VERBUND
Half year results 2024

Verbund

Vienna, 25/7/2024

Half year results 2024 - At a glance

Influencing factors

- Lower average achieved contract prices for hydro power and new renewables production due to lower wholesale prices
- Strong hydro coefficient with 1.12 in HY 2024 but lower production from reservoirs
- Higher production from wind and PV
- Positive contribution from the sales segment due to lower procurement costs
- Lower contribution from the grid segment and from All other segments
- Lower contribution from flexibility products
- Impairment losses Gas Connect Austria and CCGT Mellach

Development of results, cash flows and debt

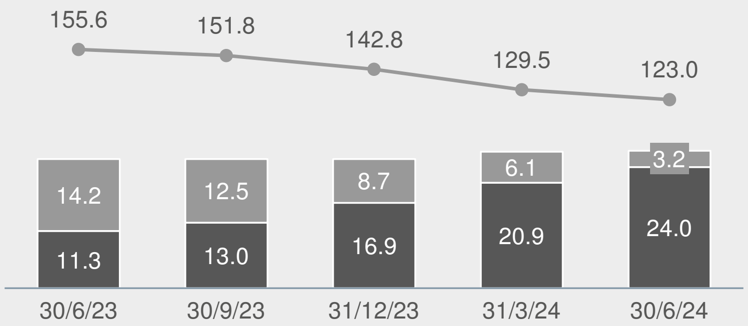
- Reported and adjusted EBITDA €1,762.4m (–21.9%)
- Reported Group result €910.1m (–29.3%), adjusted Group result €1,008.5 (–22.9%)
- Operating cash flow €1,850.2m (–36.1%); Free cash flow after dividends €–602.4m (HY 2023: €927.1m)
- Net debt €2,496.0m (+41.9%)

Group level guidance 2024

- EBITDA rep. & adj. approx. €3,000m – €3,300m; Group result reported approx. €1,500m – €1,650m
- Pay-out ratio 45% – 55% on adjusted Group result between approx. €1,600m – €1,750m

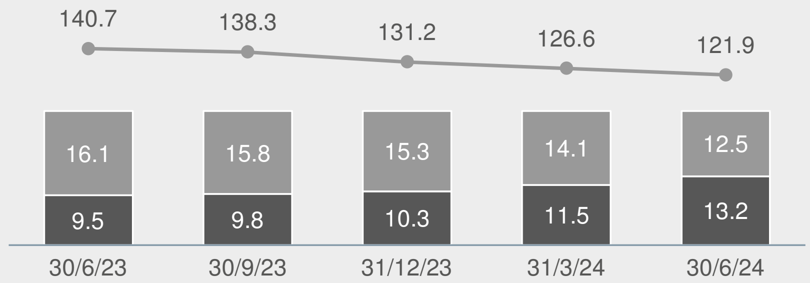
Hedging volumes

Hedging volumes 2024[1]/ TWh



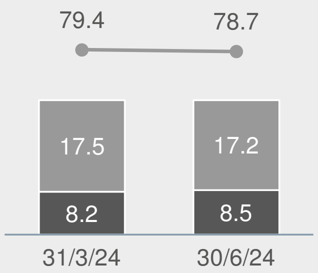
MtM (15/7/24): €116.6

Hedging volumes 2025[1]/ TWh



MtM (15/7/24): €107.4

Hedging volumes 2026[1] / TWh



MtM (15/7/24): €80.5

Historic contract prices

- FY2023: €167.1/MWh
- FY2022: €115.1/MWh
- FY2021: €54.8/MWh

Achieved contract price Open volumes Hedged volumes

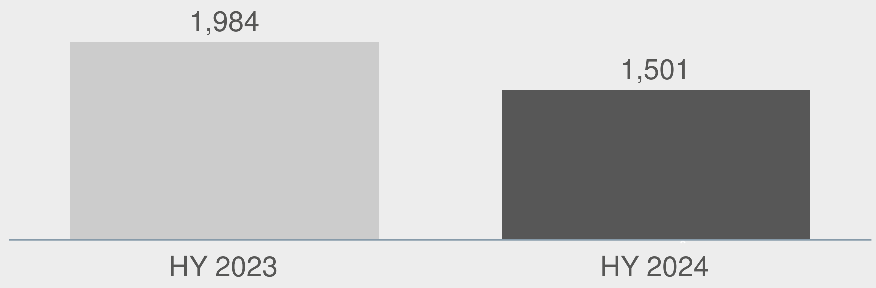
[1] Hydro production excluding volumes for holders of interests (at cost) and volumes resulting from pumping.

