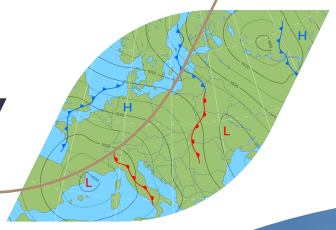
W.E.B
web.energy



Climate & weather

How they impact our society

WEB Windenergie AG
Integrated Sustainability and Annual Report

2023

W.E.B Group KPIs

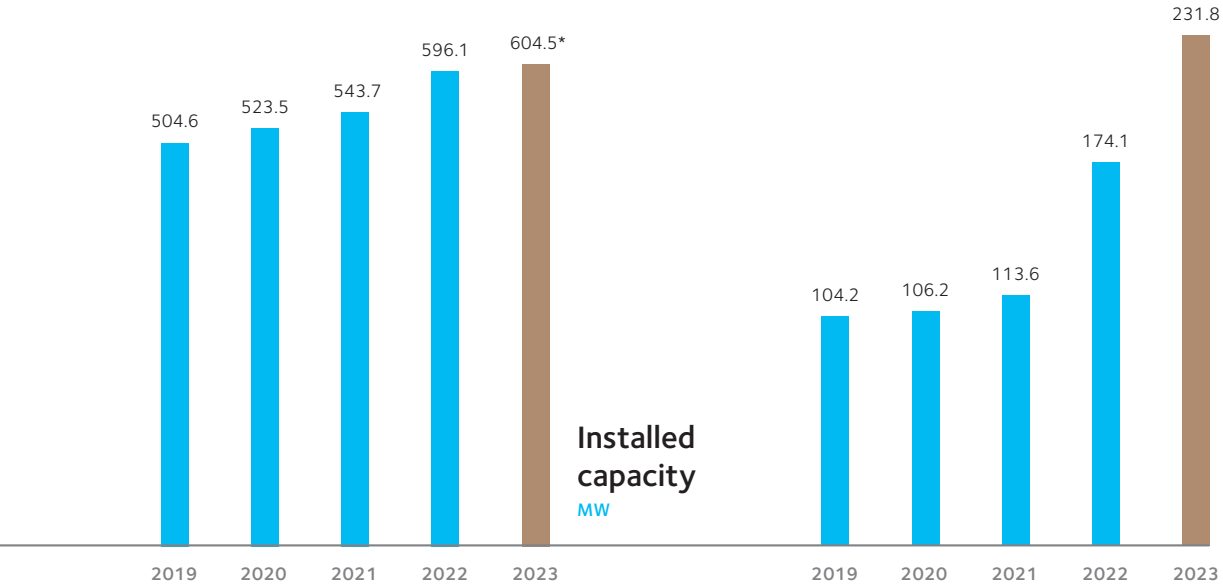
Financial KPIs	2019	2020	2021	2022	2023
EUR million					
Revenue	104.2	106.2	113.6	174.1	231.8
Operating profit	32.2	28.6	31.4	49.6	81.6
Net financial result	–10.4	–8.6	–9.3	–8.6	–13.0
Profit before tax	21.8	20.0	22.2	41.0	68.6
Profit after tax	16.5	15.5	17.1	29.7	52.7
Earnings per share (EUR)	4.6	4.1	4.7	8.4	16.0
Balance sheet total	627.5	610.3	672.9	740.3	882.6
Equity	150.3	150.0	182.2	209.1	240.5
Equity ratio (%)	24.0	24.6	27.1	28.2	27.2
Cash flow from operating activities	64.1	68.5	69.0	73.8	140.4
Investments	78.5	44.1	53.0	103.0	178.4
Return on equity (%)	11.4	10.3	10.3	15.2	23.5

Electricity generation	2019	2020	2021	2022	2023
MWh					
Wind power	1,186,684	1,272,488	1,207,399	1,271,762	1,426,229
Solar power	21,833	22,450	23,302	33,730	33,964
Hydroelectric power	6,739	7,196	6,627	6,684	8,392*
Total electricity generation	**1,215,256**	**1,302,135**	**1,237,329**	**1,312,176**	**1,468,585**

Installed capacity	2019	2020	2021	2022	2023
MW as of 12/31					
Austria	230.1	230.9	243.6	275.8	288.0
France	84.8	102.8	102.8	102.8	102.8
Germany	99.7	99.7	99.7	99.7	95.7*
Canada	39.8	39.8	39.8	39.8	39.8
USA	9.1	9.1	16.6	36.6	36.6
Italy	32.1	32.1	32.1	32.3	32.3
Czech Republic	9.1	9.1	9.1	9.1	9.3
Total generation capacity	**504.6**	**523.5**	**543.7**	**596.1**	**604.5**

Power plants	2019	2020	2021	2022	2023
Number as of 12/31					
Austria	138	142	147	162	166
Germany	48	48	48	48	46*
France	39	44	44	44	44
Canada	25	25	25	25	25
USA	5	5	7	12	12
Italy	10	10	10	11	11
Czech Republic	8	8	8	8	8
Total power plants	**273**	**282**	**289**	**310**	**312**

* including the Eberbach power plant, which is held for sale

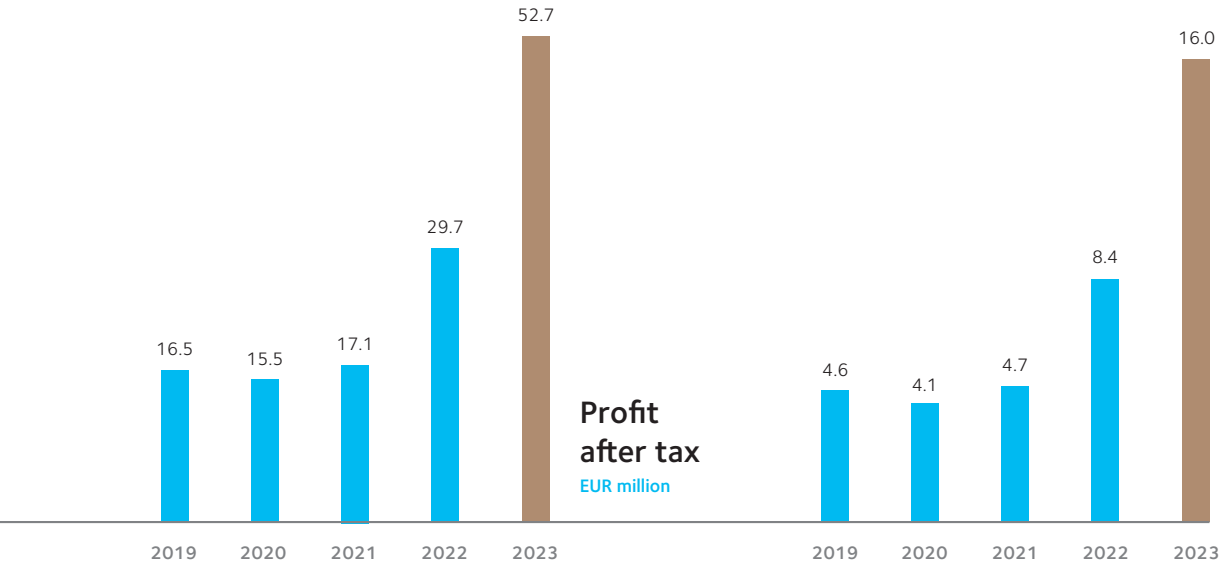


Installed capacity

MW

Revenue

EUR million

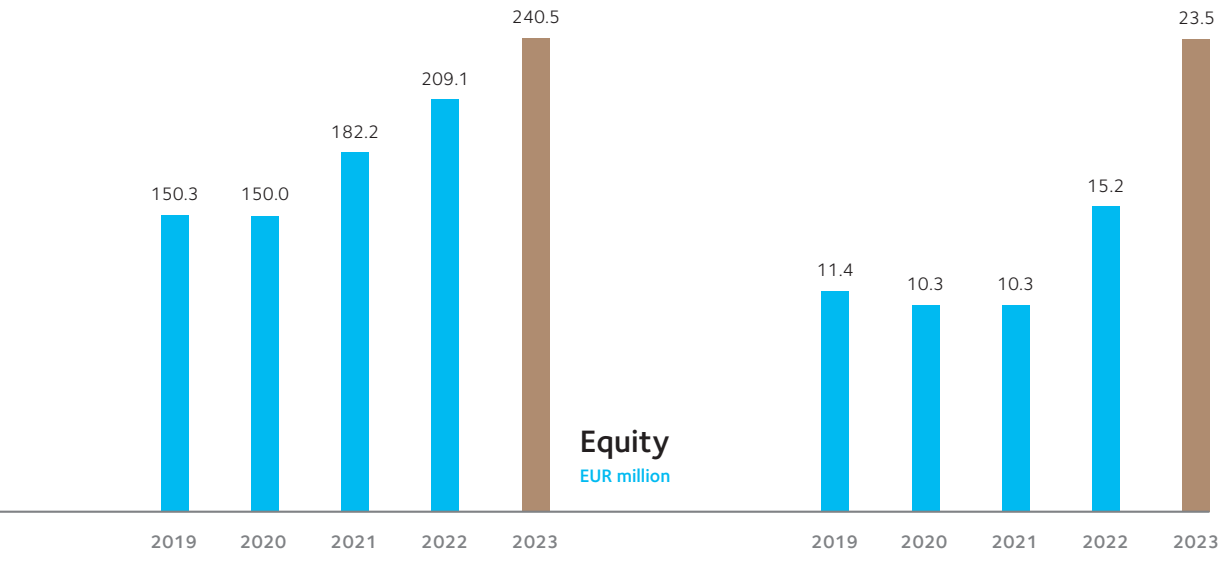


Profit after tax

EUR million

Earnings per share

EUR



Equity

EUR million

Return on equity

%

Climate & weather

The climate has a significant, long-term impact on weather conditions. Weather is what we experience as individuals, from sweltering summer days to the rising incidence of storms. In this annual report, we look at how the connections between weather and the climate affect our society and everyone in it.

The managing director of an emergency relief organization outlines how his team is preparing for the ever-increasing number of extreme weather events. A behavioral scientist explains which levers we need to pull to get society acting in a more climate-conscious way. We also examine how electricity prices relate to electricity generation from renewables along with the impact of Omega weather patterns.

While wind and solar power are making a key contribution to curbing climate change, they too are inherently determined by weather patterns.

2023

Key performance indicators »

New Management Board takes the reins in anniversary year

Never before has the renewable energy sector seen such opportunities for growth – or such intense competition. In a world shaped by volatility, mounting complexity and increasingly challenging legal framework conditions, we strive to take a range of different perspectives into account when making material decisions as a Supervisory Board.

In 2024, new members Stefanie Markut, Florian Müller and Roman Prager are joining our long-serving Chief Financial Officer, Michael Trcka, on our Management Board. They are a new generation; a diverse, interdisciplinary team. They have all helped to develop our new Vision 2030+ strategy. In addition to achieving significant growth, this strategy also aims to open up new business segments for W.E.B and advance its internationalization. For the last 14 years, Frank Dumeier has guided W.E.B, first as COO and then as CEO. He is stepping down from the Management Board at the end of April but will continue to support the company in an advisory capacity.

Augmenting the Management Board will enable us to forgo introduction of a further level of management despite the strong growth we have targeted. Positioning W.E.B as a modern, attractive employer with flat hierarchies is important to us. Our corporate and management culture also reflects this. The task of reinforcing this approach now lies with the new Management Board team.

In 2024, our anniversary year, we are proudly celebrating 30 years of W.E.B while also consolidating our efforts and mapping out a clear vision for our company's future.

Josef Schweighofer
Chairman of the Supervisory Board

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2023 at a glance

REVENUE

EUR **231.8** million

PROFIT AFTER TAXES ON INCOME

EUR **52.7** million

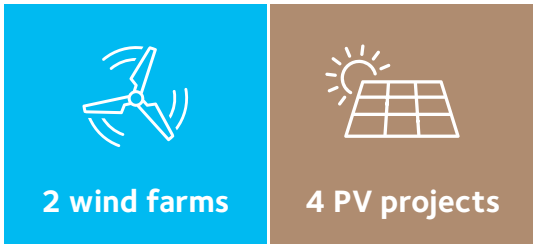
ELECTRICITY GENERATION

1.47 TWh

INCREASE IN CAPACITY

approx. **18** MW

of newly installed capacity



Götzendorf plant commissioned
Corporate PPA for generation of green hydrogen

In 2023...

...we invested heavily in construction

Five wind farms and five photovoltaic plants with a combined capacity in excess of 150 MW were under construction by the end of the year – with around 11 MW of this capacity commissioned at the time of going to press. In Ariano, Italy, W.E.B is building its largest wind farm to date, comprising 20 turbines and installed capacity of 84 MW. The Kuhs repowering project in Germany and the Gols and Sigless repowering projects in Austria are also contributing to a significant increase in generation capacity. Construction is also underway at the company's headquarters in Austria. Upgrades to the W.E.B Campus continue to follow a systematic energy concept, with solar power from façade and roof-mounted phovoltaics, along with heating and cooling from heat pumps.

INVESTOR RELATIONS

6,655
shareholders

350 new shareholders

EUR 173.5
annual average price[1]
per share in Traderoom

> EUR 38 million
of bond capital raised

W.E.B-GRÜNSTROM

becomes an
independent subsidiary

For the 7th time in a row

Driver of the Electricity Future

in the Austrian
Energy Provider Ranking

approx.
1,000
newly supplied metering points

[1] Since W.E.B shares are not listed, no price is formed. The average prices shown here are determined on the basis of transactions made in the virtual Traderoom. Past performance is not a basis for drawing conclusions about future performance.

...we recorded record revenue from our bond issue

As in previous years, the most recent W.E.B bond issue proved extremely successful. Generating a total subscription amount of EUR 38 million, it significantly exceeded all other corporate actions implemented by the company to date. Since issuing Austria's first wind power bond in 2010, W.E.B has issued bonds on a total of nine occasions. These bonds have a central role to play in financing the company's growth. W.E.B has continued to invest the proceeds from the 2023 bond issue in new power plants and the expansion of existing installations.

INTERVIEW WITH THE W.E.B MANAGEMENT BOARD

Frank Dumeier

“Renewables aren’t just a job: they’re a calling.”

A conversation with Frank Dumeier, Chairman of the Management Board of W.E.B, before he steps down from the Board at the end of April 2024

Mr. Dumeier, before we discuss your decision to step down from the W.E.B Management Board, I'd like to invite you to look back and reflect. How did you find 2023?

We had another record year in 2023: it was, once again, the best year to date in the nearly 30-year history of our company. Although wind levels were slightly below average and only began to pick up in the fourth quarter, we increased our generation by around 12% to 1,468 GWh thanks to the capacity increases in the previous year. We thereby avoided roughly 730,000 tons of CO_2 emissions – which corresponds to the annual emissions of roughly 400,000 detached houses with oil-fired heating systems. Once again, the technical availability of our plants was very high at around 98% – remaining as reliable as the proverbial Swiss watch.

So, the forest fires and hurricanes in North America didn't affect generation?

Fortunately, our wind turbines were not affected directly and have once again proven themselves to be "hurricane-proof", withstanding wind speeds of up to 160 km/h. The associated grid connections, on the other hand, were severely impacted. This resulted in prolonged downtime, most notably in Nova Scotia. The smoke from forest fires also impacted generation levels from our photovoltaic plants. However, as we only operate a handful of photovoltaic plants in North America, this did not have a substantial impact on overall generation.

All the same, the increase in extreme weather events is an emphatic indication of the importance of expanding renewables to curb global warming.

What was new for our generation and marketing activities in 2023?

A key development of the last year was the restructuring of our operational management in relation to photovoltaics, because – as was the case with electricity 15 years ago – we have now achieved the critical mass required for a professional, Group-wide structure in this area. We also revised our maintenance and repair concept. In addition, we brought certain services in house because we now have sufficient personnel available to cover these areas internally.

We also placed our electricity marketing activities on a new footing last year, which included transferring responsibility for over 14,000 metering points to a dedicated limited liability company. Given the frequent fluctuations in electricity prices and the need to process state support measures, the last two years have been exceptionally challenging for our customer service employees. Despite all this, our team has performed wonderfully. The Branchenmonitor 2023 study by the Austrian Association for Consumer Studies (ÖGVS) confirms they are among the best in the industry.

What are the plans for future expansion?

Our plans focus on maintaining our momentum. Although we commissioned fewer new plants in 2023 than in the year before, we still brought a total of 18.3 MW of new capacity on stream and broke ground on a number of projects. We have commissioned a further 11.2 MW of capacity in the first few months of 2024. At present, we have in excess of 140 MW of capacity under construction – which is quite remarkable. What's more, we expect to break ground on further projects later this year.

How have the political sphere, the economic landscape and the energy industry developed in the years since you joined W.E.B?

When I joined W.E.B as a consultant in 2009 [before being appointed to the Management Board in 2010], renewables were a fringe technology and had essentially escaped the attention of the public at large. At the time, many people hoped that nuclear power would be able to cover rising demand for electricity and overcome our reliance on fossil fuels. Then, the Fukushima incident occurred – and changed the world. Germany decided to reverse its decision to back nuclear power, and other countries followed. Then, in 2015, the COP 21 summit in Paris brought real impetus to the rise of renewables with the 1.5 °C climate target. The European Union's Green Deal also sends a very strong signal. At the same time, we're seeing growing numbers of companies striving to decarbonize. Political and economic actors are increasingly distancing themselves from fossil fuels. This transformation also runs into the domestic sphere, from LED lighting to heat pumps to electric cars. The last 15 years have therefore seen renewables evolve from a niche technology to become the mainstream.

The technology has advanced considerably over the years, too...

It certainly has. Thanks to a larger, significantly more productive generation of wind turbines, the costs of generation are now much lower. The standard blade diameter, which was around 90 meters in 2009, is around 160 meters today. The capacity of a single turbine has increased from 2 MW to 8 MW over this period. The same is true for photovoltaics: while a single solar panel had an output of 175 W_p 15 years ago, this figure has reached 700 W_p today. Electricity from renewables has therefore long since become competitive, and the technically feasible generation volume has also increased significantly.

Thoroughly positive developments in this area, then. How has W.E.B fared over the last 15 years – from your personal perspective?

Back in 2009, W.E.B was a raw diamond. Today, it's a successful international enterprise. Almost 15 years later, I consider myself part of a successful family of companies with total assets of around EUR 880 million and extensive public participation through more than 6,600 shareholders and around 1,800 bond holders, all of whom have invested their money in promoting the energy transition. All of them – all of us – are ambassadors and part of the solution we advocate: making the energy transition a reality. We've made decisive progress on this over the last decade and a half. This is also borne out in the figures: from 2009 to 2023, we expanded our power plants' collective capacity from 210 MW to 605 MW. Over the same period, we also increased our generation around 3.5-fold, from 420 GWh to approx. 1,470 GWh. Our revenue has risen from EUR 32 million to almost EUR 232 million, and our profits have also vastly increased.

What internal measures taken by the company have shaped this development? What have you focused on?

Initially, I mainly focused on structuring our operations and professionalizing our procurement activities, which was part of my remit at the time. I instigated our expansion into North America at a very early stage; I already had a good network there from my previous work. We targeted Canada first before moving into the USA. From 2013, in a management-led initiative, we also developed W.E.B-Grünstrom – the direct marketing concept for our green electricity – which, as I mentioned, has proven very successful and now comprises over 14,000 metering points.

After Andreas Dangl stepped down from the Management Board, I took on responsibility for the company's development. In this new position, I primarily advanced the expansion of our existing markets and tapped into new countries. In parallel with this, we put our project development activities on a new, more professional footing. This subsequently enabled the progressive expansion of our project pipeline and, as a result, accelerated our growth. The next step was establishing and expanding a country-based organizational structure appropriate to our increased scale. Of course, these developments and successes are not down to me alone: they are the results of the collective efforts of our entire team. I'm proud and grateful to be part of this team, whose work is strongly characterized by teamwork and the unique W.E.B spirit.

And it's from within this team that W.E.B has recruited the new additions to its Management Board...

That's the result – a very pleasing result – of the strategic process we pursued in 2022 and 2023. In addition to Michael Trcka and I, the strategy team also included a number of key employees and internal opinion leaders. In the course of this process, I increasingly realized that there was no way I would be reaching the end of the new strategy's time horizon, namely 2030, as an active member of the Management Board. At the same time, three members of the strategy team – Stefanie Markut, Florian Müller and Roman Prager – showed themselves to be highly qualified potential successors as part of an enlarged Management Board, commensurate with the company's greater size. To my mind, the ideal time had come for a generational change on the Management Board.

The new team have all been working in leadership roles at W.E.B for many years and played a decisive role in developing the new Vision 2030+ strategy, which they will now implement with a capable, target-oriented approach. For my part, I will remain available to the new Management Board as an advisor after stepping down, offering my international network and my well-known perspective. After taking a year to cool down, I hope to stand as a candidate for election to the Supervisory Board of W.E.B in 2025, so that I can continue to offer the company my expertise.

So, you're not bidding farewell to W.E.B entirely?

Not really; the energy transition as an objective, and W.E.B as a company, are far too important for me to let them go completely. Renewables aren't just a job for me: they're a calling.

INTERVIEW WITH THE W.E.B MANAGEMENT BOARD

Michael Trcka, Roman Prager, Stefanie Markut and Florian Müller

“We’re using our record results in 2023 to ensure targeted growth…”

In the year WEB Windenergie AG celebrates its 30th anniversary, the company is also expanding and rejuvenating its Management Board. In this interview, the new Management Board team explains how the company plans to achieve further success and continue advancing the energy transition in times that combine significant growth opportunities with intense competition.

Before we turn our attention to strategy, what made 2023 the best year in the company's history to date?

Michael Trcka: An integral reason for the significant gains last year is that 2023 was the first full year of generation for the many installations we commissioned in 2022. At the same time, higher energy prices led to a disproportionate increase in revenue, especially in our home market of Austria and in Germany. All of this enabled us to exceed EUR 200 million of revenue for the first time and increase our profit after tax to EUR 52.7 million. We're using these record results to ensure targeted growth – which will benefit not only the climate but also consumers. Each new turbine and photovoltaic plant will curb electricity prices over the long term. Given that prices have now largely normalized, our figures will undoubtedly be lower in 2024 and 2025. We can say that much with certainty.

Another fundamental factor in our growth is the clear commitment shown by our shareholders, who have invested and continue to invest in the energy transition by purchasing W.E.B shares. Last year, we took the decision to distribute a third of the Group's profits as a dividend and invest two thirds in further growth, as we strive to make our contribution to expanding our generation of renewable electricity. We hope to maintain this strategy in the future.

In the context of expanding and rejuvenating the Management Board, there has also been talk of a cultural shift. What is the aim of this?

Michael Trcka: Our anniversary betrays the fact that we are no longer a very young company. Nevertheless, as a wind power pioneer, we're an inherently innovative company, an aspect also reflected in our understanding of leadership and our corporate culture. We are very clearly on course for growth and the best way to achieve this is with a larger management team. At the same time, the expansion of our Management Board also reflects the decentralized nature of the energy transition. We will further intensify our internationalization in order to implement our growth plans. This will involve reducing the level of control from our headquarters in Pfaffenschlag and granting our subsidiaries greater independence. And, finally, with a larger Management Board, we're also giving ourselves vital latitude – managing by examining proposals rather than simply following guidelines.

Stefanie Markut, as a corporate lawyer, you're an important voice on the Management Board when it comes to the increasingly challenging legal frameworks. How would you assess the regulatory environment and the overall mood in relation to renewables at present?

Stefanie Markut: The regulatory environment is relevant for us in different areas. RED III (the EU's revised Renewable Energy Directive) gives individual member states the latitude to markedly simplify procedures that sometimes take years, such as issuing site designations and approvals. These streamlined procedures should expedite the energy transition. Let's consider an example from Germany: if map data about endangered animal species is already available, authorities are now required to use it – rather than having the plant operator put significant effort into producing a new map, as has been the case to date. Ultimately, designating go-to areas and introducing a one-time environmental mitigation procedure for an entire area will also save resources. Currently it is taking an average of nine years to advance a project from the initial idea through to commissioning a wind farm.

Following the outbreak of the war in Ukraine and the horrific rise in energy prices, many people came to the realization that we urgently need more energy from renewables. People suddenly identified how much energy they were using and developed a new awareness of the resource's value. As prices have receded, though, this awareness has faded away and we're also meeting with some resistance. Over the medium to long term, however, the conviction will prevail that renewable sources are the only way to achieve an environmentally compatible, secure and economically viable energy supply.

Given your remit, Corporate Development, you're now also responsible for the company's HR, communications, legal and procurement activities. What do you see as the focuses of your work?

Stefanie Markut: Given the significant growth we have targeted for the years ahead, we primarily regard Corporate Development as meaning growth across all areas and all teams. The more projects we're planning and building, the more employees we'll need. That doesn't just mean recruiting new employees, it also means retaining existing ones. Growth is also a central topic for communication, both internal and external. Transparency and personal exchange – including with the Management Board – are and will remain a vital pillar of our company culture. After all, we place a strong emphasis on personal responsibility and maximum flexibility at W.E.B, only limited by regulations where absolutely necessary.

The work currently underway to expand our headquarters in Pfaffenschlag, adding around 1,100 m² of usable space, shows how important it is to us to be an employer in our home region. This project will ensure that we once again have space for our existing workforce as well as additional employees. Given that the growth in our projects and project teams is increasingly decentralized, we have also reinforced our sites in Hamburg and Dijon, while our Vienna branch is set to move into larger premises later this year. In terms of procurement, we will continue to keep an eye on the market, and the supply of systems and services we need, to ensure that we have the relevant systems at the necessary time.

Florian Müller, following your appointment as the new Management Board member for Project Development, you have expanded your previous remit as North America CFO to take on responsibility for all national and international project development. What are your growth targets? How is the geographical reach of W.E.B set to grow? And what focuses do you have in mind for the years ahead?

Florian Müller: Our eyes and ears are always open; we're always screening new countries with the aid of our multi-criteria filtering model. We evaluate markets that appear attractive at first glance based on their economic circumstances and look very closely at how their renewables sector is developing. If a market progresses to our shortlist, we analyze the opportunities for market entry and consider what specific entry scenarios for W.E.B might look like. While there's no shortage of opportunities to expand our geographical radius, we conduct evaluations very carefully to ensure that a market suits us over the long term. At present, we're not preparing any further market entries.

