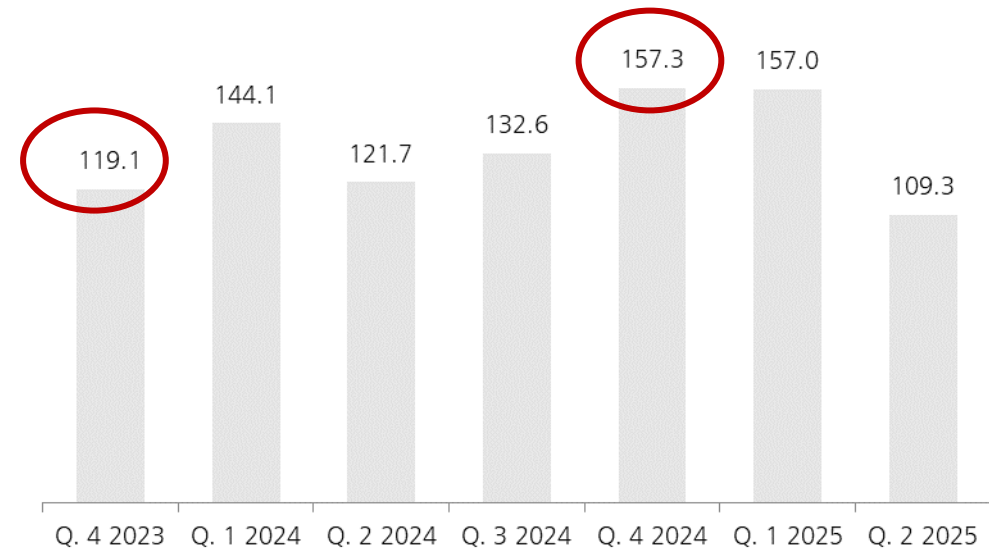
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2023-07-02 09:00	L 09:00 10:00	-6,42
2023-07-02 10:00	L 10:00 11:00	-11,08
2023-07-02 11:00	L 11:00 12:00	-23,54
2023-07-02 12:00	L 12:00 13:00	-38,68
2023-07-02 13:00	L 13:00 14:00	-86,93
2023-07-02 14:00	L 14:00 15:00	-500,00
2023-07-02 15:00	L 15:00 16:00	-134,94
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→ Growing summer-winter-spread as market trend

→ Results in additional challenges for both procurement for supply and marketing of production

→ Electricity futures reflect summer-winter-spread

– Quarterly average prices (in EUR/Wh)





Optima Garant Natur 12

- ✓ 12 Monate Preisgarantie
- ✓ 100 % CO₂-frei
- ✓ 12 Monate Bindung

→ Generation

- Hedging strategy for planned renewables generation on a rolling 12-18 months basis for quantities on the free market
- Fixed feed-in tariff for wind production (13 or 20 years; opt-out due to favourable market prices)
- Natural gas-fired electricity generation exclusively contracted as reserve capacity for the Austrian transmission network operator, therefore no hedging required

→ Supply

- Energy procurement is subject to contract type
- Different floating- or fixed-price supply contracts tailored to specific customer needs
- Hedging of contribution margin
 - Portfolio hedging strategy for indexed-price supply contracts
 - Back-to-back hedging (for fixed price contracts)



- Our future ambition for the supply business
 - Recovery and return to positive earnings in FY 2023/24
 - Mid-term ambition: Supply margin of 3-5%
- Strict consumer protection in EU/Austria
- Growing demand for short-term tariffs
 - Innovative tariffs based on smart meters (50,000 customers)
- Ongoing digitalisation
 - 300,000 webportal customers (after 1 year)
- Product labelling of EVN KG will become CO₂-free in FY 2023/24
- Leading software supplier for renewable energy communities



- EVN currently operates ~2,300 charging points
- Focus on destination charging (rather than full area coverage)
 - EVN was awarded the contract on the construction and operation of charging infrastructure for two large supermarket chains by 2026
- EVN as eMobility Provider (EMP)
 - Billing of charging processes
 - Currently 14,000 charging cards
 - New charging tariff based on kWh as of October 2023