Hydro segment

Facts and figures

- Higher generation from hydropower in HY 2024
  - Hydropower: 17,292 GWh (+14.9%)
    - Strong hydro coefficient in HY 2024 (1.12 vs. 0.95 in HY 2023)
    - Storage power: 2,545 GWh (–3.1%)
- Lower average achieved prices
- Flexibility products decreased by €16.1m

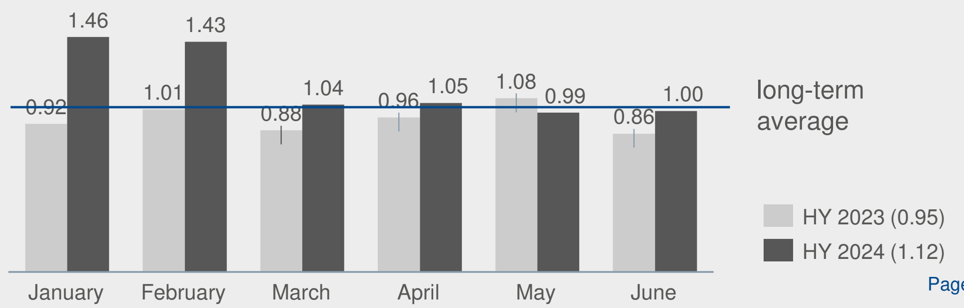
EBITDA/ €m



Current information

- 480 MW Limberg III pumped-storage power plant project
  - planned COD 2025
- 45 MW Reißeck II plus pumped storage power plant project
  - Trial operation starting November 2024
- 11 MW Gratkorn run-of-river power plant project
  - Trial operation started end of June 2024

Hydro coefficient (run-of-river)

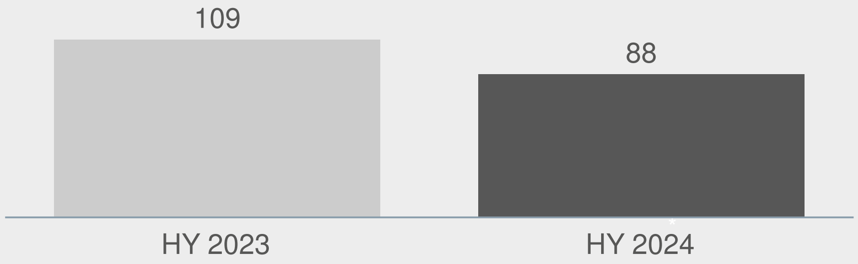


New renewables segment

Facts and figures

- Higher generation from wind power in HY 2024: 989 GWh (+81.1%)
  - Austria 146 GWh (+24.1%)
  - Germany 160 GWh (+57.0%)
  - Romania 234 GWh (–14.6%)
  - Spain 448 GWh
- Higher generation from photovoltaics in HY 2024: 210 GWh (+30.5%)
  - Austria: 4 GWh
  - Spain: 206 GWh (+29.6%)

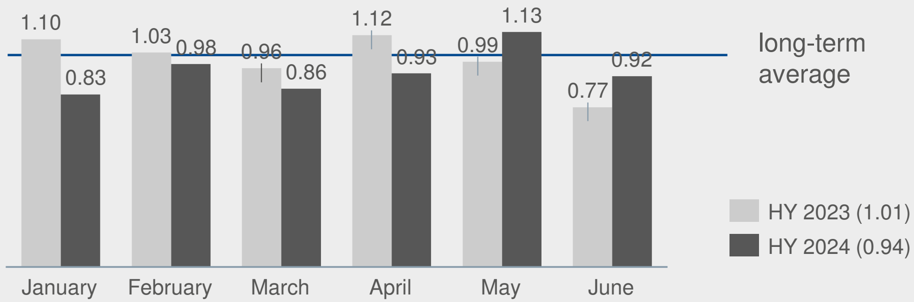
EBITDA/ €m



Current information

- Project development continued in Austria, Germany, Spain, Romania, Italy and Albania
- Closing & start of operation of a 10 MW wind project in Austria
- Commissioning of a 50 MW solar power plant in Spain
- Closing of four wind farms with installed capacity of 30 MW in Germany

New renewables coefficient



Sales segment

Facts and figures

- The increase in EBITDA was mainly due to lower procurement costs for electricity and gas
- Flexibility products decreased by €2.7m
- 482.000 end customers

