

VERBUND Energy4Business GmbH
Annual Report 2024

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Note on rounding: The addition of rounded amounts and the calculation of percentages may lead to rounding differences due to the use of computing software.

Three-year comparison

	€k		
	2022	2023	2024
Revenue	8,188,340.1	12,675,441.6	8,978,702.5
Earnings before interest and taxes (EBIT)	260,006.2	240,947.7	197,826.5
Earnings before taxes	235,783.2	202,530.0	176,690.4
Net income for the year	177,798.7	154,320.3	135,490.4
Net profit	0.0	0.0	0.0
Total assets	2,381,834.4	1,305,977.0	891,104.2
Fixed assets	110,799.0	132,046.8	180,993.4
Capital expenditure on property, plant and equipment	1,592.9	13,443.9	17,221.3
Depreciation of property, plant and equipment	653.2	711.7	1,286.8
Equity	484,372.7	484,491.4	304,491.4
Return on sales (ROS)	3.2%	1.9%	2.2%
Return on equity (ROE)	71.3%	41.8%	36.5%
Return on investment (ROI)	16.3%	10.1%	15.2%
Equity ratio	20.3%	37.1%	34.2%
Notional debt repayment period	11.3	5.2	4.2
Cash flow from operating activities	-411,922.2	1,153,994.7	559,659.5
Working capital	253,186.1	335,785.8	94,039.9
Net debt	1,456,174.6	451,164.5	251,791.6
Current liabilities	1,767,612.8	705,262.4	484,007.3
Current assets	2,020,798.9	1,041,048.2	578,047.2
Average number of employees	183	218	241

Company boards

Management

Mag. Robert Slovacek	Managing Director
MMag. Martin Wagner	Managing Director

Supervisory Board

Mag. Dr. Michael Strugl MBA (until 19/3/2024) Chairman	CEO
Dr. Susanna Zapreva-Hennerbichler (since 20/3/2024)	Member of the Executive Board
Dr. Peter F. Kollmann Vice-Chairman	Member of the Executive Board
Dr. Andreas Bräuer (until 19/3/2024)	Authorised signatory
Mag. Andreas Wollein	Authorised signatory
MMag. Olivia Schauerhuber (since 20/3/2024)	VERBUND AG

Employee representatives

Veronika Neugeboren	Member of the Works Council
DI Christoph Merschl	Member of the Works Council

Management report

Report on business performance and economic position

Business model and business activities

VERBUND Energy4Business GmbH is a wholly owned subsidiary of VERBUND AG, in which capacity it is responsible for central marketing, optimisation and management of the Group's entire generation capacity. The Company acts as the central energy hub for VERBUND in its function as an interface between generation, sales and the wholesale market. VERBUND Energy4Business GmbH has conducted all transactions on its own behalf and for its own account since 1 September 2014.

Since the realignment of sales activities in 2020, VERBUND Energy4Business GmbH has also been responsible for the industrial customer (B2B) business, including projects and new business models in the Solutions area (marketing of photovoltaic installations, battery projects and electromobility).

VERBUND Energy4Business GmbH and VERBUND AG, the group parent, comprise a single entity for corporate income tax and value-added tax purposes. In accordance with the profit and loss transfer agreement in place, all profit or loss of VERBUND Energy4Business GmbH is transferred to or absorbed by VERBUND AG unless an allocation is made to distributable revenue reserves.

VERBUND Energy4Business GmbH's trading activities comprise physical and financial trading of energy products and energy derivatives on European over-the-counter (OTC) markets, trading platforms and energy exchanges. VERBUND Energy4Business GmbH provides central market access to all commodities and is responsible for commodity hedging at VERBUND.

The Company's business activities comprise the direct supply of energy to wholesalers, resellers, industrial customers and municipal utilities in Austria and abroad. Its core electricity business is supplemented by trading in gas and hedging gas transactions and by trading in environmental products (emission allowances, green electricity certificates/guarantees of origin) of various standards of quality and bearing various labels.

In the area of energy services, VERBUND Energy4Business GmbH offers a number of customer-specific products and services (market access, plant use optimisation, price hedging, regulatory services, etc.) and is especially active in the marketing of energy from renewable sources, flexibility marketing and short-term trading.

The Company's range of products and services is supplemented by business models for constructing, operating and marketing photovoltaic installations in cooperation with industrial customers as well as projects and cooperation models in the areas of large-scale batteries/battery storage. VERBUND Energy4Business GmbH also offers cooperation models in the area of electromobility for constructing and operating charging infrastructure in cooperation with its subsidiary SMATRICS GmbH & Co KG.

In its primary markets of Austria and Germany, the Company's activities are supplemented by business in neighbouring countries. The Company also conducts cross-border transactions with Serbia and Hungary based on its marketing of the Group's wind generation in Romania.

With regard to electricity sales outside of Austria, VERBUND Energy4Business GmbH is additionally responsible for managing the business activities of the Group's subsidiaries in Germany. The rules and guidelines promulgated by the energy market regulatory authorities form the basis of the business relationships. VERBUND Energy4Business GmbH is registered as an electricity trading company pursuant to the relevant national laws.

The VERBUND Energy4Business GmbH subsidiary in Germany, VERBUND Energy4Business Germany GmbH, acts as a broker for VERBUND Energy4Business GmbH vis-à-vis municipal utilities and resellers. The industrial customer business and the marketing of photovoltaic and battery projects are handled by VERBUND Energy4Business Germany GmbH on its own behalf and for its own account.

The following VERBUND Energy4Business GmbH subsidiaries act on their own behalf and for their own account.

VERBUND Energy4Flex GmbH was established in December 2019. Since 2020, VERBUND Energy4Flex GmbH has been responsible for the optimisation, support and management of VERBUND's flexible power plants in connection with the Austrian control power market on behalf of VERBUND Energy4Business GmbH, in its own name, but for the latter's account.

VERBUND Energy4Future GmbH is responsible for providing customers with green electricity certified to the eco-label guideline “UZ 46” as well as other specific green electricity products on behalf of VERBUND Energy4Business GmbH.

SMATRICS GmbH & Co KG, E-Mobility Provider Austria GmbH: SMATRICS GmbH & Co KG was formed for the purpose of establishing charging infrastructure for electric vehicles as well as setting up and providing services for electromobility customers. E-Mobility Provider Austria GmbH is a 74.9% equity interest of VERBUND Energy4Business GmbH that is accounted for under the equity method.

VERBUND Engineers4Energy GmbH is a full-service provider of photovoltaic systems (in the areas of photovoltaic planning, procurement, design, construction, installation, and operations) that is active in sales and contracting.

Electriply GmbH is a wholesale supplier of photovoltaic modules, inverters and mounting structures.

Report on branch offices

There were no branch offices in the financial year under review.

Market performance

VERBUND entered into contracts for most of its own generation in 2024 on the futures market back in 2022 and 2023. Prices for AT 2024 front-year base load contracts (traded in 2023) averaged €148.1/MWh and prices for DE 2024 front-year base load contracts averaged €137.5/MWh. Compared with the prior-year period, futures market prices were therefore down by as much as 53.1% (AT) and 54.0% (DE). Front-year peak load (AT) contracts traded at an average of €176.1/MWh and front-year peak load (DE) contracts at €164.8/MWh. Futures market prices for front-year peak load contracts thus decreased year-on-year by 57.8% (AT) and 58.8% (DE).

On both the Austrian and German spot markets, wholesale trading prices for electricity retreated in quarters 1–4/2024. Prices for base load electricity declined by an average of 19.8% to €81.92/MWh in Austria and by 16.4% to €79.57/MWh in Germany. Prices for peak load fell by 19.0% to €93.46/MWh in Austria and by 17.0% to €88.21/MWh in Germany. The decline in wholesale prices stems in particular from the decline in demand for natural gas, coal and emission allowances. For example, Germany produced about 30% less electricity from coal than in 2023, and generation from gas-fired power plants in Austria has declined by almost 10%. Gas inventories are high due to purchases of LNG on the global market. Prices for AT 2025 front-year base load contracts (traded in 2024) averaged €91.6/MWh and prices for DE 2025 front-year base load contracts averaged €88.7/MWh. Compared with the prior-year period, futures market prices were therefore down by as much as 38.2% (AT) and 35.5% (DE). AT front-year peak load contracts traded at an average of €101.7/MWh and DE front-year peak load contracts traded at an average of €98.4/MWh. Futures market prices in this area thus decreased year-on-year by 42.3% (AT) and 40.3% (DE).

Business performance

The largest portion of the Group’s generation by far is marketed by VERBUND Energy4Business GmbH, with the exception of generation for eligible purchasers of energy from Group power plants and energy fed in directly from subsidised generation facilities. The electricity generated is marketed using hedging

transactions on the forward and futures markets and through optimisation on the short-term day-ahead, intraday and control power markets.

Electricity purchases

		2023	2024
			GWh
Purchased generation		27,129	30,027
of which hydropower		25,999	28,409
of which wind power		452	319
of which thermal power		677	1,300
Other Group purchases		307	306
Electricity purchased from third parties		30,122	29,787
Total purchased by VERBUND Energy4Business GmbH		57,558	60,120
Trading contracts		7,190	6,064
		64,747	66,184

Total volumes of 30,027 GWh were marketed in 2024, an increase of 10.7% over the same period of the previous year.

Generation from hydropower increased by 2,410 GWh compared with the previous year. At 1.09, the hydro coefficient for the run-of-river power plants was 11% above the prior-year level and 9% above the long-term average. Generation from annual storage power plants rose by 4.2% in quarters 1–4/2024 versus 2023. The effects of decreasing reservoir levels and higher inflows significantly outweighed the effects of lower generation from turbinning.

The generation from wind power that VERBUND Energy4Business GmbH markets to Germany and Austria was 29.5% below the level of the previous year, primarily due to having transferred the marketing of generation volumes to ÖMAG (national settlement centre).

Due to the significant increase in clean spark spreads, generation from thermal power plants increased by 622 GWh in quarters 1–4/2024 despite reduced use of congestion management.

Electricity purchased from third parties for trading and sales declined by 1.1%.

Standardised forward contracts (futures) were concluded in a volume of 6,064 GWh. VERBUND Energy4Business GmbH recognises the profits/losses from energy trading contracts for electricity entered into for trading purposes under revenue. The underlying electricity purchases and sales are offset and presented as a net amount under electricity revenue. VERBUND Energy4Business GmbH's electricity sales volume after offsetting the transactions against standardised forward contracts amounted to 60,120 GWh (including generation for own use and Austrian Power Grid AG). VERBUND Energy4Business GmbH has three customer segments: traders in Austria and abroad, resellers (electric utilities) and end-users.