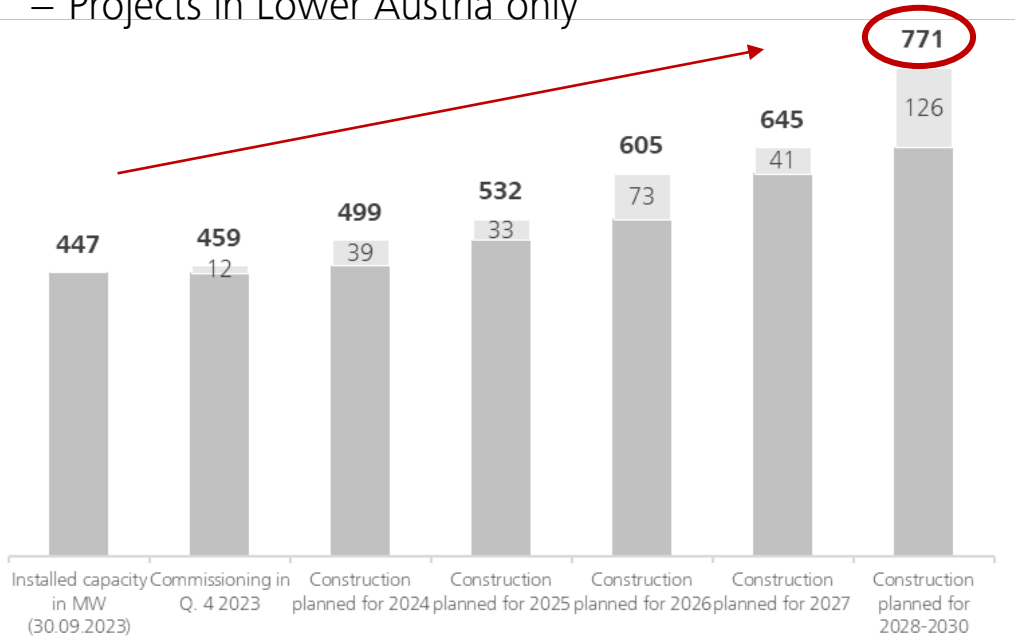
Part 3 – Renewables business

Helwig Überacker

Wind and photovoltaic expansion targets 2030 to be achieved on the back of a strong project pipeline

→ Planned wind expansion path until 2030¹⁾

– Projects in Lower Austria only



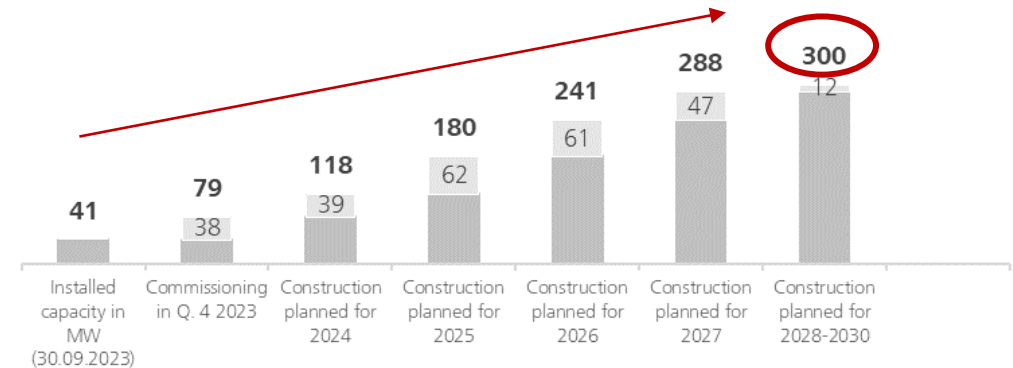
→ Potential growth in annual wind production²⁾

~1.1 TWh

~2.0 TWh

→ Planned PV expansion path until 2030

– Projects in Lower Austria, Bulgaria and North Macedonia



→ Potential growth in annual PV production³⁾

~50 GWh

~400 GWh

- 1) Development also reflects various repowering projects
- 2) Assumption: 2,700 average full load hours
- 3) Assumption: 1,100 average full load hours in Austria; 1,400 average full load hours in Bulgaria and North Macedonia



- Strong and well-balanced project pipeline in Lower Austria
- Highly skilled and diverse team
 - Lean core team of ~20 people for project development and execution
 - Excellent experience in stakeholder management
- Continuous increase in turbine capacity
 - Under construction: 6 MW turbines
 - Under development: 6.8 MW and 7.2 MW turbines
- Additional benefit from efficient operation
 - ~2/3 of annual wind production in Austria during winter half-year (at higher prices)
 - High availability of wind power plants
 - Synergies from EVN's long-standing expertise in marketing of own production (e. g. 24 hour trading)

We are constantly working on innovative solutions to enable efficient renewables generation



- Enable projects through ecological planning and special measures to protect biodiversity
 - Close cooperation with NGOs and authorities
 - Species protection measures
 - Compensation areas and alternative habitats for species
- Hybrid renewable energy projects
 - Use sites for both wind power and photovoltaics
- Synergies from building photovoltaic plants on former thermal generation sites
- Largest floating photovoltaic plant in Central Europe
 - Total installed capacity 24.5 MWp (EVN-share: ~12.3 MWp)
 - 45,000 PV modules