Current information

- Focus on
  - Batteries
    - Commissioning of three battery projects with a capacity of 44 MW in Germany in 2023
    - Projects totalling >400 MW under development to be realised in the coming years
  - E-Mobility

The Sales segment comprises

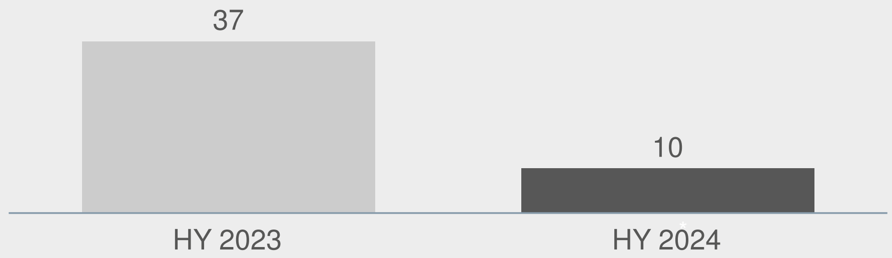
- Trading
- Sales activities and
- Energy services

All other segments

Facts and figures

- Increased utilisation of CCGT Mellach
- EBITDA fell due to negative effects from the valuation of future energy deliveries and increased fuel expenses due to the increased use of the CCGT Mellach.
- Thermal Power: 423 GWh (+23.5%)
  - CCGT Mellach: 421 GWh
- Flexibility products decreased by €6.3m

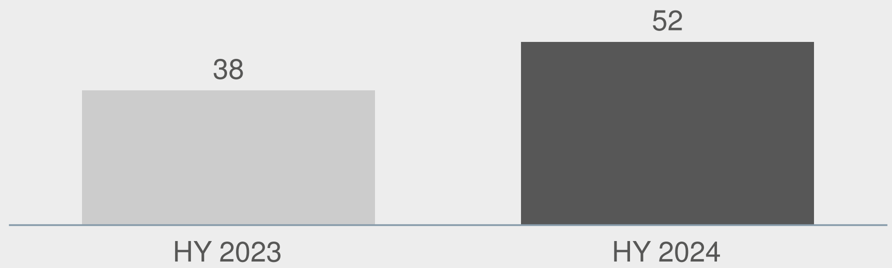
EBITDA/ €m



Current information

- CCGT Mellach no longer contracted from APG for congestion management
  - Line 10 and line 20 operated on market-driven basis at least until 1 April 2025
- District heating power plant Mellach contracted from APG from 1 October 2023 to 30 September 2024

KELAG contribution to financial result / €m



Grid segment

EBITDA Grid segment HY 2024: €175.9m (HY 2023: 295.5m)

Local GAAP: stable earnings (differences compensated by reg. account)

IFRS: volatile earnings (no regulatory account)

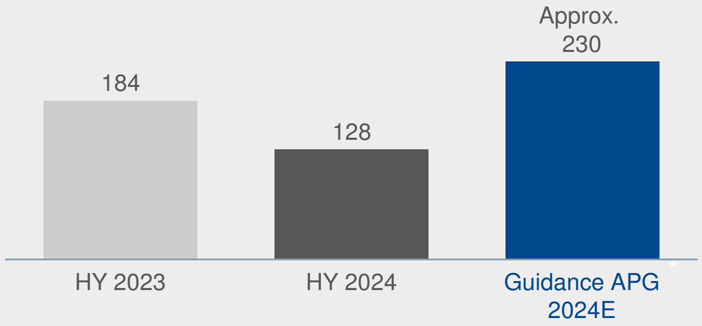
Contribution from APG in HY 2024 (IFRS): €128m EBITDA

APG WACC for regulatory period 2024 (nominal pre-tax)

- 4.16% for old assets with commissioning date up to 2022
- 4.88% for new assets with commissioning date in 2023
- 6.33% for new assets with commissioning date in 2024
- Expected WACC for 2024 in total: approx. 4.5%
- Yearly update of WACC for new assets for each tariff setting process until 2028

APG EBITDA/ €m

RAB 2023: €2,600m
RAB 2024: €2,834m



Contribution from GCA in HY 2024 (IFRS)

- €47m EBITDA

GCA TSO WACC for regulatory period (2021-2024)

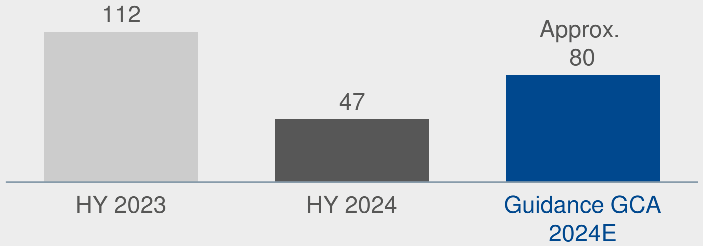
- 4.98% nominal incl. capacity risk

GCA DSO WACC for regulatory period (2023-2027)