Electricity sales

GWh

	2023	2024
Traders	20,949	25,280
Resellers	20,131	19,546
Industrial customers	8,401	7,976
Group	8,077	7,318
of which small customers	1,622	1,464
of which industrial customers	3,213	3,403
of which APG	1,006	591
of which own use of generation companies	2,235	1,860
	57,558	60,120
Trading contracts	7,190	6,064
	64,747	66,184

Compared with the previous year, VERBUND Energy4Business GmbH's electricity sales volume increased by 2,562 GWh to 60,120 GWh. Deliveries were made to trading firms above all in the context of hedging the generation volumes and marketing the additional generation on exchanges. Sales to traders increased by 20.7% in the reporting period.

Electricity sales volumes with resellers decreased by 2.9%. Deliveries to end-users also fell (-5.1%).

In addition, VERBUND Energy4Business GmbH provides the electricity sales volumes for VERBUND AG's retail customers and the volumes for the subsidiaries VERBUND Energy4Business Germany GmbH and VERBUND Energy4Future GmbH. VERBUND Energy4Business GmbH also supplies VERBUND's generation companies. Through its subsidiary VERBUND Energy4Flex GmbH, VERBUND Energy4Business GmbH maintains business relationships with Austrian Power Grid AG for grid loss coverage and congestion management as well as for the provision of control power services.

Electricity sales volumes delivered to Austrian Power Grid AG decreased by 41.2% in all areas. Supplies to cover generation for own use were down 16.8%, primarily due to reduced turbinning.

In 2024, international trading and sales activities focused on the German market.

Net assets, financial position and results of operations

Results of operations

	Unit	2023	2024
Revenue	€k	12,675,441.6	8,978,702.5
Earnings before interest and taxes (EBIT)	€k	240,947.7	197,826.5
Earnings before taxes	€k	202,530.0	176,690.4
Net income for the year	€k	154,320.3	135,490.4
Net profit	€k	0.0	0.0
Return on sales (ROS)	%	1.9	2.2
Return on equity (ROE)	%	41.8	36.5
Return on investment (ROI)	%	10.1	15.2

Revenue of VERBUND Energy4Business GmbH fell by 29.2% to €8,978,702.5k in financial year 2024. The decline related mainly to revenue from electricity deliveries and occurred despite increased electricity sales volumes, which resulted from the sharp drop in futures market prices.

Other operating income increased to €1,260.5k year-on-year (2023: €520.3k), chiefly because of loss settlements and the reversal of provisions.

Expenses for materials and other purchased services were down 29.6% to €8,720,270.0k compared with 2023, mainly due to the price-related decrease in electricity purchase costs (-30% or €-3,554,733.5k).

Personnel expenses increased by €6,902.3k (+19.1%) to €43,111.9k compared with the previous year, primarily due to new hires.

Other operating expenses increased moderately by 6.4% to €29,819.0k.

VERBUND Energy4Business GmbH had an average of 241 employees (243 including employees in the active phase of partial retirement; previous year: 218 employees; 221 including employees in the active phase of partial retirement). Expenses for training and continuing education amounted to €251.3k in financial year 2024 (previous year: €188.8k).

VERBUND Energy4Business GmbH has a profit and loss transfer agreement with VERBUND AG. In order to maintain an appropriate equity ratio, partial amounts have been transferred from net income for the year to distributable reserves in recent years. The net income for 2024 of €135,490.4k will be distributed in full to VERBUND AG, as was the net income for 2023.

Due to the stable equity ratio, distributable reserves were reversed in 2024 to enable an additional distribution of €180,000.0k.

Net assets

	Unit	2023	2024
Fixed assets	€k	132,046.8	180,993.4
Current assets	€k	1,173,189.8	709,273.4
Working capital	€k	335,785.8	94,039.9
Equity	€k	484,491.4	304,491.4
Current liabilities	€k	705,262.4	484,007.3
Current assets	€k	1,041,048.2	578,047.2
Equity ratio	%	37.1	34.2

Fixed assets rose to €180,993.4k, due especially to grants made to subsidiaries and investing activities in the photovoltaic business. At €709,273.4k, current assets were significantly lower (–39.5%) than in the previous year (€1,173,189.8k) owing to the decline in receivables, particularly receivables from the electricity and gas trading business and from collateral provided to stock exchanges. Equity declined by EUR 304,491.4k year-on-year due to the reversal of distributable reserves in 2024 (2023: €484,491.4k).

Financial position

	Unit	2023	2024
Cash flow from operating activities	€k	1,153,994.7	559,659.5
Cash flow from investing activities	€k	–10,760.9	–34,809.3
Cash flow from financing activities	€k	–1,144,036.9	–525,531.4
Financial result	€k	–16,363.7	–7,846.5
Notional debt repayment period	years	5.2	4.2

The change in the financial result is attributable to significantly lower interest expenses than in the previous year (€+17,281.6k) combined with lower interest income (€–2,849.5k) as well as a lower overall result from subsidiaries (€–5,937.5k). Owing to an additional decline in liabilities of €235,688.0k compared with the previous year, the debt repayment period declined to 4.2 years compared with 2023. The decrease in the debt repayment period was due in part to the fact that the Company continues to generate a positive result.

Cash flow statement

Items on the cash flow statement are calculated using the indirect method. The cash flow statement was prepared in accordance with AFRAC Statement 36 of the Austrian Financial Reporting and Auditing Committee (previously regulated by expert opinion KFS/BW 2 issued by the Austrian Chamber of Public Accountants and Tax Advisors).

VERBUND AG has an electricity supply commitment to Uniper Kraftwerke GmbH (previously E.ON Wasserkraft GmbH/E.ON Kraftwerke GmbH) arising from a transaction with an equity interest (acquisition of power plant shares in Germany). The electricity supply commitment is linked to the fictitious operations of the Zemm-Ziller power plant group. The commitment was transferred to VERBUND Energy4Business GmbH effective 1 January 2016. In return, VERBUND Energy4Business GmbH received an intra-Group credit (Group clearing balance) for the amount recognised by VERBUND AG of around €180.6m.

VERBUND Energy4Business GmbH manages the fictitious operating agreement as contractually stipulated and receives compensation from VERBUND AG for handling this service. However, VERBUND AG retains the earnings, which are therefore charged back by VERBUND Energy4Business GmbH. This is related to the net result from the termination of the electricity supply commitment and the interest added back to the external liability, income from management (supply, reinsurance, guarantees of origin, various reimbursements) and the interest income on the receivable from VERBUND Finanzierungsservice GmbH.

(1) Cash flow from operating activities

In 2024, net cash flow deteriorated significantly compared with 2023. The decrease was caused mainly by the relatively smaller change in receivables (€458,794.1k), which resulted from the decline in earnings despite a reduction in liabilities. The receivables mainly consist of collateral security, but also include payment flows arising from variation margins and cascading on the EEX power exchange. The payment flows were accrued in net income since they will be realised in future years.

(2) Cash flow from investing activities

Cash flow from investing activities resulted mainly from current investing activities, especially in photovoltaics, and from equity interest transactions (2024: shareholder contributions to the subsidiaries VERBUND Energy4Business Germany GmbH (€20,000.0k), VERBUND Engineers4Energy GmbH (€1,000.0k) and Electriply GmbH (€1,000.0k) as well as cash contributions to SMATRICS GmbH & Co KG (€8,531.1k); 2023: cash contributions of €300.0k were made to the subsidiary VERBUND Energy4Future GmbH and cash contributions of €6,149.0k were made to SMATRICS GmbH & Co KG) as well as from the internal clearing of Group interest charges.

(3) Cash flow from financing activities

The change in cash flow from financing activities was the result of money market transactions/financial market liabilities, the Group clearing balance – caused by the effects described under receivables and liabilities – and profit transfers as well as the profit distribution to VERBUND from distributable reserves in 2024.

Cash flow statement

€k

	Notes	2023	2024
Earnings before taxes		202,530.0	176,690.4
Amortisation of intangible assets and depreciation of property, plant and equipment		1,661.6	0.0
Write-downs and write-ups of financial assets		-18.5	2,301.8
Result from the disposal of assets		-0.5	-7.7
Income from investments, other interest and similar income and interest and similar expenses		16,013.9	0.0
Change in inventories		-21,754.6	4,349.5
Change in trade receivables and other receivables ¹		1,119,966.2	458,794.1
Change in non-current provisions		545.7	18,038.1
Income from the reversal of contributions to building costs		-153.8	2,461.0
Income from the reversal of deferred income from cross-border leasing transactions		0.0	-163.5
Other non-cash expenses and income		-13,102.5	-15,866.5
Change in current provisions		-9,077.4	272.5
Change in trade payables and other liabilities ²		-95,610.2	-46,269.5
Payments for income taxes		-47,005.3	-40,940.8
Cash flow from operating activities	(1)	1,153,994.7	559,659.5
Capital expenditure on intangible assets and property, plant and equipment		-12,558.6	-21,936.6
Disposals of intangible assets and property, plant and equipment		170.6	0.0
Capital expenditure on investments		-19,125.5	-30,789.3
Disposals of investments		21.1	1.4
Cash inflow from investment and security income		107.2	136.2
Cash inflow from interest		20,624.3	17,779.0
Cash flow from investing activities	(2)	-10,760.9	-34,809.3
Cash inflow (outflow) from money market transactions		0.0	3,145.6
Cash inflow from the assumption of financial liabilities (excluding money market transactions)		4,679.2	0.0
Cash outflow from the repayment of financial liabilities (excluding money market transactions)		-261,635.4	-143,150.3
Cash inflow from contributions to building costs received and grants		-40.4	278.9
Profit transferred		-143,087.5	-320,123.8
Changes in Group clearing balances		-717,440.8	-44,962.7
Cash outflow from interest and similar expenses		-26,511.9	-20,719.0
Cash flow from financing activities	(3)	-1,144,036.9	-525,531.4
Change in cash and cash equivalents		-803.1	-681.2
Cash and cash equivalents as at 1/1		1,920.5	1,117.4
Cash and cash equivalents as at 31/12		1,117.4	436.3

¹ incl. prepayments and accrued income // ² incl. accruals and deferred income

Report on research, development, the environment and social matters

Employees

In 2024, VERBUND Energy4Business GmbH had an average of 243 employees (including employees in the active phase of partial retirement; previous year: 221 employees including employees in the active phase of partial retirement). Expenses for training and continuing education amounted to €251.3k in financial year 2024 (previous year: €188.8k).

Sustainability

VERBUND is guided by the principle of sustainability in all of its fields of activity. VERBUND publishes information relevant to sustainability in its integrated annual report in accordance with Global Reporting Initiative guidelines, the internationally recognised standard for sustainability reporting. Multiple specialised sustainability agencies routinely evaluate the reporting, and VERBUND is also represented in a number of indices.