However, we don't necessarily see growth as tapping into new markets. After all, we're still a long way from maximizing our market penetration in our existing markets where there's still significant potential. In Canada and the USA, for example, we're only active in a handful of provinces and states. Even aside from that, we believe that there are significant regional growth opportunities for W.E.B.

In 2023, you brought two wind power projects and four photovoltaic projects on stream with a combined capacity of roughly 18 MW – far less than in previous years. What is the current state of the project pipeline?

Florian Müller: The year 2023 was dominated by construction sites. We currently have nine wind and photovoltaic projects under construction with total capacity in excess of 140 MW. We've already commissioned 11 MW in January of 2024, with many more projects set to follow. When assessing these figures, it's important that we look not only at the long project terms but also at the fact that we've sometimes had to conform to very specific circumstances. For these reasons alone, continuous expansion is simply not possible and the number of installations we bring on stream each year will always fluctuate. In Austria, for instance, we had to wait for a long time for the Renewable Energy Expansion Act (Erneuerbaren-Ausbau-Gesetz – EAG). Since it was passed, however, we've resumed our expansion and now have a number of new projects in the pipeline in our home market. In Canada, too, we were unable to launch projects for new installations because there were simply not any requests for tenders. We wouldn't have been able to sell the electricity either because direct supply agreements aren't permitted there. What matters is that we're securely anchored in our markets and – as these two cases demonstrate – can respond quickly to changing circumstances and provide new impetus for our expansion activities. At the moment, our pipeline includes over 100 wind and photovoltaic projects of different sizes, distributed across all our markets. This means that our pool is well filled for the years ahead and we'll always look to go further. Of course, not every project comes to fruition, so we intentionally build in redundancies. We're organized in such a way that part of our team searches for new projects while another part advances existing projects.

Roman Prager, as the Management Board member for Operations, you will become responsible for power plant operation as of May 1. What are the most important projects in the near future?

Roman Prager: A fascinating challenge at present is balancing our centralized approach to date with our increasing decentralization. On the one hand, we continue to take our lead from uniform, Group-wide guidelines and standards, and we always want to ensure that all data is available at our headquarters in Pfaffenschlag. On the other hand, we're giving our country managers greater responsibility and moving away from fixed guidelines that would constrain them. One of the outcomes of our successful internationalization is the realization that the path from the initial project idea to an operational power station is different in every country – and that the flexibility made possible by greater autonomy for our regional divisions pays off in operational terms.

When developing power plants, we're increasingly incorporating specific framework conditions as part of an anticipatory approach. In Grafenschlag, for example, we're currently building our first hybrid power station: in addition to our existing Grafenschlag II wind farm, we're erecting a 9.24 MW_p photovoltaic system and connecting the two installations to a single connection point. Wind and sunlight levels dovetail very well over the course of a year, so generating power from these two energy sources ensures a more consistent output than relying on one alone, which in turn makes better use of the existing network. At the same time, we're also facing external challenges, including implementation of the EU's NIS2 Directive on cybersecurity, which classifies our installations in Austria as critical infrastructure. However, given our networks' high security levels, we've taken care of much of this ahead of time.

What are you planning from now until 2030 and beyond in terms of innovative electricity marketing, which is also a focus of the Vision 2030+ strategy?

Roman Prager: A central topic in this area is sector coupling, which is absolutely essential if the energy transition is to succeed. It should also help us to cover energy demand from the transport and heating sectors using increasing amounts of clean wind and solar-powered electricity. The basis for this is a holistic examination of our energy landscape and improving the transfer of surplus electricity between individual sectors. Not only does this require corresponding networking, it also calls for us to change direction: we need to align consumption with production and not the other way around, as has been the case to date.

Let's come back to something we touched on earlier: the nine projects currently under construction. How are these large-scale investments financed?

Michael Trcka: Our power plants currently under construction are already fully funded – thanks in part to the record-breaking EUR 38 million generated by our bond issue in 2023. However, W.E.B will certainly announce further corporate actions in the near future because, as we've said, we want to continue to grow. We haven't yet decided whether that will happen this year. Of course, we'll definitely communicate new corporate actions widely, to not only give the W.E.B community but also a wide audience the opportunity to contribute to the energy transition by investing in our company.

As things stand, what do you think the anniversary year 2024 will bring for W.E.B?

Florian Müller: We'll increase our installed capacity by over 140 MW in 2024. The majority of new installations are set to come on stream in the first half of the year, including the new wind farm in Ariano, Italy, which has total capacity of 84 MW – a huge boost for the growth of W.E.B.

Michael Trcka: However, the increased generation facilitated by this expansion is unlikely to offset falling prices in 2024, so we expect to fall short of our record profits in 2023. This return to previous revenue levels for W.E.B underscores once again the exceptional nature of 2022 and 2023. That said, I'm optimistic that 2024 will still deliver pleasing results.

Roman Prager: The transformation of the energy system will also continue to present new opportunities for us in terms of electricity marketing. So, we'll keep our eyes and ears open and pursue interesting ideas. Of course, an essential prerequisite for these increasingly important activities is that we operate and maintain our power plants to the highest standards, as we have to date.

Stefanie Markut: And, in addition to opening several new offices, we'll also hold a fitting celebration for our company's 30th anniversary in 2024. After all, the spirit that Erna, Franz and Andreas Dangl showed when founding W.E.B in 1994 – and realizing the company's first wind power project with support from 96 citizens the following year – remains at the core of our DNA to this day, even as an internationally successful corporation. Today, this pioneering spirit empowers us to forge new paths to a greener future, undaunted and filled with energy.

Vision 2030+

Founded as a pioneer of wind power in Waldviertel Austria, in 1994, W.E.B has since grown considerably to compete with major international players for profitable projects and specialist employees. The political and social landscape, which is subject to vast fluctuations, plays an important role in this. Our energy system is currently in the midst of a transformation. In addition to providing hydrogen for industrial processes, sector coupling and storage are the subject of increasing attention. The labor market has also undergone wholesale changes in recent years, with employers increasingly forced to compete for specialist employees.

One focus of the Vision 2030+ strategy is the profitable, international expansion of the W.E.B wind power portfolio. It includes expanding our portfolio in all countries in which we are active – with the unwavering aim of being a relevant player. In addition, W.E.B is increasing the autonomy and the human resources available to our national subsidiaries, so that they can respond with flexibility to potentially volatile, country-specific circumstances. In parallel with this, the company is constantly evaluating whether to tap into new markets. The transformation of the energy system also presents new opportunities in terms of electricity marketing. In addition to statutory tariff models, we will press ahead with corporate PPAs. At the same time, W.E.B remains focused on innovative approaches in electricity marketing. The energy transition is also creating new patterns of demand, including in the context of sector coupling – which W.E.B also aims to cover effectively and profitably. In striving to remain an attractive employer throughout this growth, W.E.B will focus on integrating new employees and promoting targeted development of both existing employees and the enterprise as a whole.

Stefanie Markut (46)

A qualified lawyer, Markut started her career at prestigious law firms in Vienna before joining W.E.B in 2010 as Head of the Legal department, where she has since worked to build the W.E.B Group's teams of legal experts – both domestically and internationally. Markut served as Managing Director of the German subsidiary of W.E.B from 2010 to 2016 and was also an authorized representative of W.E.B from 2016 to 2023. Stefanie Markut joined the Management Board on January 1, 2024, as the member responsible for Corporate Development.

> Current market dynamics present challenges, including for our enterprise. Throughout these changes, we rely on one constant: ensuring that W.E.B remains an attractive employer.

Florian Müller (36)

Following positions including a management consulting role at an auditing and tax consultancy firm, the economics graduate started his career at W.E.B in the Controlling/Finance department in 2012. He was appointed CFO of SWEB Development in 2016, a role in which he successfully expanded W.E.B activities in North America. On January 1, 2024, Müller became the Management Board member for Project Development, with responsibility for both domestic and international activities.

> The path from the initial project idea to the finished power plant is different in every country. With this in mind, we're granting our national subsidiaries greater autonomy and flexibility.

Roman Prager (47)

A qualified electrical engineer, Prager gained his first professional experiences working for safety specialist Frequentis and textile producer Ergee. In 2010, he joined W.E.B as Head of Operations, a position he held until 2022. In addition, Prager was Managing Director of the Czech subsidiary of W.E.B from 2010 to 2021 and has been an authorized representative of WEB Windenergie AG since 2016. In 2023, he became Head of Project Development HQ and Sales. He will become the Management Board member for Operations with effect from May 1, 2024.

> Ensuring the highest possible availability of our power plants is the basis of our company's success. At the same time, we aim to better exploit electricity marketing potential.

Michael Trcka (53)

After completing his studies in engineering physics and business management, Michael Trcka held roles including Head of Planning and Reporting at energy firm VERBUND. In 2009, he joined W.E.B as CFO. Soon after, in 2010, he issued the first wind power bond in Austria. With his years of experience on the Management Board, Trcka will continue to advance the W.E.B growth strategy through diligent financing and development partnerships.

> Solid financing and stable earning power form the basis of our successful development. As a result, W.E.B is not only a driver of the energy transition but also represents an attractive investment for sustainability-focused investors.

INTERVIEW

Josef Schmoll, Managing Director of Notruf Niederösterreich

“We are witnessing the effects of climate change.”

Josef Schmoll, Managing Director of Notruf Niederösterreich and an experienced commander of disaster response operations, explains the shifting demands on emergency organizations in the face of climate change, how he expects this to develop in the future, and how response organizations are adjusting to meet these challenges.

As one of the world's five largest control centers for healthcare and emergency services, Notruf Niederösterreich is the first point of contact in situations that threaten life and limb. Have you noticed any changes in recent years that you would attribute to climate change?

Yes, the changes are clear to see. All medical emergency calls in Lower Austria come to us, so we also have a solid basis of data to provide evidence of these changes. For example, we have noticed a rise in emergency call-outs due to stormy conditions. For a number of years now, climate change has increased the incidence of heavy rainfall as well as wildfires caused by drought and aridity. While rainfall was previously distributed over the entire year, recent years have seen more instances of intense rainfall – that is, isolated storm cells that produce torrential rain. If a lot of rain falls at once, the ground becomes unable to absorb any more water, which can lead to individual towns and villages suddenly flooding.
This is a very different situation to forecast high water levels, which have always occurred. It is also important to mention storm-related damage, which frequently blocks roads and damages the electricity grid.

In the early 2000s, you commanded responses to major international disasters. Were those natural disasters different to those we see today?

They were all earthquake response operations. What was unusual was the frequency of large earthquakes – in Turkey in 1999, Iran in 2003, Algeria in 2004 and Thailand in 2005.

It was striking how well organized the international aid response was, even then: both the European Union and the United Nations were immensely helpful. The Red Cross, which deployed me as a response commander, was already very well networked internationally. The objective then, just as it is today, was to ensure that affected regions receive the help they need as swiftly as possible. Above all, these natural disasters provided experience of international cooperation, which means that aid organizations are now able to respond to such events even faster.

Flooding is one of the most serious natural hazards faced by people around the world. For this reason, the province of Lower Austria operates a hydrological measurement network with almost 1,000 stations, which even predates the hundred-year flood in 2002. How important is continuous monitoring of the hydrological cycle for your work?

High-density data and the forecasts from Austrian Hydrography are essential for our work. In addition we use our access to weather data, the weather radar from GeoSphere Austria [formerly ZAMG] and also monitor all the measurement stations and webcams available to us. With the help of the historical weather data we've gathered over the years, we're able to more precisely forecast risks and estimate the impacts of intense rainfall and storms, which allows us to organize sufficient numbers of emergency responders.

Your remit includes raising the alarm with special emergency services such as mountain rescue, water rescue and cave rescue, as well as coordinating all search dog deployments. What role do weather events play in this context? How has this changed in recent years?

The weather plays a central role in all emergency response situations. Ultimately, the critical factor is always time, which is heavily dependent on the weather. The most important question is always: how quickly can the emergency services be on the ground? As we not only coordinate deployments on the road but also from the air, the ability to make snap judgments is essential, such as whether visibility is sufficient for a helicopter to fly to the deployment site. In the Alpine region, climbers and hikers are often caught out by powerful storm cells and become stranded. As a control center, we're required to protect both the individual making the call and the emergency responders against further risks, such as from lightning strikes, falling trees, etc. That means we have to continuously monitor and evaluate the prevailing weather conditions.

We're seeing a change in the frequency of deployments. This is in part because, since the pandemic, we're seeing considerably more mountain climbers – some of them inexperienced – which translates to more mountain rescue deployments. We've also identified a marked increase in water rescues, which we attribute to the rising temperatures over summer. These increasingly drive people into the water, where they can be surprised – by river currents, for example, that they are unable to handle.

> In the future, we expect to see further isolated storm cells as well as widespread fires due to persistent drought.

How do you expect things to develop in the future? What scenarios do you take account of in your plans? How do you prepare for them?

We expect to see further isolated storm cells in the future, causing intense rainfall in isolated locations, as well as widespread fires due to prolonged dry spells. We're already aware of these phenomena and are well prepared for them. In order to prepare even better for medical emergencies caused by prolonged hot weather, we're currently working with an AI solution that forecasts when we should expect elevated numbers of heat-related health emergencies.

One major topic we're examining at present is power cuts. This is also something we're well equipped to deal with as a control center: with our emergency power units, large-scale uninterruptible power supply (UPS) systems, our own radio equipment and satellite telephones and our Starlink satellite solutions, we're able to remain fully operational even in the event of a widespread power cut.

To what extent are your employees concerned about the climate crisis, given that they face its consequences every day?

Our team are naturally concerned by the impacts of the climate crisis, both professionally and privately – although the dividing line between the two isn't as clear for us, as almost all our employees volunteer with emergency rescue and response organizations. They can see the increase in emergency call-outs, including during a heatwave or severe storms. At the same time, we provide training to make them aware of scenarios such as blackouts – which means they're better prepared than other citizens who don't engage with the topic as much.

What do you think are the best approaches to finding a solution?

Constant weather monitoring is a decisive factor in making accurate forecasts. The better we can forecast an event, the better we can prepare for it. By "we", I mean us as an emergency response control center but also the general public. Another important point is the continued spread of digitalization. The more information we gather, the greater the wealth of information at our disposal to help us learn to understand these phenomena better. And, as is so often the case, the most important thing is collaborating effectively and working together to manage challenges that arise.

Josef Schmoll

Josef Schmoll has been Managing Director of Notruf Niederösterreich since November 2023. Coordinating over four million call-outs per year, including around 300,000 emergency deployments, this central contact point for paramedic and rescue service deployments is the largest control center in Europe and one of the five largest worldwide.

INTERVIEW

Katharina Gangl, Head of the IHS Behavioral Economics research group (Insight Austria)

“Money and legislation can make a real difference”

Katharina Gangl, Head of the IHS Behavioral Economics research group (Insight Austria), has spent over 13 years examining how institutions can help foster cooperation between people. One focus of the business psychologist's research is investigating cooperative behavior in the light of acute crises, such as the climate crisis.

We've known for several decades what climate change had in store for us – and how to counteract it. Why haven't we done so?

There are a lot of reasons for this. At the same time, it's not the only problem where we know what we need to do but aren't doing it. Take exercising, healthy eating or stopping smoking – we fail in these tasks every day. Giving up habits that we've acquired over a prolonged period requires us to constantly stay on task. We have to change our lifestyle – and very few of us want to do that, which is why we spend a lot of time finding excuses. We want to have fun in the present and put off doing things that would be better for us in the long term. But when it comes to climate change, the catastrophic impacts will still hit us, even if we do the right things as individuals.

To what extent do state institutions influence our behavior as individuals?

The state is definitely the most significant influencing factor of all. It can exert control effectively through laws and regulations, making certain behaviors easier and more beneficial and thereby promoting them over others. With this in mind, it's incumbent on political actors to support society with the far-reaching behavioral changes required for a more environmentally aware lifestyle.
At present, however, behaviors that harm the environment are encouraged: we're spending large amounts of money on road construction rather than cycle paths and expanding rural public transportation, and new-build housing is too cheap compared to the price of buying and renovating old houses. Current subsidy policy therefore makes it difficult for us to switch to a more environmentally friendly way of life. Its purpose, however, should be to make this easy, because we like it when things are simple and straightforward.

So, do politics and business need to change before we change our personal behavior?

Yes, but that's not all. Science also carries some responsibility – and urgent changes are required in this area. Instead of simply saying "Change!", we need to explore specific, viable means of facilitating sustainable changes. While there are plenty of studies into climate change, the majority are based in the natural sciences or relate to technology. What we're missing is large-scale research projects on behavioral change, looking at which measures work and which don't.
There's a lot of opinion polling being done at present but we urgently need to research behavior. If we knew how best to manage the process of removing privileges, we wouldn't have furious

farmers blockading roads across Europe with convoys of tractors, forcing politicians to row back on conservation guidelines.

At the same time, we mustn't underestimate the influence of lobbyists. A lot of money is spent misinforming the public because there are many groups that stand to benefit from maintaining the status quo. In addition, populist parties with anti-environmentalist slogans succeed because they tell us what we want to hear: "Stay just the way you are." They promise that we don't have to change, that we're doing everything right anyway – unlike the "elite", who want to ban everything we enjoy. We urgently need to change how we communicate: we can no longer allow climate change to be associated with boredom and sacrifice, and climate sins with enjoyment – we have to reverse this. Ultimately, we act following the pleasure principle. So, we have to show that protecting the environment is fun – and can be an expression of enjoyment.

What do you think are the most significant levers that energy companies can pull to encourage people to save energy over the medium to long term?

One option would be for companies to join forces and create training groups to give employees of larger companies an understanding of the changes that would make their lives more sustainable. This option would be efficient, not only because it would reach lots of people at the same time, but also because they would spur each other on and take learnings home to share with their families. Evaluating and optimizing ongoing processes would be an important part of this.

What measures do we already know work? What motivates us to act with more climate awareness?

We know, for example, that small stimuli – often called nudges – work well. A study has shown that people who watch a display while showering that shows their energy consumption (in kWh) along with the system's efficiency rating (A–G) and an animation of a polar bear on an iceberg that shrinks as they shower reduce their energy consumption by up to 22%. This demonstrates once again that feedback is more effective when it's more direct and vivid. However, nudges can only supplement and augment – it's money and legislation that can make a real difference.

> A lot of money is spent misinforming the public because there are many groups that stand to benefit from maintaining the status quo.

Role models are also important for our behavior: from celebrities advertising vegetarian food and making disposable cutlery uncool – to the Swedish royal family, who heat their home with a heat pump and have thereby secured widespread domestic acceptance of this heating method. Role models have a significant influence because they define what luxury is and, as a result, what we should strive for, too. We imitate the "rich and beautiful" and want to be like them, which makes it all the more important for people in the public eye to set an example of environmentally aware behavior – to make climate protection interesting and desirable for everyone.

What's more, according to figures published by the aid organization Oxfam, the richest 10% of the world population are responsible for half of global CO_2 emissions. As a result, this group also has a decisive say over the success of the energy transition.

Yes, the rich carry significant responsibility. The more a person consumes, the greater their duty to change their behavior – in absolute terms but also out of a sense of fairness. Why should a factory worker have to go without their schnitzel while a millionaire flies around the world on their private jet each week? It just can't work that way. We need a new concept of wealth, an alternative form of hedonism that replaces long-distance travel, SUVs and detached houses with more environmentally friendly assets. We need different criteria for success. Role models need to practice these values; the onus is on them to make climate protection attractive. If an influencer uses reusable packaging when they go shopping, supermarkets will have to make adjustments to fill more screw-top jars and Tupperware over the counter.

Finally, a personal question. Why do you work so intensively to examine how people can be motivated to behave in a more environmentally conscious manner?

Protecting the environment and the climate is such an acute, important issue that everyone who is able to contribute, should contribute – which includes me. What's more, I think we need to adopt a more pragmatic approach to the topic than is currently the case. I don't think there's any value in moralizing: I want to develop solutions that fit into people's lives. Protecting the environment shouldn't be an ideological issue, it needs to be a practical topic, with people trying different things in a rational approach. We all need to contribute our capabilities because we'll only succeed if we work together. And, with my research team, I can help in my own way.

Katharina Gangl

Katharina Gangl is a business and social psychologist specializing in behavioral economics. She heads up the Behavioral Economics research group (Insight Austria) at the Institute for Higher Studies (IHS) and is a Senior Research Fellow at the University of Vienna. As an international expert in the cooperation between public authorities and citizens as well as in lawful behavior, she advises public authorities in different countries.

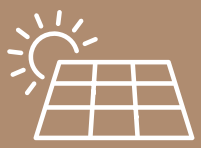
W.E.B at a glance

As of 12/31/2023

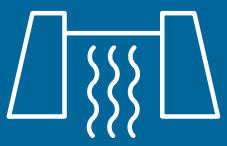
Austria's **largest company focused on community participation** in the renewable energy sector

605 MW
installed capacity

263
wind power plants



46
solar power plants



3
hydropower plants*

W.E.B...

...is building a sustainable future...

Generating renewable power where it is used is key. We primarily harness energy from the wind and sun to produce clean, regional green electricity.

...and doing this by broadly involving the community.

Climate action takes a major collaborative effort. This is why we want to engage as many people as possible in this project in all of the countries in which we do business. More than 8,400 investors are currently on board for W.E.B's journey into a sustainable future.

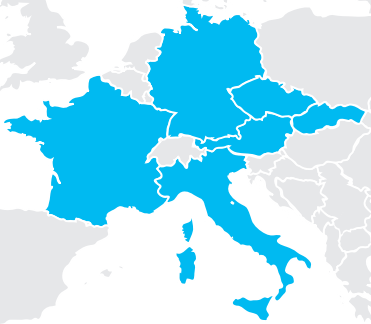
8,400
investors
including more than
6,600 shareholders

Sustainable energy generation
for **30** years

*incl. the Eberbach power plant, which is held for sale

2 continents

Canada/
USA



8 countries

Office locations

- AUT: Pfaffenschlag (HQ), Graz, Vienna
- CAN: Halifax, Montreal
- CZE: Brno
- FRA: Paris, Dijon
- GER: Hamburg, Lübben
- ITA: La Spezia
- SVK: Bratislava
- USA: Natick (Boston)

255
employees

39% women

38
average employee age in years

We stand for...

...the energy transition and innovation,...

Wherever possible, energy should be generated and stored where it is to be used. We work constantly to develop innovative concepts to promote this.

...stability and growth.

It's not just environmental considerations that make renewable energy sources the best option. The economic benefits are also undeniable. The market is growing and we intend to grow with it and use our experience to make improvements and consolidate our achievements.

Our activities are...

...local and international,...

Our employees and business partners give us a strong foundation in the local region. We are working together to create an international network of experts who are able to react flexibly to changing requirements.

...environmentally and economically sustainable.

We believe that people's electricity requirements can be fully met by energy from renewable sources – and that this is more economically viable than fossil fuels or nuclear power.

PROFILE OF W.E.B

Our vision

We're making the energy transition happen

Our mission

As a pioneer of wind energy and an international, profitable developer and operator of wind and solar farms, we have strong local roots. We are a reliable partner as a supplier of green energy and enjoy the support of our broad-based shareholder community!

Overview of W.E.B

W.E.B is an international company focusing on the energy transition and community participation. It develops power plant projects from design to construction and operates power plants using renewable energy sources with an emphasis on wind and solar power. We market the electricity we generate both indirectly – through electricity traders, electric utilities and, if the legal conditions are in place for green electricity, via national exchanges – as well as directly to businesses and residential customers.

Headquartered in Pfaffenschlag near Waidhofen an der Thaya, Austria, WEB Windenergie AG is the parent company of the W.E.B Group. It is unlisted, and its shares are held broadly in free float.

W.E.B operates in eight countries in Europe and North America: Austria, Germany, France, Italy, Slovakia, the Czech Republic, Canada, and the United States. W.E.B has installed local teams in these countries that primarily develop new projects or acquire projects in various stages of development. Power plant operation in all the countries is coordinated centrally from Austria.

W.E.B is a member of national interest groups for wind energy and solar power in the countries where it operates. In Austria, these groups include IG Windkraft and Photovoltaik Austria.

W.E.B stakeholders (listed in alphabetical order):

- Business partners: Co-owners (power plants)
- Competitors
- Customers
- Employees
- Governmental organizations and agencies
- Investors (shareholders, bond subscribers) and banks
- Landowners (power plants)
- Local communities (power plants)
- Non-governmental organizations
- Our Supervisory Board
- Policymakers
- Suppliers

The key issues related to sustainability are:

- Contributing to sustainable environmental development
- Protecting the landscape and habitats during planning, implementation and operation of power plant projects
- New market conditions for project development
- Innovative services for electricity
- International growth

Three core activities:
Project development – Operations – Sales

Project development

W.E.B coordinates all project development steps in the countries in which it operates through decentralized structures.

Technical feasibility, which primarily involves estimating the future supply of wind and solar power, and economic feasibility are reviewed in detail by the company's in-house experts. The marketing of the electricity generated is ensured prior to the start of the construction phase.

W.E.B carries out many project steps with regional partners, including environmental impact studies and construction work on roads, foundations, power lines, and substations. The majority of the land on which our power plants are built is leased for the long term; only a few parcels are owned by W.E.B.

A significant component of our projects is the involvement of the population in the region beyond just what is required by law.

Wind turbines are installed by the manufacturers or by service providers of W.E.B. The vast majority of W.E.B's turbines are produced by the European market leader, Vestas. To date, the turbines have been designed for a lifecycle of at least 20 years, but maintenance allows us to extend the operating life of these turbines to 25 years or more. Because of the variety of suppliers of photovoltaic systems, W.E.B is able to respond flexibly and always install high-quality, state-of-the-art technology.

Despite the increasing potential operating life of the turbines, W.E.B must refurbish existing wind farms at the requisite time. This process is called "repowering": old equipment is replaced with higher-capacity, more efficient, more technically advanced equipment, so that more electricity can be generated on the same footprint. The legacy turbines are usually resold in secondary markets and recommissioned in other countries.

W.E.B not only develops its own power plant projects, but also acquires projects in various stages of development, in addition to power plants already in operation.

The projects are financed using a combination of equity, bank loans, and corporate bonds.