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

Challenges

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

EVN's 2030 wind expansion target of 750 MW

Success factors

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

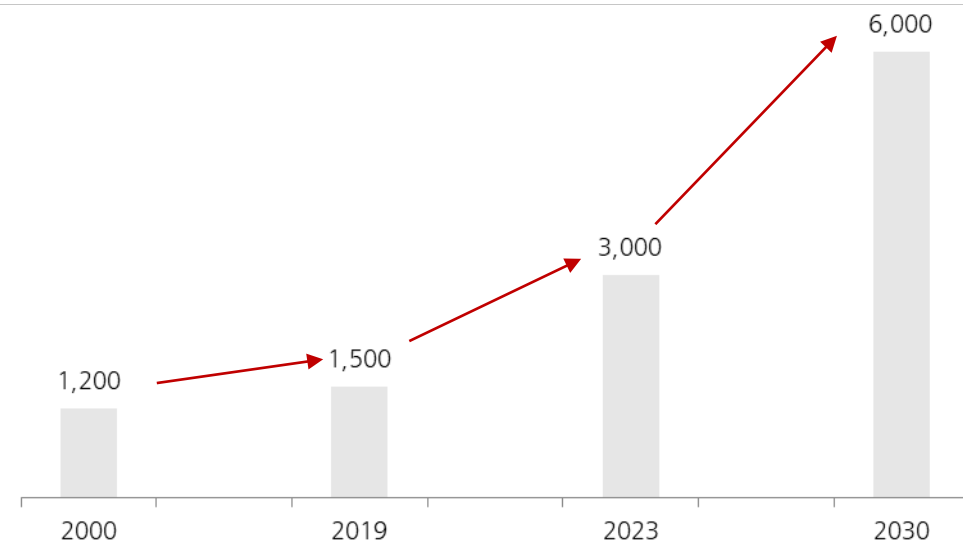
Part 4 – Grid business

Werner Hengst

Ambitious climate and energy goals 2030 as main challenge for network operators



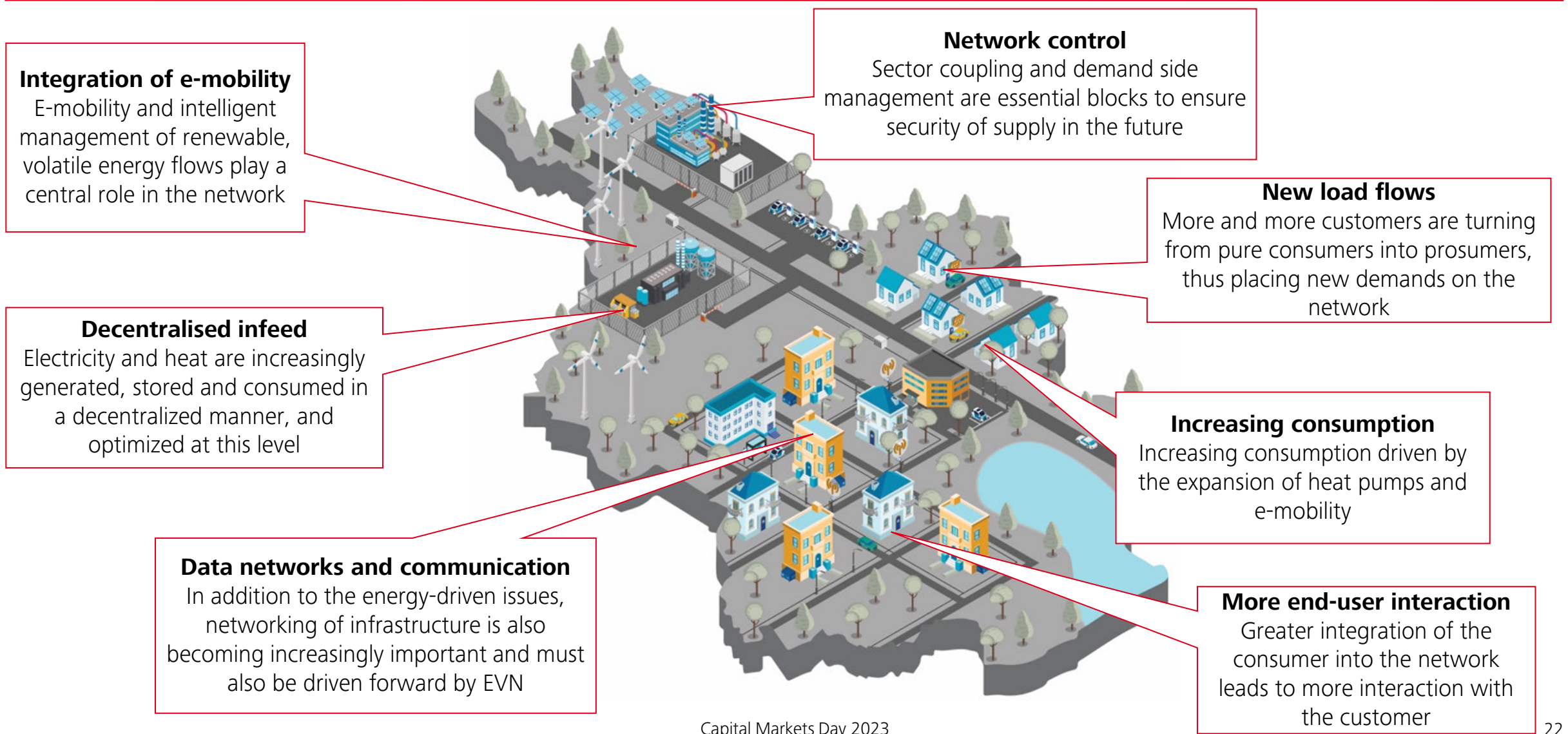
→ Network capacity (in MW) in Lower Austria requires substantial expansion until 2030



→ Main drivers:

- Integration of volatile renewables generation from wind and photovoltaics (large-scale and households)
- Supply charging stations for e-vehicles and heating pumps

In the next few years, the complexity of the energy system will continue to increase and will place new demands on network operators



Investment focus on network infrastructure as one of our core strategies 2030



- ~EUR 3 bn Capex in network infrastructure in Lower Austria until 2030 to enable the energy transition
- Key investment areas for electricity networks
 - Modernisation, expansion and digitalisation of infrastructure
 - Upgrading and construction of high-voltage power lines and primary substations (HV/MV)
 - Modernisation and expansion of medium-voltage capacities (secondary substations and local networks)
 - Digitalisation and intelligent control systems to operate the massive increase in decentralised electricity generation