- 3.72% for existing assets, 6.33% for new assets; WACC for new assets to be reviewed annually

GCA EBITDA/ €m

RAB 2023: €648m
RAB 2024: €641m

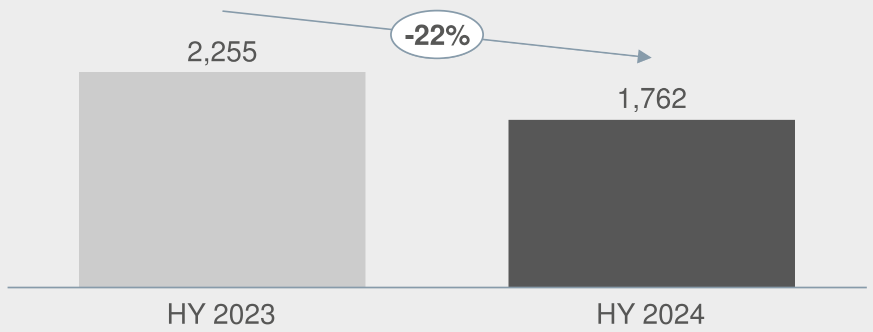


Non-recurring effects

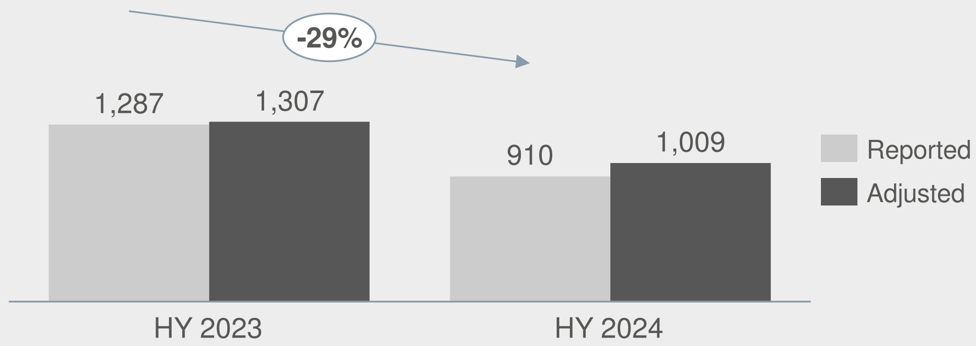
€m	Detail	HY 2024	HY 2023
EBITDA		**0**	0
Impairments	CCGT Mellach, GCA	-195	-15
Operating result	**Total**	**-195**	-15
Other financial result	Measurement of an obligation to return an interest (DKJ)	-17	-1
Impairments		0	-19
Reversal of impairments	HalloSonne participation	0	6
Financial result		**-17**	-13
Taxes	Effects due to the non-recurring effects above	49	8
Minorities	Effects due to the non-recurring effects above	64	0
Group result	**Total**	**-98**	-20

Key financial figures (1)