VERBUND Energy4Business GmbH is involved in VERBUND's extensive initiatives and supports all activities, especially those relating to the marketing of renewable energy. The efficient and flexible use of pumped storage power plants also supports the progressive integration of new renewables into the energy market, above all wind power and solar energy. Flexible, needs-based electricity products and energy services support our customers in meeting their requirements efficiently and provide innovative solutions for optimising procurement. Furthermore, VERBUND Energy4Business GmbH is one of the leading suppliers of green electricity products and guarantees of origin, and its hydropower generation has been certified in accordance with numerous European standards (e.g. TÜV). In the area of wind power and photovoltaic energy marketing for the third-party customer segment, VERBUND Energy4Business GmbH is actively expanding its renewables portfolio and using high-quality forecasting and portfolio management with the objective of generating sustainable contribution margins for the Group. Its business activities in the field of sustainable electricity generation and marketing are supplemented by a small-scale hydropower initiative.

Innovation, research and development

Energy market environment requires flexibility

VERBUND Energy4Business GmbH's research and development activities focus on improving optimisation and forecasting instruments.

To tackle the major challenges of climate change, detailed information is needed on how climatic changes might affect the energy market in Austria in the future. Damage caused by extreme weather events has increased steadily over the last two decades due to climate change. In the EU's ICARIA project, a multidisciplinary international team is working on gaining a better understanding of the impact on the critical infrastructure and on developing adaptation solutions.

One of three model regions for the studies is the federal state of Salzburg, where VERBUND has the role of "risk owner".

After testing high-resolution climate models, it was decided in the second year of the project that detailed analyses should be undertaken, primarily of changes in natural hazards such as heavy rainfall/flooding and storms for the target region (Salzburg) as climate change progresses. In addition, forest fires and drought are being investigated more closely.

A final decision was also made regarding which of the high-resolution climate models would be used for the investigations (the CCLM from the German weather service; the WRF climate model from NCAR in the USA).

The use of artificial intelligence (AI) to optimise contract processing and business processes within VERBUND Energy4Business GmbH has focused on two primary work packages: quality assurance through anomaly detection using historical electricity market data and extracting key information from contract documents. To achieve these goals, autoregressive large language models (LLMs) and other AI methods are being developed and trained on Microsoft Azure. The application of AI methods aims to improve the accuracy, efficiency and reliability of these critical business processes, thus increasing processing speed and boosting operational performance.

In the area of automation and optimisation, a number of projects involve monitoring the interaction of generation from local photovoltaic systems with the use of batteries and charging infrastructure as well as industrial own use to ensure optimum results. Once again, the starting point is implementing measures to ensure that the corresponding data collected online is correct.

Under the Smart Energy Power Platform (SEPP) project completed in 2024, tools and products for smart charging were developed in cooperation with SMATRICS GmbH & Co KG. The project's product development is focused on the charging infrastructure's load management during regular operations in order to realise cost savings at customer sites.

Report on significant risks and uncertainties

At VERBUND, risk is defined as the chance of either a positive or a negative deviation from corporate targets or KPIs.

The objective of corporate activities is to generate appropriate returns while increasing enterprise value in a controlled manner. To do so, opportunities are taken advantage of and risks entered into. Early identification and due consideration of such opportunities and risks are therefore an integral part of our planning, corporate management and all corporate decision-making processes. Risk limitation and monitoring is undertaken by the risk management functions at VERBUND Energy4Business GmbH and the Group as well as by the risk management committees defined in the Group. In general, the risk management process involves the individual steps of risk identification, analysis, measurement, control and monitoring.

VERBUND Energy4Business GmbH has drafted its own internal guidelines and work instructions for the Company's individual areas of business on the basis of guidelines applicable to the entire Group. Building on a comprehensive rulebook, these guidelines specify all business transactions, workflows, business processes and responsibilities within VERBUND Energy4Business GmbH to ensure that risks and responsibilities are clearly allocated and delineated. In 2021, this set of guidelines was comprehensively revised; it is reviewed annually and adapted if necessary. The guidelines cover the handling of market risk, credit risk and operating risk in particular. The risk control process at VERBUND Energy4Business GmbH is applied to all significant business processes every day.

Market risk

Despite the decline in price volatility compared with 2023, risk management continues to play a major role in position monitoring. Market risk is limited using a system made up of exposure limits, drawdown limits and value at risk limits, and it is monitored daily.

Liquidity risk

Liquidity requirements from margining (initial margin and variation margin) continued to decline over the course of 2024. In addition to stringent position management, the decline was due to the continued drop in price levels, especially during the first half of the year, and a general decline in market volatility. Stress tests are conducted routinely (weekly) to monitor liquidity risks. VERBUND Energy4Business GmbH is part of the VERBUND cash pooling system.

Credit risk

Credit risk primarily refers to the risk of complete or partial failure to pay on the part of a counterparty and any associated default. In order to minimise credit risk, a maximum credit limit is issued for each of our customers based on an internal scoring system. Utilisation of the limits is monitored daily. Changes in customers' credit ratings are likewise monitored continuously. Where a customer has an insufficient credit rating, transactions are generally only entered into if sufficient collateral is provided (e.g. a bank guarantee, a guarantee issued by the parent company, etc.). Whenever (framework) agreements are concluded, attention is paid to the wording of netting arrangement clauses and to the provision of guarantees in order to minimise deterioration in the customer's credit rating.

Despite the continued difficult economic conditions and the unstable geopolitical situation, the impact of the Ukraine conflict on security of supply in Europe and the market distortions in the energy sector in 2022, VERBUND Energy4Business GmbH did not record a single loan default in its customer portfolio in 2024. Customer payment discipline remains largely unchanged compared with the previous year. In light of the current market situation, the management of credit risk will once again play a significant role in 2025.

Prior to every assessment of credit standing, VERBUND Energy4Business GmbH also subjects its customers to appropriate business partner integrity checks, as required by law. The integrity checks are

intended to prevent involvement in criminal proceedings (corruption, money laundering, tax fraud) and to protect VERBUND's reputation.

Operational risk management

Since 2019, VERBUND Energy4Business GmbH has maintained a crisis centre that can be activated at short notice. The mobilisation and functionality of the crisis centre is tested several times each year. Business processes have been defined and documented in respect of the procedures along the value chain. In combination with the applicable guidelines, this is aimed at preventing any ambiguities with regard to competencies and areas of responsibility. Risk reports have been submitted on a quarterly basis for years in order to identify risks in advance; in addition, a report on early warning indicators for risks was set up at VERBUND Energy4Business GmbH in 2022. Regular reports are made on potential and actual loss events.

Report on the expected performance of the Company

VERBUND Energy4Business GmbH focuses on two core tasks: first, asset marketing and sales volume optimisation, augmented by the trading business and second, sales and marketing activities in the key markets of Austria and Germany.

VERBUND Energy4Business GmbH's most important task continues to be to successfully market the total available volumes of electricity generated on behalf of VERBUND. The Company's participation in international trading serves both to hedge revenue over the long term through the sale of structured products and to increase earnings by optimising the power plants over the short term. In addition to the focus on optimal marketing of own generation, the main activities in this context comprise expanding the Company's position as one of the leading providers of innovative green electricity and flexibility products as well as energy services, (direct) marketing of renewable energy (particularly wind, photovoltaics, and small-scale hydropower) and taking advantage of short-term market opportunities, especially in relation to control power products and balancing energy optimisation.

VERBUND Energy4Business GmbH is meeting the challenges represented by sales and marketing activities as its second core task. The product portfolio, i.e. the market segment in which VEB operates, includes key accounts and resellers in addition to industrial customers. Here, the focus is on business models for establishing, operating and marketing photovoltaic installations both on behalf of and in cooperation with business customers. The range of products and services will be expanded to include in-house projects and cooperation models involving large-scale batteries and battery storage systems.

The tenders for balancing services products and grid services put out by Austrian Power Grid AG, in which VERBUND Energy4Business GmbH participates on an ongoing basis, continue to be relevant and are supplemented by the provision of congestion management measures for grid operators.

In Germany, the subsidiary VERBUND Energy4Business Germany GmbH markets green electricity certificates and battery storage projects alongside the construction and operation of photovoltaic systems.

Marketing activities and portfolio management for newly acquired Group generation capacities from photovoltaics and wind power in Spain and Italy are being continuously developed in line with the progress made in the area of generation.

With regard to its servicing of international markets in the regions of Central, Eastern and Southeastern Europe, VERBUND Energy4Business GmbH will concentrate, as in previous years, on marketing available generation from Group power plants in Romania and on short-term cross-border optimisation transactions and will accordingly maintain its market presence at the levels required for this.

Innovative business models for constructing and operating charging infrastructure for electric vehicles continue to be developed at the premises of industrial customers and cooperation partners.

All trading and sales activities are conducted in compliance with strict monitoring and risk management guidelines, supplemented by compliance and integrity requirements. These guidelines are of fundamental significance in light of the challenging market environment.

As at 13 February 2025, no risks were foreseeable for 2025, the effects of which – either individually or in interaction with other risks – could pose a threat to the continued existence of VERBUND Energy4Business GmbH.

Vienna, 13 February 2025

The Management

Mag. Robert Slovacek

MMag. Martin Wagner

Annual financial statements

Balance sheet

ASSETS

		€k	
	Notes	2023	2024
A. Fixed assets			
I. Intangible assets		8,343.9	10,560.4
II. Property, plant and equipment	(1)	17,885.5	33,820.0
III. Investments	(2)	105,817.3	136,613.0
		132,046.8	180,993.4
B. Current assets			
I. Inventories	(3)	27,204.6	22,855.1
II. Receivables and other assets	(4)	1,144,867.7	685,982.0
of which due in more than one year		132,873.4	132,046.3
III. Cash at banks		1,117.4	436.3
		1,173,189.8	709,273.4
C. Prepayments and accrued income	(5)	740.5	837.4
		1,305,977.0	891,104.2

EQUITY AND LIABILITIES

		€k	
	Notes	2023	2024
A. Equity			
I. Called and paid-in share capital	(6)	250.0	250.0
II. Capital reserves	(7)	128,016.1	128,016.1
III. Revenue reserves	(8)	356,225.3	176,225.3
IV. Net profit	(9)	0.0	0.0
		484,491.4	304,491.4
B. Provisions	(10)	27,022.3	28,536.5
C. Liabilities	(11)	791,890.7	556,202.7
of which due within one year		691,018.4	472,031.1
of which due in more than one year		100,872.3	84,171.6
D. Accruals and deferred income	(12)	2,572.7	1,873.6
		1,305,977.0	891,104.2
Contingent liabilities	(13)	2,500.0	5,406.4
		2,500.0	5,406.4