Regulated business in Austria

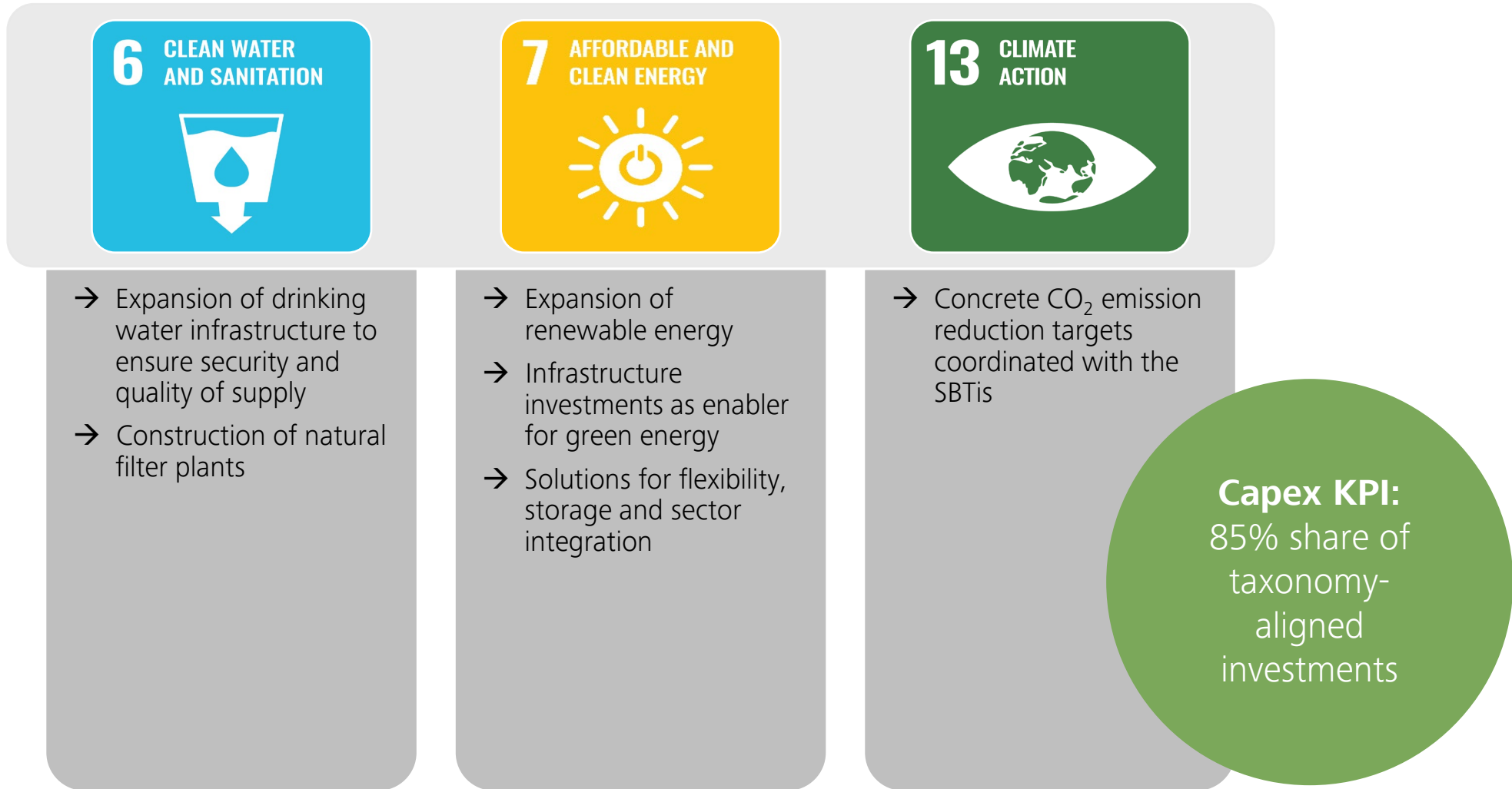


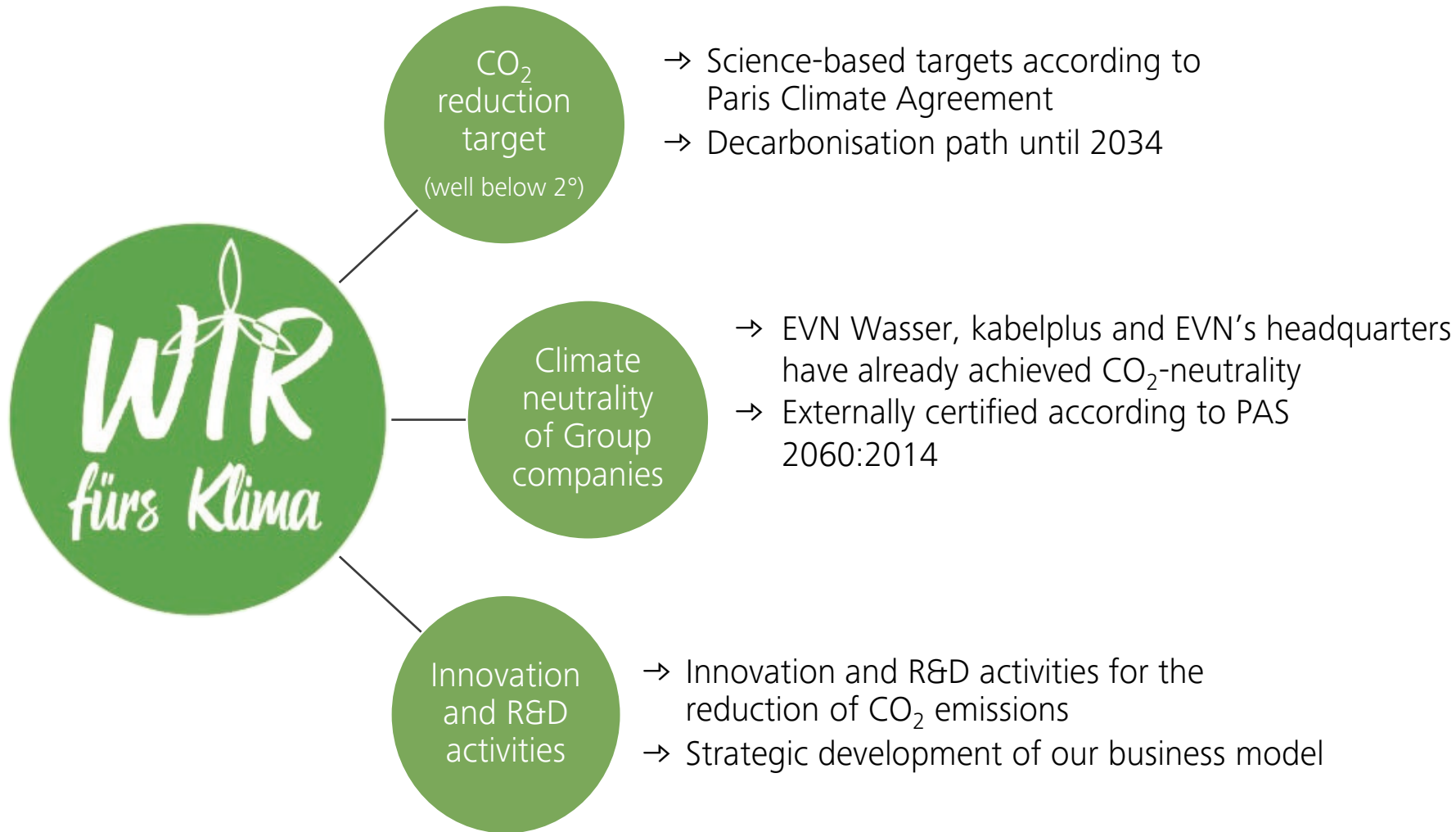
Network	Electricity	Natural gas	Comments
Regulatory authority			
Start of the regulatory period	01.01.2019	01.01.2023	
Next regulatory adjustment	01.01.2024	01.01.2028	Adjustment of WACC and productivity factors
Duration of the regulatory period	5 years	5 years	
Regulatory method	Revenue caps	Revenue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