Power plant operations

All of W.E.B's power plants worldwide are monitored by the company's headquarters in Pfaffenschlag, which also centrally coordinates maintenance. If on-site work is required, regional plant operators are involved in the process. In the event of more complex disruptions, the specialized technical expertise required for the repairs is provided either by the W.E.B service team or by technicians sent by plant and equipment manufacturers.

W.E.B pursues a preventive servicing and maintenance strategy to avoid costly repairs as much as possible. The maintenance plan stipulates activities, including a regular analysis of plant data to optimize the early detection of defects, along with regular plant inspections and the preventive replacement of major components such as gearboxes or generators.

In order to enable the fast replacement of major components when necessary and therefore keep downtime to a minimum, spare parts are kept on hand in a central warehouse.

Electricity marketing

For electricity generated from wind and solar power, we receive government-specified feed-in tariffs in many countries in which W.E.B operates. The terms of these tariffs range from 13 to 25 years, depending on the country. Increasingly, fixed tariffs for new power plants are being replaced by more flexible models, which depend on the regulatory framework in the respective country or region. Possible alternatives include tariffs composed of a fixed base price and a variable premium, and defining certain mandatory percentages of renewable energy sources for the energy mix with prices set freely but agreed for long periods. The most common model in Europe is market premiums, which offset the difference between the market value of a technology and a tender outcome.

The sale of the electricity generated was exclusively indirect up to just a few years ago due to the availability of subsidies. However, direct sales to business and residential customers under the W.E.B Grünstrom brand, which W.E.B launched in Austria in 2013 and in Germany in 2020, are steadily becoming more important. W.E.B is also active in the field of charging infrastructure in Austria under the ella brand. In the green energy business customer segment in particular, W.E.B focuses not only on supplying electricity but also on comprehensive energy solutions in the context of the energy transition, such as coupling the electricity, heating and transportation sectors. Corporate power purchase agreements (PPAs) are also the subject of increasing focus. These PPAs regulate the direct sale of power generated at specific power plants to companies.

Community participation

W.E.B was founded by people who were so convinced of the opportunities offered by renewable energy sources that they financed their first plants almost solely with their own funds. WEB Windenergie AG was formed in 1999 from the merger of similar community-based companies and, as it has grown, it has remained committed to the idea of encouraging the broad economic participation of the public in electricity production. The company grew in the following decade based on an expansion of its equity resources achieved with share issues and, since 2010, by issuing corporate bonds. W.E.B thereby also provides an investment opportunity for investors with a lower risk appetite. As far as possible and economically feasible, W.E.B offers additional regional investment options at project levels in the countries in which it operates.

Turning less into more in Gols

In its repowering project in Gols, Burgenland, W.E.B has replaced three old wind turbines with two new, larger turbines with higher output. The project has almost doubled the site's total generation capacity, from 6 MW to 11.2 MW. Projects like this are making a decisive contribution to achieving climate neutrality by 2040.

The technological development of wind turbines in recent years has been nothing short of phenomenal. In 2023, the average generation capacity of newly built wind turbines was almost five times that of turbines constructed in 2000. Another example from W.E.B's history demonstrates this even more emphatically: while the company's first wind turbine, commissioned in 1995, generated enough power for 122 households, its largest turbine today – located in Dürnkrut – supplies enough green electricity for around 5,500 households.

The turbines were carefully dismantled because they are set to be reassembled and used again at another site.

This vast performance increase has been made possible by larger rotors and rotor blades and significantly higher towers, with these factors combining to generate far higher wind power yields. Yet, modern wind turbines not only generate more power per unit area than older models, they also operate more quietly and feature enhanced protection for birds and bats. This means that repowering provides both economic and environmental benefits.

Three become two

Dismantling of the old turbines begins as the new turbines are erected.

The repowering project in Gols involved dismounting and disassembling three turbines commissioned in 2005 and selling them to buyers in the Netherlands and the United Kingdom, where they will continue to operate. In their place, W.E.B erected two brand-new Vestas V150 turbines, one with a hub height of 125 meters and one with a hub height of 169 meters. The two turbines were commissioned in January 2024. They will more than double the site's power generation from 14,000 MWh per year to around 29,000 MWh. The difference in the scale of these turbines becomes particularly clear when comparing the length of their rotor blades: while the old turbines' blades measured 80–90 meters, the blades on the larger of the two new turbines are 150 meters long. With a combined capacity of 11.2 MW, the two new turbines now provide green electricity for around 7,000 households while also saving 9,900 tons of CO_2 per year, equivalent to the exhaust emissions of over 4,400 cars.

Kilian Brandstätter, the Mayor of Gols, is also impressed by the sustainable benefits of this repowering project. "As a municipal council, we are proudly and resolutely continuing our progress to a sustainable future through repowering," he says. "Not only will this benefit our citizens, the municipality of Gols is also making a meaningful contribution to protecting our climate."

Repowering: Making better use of existing sites

Repowering involves replacing older power installations – such as wind turbines and photovoltaic systems – with new, more powerful technology. Given the increased dimensions of newer turbines, combined with technological developments, repowering typically reduces the number of devices while significantly increasing yields. In the course of a repowering project, the old devices are dismantled, their foundations removed and the materials recycled. In some cases, wind turbines are sold on to buyers planning to reinstall and operate them at other locations. Key benefits of repowering, compared with the installation of new systems, include the ability to use existing network connections and rely on the long-standing acceptance of local residents.

A year of construction sites

By the end of 2023, power plant projects with a combined capacity of roughly 153 MW were under construction. The most notable of these is in Ariano, Italy, where W.E.B is developing its largest wind farm to date at 84 MW. The Apricena wind farm (12 MW), also in Italy, was approaching commissioning at the end of 2023.

Three of these projects involve repowering: in Kuhs, Germany, a 16.8 MW wind farm is under construction, replacing two 2 MW turbines with three 5.6 MW turbines. In Austria, the Gols repowering project was approaching commissioning (see article on previous pages), while foundations had been laid in Sigless, where the site's new turbines will be installed – and the old turbines dismantled – in 2024.

In Rohr bei Hartberg, the W.E.B team in Graz is advancing its first project: a solar power plant with capacity of around 7.7 MW_p. Meanwhile, the solar power plant in Grafenschlag (9.2 MW_p) will not only generate solar power but will also combine with the Grafenschlag II wind farm to form W.E.B's first hybrid power plant. A project in Ternitz demonstrates the potential to generate power on the roofs of commercial properties, with a 2.4 MW_p solar power installation soon to be commissioned on Kirnbauer's premises. Last but not least, in Hlinîk, W.E.B is constructing its first power plant in Slovakia: a roughly 0.6 MW_p solar photovoltaic system.

Plants commissioned in home market

With its new power plants, W.E.B surpassed the 600 MW mark for installed capacity in 2023. It brought roughly 18.3 MW of capacity on stream: An existing W.E.B site in Dürnkrut was augmented with two 5.6 MW turbines. The wind turbine in Götzendorf has the same capacity and will generate power for use in the production of green hydrogen through a corporate PPA with OMV. The list of newly commissioned facilities is completed by four Austrian solar power plants with a total capacity of 1.5 MW_p.

Three-year comparison of installed capacity

MW as of 12/31

	2021	2022	2023
Austria	243.6	275.8	288.0
France	102.8	102.8	102.8
Germany	99.7	99.7	95.7*
Canada	39.8	39.8	39.8
USA	16.6	36.6	36.6
Italy	32.1	32.3	32.3
Czech Republic	9.1	9.1	9.3
Total	**543.7**	**596.1**	**604.5**

*incl. the Eberbach power plant, which is held for sale

Wind measurement for repowering projects

New turbines erected in repowering projects are typically taller than the turbines they replace. This is because the higher above ground level the nacelle is positioned, the more laminar (i.e. smooth and consistent) the flow of wind. Wind speeds are also usually higher at these increased heights.

Of course, wind data will also have been collected at the existing wind farm, albeit measured from the position of the old nacelles. Determining a wind farm's expected yield after repowering therefore requires data on wind at greater heights. This relies on LiDAR, a laser-based technology that measures wind speeds at heights of up to 300 meters above ground by focusing on aerosols. The measured data makes it possible to draw conclusions as to the most suitable turbine type for each site.

Solar power servicing

Since taking its first steps with photovoltaics in 2007, W.E.B has successfully implemented 46 solar power projects. The company also performs servicing of the 37 PV installations it operates in its home market, Austria – as it has from the outset. Since installing its first small-scale plant in Pfaffenschlag, a dedicated W.E.B team has performed servicing and, over the years, has furthered its extensive expertise. Service partners look after the company's plants outside of Austria.

Regular inspections and maintenance are important to optimize the operations of PV plants and extend their service life. In an ideal scenario, this servicing prevents faults before they even occur. More extensive inspections are conducted by public authorities every three to five years as part of the plant approval process. However, W.E.B conducts scheduled inspections and preventive maintenance at far more regular intervals. The aim, thereby, is to detect deviations from previous inspections – however small – as early as possible.

Engineers use a drone with a thermal imaging camera to search for defective modules.

W.E.B operates 28 roof-mounted PV installations (6.75 MW_p) and 17 ground-mounted installations (26.38 MW_p). The maintenance frequency and method are determined by the respective site. Roof-mounted systems are subject to on-site inspections at least once per year. These inspections are often triggered by an alert in the control center, with the entire system inspected in the course of assessing the problem. As all W.E.B power plants are remotely monitored from the control center in Pfaffenschlag, the team identifies any problems – even a single defective converter – as soon as they arise.

Thermal imaging reveals defective photovoltaic modules

The maintenance intervals for ground-mounted PV systems are usually shorter. At least three inspections are conducted each year due to the need for grass cutting. This also applies to grazed land, which is increasingly used for new installations. The most common problems are cable issues caused by animal bites, primarily mice and weasels. Although rectifying these issues is relatively straightforward, finding their precise location often proves time-consuming.

The central tool used by W.E.B to identify defects during its inspections is drone-assisted thermography. If a single photovoltaic cell fails to produce electricity, it will not set off any alarms in the command center. However, if its temperature is consistently higher than the others around it, this can be identified using thermal imaging. Given that temperatures can differ depending on the specific error pattern, a specialist with sufficient experience can use temperature readings to diagnose the problem. And, because W.E.B is always one step ahead, it launched a project in 2023 to examine the possibility of implementing automated, AI-assisted fault analysis.

Why east-west orientation also has its benefits

Solar PV systems are usually installed facing south to maximize power generation. Although east-west-oriented systems generate less electricity, this generation is distributed more evenly over the course of a day. This has benefits in terms of power feed-in because this generation pattern is better able to cover consumption peaks in the morning and evening.

Modules mounted on a turning axis to align themselves with incoming sunlight offer even more consistent, optimized solar power production. These single-axis tracking systems are a focus of future W.E.B photovoltaic projects.

Replacing gears at lightning speed

Identifying faults at an early stage and rapidly supplying replacement parts is crucial to maintaining high power plant availability. The large component warehouse in Pfaffenschlag stores gearboxes and generators, which means they can be made available swiftly if needed.

This preparation paid off in 2023, when ongoing data analysis at the control center identified an anomaly in a gearbox at our Höflein wind farm. Just six days later, the damaged gearbox was replaced with a new assembly from the large component warehouse and the turbine was recommissioned.

Smoke over North America

North America was hit extraordinarily hard by forest fires in 2023. In the state of Massachusetts – where W.E.B operates PV installations – smoke particles were detected in the air on 160 days throughout the year. The average figure over the previous ten years was 33 days. This smoke was caused by intense forest fires in Canada and the USA. It had a minor but measurable impact on generation levels at the W.E.B photovoltaic plants in Massachusetts.

PV installation in Brookfield, Massachusetts

Electricity generation

in MWh

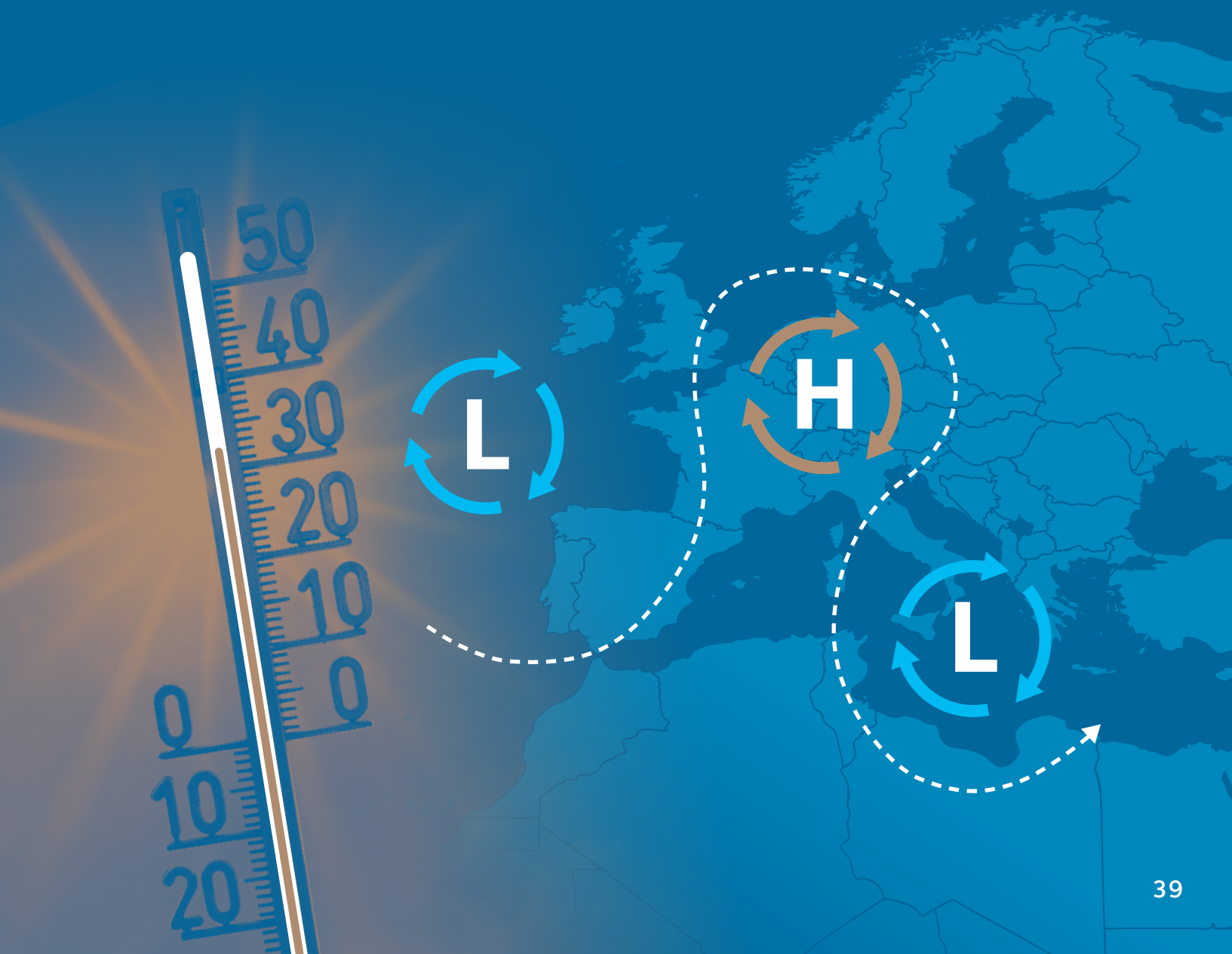
	2019	2020	2021	2022	2023
Austria	560,335	495,615	485,747	558,015	627,013
France	214,679	262,108	230,146	220,835	273,505
Germany	195,929	218,521	190,979	199,077	207,253*
Canada	158,070	223,892	224,552	215,429	198,574
USA	31,180	30,727	30,266	53,350	89,127
Italy	38,360	56,692	61,404	50,650	57,023
Czech Republic	16,180	14,579	14,235	14,820	16,090
Total	**1,215,256**	**1,302,135**	**1,237,329**	**1,312,176**	**1,468,585**

*incl. the Eberbach power plant, which is held for sale

Stable Omega patterns

In 2023, media outlets covered the often unreported topic of Omega weather patterns. In September, an area of high pressure formed over much of Central Europe, flanked on either side by areas of low pressure. The resulting pressure pattern resembled the Greek letter Omega – which gives this phenomenon its name – and is often known for its longevity and stability.

Ultimately, September 2023 was the warmest September in Austria and Germany since records began, which benefited power generation from photovoltaics. On the downside, this area of high pressure caused a prolonged period of hot, dry weather. By contrast, the low-pressure areas to the east and west produced heavy rainfall and stormy conditions. Of course, the increase in these stubborn weather phenomena can be partially attributed to climate change.



Electricity from W.E.B power plants

In 2023, W.E.B-Grünstrom – the company's direct marketing concept for green electricity – celebrated its first double-digit birthday. W.E.B now supplies 100% renewable electricity from its wind farms, photovoltaic installations and small-scale hydropower plants to more than 14,000 metering points. However, the company has more than just impressive growth in its favor. The 2023 evaluation of electricity providers conducted by GLOBAL2000 and WWF once again gave W.E.B the title of "Driver of the Electric Future".

In the beginning, W.E.B shareholders expressed a desire to produce their "own" green electricity. Instead of simply investing in the planning, construction and operation of wind power plants, they also wanted to purchase the generated electricity and reap additional rewards from their investment in the form of sustainable energy supplies. W.E.B put this concept into action and, in October 2013, became one of the first green electricity providers in Austria.

This raised the question of where this green electricity should come from. Wind power and solar power plants are usually subject to guaranteed feed-in tariffs that run for fixed terms, which means that plant operators are not free to use the power they generate however they wish. Instead, they can only generate power for self-marketing once this fixed tariff expires. This is where W.E.B systems' long service lives – made possible by predictive maintenance – pays off. In 2023, W.E.B supplied almost 200 GWh of green electricity to private households, companies and municipalities. This electricity was generated by 30 wind turbines and over 1,000 solar power systems, two small-scale hydropower plants and W.E.B's energy transition partners.

Constant expansion of services

The company's first customers, who remain loyal to this day, primarily included shareholders and energy transition partners, such as the printing company Janetschek GmbH, which also inspired development of the eco-label for green electricity. Due to the strong growth in customer numbers, the company automated its IT processes for registration, accounting and billing in 2018 in order to offer customer service on par with large energy providers. This has enabled W.E.B to win ambitious energy transition partners, such as the Diocese of Graz-Seckau, with hundreds of customers in its parishes.

Energy crisis inspires willingness to switch

Launched in 2013, the ENERGYlink switching platform was a fundamental factor in the realization of the W.E.B-Grünstrom concept. It has made it easier for customers to switch energy provider. Initially, however, there was only a slow rise in consumers' willingness to switch. Then, in 2022 there was a significant increase due to the energy crisis and greater awareness of the need to advance the energy transition.

Our team assists customers with all issues related to green electricty.

Dynamic growth and development

In 2023, W.E.B-Grünstrom reached the next milestone in its development. On September 1, electricity marketing activities were transferred from an internal W.E.B department to a separate, dedicated company: W.E.B energy sales GmbH.

Throughout its growth and expansion, W.E.B has made providing personal, multi-award-winning customer care a top priority, where half of its 12 employees working exclusively in this area. In 2023, the team answered 9,600 telephone calls and wrote over 56,000 emails to customers.

A clear plan has been drawn up for the future, with the successful sales activities in Austria set to be gradually rolled out across other markets. The question is: where will W.E.B-Grünstrom supply its electricity next?

W.E.B-Grünstrom commits to solar power

Just a few years after the W.E.B-Grünstrom concept was launched, it was expanded to serve business customers. Its customers currently include DAS Energy – a green-tech company that developed the world's first photovoltaic modules embedded in fiberglass-reinforced plastic. These modules are flexible and so lightweight that they can be installed on facades and roof structures with limited loading capacity, including on greenhouses and even tents. The DAS Energy portfolio also includes modules integrated in roof tiles and modules for mobile applications.

Thanks to this partnership with W.E.B, green electricity powers the development and production of technology that, in turn, makes solar power – in the truest sense of the term – easily available.

W.E.B tops the electricity provider rankings

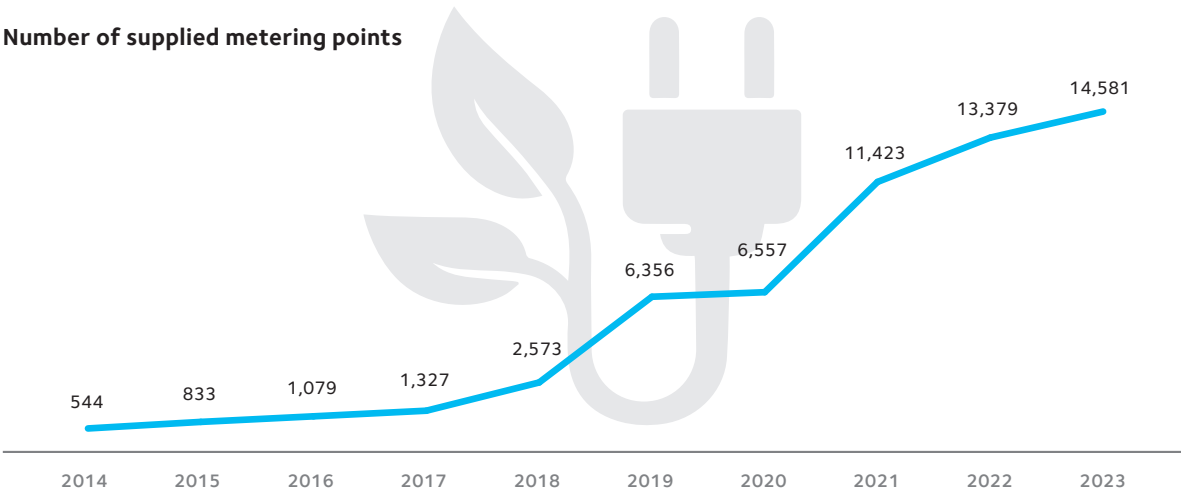
For several years, W.E.B has held the title of "Driver of the Electric Future" – the highest accolade that an Austrian electricity provider can achieve in the renowned WWF and GLOBAL2000 study. These two environmental organizations focus on transparency and a genuine transition of the electricity system. They use 66 detailed questions to analyze the extent to which electricity providers are contributing to an environmentally friendly energy transition.

This analysis determines, for example, whether providers generate their own electricity, how environmentally friendly their power plants are, and the extent to which they are driving the expansion of renewable energy in Austria and beyond.

W.E.B-Grünstrom split off into WEB energy sales GmbH

At the 2023 Annual General Meeting, shareholders voted strongly in favor of splitting off its Grünstrom (green electricity) sales activities into a new company. Ten years after it was established, this significant professionalization measure transferred the sales activities of WEB Windenergie AG from an internal department to WEB energy sales GmbH, a fully owned subsidiary of WEB Windenergie AG.

Number of supplied metering points



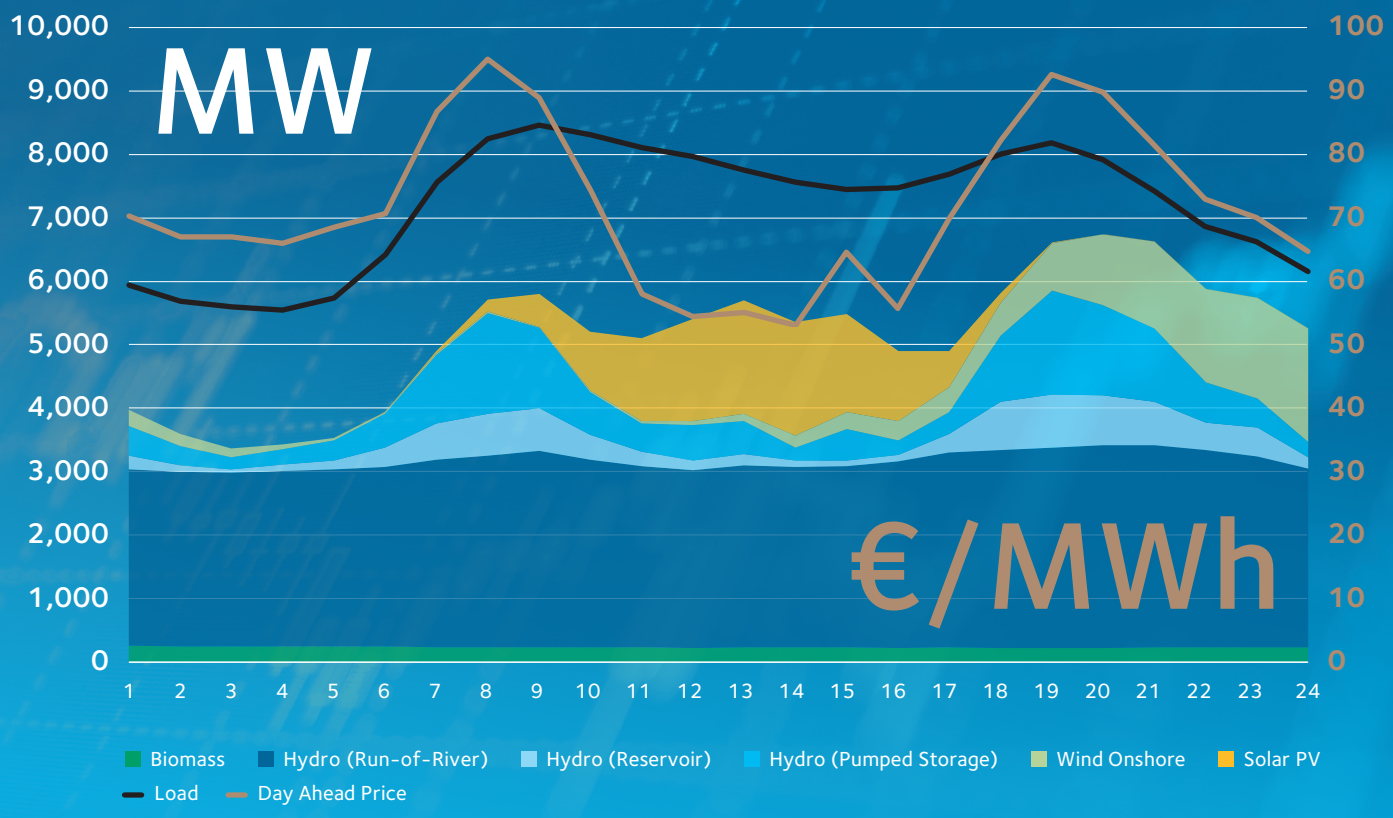
When the sun shines

Power consumption varies over the course of a day. On weekdays, consumption peaks in the mornings and evenings, while Sundays do not experience the morning peak. However, the periods during which consumption is typically lower are when renewable electricity generation is highest, which dampens wholesale electricity prices. In Austria, the price structure is influenced in particular by hydropower, wind power and solar power. Even on sunny days in winter, generation from photovoltaics drives down electricity prices around midday.