Income statement

		€k	
	Notes	2023	2024
1. Revenue	(14)	12,675,441.6	8,978,702.5
2. Change in the total of services not yet billable		-1,160.3	82.9
3. Other own work capitalised		22.4	0.0
4. Other operating income	(15)	520.3	1,260.5
5. Operating income (subtotal of lines 1 to 4)		12,674,824.0	8,980,045.9
6. Expenses for electricity, gas purchases and purchases of emission allowances and other purchased production services and other services		-12,390,031.6	-8,720,270.0
7. Personnel expenses	(16)	-36,209.7	-43,111.9
8. Depreciation and amortisation	(17)	-1,661.6	-2,301.8
9. Other operating expenses	(18)	-28,027.4	-29,825.3
10. Total earnings (subtotal of lines 5 to 9)		218,893.7	184,536.9
11. Income from equity interests		106.4	126.5
12. Income from other securities in financial assets		154.7	167.9
13. Other interest and similar income		20,470.4	17,620.9
14. Income from the disposal and reversal of impairment losses on investments		18.5	7.7
15. Expenses from investments		1,304.0	-4,633.4
16. Interest and similar expenses		-38,417.7	-21,136.1
17. Financial result (subtotal of lines 11 to 16)	(19)	-16,363.7	-7,846.5
18. Earnings before taxes (subtotal of lines 10 and 17)		202,530.0	176,690.4
19. Taxes on income	(20)	-48,209.7	-41,200.0
20. Net income for the year		154,320.3	135,490.4
21. Release of revenue reserves		0.0	180,000.0
22. Changes in net assets as a result of reorganisations		-9,928.8	0.0
23. Profit transferred due to a profit and loss transfer agreement		-144,391.6	-315,490.4
24. Net profit		0.0	0.0

Statement of changes in fixed assets

	As at 1/1/2024	Additions	Disposals	Reclassifications	As at 31/12/2024
I. Intangible assets					
1. Concessions, industrial property rights, electricity purchase rights, usage fees and similar rights and benefits as well as licences derived therefrom	20,743.6	3,231.5	5.7	0.0	23,969.3
2. Prepayments	0.0	0.0	0.0	0.0	0.0
	20,743.6	3,231.5	5.7	0.0	23,969.3
II. Property, plant and equipment					
1. Land, land rights and buildings, including buildings on third-party land					
a. with plant and other plant facilities	1,967.0	8.0	0.0	0.0	1,975.0
2. Electrical installations	7,174.6	7,366.5	49.9	9,188.7	23,679.9
3. Other equipment, office and plant equipment	2,141.7	277.5	117.8	0.0	2,301.4
4. Prepayments, assets under construction and projects	12,870.1	9,569.3	0.0	-9,188.7	13,250.7
	24,153.3	17,221.3	167.7	0.0	41,207.0
Property, plant and equipment and intangible assets	44,897.0	20,452.8	173.4	0.0	65,176.3
III. Investments					
1. Shares in affiliated companies	98,465.7	30,548.6	0.0	0.0	129,014.3
2. Securities (loan stock rights) classified as fixed assets	1,625.4	75.1	0.0	0.0	1,700.5
3. Other loans	5,773.5	165.6	1.4	0.0	5,937.7
	105,864.6	30,789.3	1.4	0.0	136,652.6
Fixed assets	150,761.6	51,242.1	174.8	0.0	201,828.9

€k						
Accumulated depreciation, amortisation and write-downs as at 1/1/2024	Additions from depreciation and amortisation	Disposals	Reversals of impairment	Reclassifications	Accumulated depreciation, amortisation and write-downs as at 31/12/2024	Net carrying amount as at 31/12/2024
12,399.7	1,015.0	5.7	0.0	0.0	13,409.0	10,560.4
0.0	0.0	0.0	0.0	0.0	0.0	0.0
12,399.7	1,015.0	5.7	0.0	0.0	13,409.0	10,560.4
357.4	68.9	0.0	0.0	0.0	426.3	1,548.6
4,331.0	791.7	49.9	0.0	0.0	5,072.8	18,607.1
1,579.4	426.2	117.8	0.0	0.0	1,887.9	413.6
0.0	0.0	0.0	0.0	0.0	0.0	13,250.7
6,267.9	1,286.8	167.7	0.0	0.0	7,387.0	33,820.0
18,667.5	2,301.8	173.4	0.0	0.0	20,795.9	44,380.4
0.0	0.0	0.0	0.0	0.0	0.0	129,014.3
47.3	0.0	0.0	7.7	0.0	39.6	1,661.0
0.0	0.0	0.0	0.0	0.0	0.0	5,937.7
47.3	0.0	0.0	7.7	0.0	39.6	136,613.0
18,714.8	2,301.8	173.4	7.7	0.0	20,835.5	180,993.4

Notes to the annual financial statements

Notes

I. General notes

VERBUND Energy4Business GmbH with its registered office in Vienna is entered in the commercial register at the Commercial Court of Vienna under number FN 173735-v.

These annual financial statements have been prepared in accordance with the provisions of the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB), as currently amended.

In the interest of clear presentation, individual line items in the balance sheet and the income statement have been aggregated. These line items are explained separately in the notes to the annual financial statements. The individual line items of the balance sheet and income statement are presented in accordance with VERBUND's Group-wide requirements with respect to form and substance.

In accordance with Section 223(7) of the Austrian Commercial Code (UGB), balance sheet and income statement line items with a carrying amount of zero in both the financial year and the previous year are not reported. The line item designations have been either shortened or expanded to reflect their actual content in accordance with Section 223(4) of the Austrian Commercial Code (UGB) to the extent deemed expedient in the interest of presenting annual financial statements that are clear and transparent.

If the presentation has changed year-on-year or if the prior-year amounts are not comparable, the prior-year amounts are adjusted in accordance with Section 223(2) of the Austrian Commercial Code (UGB) and explained in the corresponding item.

The use of computing software may lead to rounding differences when adding rounded amounts and calculating percentages.

II. Accounting policies

The annual financial statements were prepared in compliance with the general practice of giving a true and fair view of the Company's net assets, financial position and results of operations in accordance with Austrian generally accepted accounting principles.

In preparing the annual financial statements, the principles of completeness and prudence were adhered to. Measurement was based on the assumption that the Company is a going concern.

As a rule, fixed assets subject to wear and tear are measured at cost less depreciation and amortisation.

Fixed assets

Property, plant and equipment and intangible assets used for longer than six months of the financial year are depreciated or amortised at the full annual rate, whereas those that are used for less than six months are depreciated or amortised at half the annual rate.

Purchased intangible assets are recognised at cost and – to the extent that they are subject to wear and tear – amortised over their standard useful life.

Low-value assets are written off in full in the year of acquisition and reported as an asset disposal in the subsequent year.

Shares in affiliated companies and equity interests are recognised at cost or at the lower fair value. Securities and loan stock rights classified as fixed assets are measured at cost or the lower fair value.

Interest-bearing loans are recognised at their principal amounts. Impairment losses are recognised if the impairment is expected to be permanent. Receivables due in more than one year are reported under financial assets as loans, with the exception of receivables from instalment sales.

VERBUND's schedule of uniform depreciation and amortisation rates specifies the following depreciation and amortisation rates for VERBUND Energy4Business GmbH:

	Rate of depreciation/ amortisation in %	Useful life in years
Intangible assets		
Rights to software products	25	4
Other rights	2–25	4–50
Buildings		
Office buildings	2 or 3	33.3 or 50
Technical installations and machinery		
Electrical installations	3–14.3	7–33.3
Photovoltaic systems	3.33–10	10–30
Telecommunications installations	4–33.3	3–25
Office and plant equipment	10–25	4–10

Inventories recognised using the moving average price method are measured at cost in accordance with the strict lower of cost or market value principle.

Current assets

Receivables and other assets are measured at their principal amount, unless a lower fair value is required to be recognised in the case of specific identifiable risks. Receivables denominated in foreign currencies are measured at the mean rate of exchange prevailing at the recognition date or the lower foreign exchange reference rate of the European Central Bank (ECB) prevailing at the reporting date (unless the exchange rate is otherwise hedged). Receivables denominated in foreign currencies not listed by the ECB are measured at the exchange rate listed by the respective national bank.

Cash at banks denominated in foreign currencies is also measured at the ECB foreign exchange reference rate in accordance with the strict lower of cost or market principle.

The Company has recognised deferred tax assets pursuant to Section 198(9) of the Austrian Commercial Code (UGB) to the extent tax relief is expected in subsequent years, whereby the deferred taxes attributable to Group members based on tax allocation are presented under the current result in their balance sheets. In the event of a net tax liability, the deferred taxes are offset and presented under tax provisions.

Deferred taxes

The deferral item results from differences between the financial and tax accounts with respect to line items that can only be deducted as expenses or recognised as income in the income statements for future tax purposes. The underlying tax rate for Austria is 23% (previous year: 23%).

Provisions take into account all identifiable risks that can be allocated to a financial year that has already ended and include those amounts that it was necessary to recognise based on the best estimate of the settlement amount. Provisions with a remaining term to maturity of more than one year are discounted using a market interest rate.

Provisions

Provisions for termination benefits are allocated at the full actuarial amount based on the projected unit credit method typically used in international financial reporting. The accumulation period for provisions for termination benefits is 25 years. Employees whose contracts began after 31 December 2002 are no longer entitled to a direct claim against their employer for statutory termination benefits. For those employment contracts, the employer pays 1.53% of the salary each month into an employee pension fund

in which the contributions are deposited in an account held by the employee. Any amounts resulting from provisions of the collective bargaining agreement for energy supply companies that go beyond the statutory entitlements are recognised in provisions for termination benefits.

In certain circumstances, the company is required to pay pension benefits to employees after they retire based on labour-management agreements and contracts. The resulting defined benefit pension plan obligations are partially covered by pension plan assets earmarked for this purpose by APK Pensionskasse AG. The provision calculated in accordance with the projected unit credit method typically used in international financial reporting is presented net of pension plan assets. The employer is obligated to provide additional funding to the extent that the defined benefit pension plan obligations are required to be fulfilled by APK Pensionskasse AG.

Provisions for current pensions, vested pensions and similar obligations are determined using the projected unit credit method. The actuarial interest rate used to measure provisions for employee benefits relating to pensions and termination benefits (*Sozialkapital*) as at 31 December 2024 was derived by averaging the interest rate recommendations published by actuarial consulting firms as at the reporting date. Interest expenses are shown in the financial result, in line with international practice.

“Similar obligations” (relating to pensions and similar obligations) refer to the employer contributions for supplementary health insurance premiums to be paid after retirement. The provisions are calculated in the same manner as provisions for pension obligations. As a result of a reorganisation of the supplementary health insurance system in previous years, new contracts are currently only concluded with insurance excesses. Employees with old contracts excluding an insurance excess have the opportunity to transfer to the new system at any time.