Part 5 – ESG and innovation

Andrea Edelmann

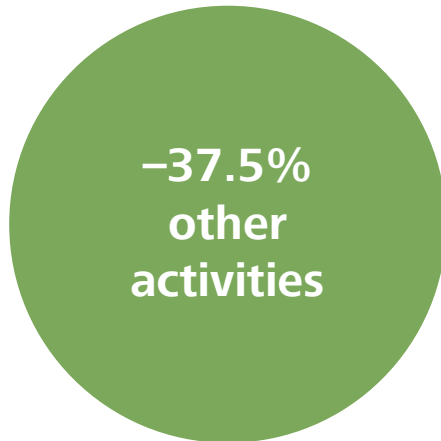
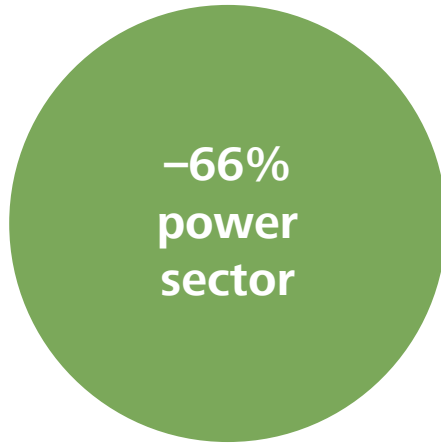
EVN's contribution to the Sustainable Development Goals – Sustainability as basis of EVN's mission as a utility company





Five emission reduction targets agreed with and verified by SBTi

(well below 2°C, base year FY 2019, target year FY 2034)