This illustrates that the potential of load shifting through sector coupling presents benefits not only for individual consumers but for the entire national economy. If we charge EVs, heat buildings and fill hot-water storage systems using surplus midday electricity, electricity customers benefit from low prices, while price peaks early and late in the day are also slightly flattened.

Electricity generation from renewable energy sources, plotted against total load and spot electricity prices in Austria

Example showing a weekday in March



Source: ENTSO-e

Record bond proceeds in 2023

Generating subscription proceeds of roughly EUR 38 million, the 2023 bond issue surpassed all other corporate actions to date. These proceeds will fuel the growth of W.E.B's power plant portfolio.

As in previous years, the most recent issuance of bonds by WEB Windenergie AG proved extremely successful. With total proceeds of EUR 38,251,000, the company surpassed all previous corporate actions by some distance. The subscription period ran from March 1 to April 11, 2023.

Over 2,000 individuals opted to invest in W.E.B, around a quarter of whom were new investors. In particularly pleasing news, there were bond subscribers in every Austrian province, with a particular concentration in Eastern Austria.

In 2023, the company offered a bond model: a partial-redemption, ten-year bond with a nominal value of EUR 1,000 and annual interest of 4.5%, with one-tenth of the invested capital repaid per year. The bond was issued on April 19, 2023, and listed on the Vienna MTF at the Vienna Stock Exchange.

Capital for further growth

Since Austria's first wind power bonds were issued in 2010, bonds have played a central role in financing the growth of WEB Windenergie AG, with 18 issued to date. As before, W.E.B has continued to invest the proceeds from the bonds issued in 2023 in new power plants and the expansion of existing installations.

These bonds make a particularly important contribution to financing wind farms currently under construction, including the repowering projects in Gols, Austria, and Kuhs, Germany, along with the new Ariano and Apricena wind farms in Italy. These projects will all be commissioned and generate revenue in 2024 – and contribute to the interest yield and repayment of bonds.

Extensive advertising

Although its investor base has grown continuously over recent years, W.E.B advertised this bond issue more widely than ever before. Outdoor advertising in particular was awarded greater attention than in previous years. The bond was therefore advertised on posters in Lower Austria and Vienna as well as on information screens in stations on the Vienna subway network.

This advertising campaign again focused on Eastern Austria. "We know that a lot of people are looking for a sustainable investment in an Austrian company. By issuing this bond, we're trying to make a clear offer to them," says Michael Trcka, Head of Finance, explaining the situation. "The record proceeds of roughly EUR 38 million is emphatic proof that the opportunity we offer to invest in renewable energy is highly attractive. It also demonstrates the trust that an increasingly broad base of investors place in the growth of W.E.B."

Including this bond, W.E.B has raised EUR 166.9 million through bond issues since 2010, with EUR 104.6 million repaid to date.

W.E.B bond listed on Vienna MTF and in Vienna ESG Segment

W.E.B bonds are listed on the Vienna MTF (formerly Third Market), a multilateral trading system operated by the Vienna Stock Exchange and authorized by the Austrian Financial Market Authority (FMA). Annual reports issued by W.E.B are also made available on this system.

W.E.B bonds are also listed in the Vienna ESG Segment, which is recognizable by its white-and-green ESG logo. Given their ability to guide capital flows towards sustainable activities, stock exchanges have a crucial role to play in driving a green economic transformation. The Vienna Stock Exchange established the Vienna ESG Segment to make it simpler for investors to access financial instruments that promote the green transformation of capital markets.

How much green electricity does one W.E.B share represent?

This is a question that W.E.B's Investor Relations team hears a lot. The following calculation illustrates how large a contribution investors make by owning a share:

The annual production of W.E.B green electricity for 2023 is 1,467 GWh. W.E.B has issued a total of 3,172,983 shares to date. This means that each issued share represents generation of around 460 kWh. This volume of green electricity can power an entire passenger train for around 35 km.

Dividend policy

Given highly favorable recent developments in the market environment for renewable energy, W.E.B hopes to take full advantage of this opportunity by achieving further growth. The Management Board and Supervisory Board have adjusted their dividend policy accordingly. W.E.B will disburse around one-third of its profits and retain around two-thirds to generate further growth.

W.E.B bond attracts new investors

In total, 2,035 people subscribed to the W.E.B bond in 2023. Over 500 of these subscribers were investing in W.E.B for the first time. The average sum invested was roughly EUR 16,000.

Investor events increasingly popular

In 2023, the increased interest in W.E.B from investors also manifested itself in the numbers attending the company's events. More than 130 people registered for the New Year's Meeting, while the Vienna Roadshow in March attracted over 230. The latter was hosted in the magnificent Kuppelsaal – which literally means "domed hall" – at TU Wien.

The climate-driven change in investments

Climate change has an impact on financial markets – albeit a gradual, somewhat indirect impact. By adopting the historic Paris Agreement in 2015, the United Nations agreed to limit the increase in the average global temperature to 2 °C – and, ideally, 1.5 °C – compared to pre-industrial levels.

The European Green Deal from 2019 is a subsequent development of this target at the European level. One of its main targets is to create a sustainable financial system. Consequently, banks and companies are increasingly required to demonstrate that their activities are in line with the sustainability targets set out in the Green Deal to obtain financing.

Forging a path to the future

If we are to succeed in curbing global warming, it is incumbent on companies and the top-level managers that run them to serve as role models. An association called CEOs for Future brings together people who have committed to sustainable transformation of the economy and society – and W.E.B is a member.

In a world buffeted by numerous crises, from the COVID-19 pandemic to geopolitical tensions and the worsening climate crisis, brave and decisive action is crucial to securing a livable future for generations to come. Against this backdrop, CEOs for Future has been established with the aim of promoting the sustainable transformation of the economy and society.

CEOS FOR future

The economy can shape the future

The fundamental principles of CEOs for Future guide the association in all its activities. These include systematic implementation of the Paris Agreement, which aims to keep the increase in global temperatures well below 2 °C. Its members consider the European Green Deal put forward by the European Commission an opportunity to transform Europe into a modern, competitive economic area. The United Nations Sustainable Development Goals also provide a general framework for the association's work.

A central approach applied by CEOs for Future is mobilizing green finance capital and investment by encouraging private and public investors to support sustainable projects. In addition, the association champions the establishment of control mechanisms to make business models for renewable and sustainable business profitable for companies. These models should increasingly consider biophysical planetary limits in order to ensure sustainable development.

Fostering an exchange with other companies and young people

The association has launched two initiatives in pursuit of this aspiration: the Economic Platform and the Generational Platform. The Economic Platform focuses on fostering cross-industry exchange and cooperation between businesses, while the Generational Platform seeks to intensify the dialogue between top-level managers and young people.

Position paper for the energy transition

Last year, CEOs for Future members published a joint position paper titled "Energy Transition: Proposals for Decarbonizing the Energy System". It deals with both the climate transition and the need for secure energy supplies as a location factor for competitive companies. Moreover, it is important for the industry that renewable gases and hydrogen are primarily deployed where they are most needed and can be used efficiently.

Expanding renewable energy generation capacity, increasing grid capacity, and developing and integrating storage systems are cornerstones of the decarbonization process, along with efficient energy use and energy-saving measures. Ultimately, the energy transition is a transformation of the current system.

Carbon footprint

In 2023, WEB Windenergie AG had its carbon footprint calculated in accordance with the Greenhouse Gas Protocol Standard (GHG Protocol) for the sixth year in succession. In the reporting year, W.E.B had a carbon footprint of 242.0 t CO_2e[1] in Austria.

2023 greenhouse gas emissions	tCO_2e	Proportion
Scope 1	227.1	93.8%
Scope 2 (market-based)	14.9	6.2%
Scope 2 (location-based)	341.9	
Corporate carbon footprint	**242.0**	**100%**

Carbon footprint 2023
242.0 t CO_2e

The carbon footprint of W.E.B in Austria was also compared to the carbon handprint for the reporting year, i.e. the electricity from renewable sources fed into the Austrian grid. This amounted to 254,601 t CO_2e.

Carbon handprint 2023
254,601 t CO_2e

[1] Scope 1 emissions were calculated using the Austrian Federal Environment Agency's emission factors for diesel. Scope 2 emissions were calculated using the Austrian Federal Environment Agency's emission factor for electricity generation in Austria (a location-based approach) and the "Ecolabel Green Electricity" emission factor (a market-based approach). As is customary in the industry, the total emissions (corporate carbon footprint) were calculated using the market-based value.

Strongest head-count growth in the history of W.E.B

It can take eight to ten years for a wind farm project to advance from the initial idea through to the commissioned plant. Broad-based development teams and flexible resources in supporting roles are essential to guiding projects successfully from one milestone to the next. With this in mind, W.E.B significantly increased the size of its workforce in 2023. It expanded its support for young employees and its training for managers. W.E.B cultural ambassadors also conducted a range of activities to ensure that the company's culture is both preached and practiced.

Energy industry developments in W.E.B markets in Europe and North America have created an environment in which renewable energy systems enjoy growing approval. For companies in this sector, this positive perception has presented an opportunity to launch new projects, expand their project pipelines and progress their power plant projects more swiftly than before. In an effort to seize these opportunities, W.E.B supplemented its human resources in project development and supporting departments in 2023. In total, the company has added 45 new positions, which corresponds to growth of over 25%.

Internal appointments to management positions

The W.E.B Supervisory Board recruited the new members of the W.E.B Management Board – who will take up their positions in 2024 – from within its existing management ranks. Until the end of 2023, Stefanie Markut was an authorized representative and Head of the Legal department; Florian Müller was CFO for Canada and the USA, and Roman Prager was an authorized representative and Head of Project Development HQ and Sales. Johanna Gaiswinkler and Rainer Karan, two experts already with the company, have moved to lead the Legal and Business Development departments respectively. In the course of splitting off the company's Grünstrom (green electricity) sales activities, Markus Amatschek – who had led the team to date – was appointed Managing Director of WEB energy sales GmbH. And, in order to better leverage the

potential in the USA, separate teams have been established for the USA and Canada. Another experienced employee appointed to a new management role is Joseph Mendelsohn, a project development specialist, who is now CEO of the US subsidiary of W.E.B.

A growing presence on the ground

Successfully developing power plant projects on greenfield sites requires a local presence. With this in mind, W.E.B has opened regional offices in several countries in recent years and increased the size of their teams in 2023. It has handed greater responsibility for project development to a number of regional teams, including Vienna and Graz in Austria, Lübben in Brandenburg, Germany, and Dijon in the Bourgogne-Franche-Comté region of France. These teams are further strengthened by employees in development roles who primarily work from home.

Comprehensive recruitment

The labor market remained highly competitive for employers in 2023. Nevertheless, W.E.B succeeded in hiring the best possible candidates for budgeted positions in 2023. The company recruited 22 new employees last year for its project development activities alone. It also added employees in roles to support the power plant expansion. W.E.B plans to grow its workforce further in 2024.

Internships as a springboard

As in previous years, W.E.B offered young people the opportunity to familiarize themselves with the industry and the company through internships. In 2023, there were 23 interns working at W.E.B around the world. Five of the company's new employees started their career at W.E.B as interns.

A comprehensive onboarding process

Newly hired employees are systematically integrated into the company in a thorough onboarding and induction process. This allows them to quickly get to grips with their future tasks and familiarize themselves with the company structure and the important work processes. The onboarding process has a cross-departmental structure and helps new employees to meet their new colleagues, further promoting networking within W.E.B.

Human resources development and leadership

W.E.B has also established the internal Future Potentials Management Development Program. In 2023, 12 young managers at W.E.B took part in three modules: "My Role as a Manager"; "Handling Challenging Leadership Situations", and "Positive Leadership – Coaching as a Management Concept".

The company has returned to the proven concept of Leadership Cafés, adapting the format in the direction of one-day inspiration and training events. In 2023, the events focused on group dynamics in teams, delegation and responsibility, targets and evaluation, and positive leadership.

W.E.B cultural ambassadors

Employees' job satisfaction depends to a significant extent on the culture of cooperation and togetherness within the company. Corporate culture is the reality shaped by the people within a company: not the desired outcome or the situation as described on paper, but the real, practiced culture.

The W.E.B cultural ambassadors – a group of employees from different countries and departments – play an important role in this. They serve as confidants for their colleagues, instigate measures to promote togetherness and, above all, support a positive workplace culture as attentive listeners. There is a lot at stake here, namely ensuring and enhancing a positive, open and trusting corporate culture.

The W.E.B cultural ambassadors foster this togetherness through a range of activities. For example, they organize talks and workshops to ensure that important topics such as mental resilience and female empowerment remain topics of conversation. They host group sports activities and healthy cooking events along with cultural excursions and ever-popular pub quizzes. And, they delight their colleagues by marking special occasions – such as providing traditional Austrian jam donuts to mark Shrove Tuesday.

Core KPIs

		2022	2023
Employees (Group)	people	210	255
	full-time equivalents	191.4	240.0
Proportion of women	%	38.6	38.8
Average age	years	37.6	37.8
New hires	people	49	83
of whom were interns		18	23
of whom were marginal employees		5	0
of whom were returning after parental leave		3	11
Left company	people	19	31
of whom retired		3	0
of whom were interns		18	23
of whom were marginal employees		4	2
of whom left for parental leave		5	14
Recruiting throughput time	months	3.2	3.0
Average tenure	years	5.8	5.4
Ratio of total annual compensation of the person with the highest salary to the median total annual compensation of all salaried employees (Group)		7.6	11.3
Salaried employees subject to collective bargaining (Group)	%	80	85

Additional information and key performance indicators are provided in the management report on pages 94 to 96 of this annual report.

Huge interest in W.E.B bonds

An essential foundation of W.E.B's success is the fact that it is rooted in community participation and remains faithful to this principle to this day. Its economic and ecological sustainability makes W.E.B a green investment. A particular highlight of 2023 was the bond issue: it generated record proceeds in excess of EUR 38 million, which will be used to expand the W.E.B wind power portfolio in Austria, Germany and Italy.

W.E.B shares

W.E.B shares are a green investment option for anyone who wishes to participate directly in the energy transition. They have performed impressively to date. This is due in no small part to the company's sustainable dividend policy.

In the company's first ten years, corporate profits were funneled entirely into further expansion, but more recently, W.E.B has been distributing dividends to shareholders regularly since 2010. W.E.B plans to distribute around one third of the Group's profit as dividends, both to give shareholders an appropriate share of the profit and to provide sufficient equity for future growth.

Dividends and payout ratio

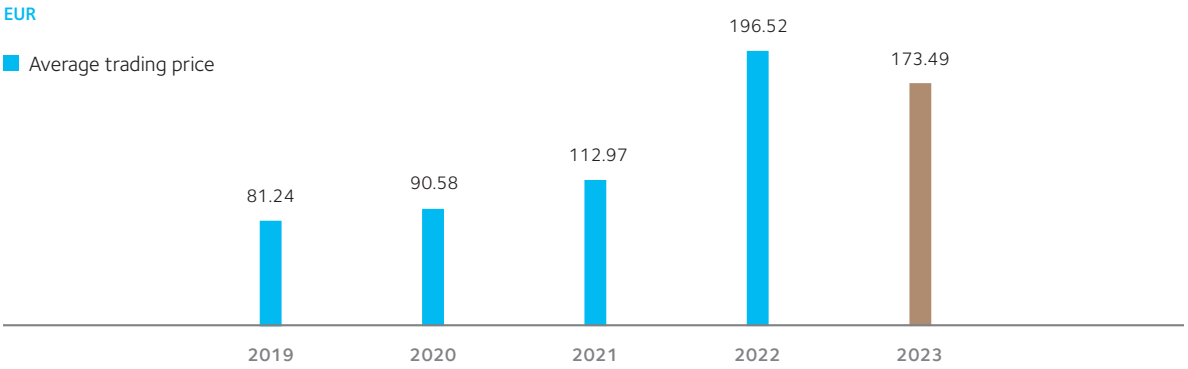
	2019	2020	2021	2022	2023[1]
Dividends (EUR)	1.00	2.60	2.10	2.90	4.90
Payout ratio (%)	21.77	62.73	48.67	34.48	30.66

[1] Proposal to the 2024 Annual General Meeting

W.E.B's shares are restricted registered shares that are not listed on an exchange and therefore cannot be traded on an exchange. However, investors can easily conduct transactions on the online platform www.traderoom.at. Registering on the Traderoom site and executing transactions is quick and easy and no fees are charged. The platform allows all existing and prospective shareholders to submit buy or sell offers and search for existing offers. This process merely involves an exchange of information; W.E.B does not act as a broker.

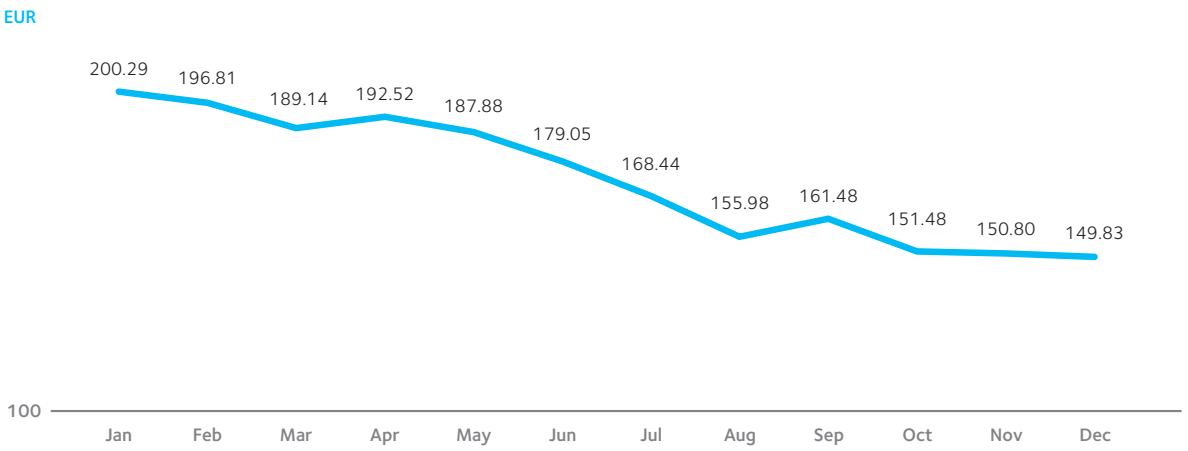
A total of 52,472 shares valued at approximately EUR 9 million changed hands in 2023 with the support of Traderoom. The highest average trading price of the share was in January 2023 at EUR 213.00.

Traderoom: Average annual share price, year-on-year change[1]



The share's annual average trading price in Traderoom was lower in 2023 than 2022, falling from around EUR 196.52 to EUR 173.49, but remained significant higher than in 2021 (EUR 112.97).

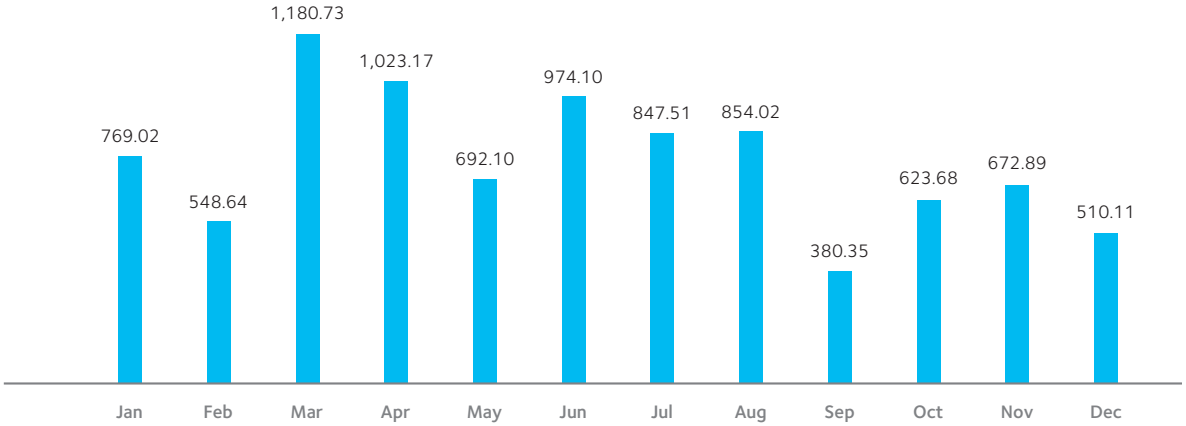
Traderoom: Average share price over the course of 2023[1]



[1] Since W.E.B shares are not listed, no price is formed. The average prices shown here are determined on the basis of transactions made in the virtual Traderoom. Past performance is not a basis for drawing conclusions about future performance.

Traderoom: Transactions in 2023

Transaction amount, EUR k



In the reporting period, 33,538 shares were transferred outside of Traderoom. Of these, W.E.B knows the transaction price for 7,759 shares, which averaged EUR 169.42.

As of December 31, 2023, the number of ordinary shares issued totaled 3,172,983. The number of shareholders increased from 6,305 at the end of 2022 to 6,655 as of December 31, 2023.

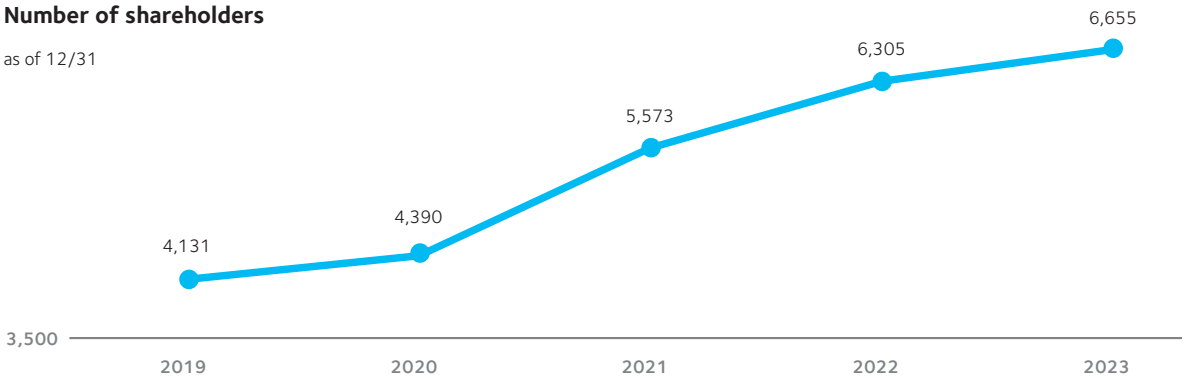
Shareholders by ownership interest

as of 12/31/2023

Groups	Lower threshold	Upper threshold	Shares (number)	Shares (%)	Shareholders (number)	Shareholders (%)
Up to 0.1%	1	3,172	1,860,348	58.63%	6,487	97.48%
More than 0.1% up to 0.5%	3,173	15,864	902,467	28.44%	154	2.31%
More than 0.5% up to 1%	15,865	31,729	177,027	5.58%	9	0.13%
More than 1% up to 2%	31,730	63,459	152,271	4.80%	4	0.06%
More than 2% up to 3%	63,460	95,189	80,870	2.55%	1	0.02%
Total			**3,172,983**	**100.00%**	**6,655**	**100.00%**

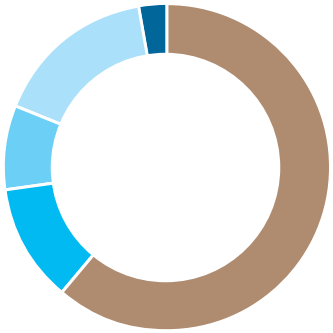
Number of shareholders

as of 12/31



Regional distribution of shares

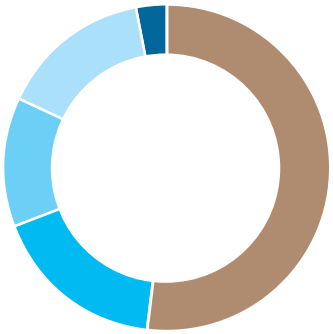
as of 12/31/2023



Number	Proportion		Region
1,945,305	61.31%		Lower Austria
371,145	11.70%		Vienna
259,298	8.17%		Upper Austria
514,696	16.22%		Austria excluding Lower A., Upper A., and Vienna
3,090,444	**97.40%**		**Total Austria**
82,539	2.60%		Other countries
3,172,983	**100.00%**		**All shares**

Regional distribution of shareholders

as of 12/31/2023



Number	Proportion		Region
3,463	52.03%		Lower Austria
1,157	17.39%		Vienna
844	12.68%		Upper Austria
997	14.98%		Austria excluding Lower A., Upper A., and Vienna
6,461	**97.08%**		**Total Austria**
194	2.92%		Other countries
6,655	**100.00%**		**All shareholders**

W.E.B bonds

Investors can also invest in W.E.B by buying one of our bonds.
Since 2010, W.E.B has been issuing various types of bonds almost yearly to finance new power plants. In this regard as well, we are playing a pioneering role: W.E.B's 2010–2015 bond with a 5% coupon was the first wind power bond in Austria. The country's first wind power hybrid bond followed in 2014.

In total, WEB Windenergie AG has issued bonds totaling EUR 166.9 million since 2010, which has provided considerable momentum for implementing its extensive investment program. A total of EUR 104.6 million had already been redeemed by the end of 2023. This amount includes both the bonds redeemed in full and those partially redeemed as stipulated by annual partial redemption models and by the hybrid bond. The interest paid out for this was EUR 28.8 million (before deduction of capital gains tax) at the end of 2023.

All W.E.B bonds are listed on the Vienna MTF of the Vienna Stock Exchange, specifically in the Vienna ESG segment and in the corporates prime segment, the premium segment for corporate bonds. In this way, W.E.B undertakes to ensure greater transparency than required by the Vienna MTF.

W.E.B bonds are traded exclusively on the Vienna Stock Exchange.