The calculations are based on the updated “AVÖ 2018-P – Actuarial Assumptions for Pension Insurance”.

The calculations as at 31 December 2024 and 2023 were based on the following assumptions:

	%	
	2023	2024
Interest rate		
Pensions and similar obligations	3.75	3.25
Termination benefits	3.75	3.00
Trend		
Pension increases	2.00–6.75	2.50–4.25
Salary increases	2.75–7.25	2.75–4.25
Contributions to obligations similar to pensions – old contracts	6.00	6.00
Contributions to obligations similar to pensions – new contracts	4.00	4.50
Employee turnover	0.00–5.80	0.00–5.80
Retirement age – women	60–65 years	60–65 years
Retirement age – men	65 years	65 years
Expected long-term return on plan assets	3.75	3.25

The same interest rate is applied to the expected return on plan assets as is used to determine the corresponding provision. The discount rates differ based on the residual term of the pension obligations and in line with the total contained therein (employees and pensioners). The effects of changes in parameters are presented under personnel expenses.

Liabilities are recognised at their settlement amount based on the principle of prudence. Trade liabilities denominated in foreign currency are measured at the ECB foreign exchange reference rate prevailing at the reporting date, provided such rate is higher than the rate prevailing at the time of origination.

Liabilities

Liabilities denominated in foreign currencies not listed by the ECB are measured using the exchange rate listed by the respective national bank.

Accruals and deferred income include investment grants that are amortised in accordance with the useful lives of the corresponding items of property, plant and equipment, as well as deferred revenue. In addition, a revaluation reserve was recognised for tax accounting purposes in 2016 pursuant to Section 124b(270)(a) of the Austrian Income Tax Act (*Einkommensteuergesetz*, EStG). The revaluation reserve is accounted for under accruals and deferred income pursuant to Section 906(32) of the Austrian Commercial Code (UGB).

Accruals and deferred income

Wholesale and industrial customers

Marketing of own generation

VERBUND Energy4Business GmbH hedges planned generation on behalf of the generation subsidiaries of VERBUND AG and with respect to the purchase rights of VERBUND AG. This involves VERBUND Energy4Business GmbH purchasing electricity forwards from the respective VERBUND generation company and from VERBUND AG itself (purchase rights) at market prices in accordance with the corresponding electricity supply agreement and entering into an inverse transaction on the market by selling electricity forwards or electricity futures. VERBUND Energy4Business GmbH retains any margin between the purchase price and the sales price.

The transactions between VERBUND Energy4Business GmbH and VERBUND's generation companies or VERBUND AG are classified either as derivatives (if optimisations are made) or as own-use relationships (if the delivery is exclusively from the generation companies or VERBUND AG to VERBUND Energy4Business GmbH). The transactions between VERBUND Energy4Business GmbH and the external partners constitute derivatives, with some exceptions.

Hedging relationships exist between transactions with VERBUND's generation companies or VERBUND AG (the hedged item) and transactions with external partners (the derivative). Hedge accounting is applied to these hedging relationships. These hedging relationships serve to hedge against market risk.

Derivative financial instruments

Other wholesale and industrial customer transactions

In addition, VERBUND Energy4Business GmbH enters into over-the-counter (OTC) transactions with external counterparties in the sales area. VERBUND Energy4Business GmbH retains the margin generated from these transactions. The transactions are combined in different portfolios based on similarities in transaction structure, sales channel and market. The portfolios serve as reinsurance for the sales transactions. If a portfolio presents a loss for a delivery year, i.e. if the average fixed sales price is lower than the cost of reinsurance, a provision for onerous contracts is recognised.

The purchase and sale transactions in the portfolios are either derivatives or own-use contracts. The purchase and sale transactions are closed out in terms of volume and then classified as either a hedged item or a hedging instrument on the date the contract is entered into. Hedge accounting is applied on a portfolio basis in each case.

Assessing hedge effectiveness

No material hedge ineffectiveness occurs in the sales area because fluctuations in the market value of the derivatives are routinely offset in purchase and sale transactions that are nearly closed in terms of volume. Any open positions are taken into consideration when determining the amount of provisions for onerous contracts. The amounts realised from derivative hedging transactions are recognised in the income statement.

Trading area

Portfolio valuation is conducted annually in the trading area. Changes in the value of the transactions offset each other within the annual portfolio. In accordance with the Austrian Commercial Code (UGB),

only those annual portfolios with a negative balance are accounted for by recognising a provision for onerous contracts. The Austrian Commercial Code (UGB) stipulates that annual portfolios with a positive balance may not be recognised. The result from trading is presented after offsetting under electricity revenue.

Due to its inclusion as a member of the group of companies of VERBUND AG, the parent of the consolidated tax group, VERBUND Energy4Business GmbH is not an independently taxable entity for corporate income tax purposes.

Taxes on income

The tax group parent charges (tax allocation rate of 23%; previous year: 24%) or, in the event of a loss, credits (tax allocation rate of 23%, 18% or 13%, depending on the anticipated date of future profits of the group member; previous year: 24%, 18% or 13%) the group members with the corporate income tax amounts attributable to them by means of tax allocations. The practice of recharging tax allocations shifts the reduction or increase in tax expense to the parent's income statement. Tax recharges to group members are only adjusted for subsequent deviations if the amounts are material.

VERBUND Energy4Business GmbH is part of the VERBUND Group, a multinational corporate group subject to the Austrian Minimum Taxation Act (*Mindestbesteuerungsgesetz*, MinBestG) and the EU Pillar Two model rules. As the ultimate parent company of the VERBUND Group, VERBUND AG is the tax debtor as defined in the Minimum Taxation Act.

At least one of the three CbCR Safe Harbour tests was met during the 2024 financial year. Hence no additional Pillar Two calculations were necessary, and no top-up tax had to be paid.

VERBUND has applied the mandatory exemption with respect to the recognition of deferred tax assets and liabilities arising from Pillar Two income taxes.

III. Notes to the balance sheet and to the income statement

As per the merger agreement dated 22 November 2023, Solarpower Holding GmbH was merged with VERBUND Energy4Business GmbH as at 30 September 2023 in accordance with Section 96 of the Limited Liability Companies Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, GmbHG) in conjunction with Sections 220 ff. of the Stock Corporation Act (*Aktiengesetz*, AktG) and in accordance with Article I of the Reorganisation Tax Act (*Umgründungssteuergesetz*, UmgrStG), taking advantage of the tax benefits provided for under the UmgrStG. The carrying amounts as at 30 September 2023 were as follows:

**Corporate law
matters**

Net assets	€k
	30/9/2023
Fixed assets	1,471.5
Current assets	1,952.0
Prepayments and accrued income	3.1
Untaxed reserves	–105.9
Provisions	–246.4
Liabilities	–1,096.1
	1,978.2

A. Fixed assets

Assets

For details, please refer to the separate “Statement of changes in fixed assets”.

(1) II. Property, plant and equipment

Base value of land: €558.8k (previous year: €558.8k). The land was acquired in 2023 with the merger of Solarpower Holding GmbH into VERBUND Energy4Business GmbH and is included in the net assets acquired as at 30 September 2023.

(2) III. Investments

The disclosures in accordance with Section 238(1)(4) of the Austrian Commercial Code (UGB) are presented separately under “Disclosures of equity interests”.

The additions to equity interests concern shareholder contributions of €22,000.0k to VERBUND Energy4Business Germany GmbH, Electriply GmbH (formerly iFix Solar GmbH) and VERBUND Engineers4Energy GmbH (formerly MSP Solarpower GmbH). Capital contributions of €8,531.1k were additionally made to the subsidiary SMATRICS GmbH & Co KG. Also, an addition of €17.5k was made to the paid-in capital of subsidiary VERBUND Engineers4Energy GmbH (formerly MSP Solarpower GmbH) in 2024.

Securities (loan stock rights) classified as fixed assets These consist of Austrian investment fund units and loan stock rights on electricity trading exchanges.

€k				
	Residual term to maturity as at 31/12/2024			Total
	≤ 1 year	> 1 year	> 5 years	
Loans				
1. Other loans	0.6	0.0	5,937.1	5,937.7
	0.6	0.0	5,937.1	5,937.7

€k				
	Residual term to maturity as at 31/12/2023			Total
	≤ 1 year	> 1 year	> 5 years	
Loans				
1. Other loans	1.1	0.0	5,772.3	5,773.5
	1.1	0.0	5,772.3	5,773.5

B. Current assets

(3) I. Inventories

€k		
	2023	2024
Trading goods	27,174.3	22,741.8
Services not yet billable	30.3	113.3
	27,204.6	22,855.1

(4) II. Receivables and other assets

€k				
	Residual term to maturity as at 31/12/2024			Total
	≤ 1 year	> 1 year	> 5 years	
Receivables and other assets				
1. Trade receivables	465,272.6	17.9	0.0	465,290.4
2. Receivables from affiliated companies	13,900.2	0.0	0.0	13,900.2
3. Other receivables and assets	74,745.0	132,046.3	0.0	206,791.4
	553,917.8	132,064.2	0.0	685,982.0

€k				
	Residual term to maturity as at 31/12/2023			Total
	≤ 1 year	> 1 year	> 5 years	
Receivables and other assets				
1. Trade receivables	497,821.6	9.9	0.0	497,831.5
2. Receivables from affiliated companies	15,481.0	0.0	0.0	15,481.0
3. Other receivables and assets	498,681.8	132,873.4	0.0	631,555.2
	1,011,984.5	132,883.2	0.0	1,144,867.7

Of the receivables from affiliated companies, €13,900.2k related to trade receivables (previous year: €15,481.0k).

	€k	
Other receivables and assets	2023	2024
Security deposits electricity business	227,433.8	194,753.3
Electricity trading activities	382,464.7	10,994.5
Emission allowance trading	0.0	836.5
Tax authorities	217.3	186.5
Payroll	22.7	12.1
Related to social security	9.0	7.8
Gas trading business	21,406.9	0.0
Other	0.7	0.8
	631,555.2	206,791.4

Other receivables from electricity trading of €10,994.5k relate mainly to compensation payments for futures for which hedge accounting was applied. In the previous year, €382,464.7k related primarily to accruals required by the Austrian Commercial Code (UGB) to account for differences between realisation dates at electricity trading exchanges and at VERBUND Energy4Business GmbH.

Receivables for security deposits for the electricity business of €132,046.3k (previous year: €132,873.4k) were reported in 2024 as non-current receivables.

(5) C. Prepayments and accrued income

	€k	
	2023	2024
Other	740.5	837.4

A. Equity

Equity and liabilities

(6) I. Called and paid-in share capital

The share capital of VERBUND Energy4Business GmbH amounts to €250.0k (previous year: €250.0k) and was fully paid in as at the reporting date. There are no reciprocal equity interests in accordance with Section 241(6) of the Austrian Commercial Code (UGB).