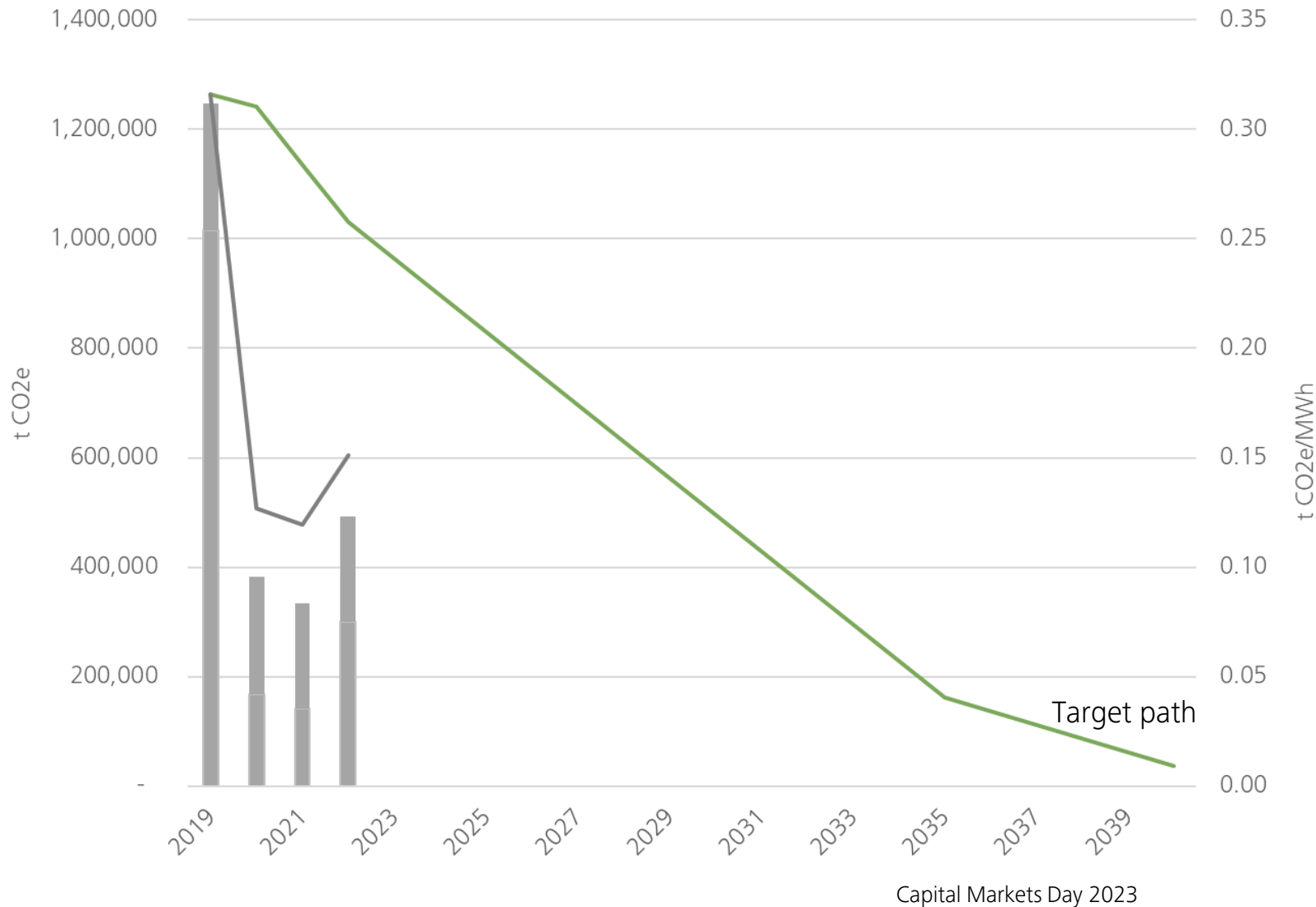
→ EVN's intensity targets

- Electricity generation
- Electricity sales

→ EVN's absolute targets

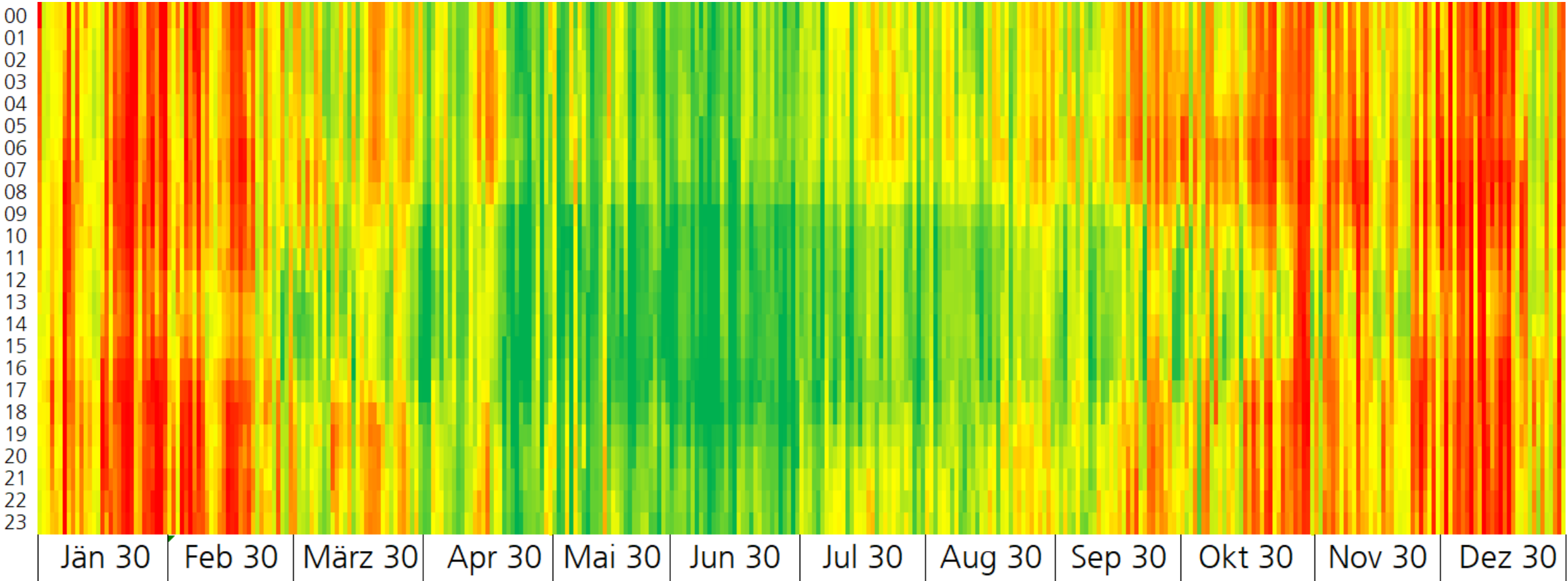
- Waste incineration
- District heating
- Own energy consumption (e.g. grid losses)
- Natural gas sales