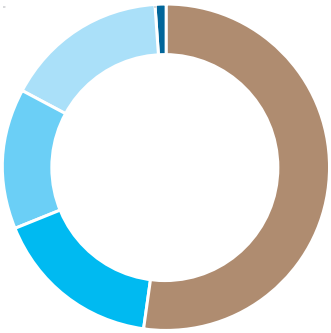
W.E.B bonds since 2010

Year	Maturity	Interest	Repayment	Volume (EUR million)
2010[1]	5 years	5.00%	final maturity	10.2
2011[1]	5 years	5.00%	final maturity	6.5
2013[1]	5 years	4.00%	final maturity	8.0
2013[1]	10 years	5.25%	annual partial redemption	10.2
2013[1]	10 years	5.50%	final maturity	6.4
2014[1]	5 years	3.50%	final maturity	10.6
2014	no maturity date	6.50%	hybrid	4.4
2015[1]	5 years	2.75%	final maturity	7.1
2015	10 years	4.00%	annual partial redemption	8.5
2015	no maturity date	6.50%	hybrid	6.7
2016[1]	5 years	2.50%	final maturity	7.0
2016	10 years	3.75%	annual partial redemption	6.9
2016	no maturity date	6.25%	hybrid	6.3
2018	10 years	2.25%	annual partial redemption	5.1
2018	no maturity date	4.50%	hybrid	10.0
2019	10 years	2.25%	annual partial redemption	5.0
2019	no maturity date	4.50%	hybrid	9.7
2023	10 years	4.50%	annual partial redemption	38.3
				166.9

[1] Already redeemed (as of: 12/31/2023)

Regional distribution of bonds

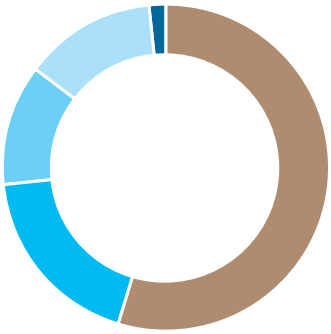
as of the reporting date on 12/31/2023



Number	Proportion	Region
52,944	52.47%	Lower Austria
16,565	16.42%	Vienna
14,221	14.09%	Upper Austria
16,116	15.97%	Austria excluding Lower A., Upper A., and Vienna
99,846	**98.95%**	**Total Austria**
1,058	1.05%	Other countries
100,904	**100.00%**	**All bonds**

Regional distribution of bond buyers

as of the reporting date on 12/31/2023



Number	Proportion	Region
1,753	54.83%	Lower Austria
592	18.52%	Vienna
383	11.98%	Upper Austria
424	13.26%	Austria excluding Lower A., Upper A., and Vienna
3,152	**98.59%**	**Total Austria**
45	1.41%	Other countries
3,197	**100.00%**	**All bond subscribers**

Governing bodies of the company

Supervisory Board

Mathias Dangl, Martin Zimmermann, Brigitte Ederer, Reinhard Schanda, Josef Schweighofer, Stefan Bauer

Josef Schweighofer

Chairman | Born in 1964

- Member of the Supervisory Board since 7/5/2002
- Current appointment ending at the 2026 AGM
- Chairman of the Audit Committee
- Audit Committee finance expert pursuant to Section 92(4a) of the Austrian Stock Corporation Act (Aktiengesetz – AktG)

Reinhard Schanda

Deputy Chairman | Born in 1965

- Member of the Supervisory Board since 6/19/2009
- Current appointment ending at the 2024 AGM
- Member of the Audit Committee
- Austrian Wind Energy Association (Interessengemeinschaft Windkraft Österreich, IGW), Member of the Management Board and Chairman of the Advisory Board

Martin Zimmermann

Member | Born in 1968

- Member of the Supervisory Board since 6/18/2011
- Current appointment ending at the 2026 AGM

Stefan Bauer

Member | Born in 1977

- Member of the Supervisory Board since 5/1/2005
- Current appointment ending at the 2026 AGM
- Member of the Audit Committee

Brigitte Ederer

Member | Born in 1956

- Member of the Supervisory Board since 5/25/2018
- Current appointment ending at the 2028 AGM
- Spokeswoman of Forum Versorgungssicherheit, an Austrian association that promotes Austrian energy and water supply security

Mathias Dangl

Member | Born in 1987

- Member of the Supervisory Board since 10/1/2022
- Current appointment upon assignment by FutureDriving Dangl GmbH (formerly Windkraftanlagen Errichtungs- und Betriebsgesellschaft mbH) on 10/1/2022

Management Board

Michael Trcka, Stefanie Markut, Florian Müller, Frank Dumeier, Roman Prager

Frank Dumeier
Chairman of the Management Board (CEO) until 4/30/2024 | Born in 1962

- Member of the Management Board since April 2010
- Member of the Management Board of IG Windkraft

Stefanie Markut
Management Board member for Corporate Development | Born in 1977

- Member of the Management Board since January 2024

Florian Müller
Management Board member for Project Development | Born in 1987

- Member of the Management Board since January 2024

Roman Prager
Management Board member for Operations as of 5/1/2024 | Born in 1976

- Management Board member as of May 2024

Michael Trcka
Management Board member for Finance
Born in 1970

- Member of the Management Board since May 2009

Corporate governance

W.E.B's commitment to corporate governance

As a company focused on community participation, WEB Windenergie AG is interested in pursuing responsible corporate governance and remaining as transparent as possible. This is why WEB Windenergie AG has been committed since mid-2006 to the Austrian Code of Corporate Governance (ÖCGK), which is applied as outlined below.

The ÖCGK was developed as a basic set of regulations for listed companies in Austria to supplement the statutory provisions of Austrian stock exchange law by adding rules on self-governance. Unlisted stock companies may also voluntarily decide to follow the Code and are free to decide the extent to which this shall occur. W.E.B accordingly made the decision to comply with the ÖCGK rules as follows. This does not constitute a commitment.

The objective of the ÖCGK is to encourage responsible corporate governance and control aimed at long-term value creation. This is achieved through a comprehensive set of rules governing transparency and the internal organization of companies.

For WEB Windenergie AG, the Code is a key component in its efforts to increase confidence in the company among shareholders, business partners, employees, and the public.

The current version of the ÖCGK is available at www.corporate-governance.at.

The ÖCGK includes nearly eighty rules applicable to different degrees to the companies that agree to be subject to it:

- **L-Rules (legal requirements):** These rules are based on mandatory legal requirements.
- **C-Rules (comply or explain):** These rules should be followed; deviations must be explained and the reasons stated.
- **R-Rules (recommendations):** These rules are recommended, and non-compliance requires neither disclosure nor explanation.

Implementation of the Code of Corporate Governance by WEB Windenergie AG in the fiscal year 2023

The Management Board and Supervisory Board always strive to comply with the rules in the Code as fully as possible and to continually improve the company's internal standards. In cases where we do not follow a rule fully, we explain the reason. This basic approach of WEB Windenergie AG differs fundamentally from that of other publicly owned companies, because our company, which is not listed on the stock exchange, actively and consistently communicates with registered shareholders. In addition, not all L-rules and C-rules are applicable to WEB Windenergie AG, since some provisions are relevant only for listed companies.

WEB Windenergie AG does not publish a separate corporate governance report because, as an unlisted Austrian stock corporation, there is no requirement to do so. However, most of the content that such a report would be required to include is presented in the annual report (particularly the composition of the governing bodies, i.e., the Management Board and Supervisory Board).

The most significant deviations from the rules in the ÖCGK are explained briefly below in accordance with WEB Windenergie AG's voluntary compliance with the Code.

In the year under review, the company deviated from the following ÖCGK rules:

C-Rule 18:

"Depending on the size of the enterprise, a separate staff unit is to be set up for internal auditing, which shall report to the management board, or the task of conducting internal audits may be contracted out to a competent institution. At least once a year, a report on the auditing plan and any material findings are to be presented to the audit committee."

Despite growing continually, WEB Windenergie AG is a medium-sized company. Due to the size of the company and its business purpose, a separate internal audit department is not considered cost-effective.

L-Rules 26b and 29a – remuneration policy and remuneration report:

Both of these provisions (according to Sections 78a and 78b AktG) are applicable only to listed companies and are therefore not mandatory for WEB Windenergie AG.

A remuneration policy is in place for WEB Windenergie AG's Management Board members – and managing directors of subsidiaries, department heads, and employees – that covers fixed and variable compensation components. The existing remuneration policy for Management Board members was retained and supplemented when their employment contracts were extended in order to provide incentives for sustainable business growth. In addition to fixed compensation and variable components linked to the Group's performance (exceeding a certain return on equity), separate compensation is paid for commissioning of new power plants and reaching certain milestones. Upper thresholds are set for compensation.

C-Rule 39 (and analogously C-Rules 41 and 43):

"The supervisory board shall set up expert committees from among its members depending on the specific circumstances of the enterprise and the number of supervisory board members. These committees shall serve to improve the efficiency of the work of the supervisory board and shall deal with complex issues. However, the supervisory board may discuss the issues of the committees with the entire supervisory board at its discretion. Each chairperson of a committee shall report periodically to the supervisory board on the work of the committee. The supervisory board shall ensure that a committee has the authorization to take decisions in urgent cases. The majority of the committee members shall meet the criteria for independence of C-Rule 53.

The Corporate Governance Report shall state the names of the committee members and the name of the chairperson. The Corporate Governance Report must disclose the number of meetings of the committees and discuss the activities of the committees."

In accordance with Article 12 of the Articles of Association, WEB Windenergie AG's Supervisory Board can have a maximum of nine members, but currently has only six members. Due to the small number of members and the specific circumstances of the company, only one committee was set up: the Audit Committee. No other committees were formed, as this is not considered effective. The Supervisory Board conducts all of its business as a single unit. The ÖCGK also stipulates formation of a nomination committee in accordance with C-Rule 41 and a remuneration committee in accordance with C-Rule 43 only when a supervisory board has reached a "critical mass" of at least seven members. WEB Windenergie AG does not meet this criterion because it has only six Supervisory Board members. However, the Supervisory Board's rules of procedure generally provide for setting up committees other than the Audit Committee, so this could be done without taking additional steps. In Supervisory Board elections, attention is paid to filling the positions with candidates who have the necessary expertise (finance, law, technology, social skills).

C-Rule 49:

"The company shall disclose in the Corporate Governance Report the object and remuneration of contracts subject to approval pursuant to L-Rule 48. A summary of contracts of the same kind shall be permitted."

The company does not publish a corporate governance report because it is not legally required to do so. However, disclosures regarding contracts subject to approval pursuant to L-Rule 48 are provided in the notes to the annual financial statements. These include the contract with the law firm of Sattler & Schanda (in which Supervisory Board member Reinhard Schanda is a partner) and the leasing of acreage for environmental measures by Martin Zimmermann in areas where WEB Windenergie AG develops projects.

L-Rule 60:

"The company shall prepare a Corporate Governance Report that contains at least the following information:

[...]

- **the measures taken to promote women to the management board, supervisory board and to top management positions;**
- **the diversity concept."**

No women currently sit on WEB Windenergie AG's Management Board. The Supervisory Board has had one female member, Brigitte Ederer, since the 2018 Annual General Meeting. Several women also work in the company's second level of management: at present, Claudia Bauer and Stefanie Markut are appointed as authorized signatories, and nine department heads and directors of the company's subsidiaries are women.

WEB Windenergie AG does not currently have an explicit diversity policy for reasons including its position as a medium-sized company.

C-Rule 68:

"The company shall publish annual financial reports, half-yearly financial reports and any other interim reports in English and German, and shall make these available on the company's website. If the annual financial report contains consolidated financial statements, the financial statements in the annual report pursuant to the Business Code must only be published and made available in German."

The company's annual financial statements can be downloaded from its website in both German and English. Interim reports are published on the website in German.

C-Rule 83:

"In addition, the auditor shall make an assessment of the effectiveness of the company's risk management based on the information and documents presented and shall report the findings to the management board. This report shall also be brought to the notice of the chairperson of the supervisory board. The chairperson shall be responsible for ensuring that the report is dealt with by the audit committee and reported on to the supervisory board."

WEB Windenergie AG does not commission any explicit evaluation of its risk management system. However, the company's risks are assessed and discussed when the financial statements are audited.

Report of the Supervisory Board

in accordance with Section 96 AktG

Dear shareholders
and readers of this report,

Organization and activities of the Supervisory Board

During the fiscal year 2023, the Supervisory Board was composed of five members elected by the Annual General Meeting: Josef Schweighofer (Chairman), Reinhard Schanda (Deputy Chairman), Stefan Bauer, Brigitte Ederer and Martin Zimmermann. Future Driving GmbH exercised its statutory right to appoint members (Article 12(2) of the Articles of Association) and appointed Mathias Dangl to the Supervisory Board with effect from October 1, 2022.

Supervisory Board members Josef Schweighofer, Stefan Bauer, and Martin Zimmermann were elected for a further five years at the 22nd Annual General Meeting on May 28, 2021. Supervisory Board member Brigitte Ederer was re-elected for a further five-year term at the last Annual General Meeting (24th Annual General Meeting) on May 12, 2023.

Reinhard Schanda's term of office expires at the end of the 25th Annual General Meeting on April 26, 2024. Reinhard Schanda is available for a further term of office on the Supervisory Board, and the Supervisory Board has therefore nominated him for re-election in accordance with its duty to propose candidates as set out in Section 198(1) AktG. The nominated candidate has issued a declaration pursuant to Section 87(2) AktG confirming his professional qualifications and impartiality. The Supervisory Board is confident that, given the different educational backgrounds and professional experience of its members, its current composition has the required balance.

The Supervisory Board exercised with great care the duties assigned to it by the law, the Articles of Association, and the bylaws during the reporting period. Based on the comprehensive reporting provided by the Management Board, the Supervisory Board regularly advised it on the management of the company and monitored its activities on an ongoing basis. In a total of eight meetings and an inaugural meeting in which all Supervisory Board members participated, along with additional discussions and phone conferences, the Supervisory Board deliberated on the company's operations and business policies and the Group's results on the basis of regular, timely written and oral reports by the Management Board.

Appointments to the Management Board

In addition to current business policy and results, in 2023 the Supervisory Board also engaged with the issue of future appointments to the Management Board, consolidating the existing strategic direction. Frank Dumeier's decision to step down presented the Supervisory Board with an opportunity to usher in a generational change on the Management Board.

After careful consideration, the Supervisory Board decided to augment the Management Board to a total of four members, appointing experienced managers from within the company. The appointment of Stefanie Markut and Florian Müller as of January 1, 2024, the re-appointment of Michael Trcka as of April 1, 2024, and the appointment of Roman Prager as of May 1, 2024, mean that Frank Dumeier – who has decided to step down from the Management Board as of April 30, 2024 – will be replaced and the Management Board of W.E.B will be more broad-based and younger overall. All Management Board members have been appointed for an initial term of two years. However, subject to the appointed team achieving the targeted and expected success, long-term extensions are planned for their appointments. It is also important to note that Frank Dumeier will remain available to W.E.B as an advisor.

Management Board member Stefanie Markut, who had previously been an authorized representative and Head of the Legal department, is responsible for HR and corporate communications as well as tackling the mounting legal challenges in our projects. She will also lead our central procurement activities in the future. Florian Müller, who was previously CFO for North America, is now the Management Board member responsible for our core activities in the successful development of renewable energy projects in our international markets. Michael Trcka, who has already served successfully as our CFO for 15 years, has agreed to remain in post and strengthen the Management Board team with his experience. Roman Prager, who has spent the majority of his W.E.B career as Head of Operations, will become the Management Board member responsible for operations and electricity marketing from May 1, 2024.

The new Management Board team will be tasked with successfully implementing the Vision 2030+ growth strategy. This strategy targets increased internationalization, significant growth and new business activities.

Never before has the renewable energy sector seen such opportunities for growth – or such intense competition. In a world characterized by volatility, uncertainty and ever-increasing legal complexity, we strive to take different perspectives into account when making material decisions. Furthermore, enlarging the Management Board team should also allow us to avoid creating a further level in the management hierarchy in the future, thereby maintaining the direct exchange between employees and Management Board members, including the open-door policy. As the Supervisory Board, we are convinced that a broad-based, interdisciplinary Management Board is the right response to the challenges of the future.

Corporate action

At the start of the reporting year, the Supervisory Board approved a further bond issue. This generated a total of EUR 38,251,000 in the subscription period from March 1 to April 11, 2023 – a record for any corporate action implemented by W.E.B. In addition to this historic outcome, the number of shareholders also increased on previous years.

Grünstrom split-off

During the reporting period, the Management Board was authorized to split off Grünstrom (green electricity) sales activities from WEB Windenergie AG and transfer them to a separate subsidiary. At the 24th Annual General Meeting in 2023, a resolution regarding a demerger from the Group, namely the transfer of the "Grünstrom" service of WEB Windenergie AG as the transferring entity by way of universal succession through a split-off for absorption as of the demerger date of December 31, 2022, to a fully owned subsidiary as the receiving entity without granting of shares, subject to approval of the split-off and acquisition agreement, was tabled and approved with the necessary majority of votes. The Supervisory Board oversaw implementation of this measure during the reporting year, the requisite approvals were issued and the transfer was completed at the end of September 2023. The fully owned subsidiary WEB energy sales GmbH has therefore processed all Grünstrom (green electricity) sales activities with retroactive effect since January 1, 2023.

Strategic direction

Furthermore, the future strategic direction of the company and the significant Group companies has been discussed with the Management Board. In addition to the composition of the Management Board, the Supervisory Board reflected on expanding activities into countries in which we are not currently active and increasing project activities in countries in which we are already active. Furthermore, building on discussions in previous years, we examined the extent to which we should engage with the fields of hydrogen and battery storage.

In summary, the Supervisory Board discharged its supervisory responsibilities as part of an open, constructive dialogue with the Management Board. In addition, the Chairman of the Supervisory Board was in constant contact with the Management Board to regularly receive information about the latest developments at the company. In the course of its deliberations and decisions, the Supervisory Board considered environmental and social issues (incl. ESG) in addition to the economic aspects of the company's business and reviewed the associated effects, risks, and opportunities.

Audit Committee

Pursuant to Section 92(4a) AktG, the company is required to appoint members of the Supervisory Board to an Audit Committee comprising at least three individuals. During the reporting period, Josef Schweighofer, Reinhard Schanda, and Stefan Bauer were the three members appointed to the Audit Committee. Josef Schweighofer was elected Chairman of the Audit Committee. At the same time, he was nominated to be the Audit Committee finance expert in accordance with Section 92(4a) AktG.

The Audit Committee held two meetings in the year under review, discussed specific issues in detail, and subsequently reported on these to the full Supervisory Board. In April 2023, the Committee deliberated on all issues concerning the annual and consolidated financial statements for 2022 and the proposal for appointing the auditor for 2023. At the November 2023 meeting, the auditor provided an overview of the planned course and areas of focus of the audit for the fiscal year 2023. In addition, the Audit Committee also discussed the corporate governance report and monitoring of the accounting process, reviewed the effectiveness of the internal control system (ICS), including the risk management system, and monitored the auditor's independence. The Audit Committee also had the opportunity to consult and exchange information with the auditor without the presence of the Management Board.

Annual financial statements for 2023 and proposal for the appropriation of profits

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Strasse 19, IZD-Tower, 1220 Vienna, which was appointed auditor of the financial statements for the fiscal year 2023, audited the annual financial statements for the fiscal year 2023, including the management report and consolidated financial statements for the fiscal year 2023, along with the group management report, and issued an unqualified audit opinion on each.

All documents for the financial statements, the proposal for the appropriation of the profits, and all audit reports by the auditor of the financial statements were discussed extensively and in detail by the Audit Committee with the auditor in a meeting on March 27, 2024. Furthermore, the auditor presented a separate report to the Audit Committee pursuant to Article 11 of Regulation (EU) No 537/2014 in conjunction with Section 92(4a) No. 2 AktG regarding the audit of the separate financial statements and the consolidated financial statements for the fiscal year 2023. The results of this Audit Committee meeting were reported to the Supervisory Board, and the proposals required by law were distributed.

The report on the annual financial statements and the consolidated financial statements including the group management report were discussed at the Supervisory Board meeting on March 27, 2024, held in conjunction with the Management Board and the auditor.

The Supervisory Board concurred with the results of the audits by the auditor and the Audit Committee; approved the annual financial statements for the period ending on December 31, 2023, submitted by the Management Board; approved the related management report by the Management Board; and endorsed

the proposal for the appropriation of profits. The annual financial statements are therefore adopted in accordance with Section 96(4) AktG. The Supervisory Board noted and endorsed the consolidated financial statements including the group management report.

The Supervisory Board therefore agrees with the Management Board's proposal to distribute EUR 15,547,616.70 (EUR 4.90 per share) of the total net retained profit of EUR 26,180,625.02 and to carry forward the remaining amount of EUR 10,633,008.32.

Audit of the annual financial statements for 2024

A proposal by the Audit Committee proposing the election of the auditor of the separate and consolidated financial statements for the fiscal year 2024 was prepared for the 25th Annual General Meeting. Ernst & Young Wirtschaftsprüfungsgesellschaft m. b. H., Wagramer Strasse 19, IZD-Tower (Postfach 89), 1220 Vienna, is proposed as auditor of the separate and consolidated financial statements for the fiscal year 2024 (January 1 to December 31, 2024).

Thanks

Finally, on behalf of the Supervisory Board, I would like to express my gratitude to all of our employees, the managing directors of the Group companies, and the Management Board, and to recognize their successful efforts in the past fiscal year 2023. My gratitude also goes out to our loyal customers, our joint venture and business partners in Austria and abroad, and our shareholders and bond buyers for the confidence they have demonstrated in W.E.B.

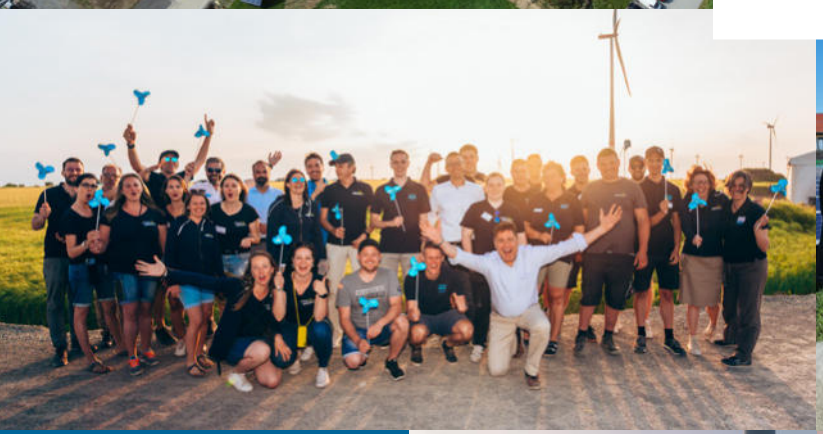
On behalf of the Supervisory Board

Josef Schweighofer
Chairman of the Supervisory Board
Pfaffenschlag, March 2024











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23 in figures

Group management report
for the 2023 fiscal year

Content

1. General information

Headquartered at Davidstrasse 1 in 3834 Pfaffenschlag, Lower Austria, and registered at the Regional Court of Krems an der Donau (FN 184649v), WEB Windenergie AG (W.E.B) is an unlisted company engaged in the project development and operation of renewable energy power plants. This includes projects and installations in the wind power, solar power and hydropower sectors. W.E.B operates in eight countries in Europe and North America: Austria, Germany, France, Italy, the Czech Republic, Slovakia, Canada and the United States. W.E.B has installed local teams in these countries, which primarily develop new projects or acquire projects in various stages of development. Power plant operation in all the countries is coordinated centrally from Austria. We mainly sell the electricity we generate indirectly – through electricity traders, electric utilities and, if the legal conditions are in place for green electricity, via national exchanges – but also directly to businesses and residential customers.

Our international profile and the technological diversity of our projects form the basis for successfully overcoming the challenges of delivering a sustainable energy supply.

For information on the companies included in the consolidated financial statements, please refer to the notes to the consolidated financial statements.

Please refer to section 9.1 of the notes to the consolidated financial statements for changes to the scope of consolidation.

1.1 Branch offices

WEB Windenergie AG does not have any branch offices.

2. Political and regulatory framework

In 2023, global investments related to the energy transition totaled USD 1.8 trillion. This corresponds to an increase of 17% on the previous year. This was a new record, reached in a year marked by geopolitical turmoil, rising interest rates and high inflation. Investments in renewable energy, including wind and solar power, increased by 8% to USD 623 billion. Strong growth was recorded in the US and Europe, while China, the world's largest renewable energy market, reported a year-on-year drop of 11%. The current level of investment is nowhere near sufficient to achieve climate neutrality by the middle of this century. To achieve this target, investments in the energy transition would have to increase by an average of USD 4.8 trillion between 2024 and 2030 – which corresponds to three times the total investment in 2023 (Source: BloombergNEF – Energy Transition Investment Trends).

2.1 General regulatory framework

In the European Green Deal presented in 2019, the European Commission set the goal of making Europe the first climate-neutral continent by 2050. The Green Deal is a package of policy initiatives designed to bring about the "green transition" required to achieve this. Managing the transition to a fair and prosperous society with a modern and competitive economy requires a holistic, cross-sectoral approach, with all of the

related policy areas contributing to the overarching climate goal. The package includes initiatives that cover a number of closely interlinked policy areas: the climate, the environment, energy, transport, industry, agriculture and sustainable finance.

The Green Deal currently includes the following initiatives:

Fit for 55
The Fit for 55 package presented in July 2021 is designed to translate the goals of the Green Deal into legal acts. Its name pertains to the EU target of reducing net greenhouse gas emissions by at least 55% by 2030 and aims to bring EU legislation in line with the 2030 target. More specifically, it is a set of proposals intended to update existing climate, energy, and transport legislation and introduce new legislative initiatives. It aims to adapt EU legislation to the EU's climate targets. Along with many other areas (emissions trading, carbon emissions, carbon standards and energy efficiency), the Fit for 55 initiative also includes revisions to the Renewable Energy Directive. Accordingly, the EU target for the share of energy from renewable sources in the overall energy mix is to be raised from the current level of "at least 32%" to "at least 40%" by 2030. In October 2023, the Council adopted an amendment to the Renewable Energy Directive (RED III), which aims to increase the share of renewable energy in the EU's total energy consumption to 42.5% by 2030. An indicative additional increase of 2.5% has also been planned to ensure that the 45% target can be achieved.

The package also proposes the introduction or reinforcement of sector-specific sub-targets and measures for all sectors. In particular, it focuses on sectors where the integration of renewable energy has been progressing relatively slowly so far, such as transport, buildings and industry.