(7) II. Capital reserves

	€k	
	2023	2024
Allocated capital reserves	1,171.4	1,171.4
Unallocated capital reserves	126,844.7	126,844.7
	128,016.1	128,016.1

(8) III. Revenue reserves

	€k	
	2023	2024
Statutory reserves	25.0	25.0
Distributable reserves	356,200.3	176,200.3
	356,225.3	176,225.3

(9) IV. Net profit

	€k	
As at 31/12/2023		0.0
Net income for the year		135,490.4
Changes in revenue reserves		180,000.0
Profit transfer to VERBUND AG		-315,490.4
As at 31/12/2024		0.0

VERBUND Energy4Business GmbH has a profit and loss transfer agreement with VERBUND AG. The reversal of revenue reserves in the 2024 reporting period was undertaken in consideration of tax provisions (internal financing account) and maintaining the equity ratio at a minimum of 20%.

(10) B. Provisions

1. Provisions for termination benefits			€k
	2023	2024	
Premium reserve based on actuarial calculations	6,384.9	6,735.6	
Taxed portion of provisions	6,384.9	6,735.6	

In 2002, the provision permitted under Section 14 of the Austrian Income Tax Act (EStG) was transferred tax-free to a reserve qualifying as taxable (Section 124b(68) of the Austrian Income Tax Act (EStG)).

2. Provisions for pensions			€k
	2023	2024	
Provisions for pension obligations gross	5,629.0	6,699.0	
Pension fund assets	-2,300.7	-2,379.4	
Provisions for pension obligations net	3,328.4	4,319.7	
of which obligations similar to pensions	2,680.5	3,520.8	

3. Other provisions			€k
	2023	2024	
Other services	714.3	542.4	
Outstanding capital expenditure invoices	2,002.2	518.4	
Consulting services	630.4	429.6	
Electricity/grid purchases	200.0	200.0	
Expected losses	361.0	159.9	
Other	494.4	0.0	
	4,402.3	1,850.3	

Other personnel-related provisions			€k
	2023	2024	
Bonuses	4,025.9	4,668.7	
Unused holidays	2,752.7	3,257.2	
Anniversary bonuses	1,877.0	2,977.3	
Holiday allowance	1,315.1	1,466.5	
Compensatory time credit	494.4	543.5	
Death grant	44.8	51.5	
Other personnel-related provisions	43.7	48.5	
	10,553.6	13,013.2	

4. Provisions for taxes			€k
	2023	2024	
Corporate income tax (including prior reporting periods)	246.4	4.6	

The provision for corporate income tax relates to Solarpower Holding GmbH before the company was merged into VERBUND Energy4Business GmbH, and is included in the net assets acquired as at 30 September 2023.

5. Provisions for deferred taxes

€k

	2023	2024
Social capital	2,388.6	2,841.0
Valuation of fixed assets	-174.0	-747.9
Other	-4,321.4	-4,706.1
Deferred tax receivables (+) respectively liabilities (-) netted	-2,106.8	-2,613.1

Other deferred taxes relate to differences between the financial and tax accounts and primarily concern the recognition of investees. The underlying tax rate for Austria is 23%.

(11) C. Liabilities

€k

	Residual term to maturity as at 31/12/2024			Total
	≤ 1 year	> 1 year	> 5 years	
Liabilities				
1. Liabilities to banks	3,145.6	0.0	0.0	3,145.6
2. Trade payables	128,239.5	0.0	0.0	128,239.5
3. Liabilities to affiliated companies	254,094.6	0.0	2,954.1	257,048.8
4. Other liabilities	86,551.4	81,217.5	0.0	167,768.9
	472,031.1	81,217.5	2,954.1	556,202.7

€k

	Residual term to maturity as at 31/12/2023			Total
	≤ 1 year	> 1 year	> 5 years	
Liabilities				
1. Liabilities to banks	143,150.3	0.0	0.0	143,150.3
2. Trade payables	187,643.7	93.0	0.0	187,736.7
3. Liabilities to affiliated companies	304,924.5	0.0	2,875.1	307,799.6
4. Other liabilities	55,299.8	80,477.0	17,427.2	153,204.0
	691,018.4	80,570.0	20,302.3	791,890.7

Of the liabilities to affiliated companies, €254,091.6k (previous year: €303,835.1k) relates to other liabilities and €2,957.2k (previous year: €3,964.6k) to trade payables.

€k

Other liabilities	2023	2024
From long-term electricity supply commitments	97,904.2	81,217.5
Electricity trading activities	34,153.5	62,298.5
From short-term electricity supply commitments	20,950.8	20,868.5
Gas trading business	0.0	2,087.9
From taxes	0.0	687.8
Related to social security	0.0	606.8
Other	4.0	1.7
	153,204.1	167,768.9

Other liabilities from electricity trading of €62,298.5k relate primarily to accruals required by the Austrian Commercial Code (UGB) to account for differences in realisation dates at electricity trading exchanges and at VERBUND Energy4Business GmbH. In the previous year, liabilities of €34,153.5 related mainly to compensation payments for futures for which hedge accounting was applied.

(12) D. Accruals and deferred income

	€k	
	2023	2024
Contributions to building costs	1,112.0	1,249.1
Revaluation reserve	518.4	518.4
From electricity business	899.3	84.7
Investment grants	42.9	21.3
	2,572.7	1,873.6

This line item includes contributions to building costs (financing contributions) in connection with the use of specific plants. Impairment reversals not carried out in previous years were transferred to a revaluation reserve for tax purposes in accordance with Section 124b(270)(a) of the Austrian Income Tax Act (EStG) as at 1 January 2016 and are recognised under accruals and deferred income in accordance with Section 906(32) of the Austrian Commercial Code (UGB). Accruals and deferred income include grants awarded under the COVID-19 Investment Subsidy Act (InvPrG) in the amount of €21.3k (previous year: €42.9k). An investment amount of €634.6k was applied for from Austria Wirtschaftsservice Gesellschaft mbH in 2020 and 2021.

	€k			
COVID-19 investment premium	2023	Addition	Reversal	2024
I. Intangible assets	32.0	0.0	–10.7	21.3
II. Property, plant and equipment	10.9	0.0	–10.9	0.0

(13) Contingent liabilities

VERBUND Energy4Business GmbH is liable to VERBUND Finanzierungsservice GmbH for the liabilities of the wholly owned subsidiary VERBUND Engineers4Energy GmbH (formerly MSP Solarpower GmbH) in a maximum amount of €1,100.0k and for the liabilities of VERBUND's wholly owned subsidiary Electriply GmbH (formerly iFIX Solar GmbH) in a maximum amount of €1,400.0k under a hard letter of comfort issued for an indefinite period. VERBUND Energy4Business GmbH is liable to VERBUND Finanzierungsservice GmbH for the liabilities of subsidiary SMATRICS GmbH & Co KG (equity interest of 74.9%) in a maximum amount of €3,000.0k. As at the 2024 reporting date, the actual amount outstanding was €2,906.4k.

(14) 1. Revenue

€k

Notes to the income statement

		2023	2024
Revenue from electricity deliveries			
Domestic	Traders	1,255,780.9	1,204,275.3
	Resellers	3,386,683.1	1,695,371.4
	Industrial customers	638,812.0	482,806.3
		5,281,276.1	3,382,452.9
EU	Traders	3,880,255.7	2,964,458.0
	Resellers	2,406,554.9	1,773,746.4
	Industrial customers	579,741.1	433,774.6
		6,866,551.8	5,171,979.0
		12,147,827.8	8,554,432.0
Other revenue (including emission allowances and gas trading)		527,613.8	424,270.6
		12,675,441.6	8,978,702.5

Revenue from sales to industrial customers also includes recharged amounts, such as grid fees. The offsetting item – netted in revenue – is accounted for by the resellers.

(15) 4. Other operating income

€k

	2023	2024
a) Income from the disposal of fixed assets with the exception of investments	0.5	0.0
b) Income from the reversal of provisions	219.3	336.8
c) Others	300.6	923.6
	520.3	1,260.5

(16) 7. Personnel expenses

€k

	2023	2024
a) Salaries	28,052.6	33,029.1
of which non-current obligations	343.2	1,027.1
b) Expenses for termination benefits and payments to employee pension funds		
Termination benefits	428.5	600.7
Contributions to employee pension funds	305.2	374.8
Change in the provision for termination benefits	136.3	123.8
	870.0	1,099.4
c) Expenses for pensions and similar obligations		
Provisions, pension payments and similar obligations	96.4	74.3
Change in the provisions for pensions and similar obligations	290.1	1,010.7
Expenses/income and takeovers/transfers within the Group	-13.1	-15.2
Change in the provisions for early retirement benefits	-29.5	0.0
Pension fund contributions	1,050.8	958.7
	1,394.8	2,028.5
d) Expenses for social security contributions as required by law as well as income-based charges and compulsory contributions	5,589.8	6,575.9
e) Other social security expenses	302.5	379.2
	36,209.7	43,111.9

Interest rate changes and changes in salary and pension assumptions related to termination benefits and pensions and similar obligations resulted in a negative effect of €1,313.3k in the financial year after a positive effect of €476.5k in the previous year. The result of the parameter changes was recognised in full in the financial year.

(17) 8. Depreciation, amortisation and write-downs

€k

	2023	2024
a) Amortisation of intangible assets and depreciation of property, plant and equipment		
Depreciation and amortisation	1,552.0	2,126.6
Immediate write-off of low-value assets in accordance with Section 13 of the Austrian Income Tax Act (EStG)	109.7	175.2
	1,661.6	2,301.8

(18) 9. Other operating expenses

€k

	2023	2024
a) Taxes other than taxes on income	8.7	6.3
b) Other		
Expenses for information processing	7,822.7	9,937.0
Other administrative expenses	2,722.9	2,925.7
Operating costs for buildings, rents and leasing	1,997.0	2,204.1
Legal, audit and consulting expenses	1,890.2	2,166.7
Usage fees	1,934.5	1,976.8
Data services, telecommunications services	1,459.4	1,491.2
Advertising costs	1,615.8	1,291.9
Temporary personnel and provision of personnel	1,615.7	943.0
Travel expenses	317.5	410.0
Material consumption	367.9	401.0
Membership fees	312.9	361.4
Training and further education	188.8	251.3
Other	5,773.4	5,458.9
	28,018.7	29,819.0
	28,027.4	29,825.3

(19) 17. Financial result

€k

	2023	2024
Income from equity interests		
from affiliated companies	1,639.1	0.0
Other interest and similar income		
from affiliated companies	11,780.9	11,087.9
Expenses relating to investments		
from affiliated companies	335.1	4,633.4
Interest and similar expenses		
of which interest for long-term personnel provisions	368.4	417.0
from affiliated companies	17,651.0	7,648.4

(20) 19. Taxes on income

€k

	2023	2024
From the Group parent		
Taxes on income ¹	46,967.5	40,693.8
Deferred taxes	1,242.2	506.3
	48,209.7	41,200.0

¹ tax allocation rate of 23%

IV. Other disclosures

		€k	
Material items	Total commitment	2025	2025–2029
Rent, lease and insurance agreements	¹	1,694.5	7,395.8
Purchase commitments	4,028.4	2,829.2	4,028.4
of which to affiliated companies	¹	1,090.0	5,450.0

¹ The amount of the total commitment cannot be determined due to unspecified contract periods.