Our ambition for FY 2023/24 – Developing a 1.5°C transition plan



- Intensity 1 – Target emissions path with climate neutrality 2040
- Potential measures
 - Fuel switch (e.g. to renewable gas or biomass)
 - H₂-ready gas turbines
 - Further expansion of renewables generation

Future challenges as business opportunities



Scenario for the residual load in 2030; green: oversupply of electricity; red: electricity shortage



- RAG's potential storage capacity: ~6.3bn m³
- Underground sun storage project
 - World's first project for a seasonal energy storage system with 100% hydrogen in a depleted natural gas reservoir
 - Project partners: RAG, EVN, research and industry partners
 - Storage capacity of ~8 GWh
 - Electrolyser capacity of 2 MWe
- Plasma electrolyser project
 - H₂ generation out of natural gas
 - Alternative to carbon capture and storage
 - Carbon black instead of CO₂

Sector integration for renewable and secure energy supply

City of Krems



Large-scale PV plant



Biomass-fired cogeneration plant



Utility-scale battery storage



Hot water storage



Utility-scale heat pumps



Highly rated ESG performance underlines EVN's ambitions



CDP A-, Leadership Status	→ Industry benchmark: B (Energy utility networks) → Last update: December 2022
EthiFinance 64	→ Industry benchmark: 53 (Utilities sector) → Last update: January 2023
Financial Times – EU Climate Leader 64	→ Industry benchmark: 74.3 to 58.0 (energy & utilities) → Last update: June 2023
ISS ESG B-, Prime Status	→ Industry benchmark: Most companies in the industry in the range of C- to C+ → Last update: January 2023
MSCI AA, Leader Status	→ Industry benchmark: 25% of utilities in the AA-range; 13% in AAA → Last update: March 2023
S&P CSA 42	→ Industry benchmark: - → Last update: August 2023
Sustainalytics 29.5, medium risk	→ Industry benchmark: Rank: 230/677; Percentile: 35th (1st = lowest risk) → Last update: March 2022

Part 6 – Financial ambitions 2030

Gerald Reidinger

-
- The following slides reflect the forward-looking expectations of EVN for future financial performance which are necessarily based on a number of assumptions and estimates about future events and actions, including management's assessment of opportunities and risks. Without limitation, the expectations are based on the following factors and assumptions:
- non-occurrence of unforeseen events such as extraordinary macroeconomic events and force majeure,
 - expected demand for energy as well as other products/services offered by EVN,
 - overall economic development in core markets in line with projections of recognised forecasting institutes,
 - energy market prices according to forward market and long-term studies,
 - a stable political and legal/regulatory framework in core markets,
 - implementation of the existing business plans,
 - non-occurrence of extraordinary valuation effects (e.g. impairments, derivatives), and
 - a generally unchanged competitive environment.
- Such assumptions and estimates are inherently subject to significant business, operational, economic and competitive uncertainties and contingencies, many of which are beyond EVN's control, and upon assumptions with respect to future business decisions that are subject to change. Should one or more of these assumptions prove to be inappropriate or incorrect EVN's actual results could materially deviate from the following forecasts.

Future value drivers

Perspective 2024–2030



→ Segment Energy

- Consists of energy supply business Austria, heating business (mainly from biomass) in Austria and energy services
- EBIT margin supply business Austria 3-5%
- EBIT contribution EUR 45 to 70m p.a.



→ Segment Generation

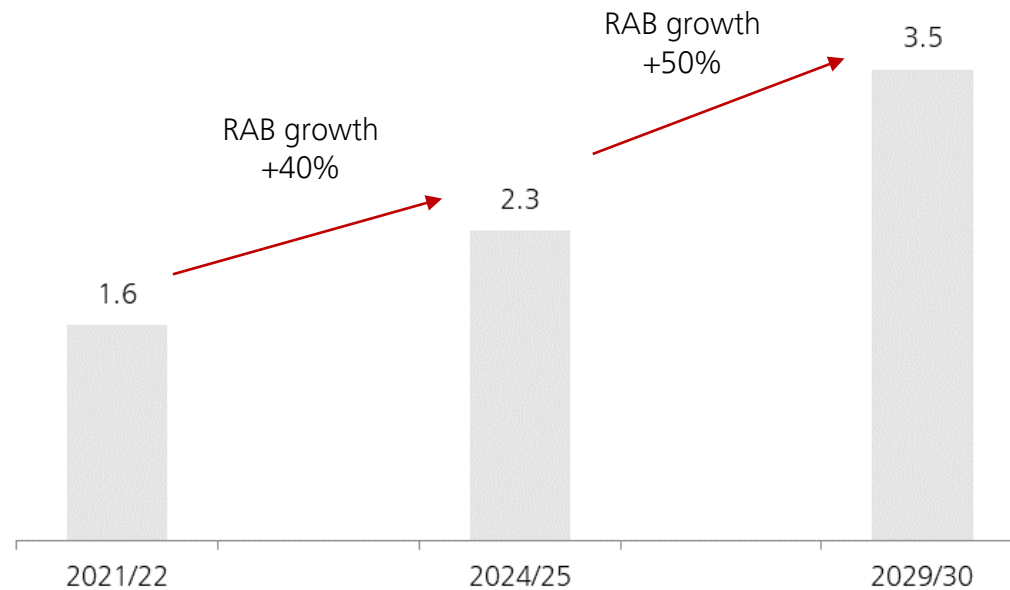
- Production capacities to increase according to Strategy 2030
- Increase in renewables production from 2.2 TWh to 3.8 TWh by 2030
- Power market prices are expected to decrease (due to ongoing renewable capacities' expansion)
- Thermal production for network stabilisation and waste incineration to be run on a stable basis
- EBIT margin 30-35%