In April 2023, the Council adopted key legislation to achieve the 2030 climate targets (including the revised EU Emissions Trading System, the new Carbon Border Adjustment Mechanism and the new Social Climate Fund). This will unlock greenhouse gas emission reductions in key economic sectors, while ensuring effective support for the most financially vulnerable citizens and micro-entrepreneurs facing carbon displacement in the climate transition.

In July 2023, the Council adopted the Energy Efficiency Directive. At the EU level, the aim is to reduce final energy consumption by 11.7% by 2030 from 2020 levels. Together, member states will ensure a reduction in final energy consumption. A certain degree of flexibility is provided for achieving the goal. The integrated national energy and climate plans set out indicative national contributions and trajectories to achieve the target.

REPowerEU
In response to the stresses and disruptions in the global energy market as a result of the Russian invasion of Ukraine, the European Commission presented the REPowerEU plan as part of an update of the Clean Energy Package with the aim of reducing energy consumption, generating clean energy and ensuring diversification.

Fiscal and legal measures are intended to enable construction of the necessary energy infrastructure, markedly accelerate the transition to clean energy and reduce Europe's dependence on unreliable energy suppliers and volatile fossil fuels.

Against the background of the Russian invasion of Ukraine, REPowerEU is the European Commission's strategy for making Europe independent of fossil fuels from Russia well before 2030. This is to be achieved primarily by diversifying energy supply, saving energy and accelerating the energy transition.

The EU strategy for solar power includes promoting increased use of energy from photovoltaic systems. Under the REPowerEU plan, over 320 GW of solar power will be generated by newly installed photovoltaic systems by 2025, rising to almost 600 GW of installed capacity by 2030. Bringing forward this additional capacity is intended to cover the annual consumption of 9 billion m^3 of natural gas by 2027.

European Climate Law
The Regulation on the European Climate Law has made the EU's political objective of achieving climate neutrality by 2050 a legal obligation. It also obligates the EU and its member states to reduce net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels.

EU strategy on climate change adaptation
In June 2021, EU environment ministers approved conclusions on the new EU strategy on climate change adaptation. The strategy sets out a long-term vision for how the EU can become a climate-resilient society by 2050, fully adapted to the unavoidable impacts of climate change. In March 2022, the Council of Ministers adopted conclusions calling for civil protection to be adapted to extreme weather events resulting from climate change.

EU Biodiversity Strategy for 2030
The EU Biodiversity Strategy for 2030 aims to help restore Europe's biodiversity by 2030. The EU is working on new rules to restore biodiversity and ecosystems in line with the objectives of the EU Biodiversity Strategy for 2030. The EU Nature Restoration Law aims to establish binding measures to cover at least 20% of land surface and 20% of marine areas in the EU by 2030 and all ecosystems to be restored by 2050. The Council and the European Parliament reached an agreement in November 2023.

Farm to Fork Strategy
The European Commission's Farm to Fork Strategy aims to help achieve the goal of climate neutrality by transitioning the current EU food system to a sustainable model.

European Industrial Strategy
The aim of the EU's Industrial Strategy is to support industry in its role as an accelerator and enabler of change, innovation and growth. In May 2021, the Commission published an updated version of the Industrial Strategy, with the aim of increasing Europe's resilience and competitiveness and driving forward sustainability and digitalization.

Circular Economy Action Plan
Decoupling economic growth from the use of resources and moving toward circular systems of production and consumption are key to the EU achieving climate neutrality by 2050.

Batteries and waste batteries
In July 2023, the Council adopted the new Regulation (EU) 2023/1542 on batteries and waste batteries, which tightens sustainability rules for batteries and waste batteries. The regulation will apply to batteries in all sectors (including industry, cars, electric vehicles and appliances) and will regulate the entire life cycle – from production to reuse and recycling – and ensure battery safety, sustainability and competitiveness.

A just transition
The EU's Just Transition Mechanism aims to help regions that are heavily dependent on fossil fuels and carbon-intensive industries to transition to clean energy. Considerable financial resources will be made available for this purpose. The financial sector is also urged to do more for the transition to a greener future. As part of the Green Deal, the Commission has proposed a number of initiatives for sustainable finance. These include investment plans, the green investment taxonomy and green bond regulations.

Clean, affordable and secure energy
With energy consumption and production accounting for 75% of the EU's greenhouse gas emissions, decarbonizing the energy sector is a crucial step toward a climate-neutral EU. The EU is currently working to achieve these goals on several levels by supporting the development and use of clean energy sources such as offshore renewable energy and hydrogen, promoting the integration of energy systems across the EU, developing interconnected energy infrastructure through EU energy corridors and revising the applicable legislation on energy efficiency and renewable energy, including legislation relating to the targets for 2030.

The European Commission is promoting energy policies to help achieve the target of climate neutrality by 2050 set by the European Green Deal. The measures are also intended to strengthen the internal energy market, thereby making energy safer, more sustainable and more affordable. Even if each EU country chooses its own energy mix, there are overarching rules for the EU energy market (such as ensuring the most efficient and secure energy supply chain possible – including taking account of nuclear safety, energy efficiency targets, renewable energy and cross-border connecting lines). Energy plays a key role in the Commission's roadmap for the European Green Deal. In 2020, the Commission published a number of initiatives and strategies that will contribute to the decarbonization of the energy sector.

The binding target is for renewable energy to account for at least 42.5% of the European energy mix by 2030, with an aspirational target of 45%. At the same time, the EU Energy Efficiency Directive provides for increases in the reduction targets for primary (39%) and final energy consumption (36%) by 2030.

Forest Strategy and deforestation-free imports
The EU Forest Strategy for 2030, which was presented by the Commission in July 2021, is a major area of focus in the European Green Deal. It builds on the EU Biodiversity Strategy and plays a key role in efforts to cut greenhouse gas emissions by at least 55% by 2030. In June 2022, the Council agreed to set out binding due diligence requirements for all operators and traders marketing, supplying, or exporting palm oil, beef, timber, coffee, cocoa and soy within the EU. In May 2023, the Council adopted the equivalent regulation to curb global deforestation.

EU Emergency Regulation

Due to Russia's war of aggression in Ukraine, the Council adopted a regulation to accelerate the approval procedures for renewable energy projects on December 22, 2022. The regulation aims to tackle the energy crisis, reduce the EU's dependence on fossil fuels from Russia and drive the EU's climate objectives forward by speeding up the authorization process and the initiation of renewable energy projects. The regulation has been in force since December 30, 2022 and is valid for a period of 18 months. On December 19, 2023, EU energy ministers agreed to extend the EU Emergency Regulation until June 30, 2025.

The USA returns to the Climate Agreement

Since Joe Biden took office as President, climate action has been back on the political agenda in the USA. Just one day after taking office, on January 21, 2021, Biden signed an executive order for the USA to rejoin the climate change agreement, which entered into force on February 19, 2021. The Biden administration has a Special Envoy for Climate. This position was held by John Kerry, who was succeeded by John Podesta. In the USA, too, there are now renewed efforts to promote the expansion of renewables through subsidy programs and tax models. At the climate summit initiated by Biden in April 2021, the USA put forward the goal of halving greenhouse gas emissions by 2030 compared to 2005.

2.2 Regulatory framework for pricing

The EU guidelines on subsidies in the environmental and energy sectors have been in force since July 1, 2014. These regulations aim to integrate renewable energy into the electricity market and limit government support to what is absolutely necessary. In light of this, subsidized input tariffs are to be gradually replaced by tender processes and the subsidy is to be granted in the form of a market premium.

The subsidy regulations must be structured in such a way as to allow a market-oriented integration of renewable energy in the electricity market.

The common electricity market between Austria and Germany was separated in October 2018 in a move driven by the German energy regulator – the Federal Network Agency (Bundesnetzagentur – BNetzA) – and the European regulatory agency, ACER. This change targeted the formation of a bottleneck caused by physical line capacity. This was intended to restrict the trade of primarily German wind power to the south, which had flowed mainly via the Czech Republic and Poland and put a massive strain on the grids there.

Electricity prices had already risen massively at the end of 2021 due to a range of market developments, and remained high at the start of 2022. As a result, the windfall tax on excess profits of over EUR 180.00/MWh was regulated by the EU through the regulation on an emergency intervention to address high energy prices (Council Regulation (EU) 2022/1854).

2.3 Country-specific conditions

In **Austria**, the federal government has set itself ambitious targets in its government program and is looking to prove itself as a pioneer of climate protection. By 2030, 100% of Austria's electricity should come from renewable sources, with the country becoming fully climate-neutral by 2040. Together with the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology, the government is keen to get the program yielding results as quickly as possible.

Adopted by the Council in March 2023, the amendment to the EU Effort Sharing Regulation provides for a reduction in Austria's greenhouse gas emissions (outside emissions trading) by 48% (instead of the previous 36%) by 2030, compared with 2005 levels.

A large number of regulations were also enacted in Austria in response to the war in Ukraine. These are aimed at increasing efficiency and savings in the energy and electricity sectors, switching to and expanding renewable energy, and reducing and becoming independent from fossil fuels, while supporting industry with the increased energy costs (electricity cost brake, climate bonus, support programs for phasing out gas, etc.).

Legislative projects are also underway to make the tax system greener and reduce climate-damaging subsidies and incentive systems. A climate protection law has been under negotiation for some time. The Austrian Renewable Energy Expansion Act (Erneuerbaren-Ausbau-Gesetz – EAG) marks a structural change to subsidies for electricity from renewable sources.

In the reporting year, the EAG was the new regime for promoting electricity from renewable sources. It is the central regulation for promoting the generation and feed-in of renewable energy. In particular, the EAG encompasses environmental and energy-related targets (100% of electricity from renewable energy sources by 2030), the new funding regulations for the generation of electricity from renewable energy, the basis for raising and managing funding, and the regulations for the newly created EAG Funding Office.

It aims to increase wind power by 400 MW per year, thus doubling the previous power expansion. In the PV sector, 1,000 MW of capacity should be connected to the grid every year.

Like regulations applicable in other European countries, the market premium model provided for in the EAG stipulates that wind turbines and photovoltaic systems should now be involved in a tender process, whereby at least 390 MW of wind power capacity will be publicly tendered in Austria every year. This is to ensure price competition between applicants. Site differentiation – taking account of different wind yields in different regions – should enable the widespread expansion of wind power.

According to the EAG, there are also investment subsidies for smaller systems, which pay out once after commissioning, as an alternative to the market premium.

The Austrian Federal Law on Energy Crisis Contribution (Bundesgesetz über den Energiekrisenbeitrag-Strom – EKBSG) has been in force since December 1, 2022. It was adopted in response to high energy prices and Council Regulation (EU) 2022/1854. The EKBSG concerns electricity generators and the electricity they generate domestically. A proportion of 90% of the revenue exceeding the upper limit for the period from

December 1, 2022 to December 31, 2023 of EUR 140.00 per MWh, or EUR 180.00 per MWh with proof of climate-friendly investments, is to be skimmed off. The regulations on implementation of the energy cost contribution have been in place since June 2023. They specify the details of its implementation and the eligibility of subsidized investments. Lawmakers also intend to extend the energy crisis contribution for excess revenues in 2024, but a corresponding legislative decision has not yet been taken.

The amendment to the Environmental Impact Assessment Act (Novelle zum Umweltverträglichkeits-prüfungsgesetz – UVP-G Novelle) has been in force since March 23, 2023. The amendment focuses on provisions for procedural efficiency and simplifications for energy transition projects. Energy transition projects include projects related to the construction, storage or transmission of renewable energy and associated systems as well as railway expansion projects. A key innovation in this context is that energy transition projects are considered to be "of high public interest". The amendment also aims to prevent the failure of wind turbine construction due to a lack of spatial planning.

Germany offers predictable framework conditions for the expansion of wind power projects through the German Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz – EEG). The reference yield model also ensures the profitability of plants at less attractive locations because the auction process creates comparable competitive conditions for different locations, thus avoiding over-subsidization of wind turbines at favorable locations.

The latest version of the EEG came into force on January 1, 2023 (EEG 2023). The purpose of the EEG is "transformation to a sustainable and greenhouse gas-neutral power supply that is based entirely on renewable energy, in the interests of climate and environmental protection" (Section 1(1) EEG). The aim of the legislation is to increase the proportion of gross electricity consumption in Germany generated from renewable energy sources, including the German exclusive economic zone (federal territory), to at least 80% by 2030.

The current expansion path for onshore wind power envisages an increase in installed capacity to 69 GW in 2024, 84 GW in 2026, 99 GW in 2028, 115 GW in 2030, 157 GW in 2035 and 160 GW in 2040. Since the expansion pathway is based on installed capacity, all wind turbines in operation (i.e. existing and new turbines) are added together. The reimbursement period fundamentally remains 20 years from the start of operation. For onshore wind energy, the tender volume for 2024 totals 10,000 MW, divided over four bidding dates. For photovoltaic systems, the tender volume for 2024 is 8,100 MW for ground-mounted systems and systems on or in a structure, and 900 MW for solar systems on a building or noise barrier, again divided over four bidding dates.

The German Electricity Price Brake Act (Strompreisbremse-Gesetz – StromPBG) of December 20, 2022 regulates the windfall tax on excess revenues generated in Germany for the period from November 30, 2022 to July 1, 2023. This period could be extended to no later than April 30, 2024. The StromPBG requires operators of power generation plants to pay 90% of the surplus revenues to the grid operator. Excess revenues are defined as spot market revenues exceeding statutory thresholds (including a safety margin) in a given calendar month. The windfall tax ended on July 1, 2023. Consequently, there will be no windfall tax applied after that date.

In the **Czech Republic**, there is currently a feed-in tariff for new projects in the form of a bidding process. The first bidding process took place in late fall of 2022 for an installed capacity of 30 MW, on the condition that operation would commence by December 2025. Projects of 6 to 12 MW or 6 to 12 wind turbines were considered. The reference price was CZK 2.376/kWh. In the first call for tenders, no ventures applied for a tariff. The main reason for this is believed to be the mandatory commissioning by December 2025, as no wind project in the Czech Republic is likely to be at such an advanced stage of project development. The second tender for a capacity of 60 MW was held from August 3 to October 6, 2023. The reference price was set at 3.50 CZK/kWh and the mandatory commissioning date was set for the end of 2027. A total of three projects took part in this second bidding process, all of which were awarded contracts. At the end of 2023, a third tender for a capacity of 35.2 MW was launched for the period January 12 to March 15, 2024. No indication has yet been given as to whether there will be any further bidding processes.

In addition to the bidding process, smaller projects (up to 6 MW) can apply for investment funding from the EU Modernisation Fund. This is mainly used for photovoltaic projects at present and is not currently intended for wind turbines. In the future, it is expected that it will also be possible to apply for this funding for wind power projects. Existing systems will continue to be subsidized via a bonus system, whereby a fixed "green bonus" is granted in addition to the electricity revenue achieved on the market, depending on the technology and the year of commissioning.

Following Council Regulation (EU) 2022/1854, the Czech Republic has decided to implement a 90% windfall tax on revenues that exceed EUR 180.00/MWh for 2023.

The tendering procedure in **Italy** (DM FER 1) was newly regulated by decree in June 2019. This included a technology-neutral tender process of a total of seven auctions by the fall of 2021, comprising 5,500 MW for new onshore wind turbines and photovoltaic systems not built on agricultural land. Prices bid ranged from EUR 68.60/MWh (in the first four rounds) and from EUR 65.17/MWh to EUR 21/MWh in subsequent rounds. The contracts put out to tender each have a duration of 20 years and are not indexed. The capacities put out to tender in Italy have not been fully achieved in recent years, meaning that prices in previous tender processes have been in the upper realms of the planned range.

In the course of 2022, the decision was made to extend the DM FER 1 regulation and continue to hold regular auctions until the entire volume of 5,500 MW has been awarded. After the auctions held in 2023, the remaining tender volume to be awarded at the end of 2023 stood at just under 1,000 MW.

For this reason, the DM FER 1 regulation is expected to be extended again at the beginning of 2024. The successor regulation (DM FER 2) is already under review. As things stand, the existing tendering requirements will continue to be maintained in principle. However, one key change for the future is expected to be the approval of photovoltaic parks on agricultural land.

Although **France** is already one of the largest wind power nations in Europe, there is still considerable potential for further projects here due to the country's size. Renewable energy is promoted through feed-in tariffs and tax benefits. An auction process was also introduced in France in 2017. Before 2017, power supply companies had to buy the electricity produced from wind power from wind turbine operators who

had submitted a corresponding application at a feed-in tariff set by decree. Since 2017, only offshore power plants are eligible for a feed-in tariff. New onshore wind farms must sell electricity on the daily energy market via a marketing service provider (aggregator, balancing perimeter) but can also participate in tender processes within this framework in order to win a contract for additional remuneration (contract for difference).

In France, a windfall tax on profits from energy companies was standardized in accordance with Council Regulation (EU) 2022/1854. It entails different mechanisms and effects, depending on the type of original funding model.

In several **Canadian** provinces, feed-in regulations with fixed tariffs similar to the European subsidy regimes apply to existing systems. However, all provinces in which W.E.B is active have gradually switched to tender processes, some of which are similar to the models chosen in the EU. The resulting predictability and profitability of new projects continue to make this market attractive for us.

In the **USA**, expansion targets for renewable energy defined at the level of the individual states also allow for constant growth in the years to come. We focus primarily on the states in the northeast (Maine, New York, Massachusetts and Virginia).

In Massachusetts, the Electricity Restructuring Act of 1997 introduced the Renewable Energy Portfolio Standard. This standard required various utilities to source a minimum percentage of the electricity supplied to end users in the state from renewable energy sources, including wind and solar power plants. The new standard was initially implemented with a minimum purchase of 1% from renewable energy sources and provides for an annual increase. The state of Maine also has a Renewable Portfolio Standard. In June 2019, Maine passed legislation raising Maine's renewable energy standard to 80% by 2030 and setting a goal of 100% by 2050.

We sell the electricity we generate here via long-term power purchase agreements (PPAs) both in tender processes and by concluding supply contracts with end users.

In **Slovakia**, the long-standing moratorium on the construction and grid connection of new renewable energy resources (RES) projects ended in 2020. It is now once again possible to set up photovoltaic and wind projects (but not hydropower, biogas or biomass projects, which are not as pertinent to W.E.B) and to feed electricity into the grid. There are no plans to introduce a feed-in tariff. However, the Ministry of Economic Affairs has begun to conduct annual public auctions for the award of one-off grants. These procedures take a very long time to conclude. Furthermore, Slovakia has started to prepare Renewables Acceleration Areas in line with Directive (EU) 2023/2413 (Renewable Energy Directive). Again, a lengthy process can be expected until these areas are finalized. The expected result, however, is that it will be possible to expand wind power and photovoltaic systems much faster than before.

3. Energy market and economic environment

3.1 Climate impacts on generation conditions

Most of 2023 was warmer than average. Five months of the year (January, June, July, September and October) were even among the ten warmest recorded in their respective ranking. In the preliminary evaluation, 2023 was the joint-warmest year in the lowlands of Austria since records began in 1768, on a par with 2018.

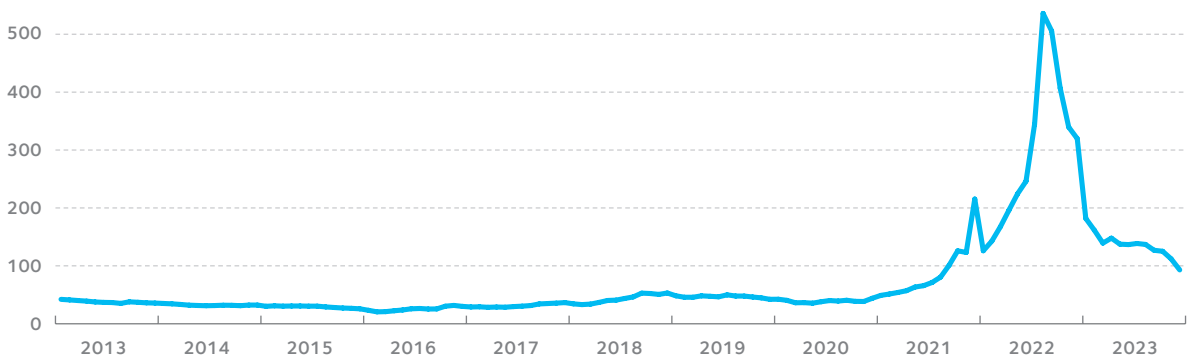
Of course, the long periods of hot weather also had an impact on power generation. Stable high-pressure systems repeatedly established themselves over Europe and blocked the offshoots of Atlantic low-pressure areas. The W.E.B Group's overall portfolio recorded surplus production in only four out of twelve months. In the end, the actual annual production of 1,469 GWh fell short of expectations by –5.7% (–89 GWh). Despite these mixed results, W.E.B achieved a new output record thanks to its stable power plant operations and newly commissioned solar power and wind farm projects.

3.2 Electricity price performance

Compared to the highs of 2022, electricity prices fell significantly in 2023. At the end of the year, the electricity price for the following year (Phelix Base 2024) was just under 100 EUR/MWh. This means that the electricity price was still significantly higher than the average prices for the years 2013 to 2021, but significantly below the level reached in the summer of 2022.

Electricity price trend 2013–2023

Baseload (EUR/MWh)



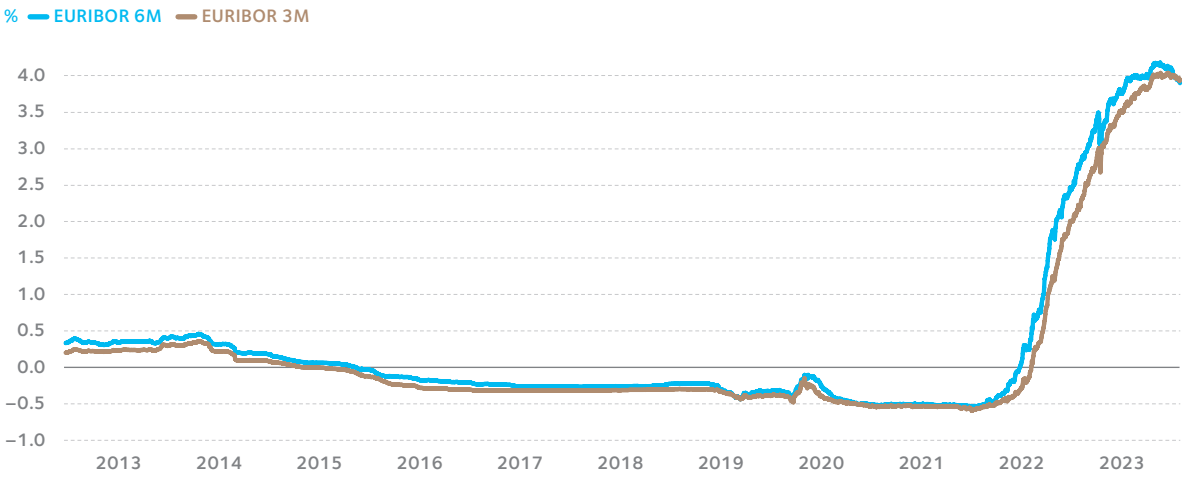
Wholesale electricity price trend in EUR/MWh by monthly average – Phelix Base Year Future 2013–2023. Source: Graph produced by W.E.B based on data from EEX (www.eex.com)

The upper limits established for electricity producers' market revenues in EU member states in 2022 were also applied in 2023 in different forms. W.E.B was profoundly affected by these upper limits in our home market of Austria.

3.3 Financial markets – interest rate level

In 2023, the European Central Bank (ECB) continued the increase it began in 2022. In September 2023, the key interest rate was raised to 4.5% and was left unchanged in subsequent meetings. The ECB's interest rate policy is also reflected in the reference interest rates that are relevant to us.

Development of reference interest rates



Development of 3M and 6M EURIBOR. Source: Graph produced by W.E.B based on data from the Deutsche Bundesbank (www.bundesbank.de)

Since W.E.B's financing was concluded with long-term interest rate hedges, these interest rate increases only had a minor impact on W.E.B's financial results. For the construction of new power plants, however, these higher interest rates mean significantly higher financing costs, and thus higher electricity generation costs.

3.4 Exchange rate trend

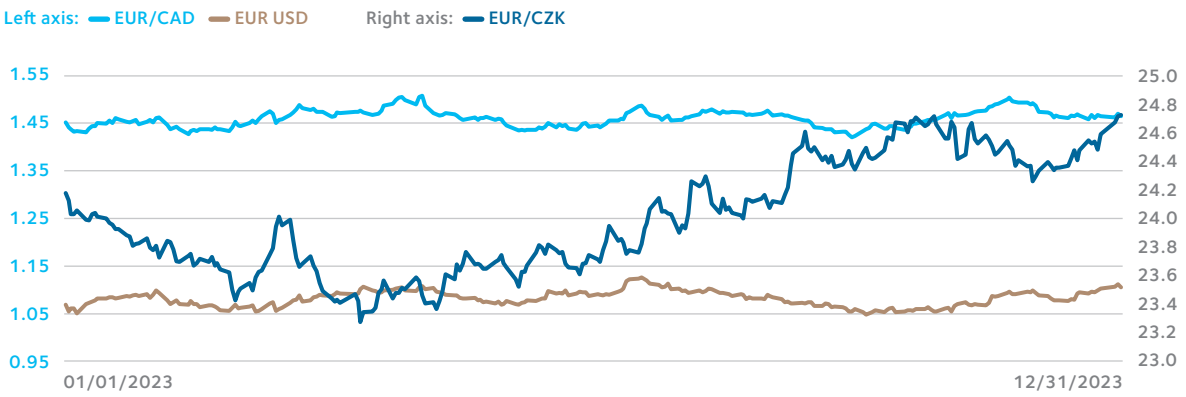
In 2023, the euro gained almost 3.5% in value against the US dollar. While one euro was still worth around USD 1.07 at the start of the year, the exchange rate was around USD 1.10 by the end of the year.

At the end of 2023, the Canadian dollar exchange rate was CAD 1.46 = EUR 1.00 – similar to the beginning of the year.

We finance power plants in North America in the local currency, so exchange rate fluctuations only affect the equity portion of the power plants. This is usually between 20% and 25%. We assume that exchange rates between EUR and CAD or USD will remain stable over the long term, which is why we have not concluded any hedging transactions for these equity shares.