1. Total amount of other financial obligations

The Company has concluded an agreement with VERBUND Services GmbH for the invoicing of services in the areas of IT, telecommunications, procurement, financial accounting, payroll and administrative services.

An agreement has been entered into with VERBUND Finanzierungsservice GmbH for the invoicing of payment transaction and cash management services.

An agreement has been entered into with VERBUND AG for the invoicing of general management services.

As a shareholder in SMATRICS GmbH & Co KG, VERBUND Energy4Business GmbH assumed a liability totalling €1,000.0k for the duration of four years (beginning at the closing of the joint venture transaction in 2020) on behalf of a newly formed joint venture – SMATRICS mobility+ GmbH – between SMATRICS GmbH & Co KG and Energie Baden-Württemberg AG. As a shareholder in SMATRICS GmbH & Co KG and based on corporate resolutions, VERBUND Energy4Business GmbH has committed to make earmarked payments of €4,771.1k to the capital reserves of SMATRICS GmbH & Co KG; the first partial payment amounting to €734.0k was transferred on 24 January 2023, and the second totalling €4,037.1k was transferred on 24 January 2024. Meeting the capital requirements of SMATRICS GmbH & Co KG resulted in a pro rata financing requirement of €10.6m, €6.149m of which was contributed by VERBUND Energy4Business GmbH in July 2023, with another €4.494m contributed in June 2024.

As part of the 2025 budget resolution, an additional (pro rata) capital injection of €4.494m was approved and paid out in January 2025.

VERBUND Energy4Business GmbH has concluded electricity supply and electricity purchase agreements with the following Group companies:

VERBUND AG – electricity generation based on purchase rights for Ennskraft and the hydropower plants on the border to Bavaria (Österreichisch-Bayerische Kraftwerke AG, Donaukraftwerk Jochenstein AG, Innwerk AG) – VERBUND Hydro Power GmbH, VERBUND Thermal Power GmbH & Co KG, VERBUND Innkraftwerke GmbH (share of own generation and deliveries to downstream buyers EVN-Naturkraft, Wienenergie and Innkraft Bayern GmbH & Co. KG), Innwerk AG (electricity generation from its own plant and purchase rights for the other hydropower plants on the border to Bavaria (Österreichisch-Bayerische Kraftwerke AG, Donaukraftwerk Jochenstein AG), VERBUND Wind Power Austria GmbH, VERBUND Green Power Deutschland GmbH, VERBUND Wind Power Romania S.R.L. and VERBUND Green Power GmbH.

The electricity supply agreements between VERBUND Energy4Business GmbH and VERBUND's generation companies, which were transferred by VERBUND AG when VERBUND Energy4Business GmbH commenced independent operations, govern the intra-Group settlement of the electricity generated from hydropower and wind power plants made available by the producers. The supply agreements mainly govern the calculation of prices for the electricity generated (for long-term hedging volumes and for short-term volumes priced according to published futures and spot market prices) as well as the requirements for other components of revenue that result, for instance, from marketing volumes used for control power and congestion management of the storage power plants, and revenue arising from sales of guarantees of origin. The agreements stipulate that VERBUND

Energy4Business GmbH's marketing activities be compensated in the form of a handling fee charged on the output managed. Regular committees have been established to address ongoing concerns relating to management of the generation portfolio. The committees are responsible for making the associated contractual adjustments (addenda).

In certain circumstances, the company is required to pay pension benefits to employees after they retire based on labour-management agreements and contracts. The employer is obligated to provide additional funding to the extent that these pension obligations are required to be fulfilled by APK Pensionskasse AG. As a result of the trend on the financial markets, APK Pensionskasse AG reported an obligation for additional funding in the amount of €140.5k (previous year: €55.2k) to cover defined benefit obligations.

Derivative financial instruments (electricity/gas/carbon futures, forwards and options) comprised the following in 2024:

2. Disclosures on financial instruments

€k				
Trading	Fair values – positive	Fair values – negative	Fair values – net	thereof recognised in the balance sheet as a provision
Futures	11,017.1	11,209.2	–192.1	0.0
Forwards	115,686.2	116,686.9	–1,000.7	0.0
Total before netting	126,703.3	127,896.2	–1,192.8	0.0
of which non-current	38,756.1	38,750.2	5.9	0.0
€k				
Wholesale and industrial customers	Fair values – positive	Fair values – negative	Fair values – net	thereof recognised in the balance sheet as a provision
Futures	544,198.9	491,360.0	52,838.9	0.0
Forwards ¹	598,760.8	452,566.3	146,194.5	0.0
Options	0.0	0.0	0.0	0.0
Total before netting	1,142,959.7	943,926.3	199,033.4	0.0
of which non-current	106,452.9	198,544.6	–92,091.7	0.0
€k				
Total	Fair values – positive	Fair values – negative	Fair values – net	thereof recognised in the balance sheet as a provision
Futures	555,216.0	502,569.2	52,646.8	0.0
Forwards	714,447.0	569,253.3	145,193.7	0.0
Options	0.0	0.0	0.0	0.0
Total before netting	1,269,663.0	1,071,822.5	197,840.5	0.0
of which non-current	145,209.0	237,294.8	–92,085.9	0.0
Taking netting agreements into consideration ²	–847,441.3	–847,441.3	0.0	0.0
	422,221.7	224,381.2	197,840.5	0.0

¹ Of the forwards with positive fair values, €6,790.1k relates to affiliated companies; of the forwards with negative fair values, €–27,058.4k relates to affiliated companies. // ² If a framework agreement with a netting clause has been entered into with a counterparty, the positive and negative fair values of the transactions for that counterparty are presented here after netting.

The positive fair values for the annual trading portfolios from 2025 to 2030 are not recognised in the balance sheet. No provision was recognised for negative annual tranches as no future year is negative. The positive fair value of €199,033.4k for wholesale electricity, gas and carbon contracts is offset against “own use” contracts having a negative fair value in the same amount that are designated as the hedged item in a designated hedging relationship. The negative fair values are not presented in the table. With respect to carbon contracts, the carbon inventories are included in the hedge. If the sales price already fixed in specific electricity, gas or carbon contracts falls below the cost of reinsurance, a provision for onerous contracts is recognised for all of the contracts. Any open positions are monitored as part of risk management. As of the 31 December 2024 reporting date, there was an open long position in a volume of 288 GWh for future delivery periods in the electricity area, which resulted from existing sales contracts already concluded for a volume of 100,148 GWh and a procurement contract amounting to 100,436 GWh. The open position arose mainly as a result of load profiles of industrial customers and direct marketing. Cash flows were impacted by changes in the fair value of the futures, except for changes resulting from value date shifts (different value dates for measurement and payment). The resulting receivables and liabilities are presented together with the amounts to be recognised from futures contracts for future periods as other receivables or liabilities (an explanation of the amount is provided under “other receivables” or “other liabilities” where applicable).

Derivative financial instruments (electricity/gas/carbon futures, forwards and options) comprised the following in the previous year:

	€k			
Trading	Fair values – positive	Fair values – negative	Fair values – net	thereof recognised in the balance sheet as a provision
Futures	102,264.0	107,207.2	–4,943.2	0.0
Forwards	300,764.2	294,957.0	5,807.2	0.0
Total before netting	403,028.2	402,164.2	864.0	–51.2
of which non-current	42,064.7	42,371.9	–307.2	0.0

	€k			
Wholesale and industrial customers	Fair values – positive	Fair values – negative	Fair values – net	thereof recognised in the balance sheet as a provision
Futures	1,394,918.3	1,764,242.8	–369,324.5	0.0
Forwards ¹	2,192,124.0	1,029,952.9	1,162,171.2	0.0
Options	0.0	0.0	0.0	0.0
Total before netting	3,587,042.3	2,794,195.6	792,846.7	–309.8
of which non-current	535,147.5	234,135.1	301,012.5	0.0

€k				
Total	Fair values – positive	Fair values – negative	Fair values – net	thereof recognised in the balance sheet as a provision
Futures	1,497,182.2	1,871,450.0	–374,267.7	0.0
Forwards	2,492,888.2	1,324,909.9	1,167,978.4	0.0
Options	0.0	0.0	0.0	0.0
Total before netting	3,990,070.5	3,196,359.8	793,710.6	–361.0
of which non-current	577,212.2	276,506.9	300,705.3	0.0
Taking netting agreements into consideration ²	–2,354,063.0	–2,354,063.0	0.0	0.0
	1,636,007.5	842,296.9	793,710.6	–361.0

¹ In the fair values of the forwards with positive fair values, €269,695.9k relates to affiliated companies, and in the fair values of the forwards with negative fair values, €–166,023.2k relates to affiliated companies. // ² If a framework agreement with a netting clause has been entered into with a counterparty, the positive and negative fair values of the transactions for such counterparty are presented as net amounts.

The positive fair values for the annual trading portfolios from 2024 to 2029 were not recognised in the balance sheet. A provision of €51.2k was recognised for negative annual tranches. The positive fair value of €792,846.7k for wholesale electricity, gas and carbon contracts is offset against “own use” contracts having a negative fair value in the same amount that are designated as the hedged item in a designated hedging relationship. The negative fair values are not presented in the table, with the exception of €–309.8k. With respect to carbon contracts, the carbon inventories are included in the hedge. If the sales price already fixed in specific electricity, gas or carbon contracts falls below the cost of reinsurance, a provision for onerous contracts is recognised for all of the contracts. Any open positions are monitored as part of risk management. As of the 31 December 2023 reporting date, there was an open long position for future delivery periods in the electricity area in a volume of 473 GWh, which resulted from existing sales contracts already concluded for a volume of 98,826 GWh and a procurement contract amounting to 99,299 GWh. The open position arose mainly as a result of load profiles of industrial customers and direct marketing. Cash flows were impacted by changes in the fair value of the futures, except for changes resulting from value date shifts (different value dates for measurement and payment). The resulting receivables and liabilities are presented together with the amounts to be recognised from futures contracts for future periods as other receivables or liabilities (an explanation of the amount is provided under “other receivables” or “other liabilities” where applicable).