Future value drivers /2

Perspective 2024–2030

❌ → Segment Network

- Regulated Asset Base * Regulated WACC
- EBIT increase +10% p.a. by 2030
- Development of RAB (in EUR bn; electricity and natural gas distribution networks)



Future value drivers /3

Perspective 2024–2030



→ Segment South East Europe

- Consists of electricity grid and supply in Bulgaria and North Macedonia, generation in North Macedonia as well as gas grid and supply in Croatia
- ROCE >8% p.a.
- EBIT between EUR 70 and 90m p.a.



→ All other segments

- Stable results from RAG and Burgenland Energie expected between EUR 40 and 50m p.a.
- Dividend from Verbund AG mainly driven by development of power prices

Future value drivers /4

Perspective 2024–2030



→ Segment Environment

- Consists of stable water supply business in Austria and international project business
- Project business depends on order intake in international project business

Forecasted average ranges for international project business*	in mEUR
Turnover	550-600
EBIT	30-40
Employees	600 FTEs
Contingent liabilities	600-800

* Assumes business performance as currently projected and forecasted, including related assumptions as described on Slide 36.

Segment overview – Strategic EBIT targets Perspective 2024–2030

	Segment	Strategic targets on EBIT*
	Energy	EUR 45-70m
	Generation	EBIT margin 30-35%
	Networks Austria	EBIT +10% p.a.
	South East Europe	EUR 70-90m
	Environment	EUR 35-50m
	All other segments	EUR 40-50m

* mid- and long-term strategic targets; subject to fluctuations within and between segments, over years and deviations in individual years are possible

Strategic financial KPIs for EVN Group Perspective 2024–2030



	Perspective 2030*
Group net results	EUR 400-450m p.a.
ROCE	>5.5%
WACC	5.0%
Investments	EUR 700-900m p.a.
Net Debt / FFO (Funds from Operations)	1.5 – 2.0

* Specific guidance for individual years is communicated separately and included in our financial year-end annual financial report

Part 7 – Key messages

Stefan Szyszkowitz

- Expansion of wind and photovoltaics on track
- Massive network and infrastructure investments will enhance RAB growth
- Benefit from all-electricity future
- Continue decarbonisation path
- Significantly higher level of Group net results (perspective 2024-2030)

-
- Update will follow in December together with publication of Full Report 2022/23

 - Yearly dividend will be based on a combination of
 - minimum dividend, and
 - dividend payout ratio based on Group net results (adjusted for impairments)

Q&A

Participants via webcast:

Please send your questions via e-mail to: **cmd@evn.at**

ENERGY . WATER . LIFE .

→ Stefan Szyszkowitz, CEO

- Master of Law, Master of Business Administration
- Joined EVN in 1993
- Member of the EVN Executive Board since 2011, Spokesman of the EVN Executive Board since 2017

→ Jörg Sollfelner, Managing Director

- Master of National Economy and certified exchange trader
- Joined EVN in 2003
- 5 years Country Manager in Bulgaria, 7 years Managing Director of Energieallianz Austria GmbH, since 2023 Managing Director of EVN Energieservices GmbH

→ Helwig Überacker, Managing Director

- Master in Civil Engineering
- Joined EVN in 1996
- 5 years Managing Director of EVN Albania (covering Ashta and Devoll projects), since 2019 Managing Director of evn naturkraft Erzeugungs GmbH

→ Werner Hengst, Managing Director

- Master of Business Administration and trained Electrical Engineer
- Joined EVN in 1998
- 5 years Country Manager Bulgaria, 2 years Head of Procurement, since 2017 Managing Director of Netz Niederösterreich GmbH

→ Andrea Edelmann, Head of Innovation and Sustainability

- Phd in chemical engineering, business post graduate
- Joined EVN in 2005
- 5 years Head of Innovation and Sustainability

→ Gerald Reidinger, Head of Controlling and IR

- Master of Business Administration
- Joined EVN in 2010
- 5 years Head of Corporate Finance, since 2015 Head of Controlling and IR

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Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's or the Group's markets; the impact of regulatory initiatives; and the strength of the Company's or any other member of the Group's competitors. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in the Information are necessarily based on a number of assumptions and estimates about future events and actions, including management's assessment of opportunities and risks. 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While the Company believes that such research and estimates are reasonable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change and correction without notice. Accordingly, reliance should not be placed on any of the industry, market or competitive position data contained in the Information. For additional information regarding risks, investors are referred to the Company's latest Annual Report.