The Czech koruna rose against the euro, from CZK 24.17 at the beginning of 2023 to CZK 24.72 at the end of the year.

Exchange rate trend



Relevant foreign exchange rates. Source: Graph produced by W.E.B based on data from the European Central Bank (ECB, www.ecb.europa.eu)

4. Business performance

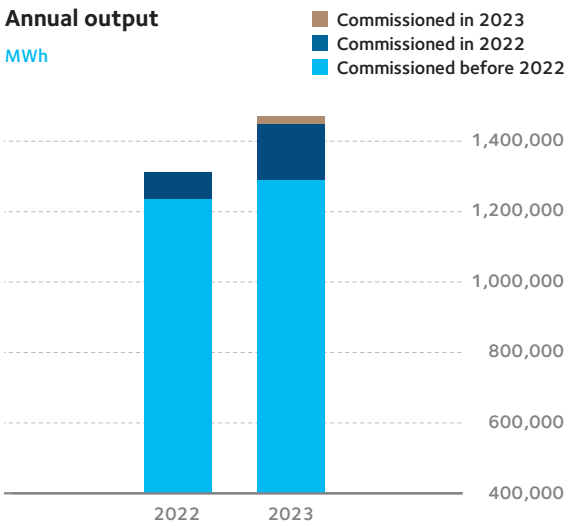
4.1 Electricity generation

	2023 Power	2023 Production	2022 Power	2022 Production
	MW	MWh	MW	MWh
Austria	288	627,013	276	558,015
Germany	96	207,253	100	199,077
France	103	273,505	103	220,835
Czech Republic	9	16,090	9	14,820
Italy	32	57,023	32	50,650
Canada	40	198,574	40	215,429
USA	37	89,127	37	53,350
Total	**605**	**1,468,585**	**596**	**1,312,176**

Performance based on the W.E.B interests at the end of the year

Only the output of equity interests with a share of 50% or higher is fully attributed to the W.E.B Group. Equity interests that are not fully consolidated are not included in the output data. We report the capacity based on our ownership interest. This also includes assets in which we hold an interest of less than 50%.

In order to illustrate the impact of output fluctuation at existing plants on overall production, the graph on the right distinguishes between existing power plants and newly commissioned plants.



4.2 Generation conditions, availability and maintenance

As noted previously, generation conditions in 2023 were below average. W.E.B plants only exceeded output targets in four months of the year. In addition to the lack of wind, icing events hampered generation.

A comparison of the absolute output of our total portfolio in 2023 and 2022 shows an 11.9% increase in output. This was attributable to both stable power plant operations and the commissioning of two wind farms and four solar power plants.

At the country level, the output of our Austrian power plants in 2023 was 7.4% below plan. The portfolios in Germany, Italy, Canada and the USA also failed to achieve their planned output levels (–4.9%, –16.7%, –5.8% and –19.9%). In France and the Czech Republic, wind levels were above average, meaning that budget values were exceeded (+6.5% in each case).

Compared to the long-term average, the output of our wind turbines in 2023 was below average (–5.7%). Our photovoltaics output was also below target (–12.3%). Only our hydroelectric power plants exceeded expectations (+8.0%).

In terms of new commissioning, 2023 was a moderate year. In our wind power segment, we commissioned two new wind farms in Austria (Dürnkrut III: 2 x V162, 5.6 MW each, and Götzendorf: 1 x V150, 5.6 MW). Furthermore, we increased the nominal capacity of our Czech plant in Horní Rasnice from 1.8 MW to 2.0 MW. In the course of repowering projects, turbines were dismantled at the Kuhs wind farm in Germany (2 x V90, 2 MW each) and the Gols wind farm in Austria (2 x V90, 1 x V80, 2 MW each). In the photovoltaics segment, a total of four new plants were connected to the grid in Austria (Loosdorf I: 70% share of 349 kW_p, Unterstinkenbrunn: 70% share of 314 kW_p, Pulkau II: 583 kW_p, and Sauber & Stark: 423 kW_p). Consequently, the total capacity of our portfolio increased by 8.47 MW.

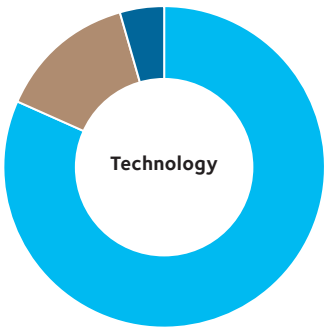
We started negotiations to divest the Eberbach hydroelectric power plant in Germany in 2023. At the end of the year, the suspensory conditions of the purchase agreement had not yet been fulfilled, which is why both the capacity and output figures still include the hydroelectric power plant.

4.2.1 Electricity labeling

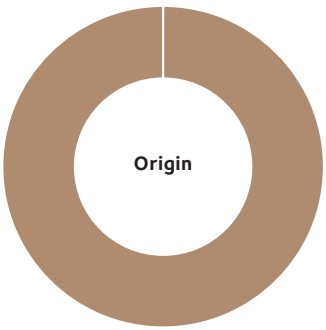
Of the 144,528,857 kWh supplied by W.E.B in 2023, wind power accounted for 81.47%, solar power for 13.91% and hydropower for 4.62%.

Electricity labeling of W.E.B-Grünstrom (green electricity)

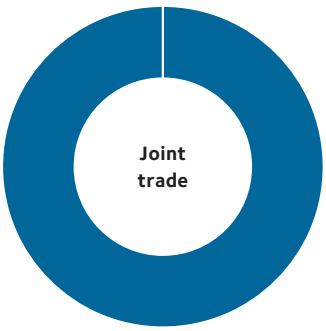
Supply mix 01-2023 to 12-2023 – WEB energy sales GmbH



81.47% from wind power
13.91% from solar power
4.62% from other renewables



100% of the proofs of origin come from Austria



100% of the proofs of origin were purchased together with the electricity

You can find comprehensive electricity labeling information for your energy supply at **web.energy/stromherkunft**.

Verified by E-Control

4.3 Electricity sales

The electricity generated by W.E.B is sold via electricity traders, power utilities, electricity exchanges, renewable energy exchanges as well as directly to business and residential customers.

W.E.B's power plants are built on the basis of long-term electricity purchase agreements, market premium agreements or subsidy agreements. However, for some plants, these agreements and tariffs have already expired. In addition to marketing with fixed subsidy tariffs, direct marketing to electricity traders and electricity suppliers under market premium subsidy schemes is one of the main forms of marketing for W.E.B power plants. Due to the electricity price developments in recent years, electricity generated by some power plants eligible for a subsidized tariff was marketed directly.

W.E.B has sold electricity to business and residential customers in Austria since 2013 and in Germany since 2020.

In addition, W.E.B offers its customers the opportunity to sell surplus electricity from their private photovoltaic systems to W.E.B as "solar power suppliers". W.E.B also makes a small proportion of its Austrian electricity sales via the electric vehicle charging network of the subsidiary ella GmbH & Co KG.

In total, W.E.B sold 144,529 MWh of electricity through direct sales in Austria in 2023.

4.4 Financial performance

W.E.B's profit after taxes on income in 2023 was 77.6% higher than the comparable figure for the previous year. This is primarily due to the increase in revenue compared to the previous year.

Consolidated income statement

	2023	2022
EUR k		
Revenue	**231,818.6**	**174,075.8**
Other operating income	2,828.0	3,711.5
Operating input	**234,646.6**	**177,787.3**
Cost of materials and purchased services	–25,505.5	–31,975.6
Personnel expenses	–23,663.9	–17,495.4
Depreciation	–48,113.0	–44,649.9
Other operating expenses	–55,763.5	–34,033.0
Subtotal	–153,046.0	–128,153.9
Operating result	**81,600.6**	**49,633.4**
Net financial result	**–13,016.7**	**–8,636.7**
Profit or loss before taxes on income	**68,583.9**	**40,996.7**
Taxes on income	–15,849.7	–11,307.9
Profit after taxes on income	**52,734.3**	**29,688.9**

4.4.1 Revenue

Revenue in 2023 was 33.2% higher than the level of the previous year (EUR 174.1 million). The main reason for this increase was the higher electricity prices for directly marketed power plants compared to the previous year.

The breakdown of revenue by category is as follows:

Sales breakdown by category

	2023	2022	+/– %
EUR k			
Wind	181,972.3	140,064.1	30%
Photovoltaics	8,315.6	8,723.2	–5%
Water	417.6	516.9	–19%
Proceeds from the sale of electricity directly to consumers and from electricity distribution	31,077.0	13,257.4	134%
Spot credit	9,563.6	11,251.7	–15%
Rental income	472.5	262.5	80%
Total	**231,818.6**	**174,075.8**	**33%**

Sales breakdown by country

	2023	2022	+/– %
EUR k			
Austria	147,900.7	80,123.4	85%
France	24,153.3	24,821.1	–3%
Germany	22,471.4	34,805.5	–35%
Canada	14,445.8	16,633.9	–13%
Italy	10,640.0	9,887.4	8%
USA	8,430.1	5,021.4	68%
Czech Republic	3,777.4	2,783.1	36%
Total	**231,818.6**	**174,075.8**	**33%**

4.4.2 Other operating income

In 2023, other operating income decreased by 23.8% to EUR 2,828.0 k. In particular, this includes revenues from reimbursement, operational management and maintenance contracts, insurance compensation and revenues from construction management.

4.4.3 Cost of materials and purchased services

This item includes expenses for electricity purchases, spot calculations, balancing energy, grid loss fees and grid usage fees (EUR 25,007.3 k, previous year: EUR 31,469.9 k) and the cost of materials. Although expenses for grid loss fees increased significantly in the reporting period, the item decreased overall due to the expensive purchases of energy in the previous year (EUR 5,575.4 k, previous year: EUR 1,017.2 k).

4.4.4 Personnel expenses

In 2023, personnel expenses increased by 35.2% on the 2022 level to EUR 23,663.9 k. This is mainly due to the increase in the number of employees, higher bonuses due to the good results compared to the previous year and pension payments for 2023.

4.4.5 Other operating expenses

In 2023, other operating expenses increased by 63.9% to EUR 55,763.5 k. The main reason for this increase is the windfall tax on excess revenue amounting to EUR 23,158.2 k (previous year: EUR 7,720.6 k) as well as increased maintenance and operating costs for our power plants.

4.4.6 Net financial result

Interest expenses in the reporting period were higher than in the previous year, mainly due to newly incurred financial liabilities. In total, the net financial result amounted to EUR –13,016.7 k (previous year: EUR -8,636.7 k).

4.4.7 Dividend/hybrid bond

At the Annual General Meeting of May 12, 2023, a resolution was passed to distribute a dividend of EUR 2.90 per share for the 2022 fiscal year (totaling EUR 9,201.7 k). This was paid out on May 26, 2023. In accordance with the terms of the hybrid bonds issued in 2014, 2015, 2016, 2018 and 2019, partial repayments of EUR 443.8 k, EUR 672.7 k, EUR 634.9 k, EUR 999.9 k, and EUR 965.9 k, as well as interest payments of EUR 57.7 k, EUR 131.2 k, EUR 158.7 k, EUR 270.0 k, and EUR 304.3 k, were made as a result of this dividend distribution.

4.5 Assets and liabilities

	12/31/2023		12/31/2022	
	EUR k	%	EUR k	%
Noncurrent assets	736,490.7	83	619,243.4	84
Current assets	146,108.0	17	121,078.7	16
Total assets	**882,598.7**	**100**	**740,322.1**	**100**
Equity	240,466.6	27	209,129.1	28
Noncurrent liabilities	523,785.8	59	420,234.2	57
Current liabilities	118,346.3	14	110,958.8	15
Total liabilities	**882,598.7**	**100**	**740,322.1**	**100**

The increase in noncurrent assets is mainly due to investments in projects and assets under construction. Reasons for the liabilities side increase include the assumption of new financial liabilities in the reporting year.

Investments

	2023	2022
EUR k		
Capital expenditure for intangible assets	13,716.5	3,586.3
Capital expenditure for property, plant and equipment	164,690.6	99,425.6
Total	**178,407.1**	**103,011.9**

The main investments in the 2023 fiscal year concern power plants under construction in Austria, Italy and Germany.

4.6 Financial position

4.6.1 Cash flow

EUR k	2023	2022
Cash flow from operating activities	140,434.4	73,798.4
Cash flow from investing activities	–160,283.0	–74,692.2
Cash flow from financing activities	35,870.9	–5,327.9
Total cash flow	**16,022.3**	**–6,221.7**

Cash flow from operating activities amounted to EU 140,434.4 k in the reporting period, up 90.3% on the prior-year figure. This is mainly due to increased revenue.

Cash flow from investment activity amounted to EUR –160,283.0 k (previous year: EUR -74,692.2 k). The increase is mainly due to significantly higher payments to acquire intangible assets and property, plant and equipment compared to the previous year.

Cash flow from financing activities amounted to EUR –35,870.9 k in the reporting period (previous year: EUR -5,327.9 k). This amount includes dividend payments for the 2022 fiscal year made to the shareholders of WEB Windenergie AG, as well as scheduled repayments of financial liabilities. The change compared to the previous year is mainly due to the issuance of the 2023-2033 bond by WEB Windenergie AG.

4.6.2 Key performance indicators

	2023	2022
Revenue (EUR k)	231,818.6	174,075.8
Profit before interest and taxes (EUR k)	83,300.6	53,511.2
Return on sales	35.9%	30.7%
Return on equity	23.5%	15.2%
Return on investment	10.3%	7.6%
Net debt (EUR k)	473,079.8	410,968.1
Net gearing	196.7%	196.5%
Working capital (EUR k)	27,761.7	10,119.8
Repayment period (years)	3.6	4.4
Equity ratio	27.2%	28.2%

Return on sales represents the ratio of profit before interest and taxes, which is comprised of the profit before tax plus interest expenses to revenue generated, and shows a company's profitability from operations independent of interest expenses and taxes. The increase from 30.7% in 2022 to 35.9% in 2023 is due to the fact that revenue increased more strongly than profit before interest and taxes.

Return on equity represents the ratio of net income for the year to the capital employed. It indicates the interest yield on the capital provided by the equity investors after deducting the income tax within a period. In 2023, we achieved a return on equity of 23.5% for our owners.

Return on investment represents the ratio of profit before interest and taxes to the average total capital employed, and indicates the interest yield of the total capital employed within a period. At 10.3%, this figure is at a high level.

Net gearing is the ratio of net debt, determined as interest-bearing debt less cash and cash equivalents, to a company's equity. This makes it a key indicator for assessing a company's ability to withstand a crisis. Since net debt has increased more than equity, the net gearing is slightly higher than the previous year at 196.7%.

Calculated by subtracting current liabilities from current assets, working capital shows a positive value in the reporting year, thus showing maturity-matched financing as of the reporting date.

The debt repayment period is calculated as the ratio of net debt to the operating profit plus depreciation. At 3.6 years, this is shorter than in the previous year

The equity ratio, which is the ratio of equity to total capital, is 27.2% in 2023, below the 2022 figure (28.2%) due to the high level of investments.

4.7 Financing

In the 2023 fiscal year, we took out long-term loans to finance investments in: the photovoltaic power plants in Ternitz, Laa, Unterstinkenbrunn, Loosdorf and Grafenschlag; the repowering projects at the Gols wind farm in Austria and the Kuhs wind farm in Germany, and in the Silver Maple wind farm in the USA.

4.7.1 Financing strategy

When making investment decisions, we always consider our current liquidity situation and our further liquidity planning. We finance our investments through both long-term loans and the issuance of bonds and hybrid bonds. Both the bonds and the hybrid bonds carry fixed interest rates, while the loans to finance our power plants carry both fixed and variable interest rates. Fixed interest rate agreements (interest rate swaps) have been concluded for around 73% (previous year: 68%) of the existing variable interest rate financial liabilities. As of December 31, 2023, around 94% (previous year: 90%) of the loan liabilities are secured with a fixed interest rate. An increase in the interest rate of 1 percentage point would reduce our profit by around EUR 295.5 k (previous year: EUR 427.4 k) per year.

4.7.2 Repayment structure

We repaid EUR 76,046.0 k of long-term loans in the 2023 fiscal year. A total of EUR 44,829.4 k will become due in 2024. A total of EUR 159,895.4 k is scheduled to be repaid from 2024 to 2027.

5. Nonfinancial performance indicators

5.1 Employees

Our employees are a key resource for us as a constantly growing company. Their hard work and expertise are critical contributors to the success of our company.

The number of employees continued to increase in the reporting year. As in previous years, the proportion of women in the company is at around 39%.

Employees by country and gender

	12/31/2023	12/31/2022
Austria (AG)	**180**	**152**
of which men	106	89
of which women	74	63
Germany	**14**	**12**
of which men	10	9
of which women	4	3
Canada	**15**	**10**
of which men	13	8
of which women	2	2
France	**21**	**17**
of which men	12	10
of which women	9	7
Italy	**11**	**10**
of which men	8	8
of which women	3	2
Czech Republic	**5**	**3**
of which men	2	2
of which women	3	1
USA	**7**	**5**
of which men	4	3
of which women	3	2
Slovakia	**2**	**1**
of which men	1	
of which women	1	1
Total	**255**	**210**
of which men	156	129
of which women	99	81
Percentage of women	38.8%	38.6%

Employees by age

	12/31/2023	12/31/2022
20 and under	3	3
21–30 years	77	58
31–40 years	78	70
41–50 years	60	49
51–60 years	32	28
over 60	5	2
Total	**255**	**210**
Average age	37.8	37.6

The number of part-time employees has increased compared to the previous year. This shows that we are making a significant contribution to work-life balance and meeting the individual needs of our employees. The reasons for part-time employment include childcare and individual training and continuing education, such as studying for a degree.

Employee numbers by employment type and gender

	12/31/2023	12/31/2022
Full-time	**212**	**169**
of which men	147	122
of which women	65	47
Part-time	**43**	**41**
of which men	9	7
of which women	34	34
Total	**255**	**210**

Employees by type of employment contract (permanent versus temporary) and gender

	12/31/2023	12/31/2022
Permanent	**250**	**205**
of which men	152	125
of which women	98	84
Temporary	**5**	**5**
of which men	4	4
of which women	1	1
Total	**255**	**210**

In line with the growth of our company, we continued to invest in the training and continued education of our employees during the reporting year. Direct educational expenditure per person in the reporting year amounted to EUR 1,301 (previous year: EUR 1,185).

Reciprocal feedback between managers and employees as part of annual performance reviews is an essential element of our corporate culture. Targets are also agreed and possibilities for further development discussed during these reviews. Our managers continue to receive professional input at the Leadership Cafés, a format introduced in 2019. Additional management training courses, especially for junior managers, were launched in 2023.

We have conducted annual employee surveys since 2012. In 2023, we conducted the survey on the basis of the Great Place to Work® concept for the fifth time. The results help us develop action areas and serve as an important tool for increasing employee satisfaction. The efforts undertaken by WEB Windenergie AG were recognized for the third time in 2023 with the Great Place to Work® certification.

Our "cultural ambassadors" make a significant contribution to employee satisfaction by organizing a variety of initiatives within the company throughout the year.

5.2 Social responsibility

Over the course of its corporate history, W.E.B has evolved from a community participation movement into an international company with broad community participation, deliberately choosing to keep its headquarters in the Waldviertel region. The locations of our power plants are also primarily in rural areas. So, in a special way, we consider ourselves to have shared responsibility for the development of the regions in which our sites are located and for the awareness among the general public of the role renewable energy plays in society.

With this in mind, we primarily support initiatives and activities at our locations across all W.E.B markets that contribute to prosperous coexistence and quality of life in communities. In line with this, W.E.B has also increased its commitment to sponsoring local sports and cultural associations.

In pre-registered tours offered by W.E.B, guests have the opportunity to familiarize themselves with the enormous potential and influential significance of wind and solar energy ("Austria 2040" lighthouse project). Schools from the region frequently take advantage of this for field trips.

Every few years, we hold an "Open Day" at our company headquarters, with the next one planned for 2024.

6. Innovation, research and development

6.1 Dark Sky – needs-based night identification

Wind turbines must be identified for reasons of aviation safety. This generally involves flashing lights. The increased height of the latest generation of wind turbines means that each turbine requires a number of flashing lights. Large wind farms may therefore disturb local residents at night.

In Germany, the option of needs-based or needs-controlled night identification has existed for several years. Night identification is a technical system that ensures that the red, flashing marker lights on wind turbines are only switched on when an aircraft is nearby. This can reduce the light pollution caused by wind turbines by over 98%.

W.E.B has already installed this feature in its German and American wind turbine fleet in previous years, and hopes to implement it in Austria in the future. The corresponding legal amendments are currently being drafted and, if adopted in time, conversion should begin in 2024.

6.2 W.E.B headquarters as a lighthouse project for Austria's energy market in 2040

The concept of sector coupling involves connecting different application areas with electricity generation from renewable energy sources. It aims to use energy as efficiently as possible and, as far as possible, consume electricity when it is produced. The concept is a critical success factor for the transition from fossil energy sources to 100% renewable energy.

Each sector (mobility, heating or cooling, industry, trade and commerce, etc.) has different consumption profiles and peaks and also has different options for storage and demand-side management. Combining and coordinating these elements makes it possible to balance energy consumption between the sectors.

In recent years, we have converted our headquarters in Pfaffenschlag into a model project for sector coupling in order to verify relevant elements of sector coupling. In the 2023 reporting year, we facilitated the following research projects:

6.2.1 Madelaine

This project, run by the Austrian Research Promotion Agency (Österreichische Forschungsförderungs-gesellschaft – FFG), aims to develop a flexible parking lot charging system for electric vehicles, including fast-charging functions.

In 2021, the project consortium worked on the planning phase in interdisciplinary working groups to bring the system architecture to fruition. The first critical system components were purchased according to the developed specifications and tested in the laboratory. Essential parts of the charging infrastructure were installed at the company site in 2022. In 2023, the hardware was installed and the first tests started. Further software development is currently underway.

6.2.2 SmartForecastTrade

The aim of this project, funded by the W.E.B Innovation Pool, is to use our information advantage in wind forecasting to prevent balancing energy risks. Through automated intraday trading of our wind forecast updates, we can ensure that the deviation of the generation quantities compared to the day-ahead forecast is smaller, thereby bringing balancing energy costs down.

6.3 Innovation in battery storage

The planned installation of a large battery in the Grafenschlag II hybrid system currently under construction is not progressing as intended. This is due to the regulatory framework, specifically the inadequate virtual metering point concept. This concept is to be adapted with the new Austrian Electricity Industry Act (Elektrizitätswirtschaftsgesetz – ElWG), the successor to the Austrian Electricity Industry and Organization Act (Elektrizitätswirtschafts- und -organisationsgesetz – ElWOG), in order to enable virtual metering points in connection with various generation technologies and storage. W.E.B, along with several other companies from the energy sector, has submitted consultation proposals.

6.4 Participation in IEA Wind TCP Task 51 "Forecasting for the weather-driven energy system"

The aim of IEA Wind TCP Task 51 is to investigate different aspects of forecasting, from the meteorological side to the user side, as well as different time scales (nowcasting to seasonal) and temporal resolutions (minute to daily resolution) relevant to extreme events in the energy system and their predictability. Our participation enables us to contribute valuable practical experience and keep up with the latest research, for example in AI-supported forecasting models.

6.5 Research project with BOKU Vienna on changes in wind levels

Extreme weather events in recent years have made the effects of anthropogenic global warming abundantly clear. W.E.B has also noticed a change in wind levels over the last few years. The more pronounced differences between summer and winter and the noticeable declines in some regions have been particularly striking. Together with the Institute of Meteorology and Climatology at the University of Natural Resources and Life Sciences (BOKU) Vienna, we want to get to the bottom of whether these are long-term trends due to global warming or whether this variability corresponds to natural decadal fluctuations. This research project is examining historical European wind levels and calculating a projection up to the end of the 21st century based on different warming scenarios and climate models.

7. Opportunity and risk management

7.1 Introduction

We consider opportunity and risk management to be key in managing the company. The objective of opportunity and risk management is to safeguard the Group's assets, liabilities, financial position and financial performance, as well as to secure current and future potential for profit and growth and to respond quickly to changing conditions.

As part of a formalized risk management process, the company's decision-makers discuss the material risk factors annually and assess the probability of their occurrence and potential impact on the company's profits.

The identified risks are grouped into categories, and measures to mitigate their impacts are developed and implemented. The objective of these measures is to reduce the possible extent of damage and the probability of occurrence. Risk information and measures are documented centrally and regularly updated.

Last year, the company focused on adjusting its opportunity and risk profile related to electricity sales.

7.2 Opportunity and risk profile

Generating electricity from wind power plants and solar power installations depends heavily on weather conditions. Output is subject to strong seasonal and annual fluctuations. Management takes this risk into consideration when selecting project sites. System availability in the grid is another key factor for W.E.B's profitability. The time-based technical availability of the power plants was 98.5% in 2023 (previous year: 98.6 %).

Only early inclusion of all stakeholders, compliance with regulatory conditions and effective project management can ensure the success of projects. The operation and maintenance of the facilities used over many years – and thus of W.E.B's key assets – require highly qualified employees. In addition to these risks and uncertainties customary for the industry, our company's risk profile is mainly characterized by political, legal and regulatory challenges as well as changes in the competitive environment.

Existing primary financial instruments include, in particular, equity interests, securities, loans, trade receivables, capital reserve accounts, bank balances, financial liabilities, bonds and trade payables. The derivative financial instruments existing as of the reporting date relate to interest rate swaps and are described in the notes to the financial statements in note (22) Derivative financial instruments.

There were no contingent liabilities as of December 31, 2023.

The amounts reported on the asset side also represent the maximum credit and default risk as of the reporting date.

Apart from the aforementioned interest rate swaps (see notes to the financial statements, note (22) Derivative financial instruments), no special hedging transactions were concluded in the 2023 fiscal year.