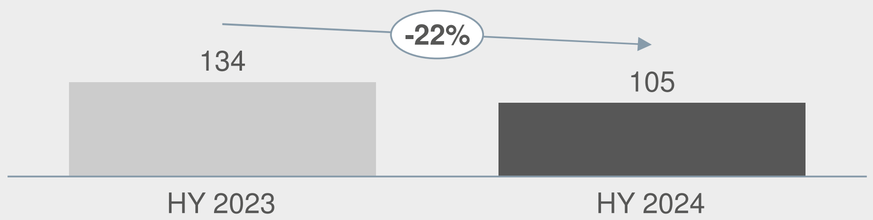
EBITDA/ €m



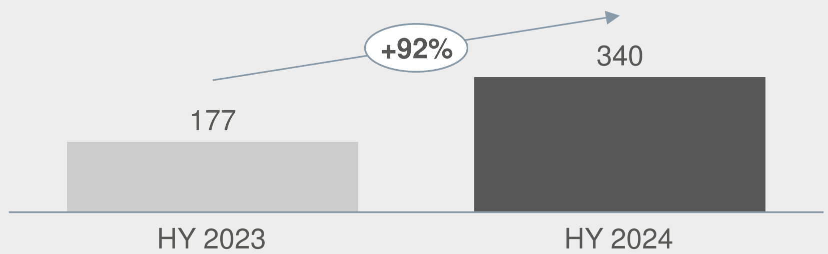
Group result/ €m



Additions to tangible assets (infrastructure) / €m

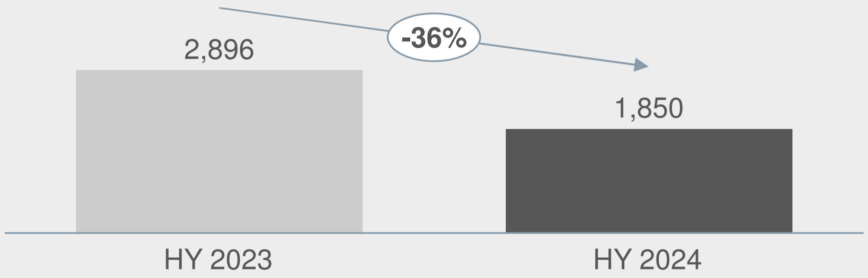


Additions to tangible assets (renewables business & others) / €m

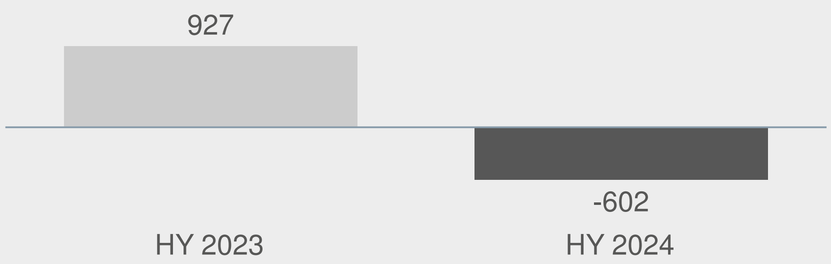


Key financial figures (2)

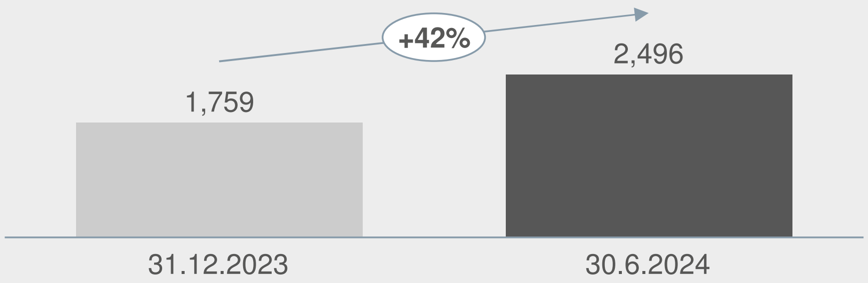
Operating cash flow/ €m



Free cash flow after dividends/ €m



Net debt/ €m



Gearing/ %

Outlook

Earnings outlook 2024

- EBITDA between approx. €3,000m and approx. €3,300m and reported Group result between approx. €1,500m and approx. €1,650m based on an average generation from hydro, wind and PV in Q3–4/2024 as well as the actual opportunities and risk situation of the Group.
- For financial year 2024, VERBUND plans to pay out between 45% and 55% of the Group result after adjustment for non-recurring effects between approx. €1,600m and approx. €1,750m.

Sensitivities 2024

A change of 1% (generation from hydropower/windpower/PV) or €1/MWh (wholesale price) either way would be reflected as follows in the group result for 2024, other things being equal:

- Greater or less generation from hydropower: +/– €6.9m
- Greater or less generation from windpower & PV: +/– €0.6m
- Wholesale prices (renewable generation): +/– €2.1m