Average	2023	2024
Salaried employees	218	241

3. Number of employees

€k		
	2023	2024
Managing directors and senior executives	85.9	165.4
Other employees	2,178.9	2,962.4
	2,264.8	3,127.8

4. Expenses for termination benefits and pensions

Disclosures regarding company boards (the Management and Supervisory Boards) are presented in an annex to these Notes.

5. Company boards

The two members of Management retained their appointments throughout financial years 2023 and 2024, for which reason no additional disclosures are necessary pursuant to Section 242(4) of the Austrian Commercial Code (UGB).

Remuneration paid to members of the Supervisory Board amounted to a total of €25.7k (previous year: €24.5k). No loans or advances were paid out to members of the Company's boards.

In accordance with Section 245 of the Austrian Commercial Code (UGB), VERBUND Energy4Business GmbH is exempt from preparing consolidated financial statements. The parent company required to prepare consolidated financial statements is VERBUND AG, Am Hof 6a, 1010 Vienna. VERBUND AG prepares the exempting consolidated financial statements and submits them to the commercial register of the Commercial Court of Vienna, where they are filed under number FN 76023-z. In accordance with Section 238(1)(18) of the Austrian Commercial Code (UGB), VERBUND Energy4Business GmbH elects not to disclose its expenses for the auditor.

VERBUND Energy4Business GmbH is a member of the group of companies of the parent company (within the meaning of Section 9(8) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*, KStG)).

Irrespective of the group and tax allocation agreement concluded with the tax group parent, the profit and loss transfer agreement concluded with VERBUND AG on 5 May 2014 remains in force. In addition, VERBUND Energy4Business GmbH is a member of a value-added tax fiscal unit with VERBUND AG.

The Company has concluded profit and loss transfer agreements with subsidiaries VERBUND Energy4Flex GmbH, VERBUND Energy4Future GmbH and VERBUND Energy4Business Germany GmbH.

6. Intra-Group relationships

Transactions as defined in Section 8(3) of the Austrian Electricity Industry and Organisation Act (*Elektrizitätswirtschafts- und -organisationsgesetz*, ElWOG) and Section 8(3) of the Gas Industry Act 2011 (*Gaswirtschaftsgesetz*, GWG 2011) were entered into with the following companies in particular:

7. Disclosures in accordance with Section 8(3) of the Austrian Electricity Industry and Organisation Act (ElWOG) and Section 8(3) of the Gas Industry Act 2011 (GWG 2011)

Electricity deliveries VERBUND Hydro Power GmbH, VERBUND Thermal Power GmbH & Co KG, VERBUND Innkraftwerke GmbH, Innwerk AG, Austrian Power Grid AG, Infrastruktur Oberheimbach I GmbH & Co KG, Infrastrukturgesellschaft Bischheim GmbH & Co KG, VERBUND Wind Power Austria GmbH, VERBUND Energy4Business Germany GmbH, VERBUND AG and VERBUND Green Power Deutschland GmbH

Electricity trading and sales VERBUND Energy4Business Germany GmbH, VERBUND AG, VERBUND Energy4Customers GmbH, VERBUND Energy4Flex GmbH and VERBUND Green Power GmbH

Grid services Austrian Power Grid AG

Telecommunications VERBUND Services GmbH

Services VERBUND Services GmbH, VERBUND Energy4Flex GmbH, VERBUND Energy4Future GmbH, SMATRICES GmbH & Co KG, Österreichisch-Bayerische Kraftwerke AG, Donaukraftwerk Jochenstein AG, Parque Eólico Buseco S.L.U., Lusitania Renovables S.L.U., Parque Eólico Loma de los Pinos S.L.U., Parque Eólico Ayamonte S.L.U., Watt Development SPV 5 S.L.U., Watt Development SPV 6 S.L.U., Watt Development SPV 7 S.L.U., Anselma Issuer S.A.U., SICA Desarrollos Albarreal S.L.U., SICA Desarrollos Cuerva S.L.U., SICA Desarrollos los Navalmorales S.L.U., SICA Desarrollos Totanes S.L.U., Stein von Liebig Balears I S.L.U., Topacio Energy S.L.U., Green Power Wind Spain 1 S.L.U., Green Power Wind Marquesado, S.L.U., Energías Renovables de Ofión, S.L.U. and VERBUND Green Power Iberia S.L.U.

Financing VERBUND Finanzierungsservice GmbH

Provision of personnel VERBUND AG

Result of the documentation of electricity by source	Share	2023 kWh
Natural gas	30.79%	1,257,501,000.00
Hydropower	24.88%	1,016,187,878.27
Wind energy	21.18%	865,118,727.88
Solid or liquid biomass	14.26%	582,279,990.93
Biogas	4.56%	186,336,284.53
Solar energy	4.32%	176,631,910.04
Other green energy	0.01%	517,514.41
Total of certificates verified	100.00%	4,084,573,306.06
Evidence not required		0.00
Total volume of electricity supplied to end-users in Austria for their own use		4,084,573,306.06
The guarantees of origin used for electricity labelling come from the following countries		
Austria	47.46%	
Netherlands	12.02%	
Norway	7.01%	
Denmark	7.00%	
France	6.13%	
Sweden	3.92%	
Portugal	3.31%	
Spain	2.86%	
Italy	2.39%	
Czech Republic	2.29%	
Finland	2.10%	
Germany	1.91%	
Latvia	0.61%	
Slovenia	0.42%	
Luxembourg	0.33%	
Hungary	0.24%	
	100.00%	
Impact of electricity generation on the environment for the amount of electricity supplied to customers for their own use		2023
Radioactive waste (mg/kWh)		0.00
CO ₂ emissions (g/kWh)		118.17

8. Disclosures in accordance with Section 78 of the Austrian Electricity Industry and Organisation Act (EIWOG)

The disclosures for 2024 were not yet available on the date this report was prepared. The figures for assigning guarantees of origin based on the green electricity allocation by OeMaG Abwicklungsstelle für Ökostrom AG will be available by 30 April 2025 at the latest. Until that time, the figures from 2023 are applicable.

No events occurred that would require separate reporting.

**9. Events after the
reporting date**

Vienna, 13 February 2025

The Management

Mag. Robert Slovacek

MMag. Martin Wagner

Equity interest disclosures

in accordance with Section 238(1)(4) of the Austrian Commercial Code (UGB)

						€k	
		Head- quarters	% share- holding as at 31/12/2024	Most recent annual financial statements	(+) (-)	Net income/l oss for the year	Equity ¹
Affiliated companies							
Electriply GmbH (formerly iFix Solar GmbH)	€	Feldkirchen	100.00	2024	–	28.2	1,643.1
VERBUND Energy4Business Germany GmbH	€	Munich	100.00	2024	–	4,400.3	60,047.3
VERBUND Energy4Flex GmbH	€	Vienna	100.00	2024	–	6.3	2,600.0
VERBUND Energy4Future GmbH	€	Vienna	100.00	2024	–	226.8	625.0
VERBUND Engineers4Energy GmbH (formerly MSP Solarpower GmbH)	€	Feldkirchen	100.00	2024	+	377.8	1,779.5
E-Mobility Provider Austria GmbH	€	Vienna	74.90	2024	+	9.0	61.8
SMATRICS GmbH & Co KG	€	Vienna	74.90	2024	–	2,606.1	43,735.3

¹ equity as defined by Section 224(3)a of the Austrian Commercial Code (UGB) or local law

Independent Auditor's Report (translation)

Report on the Financial Statements

Audit Opinion

We have audited the annual financial statements of VERBUNDEnergy4Business GmbH, Vienna, comprising the balance sheet as at 31 December 2024, the income statement for the financial year then ended and the notes to the financial statements.

In our opinion, the accompanying financial statements comply with the legal requirements and give a true and fair view of the Company's financial position as at 31 December 2024 and its financial performance for the year then ended in accordance with Austrian commercial law, the Electricity Industry and Organisation Act (*Elektrizitätswirtschafts- und -organisationsgesetz, ElWOG*) and the Natural Gas Act (*Gaswirtschaftsgesetz, GWG*).

Basis for Opinion

We conducted our audit in accordance with Austrian standards on auditing. Those standards require that we comply with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the laws and regulations applicable in Austria and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us up to the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and of the Supervisory Board for the Financial Statements

The Company's management is responsible for preparing financial statements that present a true and fair view of the Company's net assets, financial position and results of operation in accordance with Austrian commercial law, the Electricity Industry and Organisation Act (ElWOG) and the Natural Gas Act (GWG). Furthermore, the management is responsible for such internal controls as it deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with Austrian standards on auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Austrian standards on auditing, which require the application of ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or an override of internal controls.
- obtain an understanding of the internal control system relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system.
- evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and the related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists in respect of events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

Report on the Audit of the Management Report

Pursuant to Austrian commercial law, the management report must be audited to determine whether it is consistent with the financial statements and whether it has been prepared in accordance with the applicable legal requirements.

The Company's management is responsible for the preparation of the management report in accordance with Austrian commercial law.

We conducted our audit in accordance with the standards of professional ethics applicable to the audit of the management report.

Opinion

In our opinion, the management report was prepared in accordance with the applicable legal requirements and is consistent with the financial statements.

Statement

In light of the knowledge and understanding of the Company and its environment obtained in our audit of the financial statements, we have not identified any material misstatements in the management report.

Vienna, 13 February 2025

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. (FH) Rosemarie König

Wirtschaftsprüferin
(Austrian Certified Public Accountant)

pp. Mag. Victoria Scherich

Wirtschaftsprüferin
(Austrian Certified Public Accountant)

This report is a translation of the original German report, which is the only legally binding version. The financial statements may only be published or reproduced together with our auditor's report in the version audited by us. This auditor's report relates exclusively to the German language version of the complete financial statements, including the management report. Section 281(2) of the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB) applies to any versions differing from the version audited by us.

Glossary

Glossary

Earnings before interest and tax (EBIT)

Earnings before interest (including personnel-related interest) and taxes.

Equity ratio

Ratio of equity to total assets.

Notional debt repayment period

Ratio of debt to net profit after tax.

Net cash flow

Balance of the inflow and outflow of cash and cash equivalents, usually broken down into cash flow from operating activities, investing activities and financing activities.

Working capital

Current assets (including current loans and current prepayments and accrued income) less current liabilities (including current accruals and deferred income).

Net debt

Interest-bearing debt less cash and cash equivalents (including securities and shares classified as current assets), adjusted for the asset and liability portions of closed items (e.g. in the case of cross-border leasing transactions).

Return on equity (ROE)

Ratio of earnings before taxes to equity at the beginning of the financial year.

Return on investment (ROI)

Ratio of earnings before interest (including personnel-related interest) and taxes to total capital at the beginning of the financial year.

Return on sales (ROS)

Ratio of earnings before interest (including personnel-related interest) and taxes to revenue.

EDITORIAL DETAILS

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