Sensitivities 2024 as of 31 March 2024

Appendix

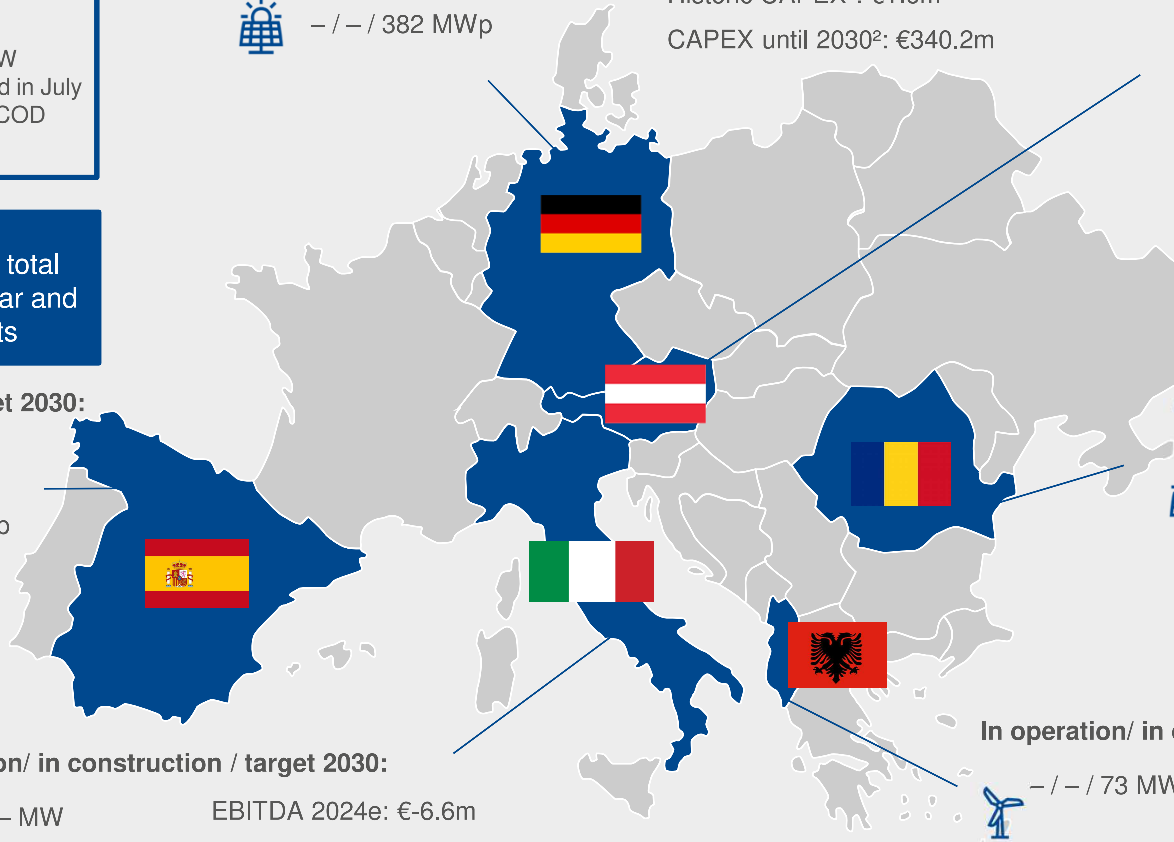
Expansion of new renewables generation (Wind & PV, without B2B, as of 30/6/2024)

Assets in operation:
838 MW Wind // 305 MWp PV

Assets in construction:
72 MW Wind // 37 MWp PV

Outlook M&A 2024:
- Paar 38 MW Wind in operation (30MW already closed in Q2/24, 8 MW closed in July 2024) +18 MW Wind in construction COD 2024 (closing @COD)

Target 2030:
Profitable expansion of 25% of total electricity generated through solar and onshore wind power projects



In operation/ in construction / target 2030:

116 MW / 26 MW / 163 MW

– / – / 382 MWp

EBITDA 2024e: €16.9m

Historic CAPEX[1]: €1.6m

CAPEX until 2030[2]: €340.2m

In operation/ in construction / target 2030:

116 MW / – / 163 MW

6 MWp / 2 MWp / 78 MWp

EBITDA 2024e: €23.3m

Historic CAPEX[1]: €102.8m

CAPEX until 2030[2]: €153.5m

In operation/ in construction / target 2030:

380 MW / 45 MW / 425 MW

299 MWp / 25 MWp / 1.698 MWp

EBITDA 2024e: €90.0m

Historic CAPEX[1]: €60.4m

CAPEX until 2030[2]: €966.6m

In operation/ in construction / target 2030:

226 MW / – / 459 MW

– / – / 129 MWp

EBITDA 2024e: €45.9m

Historic CAPEX[1]: €364.8m

CAPEX until 2030[2]: €400.2m

In operation/ in construction / target 2030:

– / – / – MW

– / 10 / 240 MWp

EBITDA 2024e: €-6.6m

Historic CAPEX[1]: €0m

CAPEX until 2030[2]: €215.2m

In operation/ in construction / target 2030:

– / – / 73 MW

– / – / 47 MWp

EBITDA 2024e: €0m

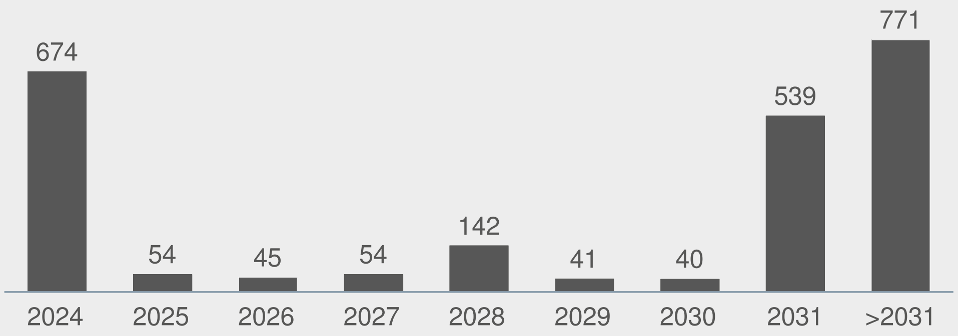
Historic CAPEX[1]: €0m

CAPEX until 2030[2]: €121.1m

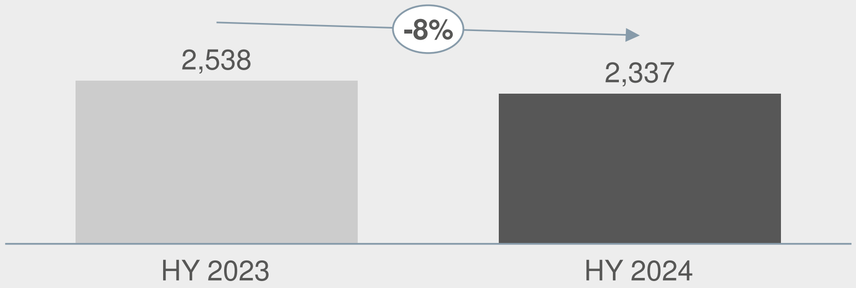
[1] as of 31.12.2023, excl. M&A // [2] acc. to autumn mid-term planning 2023, excl. M&A, excl. historical CAPEX

Financial liabilities

Debt maturity profile/ €m



Financial liabilities/ €m



Financial liabilities

- Book value Financial liabilities: €2,337.1m

Financial ratios

- Duration: 6.5 years
- Effective interest rate: 1.99% p.a.
- Uncommitted lines of credit: €2,545m [1)]
- Commited lines of credit: €1,500m [2)]
- Syndicated loan: €1,000m

[1)] thereof used: €0m [2)] thereof used: €0m

Interest mix

- 91.1% fixed interest rate
- 8.9% floating interest rate

Currency

- 100% EUR

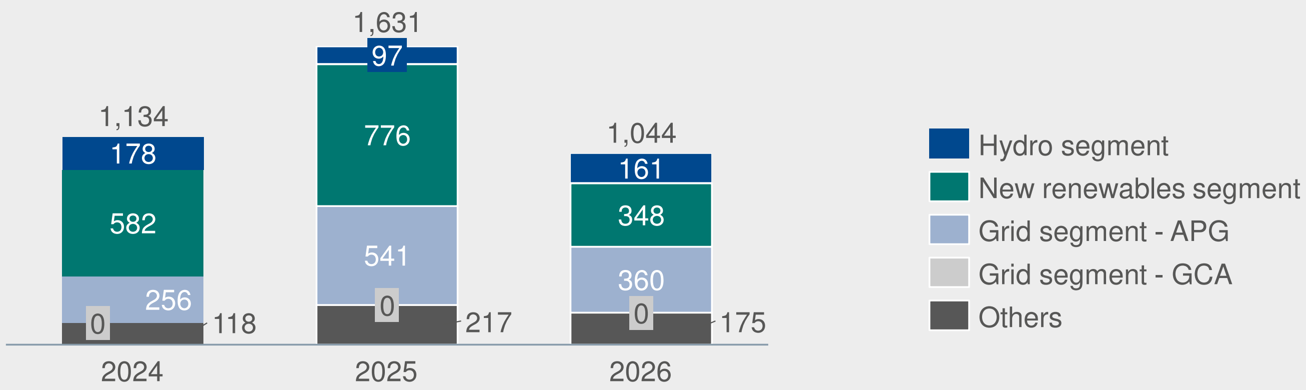
Rating

S&P Global Ratings: A+/stable outlook

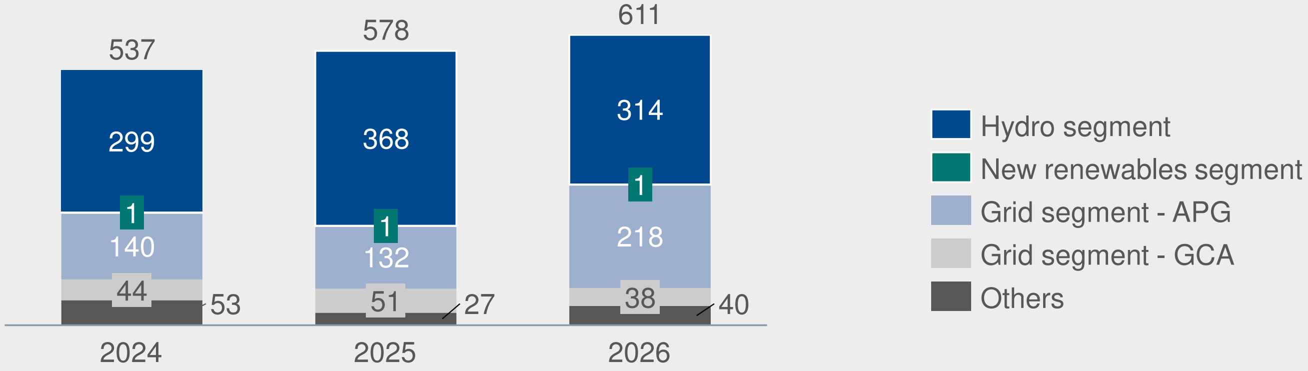
Moody's Investors Service: A2/stable outlook

CAPEX plan 2024-2026 (total of €5,535m)

Growth CAPEX/ €m (total of €3,809m)



Maintenance CAPEX/ €m (total of €1,726m)



CAPEX plan according to Q4 mid-term planning 2023, excl. M&A

Income statement

€m	HY 2023	HY 2024
	Total	Total
Revenue	**6,686.5**	**3,892.6**
Electricity revenue	5,804.7	3,274.5
Grid revenue	739.4	457.7
Other revenue	142.5	160.4
Other operating income	53.7	74.2
Expenses for electricity purchases & use of fuels	-3,628.1	-1,901.7
Other operating & personnel expenses	-440.0	-504.5
Measurement and realisation of energy derivatives	-416.9	201.7
EBITDA	**2,255.2**	**1,762.4**
Depreciation & amortisation	-251.7	-285.4
Effects from impairment tests	-15.4	-194.7
EBIT	**1,988.0**	**1,282.3**
Result from equity interests & oth. interests	45.5	55.8
Interest income/expense	-45.8	-18.2
Other financial result	5.6	-13.0
Effects from impairment tests	-12.4	0.1
Financial result	**-7.1**	**24.7**
Taxes	-445.3	-297.6
Group result	**1,287.2**	**910.1**
Minorities	**248.4**	**99.3**
Earnings per share (€)	**3.71**	**2.62**

Balance sheet (short version)

€m	31.12.2023	30.6.2024	Change
Non-current assets	15,895	15,781	-1%
Current assets	3,590	2,787	-22%
Total assets	**19,485**	**18,568**	**-5%**
Equity	11,221	10,213	-9%
Non-current liabilities	5,103	5,762	13%
Current liabilities	3,161	2,592	-18%
Total liabilities	**19,485**	**18,568**	**-5%**

Cash flow statement (short version)

€m	HY 2023	HY 2024	Change
Cash flow from operating activities	2,896	1,850	–36%
Cash flow from investing activities	–434	–513	–
Cash flow from financing activities	–2,475	–1,833	–
Change in cash and cash equivalents	**-14**	**-495**	–
Cash and cash equivalents at the end of the period	**396**	**469**	19%

Capital market calendar 2024

	7/11/2024	Result and interim report quarters 1–3/2024

VERBUND Board of Directors

Michael Strugl
Chairman of the Executive Board

Peter F. Kollmann
CFO, Deputy Chairman of the Executive Board

Achim Kaspar
Member of the Executive Board

Susanna Zapreva-Hennerbichler
Member of the Executive Board

Investor Relations Team

Andreas Wollein
Head of Group Finance and
Investor Relations

T +43(0)503 13-52614
andreas.wollein@verbund.com

Martin Weikl
Senior Investor Relations
Manager

T +43(0)503 13-52614
investor-relations@verbund.com

Stefan Wallner
Senior Investor Relations
Manager

T +43(0)503 13-52614
investor-relations@verbund.com

Tibor Hanifl
Investor Relations
Manager (ESG)

T +43(0)503 13-52614
investor-relations@verbund.com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