7.3 Significant opportunities and risks as well as actions taken

Category	Description	Actions	Effect on profit	
			Opportunity	Risk
Liquidity, exchange rates and interest rates				
Capital procurement, liquidity risk	Required liquidity or funding cannot be procured at the expected terms when needed	Centrally managed liquidity planning/provision of credit lines/ continuous information to banks; minimizing liquidity risk by selling energy generated to partially state-owned, private electricity traders with excellent credit ratings, private buyers; taking out long-term loans for power plants at an early point in time; adherence to agreed financial key performance indicators	x	x
Failure to achieve financial key performance indicators in credit agreements	If this is not achieved, complete refinancing may be necessary	Ongoing, proactive monitoring of financial key performance indicators; active communication with banks; countermeasures for credit agreements		x
Exchange rate risk	Negative impact from exchange rate fluctuations	Financing in the local currency; monitoring currency fluctuations; currency hedging	x	x
Interest rate risk	Change in market interest	Fixed interest rate financing; interest rate hedging	x	x
Technical risks				
Data loss due to misappropriation of laptops; data loss due to deletion of data; long-term server outage; virus or malware attack; theft of user credentials	Data loss; readability for external parties; no data access; data destruction	Active encryption; daily backup on the server; storage in different locations; employee awareness; antivirus software; two-factor authentication for MS Online; regular password changing		x
Faulty technology; errors in workmanship of plants	Damage to plants	Highly trained W.E.B service teams for rapid and high-quality repair; risk minimization through long-established experience in operating wind power plants		x

Category	Description	Actions	Effect on profit Opportunity	Effect on profit Risk
Legal & tax risks				
Permit compliance and legal proceedings	Loss of information; failure to raise issues of possible relevance	Orderly handover from planning phase to operational management		x
Changes to country-specific frameworks	New legal requirements for existing farms; changes to existing laws	Monitoring the markets; early reaction to adjustments; international diversification		x
Levy on excess profits or windfall taxes due to legal situation	New legal regulations; changes to existing laws	Monitoring the markets; early reaction to adjustments; international diversification		x
General contractual risks	Risks from the conclusion of a contract	Drafting of contracts; selection of contractual partners		x
Non-recognition of expenses or input tax deduction	Expenses are not recognized for tax purposes in the tax audit, or input tax deduction is denied	Ongoing adaption to tax changes in the respective countries and ongoing tax updates		x
Regulatory IT requirements cannot be met	Specifications are not met	Successive improvement of processes and technical implementation		x
Personnel risk				
Behavior that is damaging to the business	Negative economic impacts from damage to corporate reputation	Targeted personnel development; improvement of process descriptions; targeted communication		x
Improper drafting of decision-relevant documents	Not all decision-relevant information is known	Plausibility check by experts from different departments, sensitivity analyses		x
Departure of employees	Loss of knowledge; data transfer	Active offboarding process; definition of a stand-in role; documentation of key processes; promotion of employee satisfaction		x
Recruiting	Positions cannot be filled	Greater use of HR department resource; personnel consultants		x
Weather and wind				
Wind assessments; extreme weather years	Deviation between expected and actual production; extreme weather events due to climate change (hail, severe thunderstorms, tornadoes)	Analysis of meteorological statistics; comparison of projects with existing farms; strategic distribution of production capacity	x	x
Project risk				
Project depreciation, amortization and impairment losses: dropout rate	Project risk	Training in international W.E.B project management standards; introduction of project governance (project organization, meeting structure); introduction of quality assurance measures		x
Loss of profit on investments	Planned investment profits do not materialize	Definition of key operating indicators for ongoing monitoring		x

Category	Description	Actions	Effect on profit Opportunity	Risk
Counterparty risk – suppliers				
Dependence on turbine manufacturers	Operation of wind turbines of two main suppliers; if one of these manufacturers were to experience financial difficulties, this could have a negative impact on our claims	Buildup of expertise in trouble-shooting and corrective action; inspections; both companies are internationally operating manufac-turers with significant shares of the global market; advance payments for new turbines; some existing turbines have guarantee/warranty claims and availability guarantees arising from maintenance agree-ments		x
Organization				
Resource bottlenecks due to too many internal projects/ tasks happening at the same time	Too many tasks/projects at the same time	Uniform approach in internal project management, introduction of project portfolio management		x
Inefficiencies in running processes	Inefficiencies due to lack of knowledge	Development of a specific process map		x
Physical access to W.E.B site	Access to site	Key and e-key management		x
Electricity marketing				
Electricity sales – spot marketing	Deviation between expected and actual sales prices	Pricing strategy, ongoing monitoring of development, monthly procure-ment of target quantities	x	x
Electricity marketing – bal-ancing energy	Purchase of balancing energy required	Forecast improvement through feedback reporting of real values, remote controllability of the systems, intraday marketing	x	x
Market price risk	Volatility on the electricity market	Drafting of contracts with fixed price	x	x
Improbable/serious				
Fire in office and storage area	Building destruction due to fire	Fire safety drills; fire detectors, fire alarms		x
Risk of personal injury from falling ice	Required protection not in place	Work instruction for ice control; ice concept (ice warning sign, danger areas, ice sensors)		x
Sabotage by former employees	Access data retained after leaving the company	Offboarding		x
Bank failure	Collapse of a bank	Critical selection of partners, bank rating monitoring		x
Damage/total loss	Total loss of assets	Full maintenance contracts, insurance		x

7.4 Internal control and risk management system in regard to the financial reporting process

Pursuant to Section 267(3b) in conjunction with Section 243a(2) of the Austrian Commercial Code (Unternehmensgesetzbuch – UGB), the consolidated annual report of companies whose shares are admitted to trading on a regulated market must describe the most important features of the internal control and risk management system with regard to the consolidated financial reporting process. Since the shares of W.E.B are not admitted to trading on a regulated market, the company is not required to disclose this information but does so voluntarily.

7.4.1 Organizational framework

The Management Board bears responsibility for developing and implementing the entire internal control system and the risk management system, the effectiveness of which is monitored by the Supervisory Board's Audit Committee.

7.4.2 Basic principles of the internal control and risk management system

The financial reporting process is governed by Group-wide guidelines and requirements. The performance, monitoring and supervision of business transactions are segregated from each other. This ensures that no single employee can act alone in performing all process steps of a transaction from start to finish. A review of authorizations is integrated into the technical processing of transactions. Compliance with and the effectiveness of these checks is reviewed on a periodic basis.

The consolidated financial statements are prepared centrally by W.E.B's commercial departments in Pfaffenschlag, Austria. W.E.B's closing process is based on standard accounting guidelines which, along with the accounting standards, define the main processes and deadlines throughout the Group. Binding instructions are in place for intra-Group reconciliations and other tasks associated with the closing process. The employees involved in the accounting process meet the quality requirements and undergo regular training. The heads of the commercial departments are responsible for process compliance and corresponding control measures.

7.4.3 Periodic monitoring

The execution of business processes is monitored periodically. Every quarter, the Management Board provides the Supervisory Board with a comprehensive report on the assets, financial position and financial performance, which includes both a statement of financial position and an income statement. In addition, a report on the internal control and risk management system (ICS) is submitted annually to the Management Board and the Audit Committee. This report provides the data used to assess the efficiency and effectiveness of the ICS and is intended to ensure the manageability of the ICS by the bodies designated for this purpose.

8. Shareholder structure and capital information

Information pursuant to Section 243a(1) Austrian Commercial Code (UGB)

The share capital of WEB Windenergie AG amounts to EUR 31,729,830.00 (previous year: EUR 31,729,830.00) and comprises 3,172,983 shares (previous year: 3,172,983).

The shares are restricted registered shares and are not listed. In accordance with the Articles of Association, their transfer is subject to the approval of the company, which is granted by the Management Board in consultation with the Supervisory Board.

As of December 31, 2023, no shareholder holds more than 10% of the company. The Articles of Association limit the voting rights of shareholders holding more shares in that those rights can only be exercised for a maximum of 10% of the share capital.

Shareholders by ownership interest

In accordance with the Articles of Association of WEB Windenergie AG, the shareholder FutureDriving Dangl GmbH, Pfaffenschlag, Austria, is entitled to appoint one member to the Supervisory Board. The shareholder made use of this right and appointed Mathias Dangl to the Supervisory Board of WEB Windenergie AG as of October 1, 2022.

There are no shares with special control rights.

Employees who are also shareholders exercise their voting rights directly at the Annual General Meeting. W.E.B does not have any employee participation models.

The Management Board comprises one, two, three or four persons. The Supervisory Board comprises at least four, but no more than nine, elected or appointed members. Apart from the above, there are no other regulations derived directly from law that relate to the members of the Management Board and the Supervisory Board.

Resolutions of the Annual General Meeting are adopted by a simple majority of the votes cast. Resolutions to amend the Articles of Association require a majority of four fifths of votes cast.

The Management Board did not have any powers within the meaning of Section 243a(1) No. 7 UGB, in particular the possibility to issue or buy back shares, in the 2023 fiscal year.

Furthermore, the company is not involved in any agreements relating to a possible change of control within the meaning of Section 243a(1) No. 8 UGB.

There are no compensation agreements in favor of governing bodies or employees in the event of a public takeover bid.

9. Outlook

In the new fiscal year, the three main pillars of project development, power plant operation and electricity marketing will continue to form the basis for implementation of W.E.B's vision: "We're making the energy transition happen". A foundation of broad community participation is very important to us, as it has been since our company was founded. We offer private individuals and companies an attractive opportunity to participate in the energy transition and consider this an essential aspect of implementing our mission. Our dividend policy aims to keep the dividend ratio as stable as possible. We plan to distribute one third of the Group's profit as dividends.

WEB Windenergie AG began its 30th business year with a reorganization of the Management Board. After 14 years on the Management Board, Frank Dumeier will step down from his position as of April 30, 2024. In the course of this reorganization, the Supervisory Board is appointing a new generation of Management Board members: Stefanie Markut, Florian Müller and Roman Prager – three experienced managers already with the company – will join the Management Board in 2024. Michael Trcka will remain as Chief Financial Officer.

Due to the complex environment, the increased demand for electricity from renewable energy sources and the strong growth of W.E.B, it was logical to redistribute the Management Board's agenda between several people. As of January 1, 2024, Stefanie Markut, the current Head of the Legal department, will become the Management Board member for Corporate Development with responsibilities including HR, communications, legal and procurement. The current CFO for North America, Florian Müller, will become the Management Board member for Project Development, responsible for national and international project development. Frank Dumeier will complete his current duties as CEO by April 30, 2024, and will step down from his position on that date. As of May 1, 2024, Roman Prager, currently Head of Project Development HQ and Sales – and who will remain involved in the implementation of ongoing projects until that date – will become the Management Board member for Operations and thus assume responsibility for power plant operations. Michael Trcka will remain responsible for financial matters and will contribute his many years of expertise in the financial sector even more intensively.

As a profitable developer and operator of wind farms and photovoltaic power plants, our Vision 2030+ strategy has fired the starting pistol for further growth in an environment with many opportunities and challenges. By 2030, we aim to significantly increase our renewables market share in Europe and North America, maintain high profitability and pursue innovative approaches to electricity marketing and storage.

Last but not least, we want to be perceived as an attractive employer.

In our growth process, we continue to rely on a mix of wind and solar energy as well as expanding our capacity both nationally and internationally. During the reporting year, we commissioned the Dürnkrut III and Götzendorf wind farms and four photovoltaic plants, all of which are in Austria. In the course of re-powering projects in Austria and Germany, old turbines were dismantled and the construction of the new turbines continued. The first of these repowering projects was commissioned in mid-January 2024 at the Gols site in Austria. Construction work on the projects in Italy also progressed, with commissioning planned for 2024.

W.E.B's future profits depend largely on the electricity generation by our power plants and the electricity price. Electricity generation is primarily determined by local wind levels. In January 2024, a stormy month for Austria, Germany, France and the Czech Republic, our wind turbines generated almost 9% more than the planned volume across the Group. Our photovoltaic systems generated 15% less than the planned volume. These fluctuations will also be reflected in W.E.B's profits.

The Management Board
Pfaffenschlag, March 20, 2024

Frank Dumeier

Michael Trcka

Stefanie Markut

Florian Müller

Consolidated Financial Statements (IFRS)

Consolidated statement of financial position as of December 31, 2023

EUR k	Notes to the consolidated financial statements	12/31/2023	12/31/2022
Assets			
Intangible assets	11	39,661.7	29,917.3
Property, plant and equipment	12	661,813.3	553,364.0
Shares in equity-accounted investments	13	6,178.6	5,639.6
Noncurrent financial assets	14	26,863.0	29,861.6
Deferred tax assets	24	1,974.0	460.9
Noncurrent assets		**736,490.7**	**619,243.4**
Inventories	15	7,673.5	6,702.9
Trade receivables	16	32,849.8	19,604.3
Other receivables and assets	17	26,372.0	34,011.6
Income tax receivables		1,559.3	1,173.4
Cash and cash equivalents	18	75,182.0	59,586.4
	12	2,471.4	0.0
Current assets		**146,108.0**	**121,078.7**
Total assets		**882,598.7**	**740,322.1**

EUR k	Notes to the consolidated financial statements	12/31/2023	12/31/2022
Equity and liabilities			
Share capital	19	31,729.8	31,729.8
Capital reserves	19	45,286.6	45,286.6
Hybrid capital	19	14,345.7	18,022.4
Other reserves	19	1,911.1	7,052.0
Retained earning	19	135,977.9	94,558.9
Equity attributable to shareholders of WEB Windenergie AG		**229,251.2**	**196,649.7**
Noncontrolling interests	20	11,215.5	12,479.4
Equity		**240,466.6**	**209,129.1**
Financial liabilities	21	441,993.0	374,204.3
Bonds	22	40,847.9	9,257.4
Deferred tax liabilities	24	24,154.4	24,180.7
Provisions	25	14,006.5	12,591.8
Other noncurrent liabilities	23	2,783.9	0.0
Noncurrent liabilities		**523,785.8**	**420,234.2**
Financial liabilities	21	44,127.4	64,285.5
Bonds	22	7,575.7	10,455.8
Income tax payables		15,449.0	4,180.0
Trade or other payables	26	51,175.8	32,037.6
	12	18.4	0.0
Current liabilities		**118,346.3**	**110,958.8**
Total liabilities		**642,132.1**	**531,193.0**
Total equity and liabilities		**882,598.7**	**740,322.1**
Equity (excl. hybrid capital and noncontrolling interests) per share (EUR)		**67.7**	**56.2**

Consolidated income statement 01/01–12/31/2023

EUR k	Notes to the consolidated financial statements	2023	2022
Revenue	**1**	**231,818.6**	**174,075.8**
Other operating income	2	2,828.0	3,711.5
Cost of materials and purchased services	3	-25,505.5	-31,975.6
Personnel expenses	4	-23,663.9	-17,495.4
Depreciation	5	-48,113.0	-44,649.9
Other operating expenses	6	-55,763.5	-34,033.0
Operating result		**81,600.6**	**49,633.4**
Share of profit or loss of equity-accounted investments	13	2,298.7	2,472.5
Interest income	7	950.5	924.9
Interest expense	8	-14,716.7	-12,514.5
Other net financial result	9	-1,549.2	480.4
Net financial result		**-13,016.7**	**-8,636.7**
Profit or loss before taxes on income		**68,583.9**	**40,996.7**
Tax on profits	24	-15,849.7	-11,307.9
Profit after taxes on income		**52,734.3**	**29,688.9**
of which intended to be attributable to hybrid capital investors		868.3	1,069.0
of which attributable to noncontrolling interests		1,148.1	1,932.3
of which attributable to shareholders of WEB Windenergie AG		**50,717.8**	**26,687.6**
Earnings per share[1] (EUR)	**10**	**16.0**	**8.4**

1 Diluted earnings per share are the same as basic earnings per share.

Consolidated statement of comprehensive income

EUR k	2023	2022
Profit after taxes on income	**52,734.3**	**29,688.9**
Items that will be reclassified subsequently to profit or loss		
Currency translation differences	-1,405.6	2,368.7
Changes in the fair value of cash flow hedges	-5,434.1	12,662.7
Income taxes on other comprehensive income	1,438.9	-3,297.5
Total other comprehensive income	**-5,400.8**	**11,733.9**
Total comprehensive income, net of tax	**47,333.4**	**41,422.8**
of which total comprehensive income attributable to hybrid capital investors	868.3	1,069.0
of which total comprehensive income attributable to noncontrolling interests	888.2	2,305.6
of which total comprehensive income attributable to shareholders of WEB Windenergie AG	**45,576.9**	**38,048.1**

See note (19).

Consolidated statement of changes in equity

EUR k	Share capital	Capital reserves	Hybrid capital	
As of 01/01/2022	**31,729.8**	**45,286.6**	**21,699.1**	
Foreign exchange differences				
Changes in the value of hedges				
Total other comprehensive income, net of income taxes				
Profit after taxes on income				
Total comprehensive income for the period				
Disposal of noncontrolling interests				
Dividend/repayment to noncontrolling interests				
Repayment/distribution of hybrid capital			-3,717.2	
Reversal of hybrid capital issuing costs			40.5	
Dividend (EUR 2.1 per share)				
As of 12/31/2022	**31,729.8**	**45,286.6**	**18,022.4**	

EUR k	Share capital	Capital reserves	Hybrid capital	
As of 01/01/2023	**31,729.8**	**45,286.6**	**18,022.4**	
Foreign exchange differences				
Changes in the value of hedges				
Total other comprehensive income, net of income taxes				
Profit after taxes on income				
Total comprehensive income for the period				
Capital increase				
Dividend to other shareholders				
Dividend/repayment to noncontrolling interests				
Repayment/distribution of hybrid capital			-3,717.2	
Reversal of hybrid capital issuing costs			40.5	
Dividend (EUR 2.9 per share)				
As of 12/31/2023	**31,729.8**	**45,286.6**	**14,345.7**	

Other reserves					
Hedges	Currency translation	Retained earning	Equity attributable to shareholders of WEB Windenergie AG	Equity attributable to noncontrolling interests	Total equity
-2,911.5	**-1,397.0**	**74,738.7**	**169,145.7**	**13,081.8**	**182,227.5**
	1,995.4		1,995.4	373.4	2,368.7
9,365.2			9,365.2		9,365.2
9,365.2	**1,995.4**		**11,360.5**	**373.4**	**11,733.9**
		27,756.6	27,756.6	1,932.3	29,688.9
9,365.2	**1,995.4**	**27,756.6**	**39,117.2**	**2,305.6**	**41,422.8**
		-110.1	-110.1	87.1	-23.0
				-2,995.2	-2,995.2
		-1,122.5	-4,839.7		-4,839.7
		-40.5			
		-6,663.3	-6,663.3		-6,663.3
6,453.6	**598.4**	**94,558.9**	**196,649.7**	**12,479.4**	**209,129.1**

Other reserves					
Hedges	Currency translation	Retained earning	Equity attributable to shareholders of WEB Windenergie AG	Equity attributable to noncontrolling interests	Total equity
6,453.6	**598.4**	**94,558.9**	**196,649.7**	**12,479.4**	**209,129.1**
	-1,145.7		-1,145.7	-260.0	-1,405.6
-3,995.2			-3,995.2		-3,995.2
-3,995.2	**-1,145.7**		**-5,140.9**	**-260.0**	**-5,400.8**
		51,586.2	51,586.2	1,148.1	52,734.3
-3,995.2	**-1,145.7**	**51,586.2**	**46,445.3**	**888.2**	**47,333.4**
				112.8	112.8
		-3.1	-3.1		-3.1
				-2,264.9	-2,264.9
		-921.8	-4,639.0		-4,639.0
		-40.5			
		-9,201.7	-9,201.7		-9,201.7
2,458.4	**-547.3**	**135,977.9**	**229,251.2**	**11,215.5**	**240,466.6**

Consolidated statement of cash flows

		2023	2022
EUR k			
Profit or loss before taxes on income		**68,583.9**	**40,996.7**
+/–	Depreciation and amortization of, and impairment losses on/ reversals of impairment losses on intangible assets and property, plant and equipment	48,113.0	44,649.9
+	Net interest income	13,766.2	11,589.6
+/–	Non-cash share of profit or loss of equity-accounted investments	-503.7	-1,472.5
–	Dividends/distributions	-1,866.2	-1,057.2
+/–	Impairment losses on/reversals of impairment losses on financial assets	539.7	-855.1
+/–	Gain or loss on fixed asset disposals	799.6	-237.3
+/–	Increase/ decrease in noncurrent provisions	5.3	19.4
+/–	Other non-cash changes	141.2	-1,051.9
Operating cash flow before changes in working capital and income taxes		**129,579.1**	**92,581.6**
+/–	Increase/ decrease in inventories and receivables	-14,454.0	-4,874.7
+/–	Increase/ decrease in receivables from related parties	-57.1	-16.4
+/–	Increase/ decrease in other receivables	7,523.4	-15,728.7
+/–	Increase/ decrease in trade and other payables	22,849.2	9,245.4
–	Income taxes paid	-5,006.1	-7,408.9
Cash flow from operating activities		**140,434.4**	**73,798.4**
+	Proceeds from fixed asset disposals	854.6	370.7
+	Proceeds from disposals of financial assets and other noncurrent assets	18.6	40.0
+	Interest received	887.6	1,057.4
+	Increase/ decrease in liabilities to affiliated companies	-7.7	9.8
–	Payments to acquire intangible assets and property, plant and equipment	-163,284.7	-76,836.5
–	Payments for additions to financial assets and other noncurrent assets	-617.5	-390.9
+	Dividends received	1,866.2	1,057.2
Cash flow from investing activities		**-160,283.0**	**–74,692.2**

EUR k		2023	2022
+	Receipts from noncontrolling interests	112.8	-0.0
–	Dividends/payments to noncontrolling interests	-2,264.9	-2,995.2
–	Transactions with noncontrolling interests	0.0	-23.0
–	Dividends paid (including payments of interest on hybrid capital)	-10,123.5	-7,785.8
–	Dividends paid to other shareholders	-3.1	0.0
–	Interest paid	-16,451.3	-12,526.3
+	Proceeds from borrowings	108,741.6	106,414.9
–	Repayment of borrowings	-65,951.5	-78,805.0
–	Payment of lease liabilities	-2,628.5	-2,164.3
–	Repayment of hybrid capital	-3,717.2	-3,717.2
+	Proceeds from bonds	38,251.0	0.0
–	Repayment of bonds	-10,094.4	-3,726.1
Cash flow from financing activities		**35,870.9**	**-5,327.9**
Total cash flow		**16,022.3**	**-6,221.7**
Change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		59,586.4	64,648.1
Foreign exchange differences		-340.6	1,160.0
Cash and cash equivalents “held for sale”		-86.2	0.0
Total cash flow		16,022.3	-6,221.7
Cash and cash equivalents at the end of the period		**75,182.0**	**59,586.4**

See section 8.2.

Notes to the consolidated financial statements

for the 2023 fiscal year

These notes to the consolidated financial statements

- provide information about our company, the basis of preparation of the financial statements and the accounting policies applied,
- contain disaggregations of and explanatory notes on individual items in the statement of financial position and the income statement,
- indicate the areas in which significant judgments and estimates were required and where certain risks lie, and
- contain other information relevant to an understanding of our activities and our results.

The information is presented in accordance with the International Financial Reporting Standards (IFRS) and therefore there is no freedom of choice over the form of presentation. We have endeavored to make the information as clear and reader-friendly as possible. We would appreciate any suggestions for further improving understandability.

Contents

1. About us

Headquartered at Davidstrasse 1 in 3834 Pfaffenschlag, Lower Austria, and registered at the Regional Court of Krems an der Donau (FN 184649v), WEB Windenergie AG (W.E.B) is an unlisted company engaged in the project development and operation of renewable energy power plants. This includes projects and installations in the wind power, solar power and hydropower segments. W.E.B operates in eight countries in Europe and North America: Austria, Germany, France, Italy, the Czech Republic, Slovakia, Canada and the United States. We have established local teams in these countries, which primarily develop new projects or acquire projects in various stages of development. Power plant operation across all countries is coordinated centrally from Austria. We mainly sell the electricity we generate indirectly – through electricity traders, electric utilities and, if the legal conditions are in place for green electricity, via national exchanges – as well as directly to businesses and residential customers.

Our international profile and the technological diversity of our projects form the basis for successfully overcoming the challenges of delivering a sustainable, decentralized supply of renewable energy.

2. Rules under which these financial statements were prepared

We have prepared these consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) applicable in the EU and the provisions of commercial law additionally applicable in Austria pursuant to Section 245a of the Austrian Commercial Code (UGB).

In accordance with the accounting rules applied, assets carried in the balance sheet are generally measured at cost less depreciation or amortization and impairment losses. This excludes certain financial assets measured at fair value. The rules are described in detail in section 9. Information on the significant judgments and estimates required in the preparation of the financial statements is provided in section 6.

Parts of the IFRS are revised on a regular basis. Some of the revised Standards were already effective in the 2023 fiscal year. The other new Standards are only required to be applied in subsequent years. The new rules to be applied in the 2023 fiscal year result from amendments to IAS 12 (Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction and International Tax Reform – Pillar 2 Model Region), IAS 1 (Disclosure of Accounting Policies), IAS 8 (Definition of Accounting Estimates) and IFRS 17 (Insurance Contracts). These changes had no impact on the consolidated financial statements. We have provided a more detailed explanation of the Standards to be applied in the coming years in section 9.4.

Unless indicated otherwise, all amounts stated in the consolidated financial statements are stated in thousands of euros (EUR k) and are rounded.

3. Further information on the income statement

(1) Revenue

EUR k	2023	2022
Electricity revenue from		
wind power plants	181,972.3	140,064.1
solar power plants	8,315.6	8,723.2
hydropower plants	417.6	516.9
Proceeds from the sale of electricity directly to consumers and from electricity distribution	31,077.0	13,257.4
Spot credits	9,563.6	11,251.7
Subtotals of revenue according to IFRS 15	**231,346.1**	**173,813.3**
Rental income	472.5	262.5
	231,818.6	**174,075.8**

We sell the electricity we generate to electricity traders, electricity suppliers, electricity exchanges and renewable energy exchanges as well as to business and residential customers. The spot credits are offset by spot invoices under the item “Cost of materials and purchased services”. These arise from the purchase and sale of the difference on the electricity exchange. This difference results from the comparison of the forecast power plant production and the forecast consumption of our electricity customers. The rental income is generated from operating leases of photovoltaic installations in accordance with IFRS 16. For the allocation of revenue to company locations, please refer to section 8.1.

(2) Other operating income

EUR k	2023	2022
Income from construction management/project development	881.7	595.1
Income from merchandise	390.6	580.7
Income from onward billing	355.9	585.4
Income from operations management	321.7	297.8
Income from services	309.2	52.5
Rental income	189.9	140.1
Income from maintenance contracts	130.4	81.3
Income from the reversal of impairments	96.0	0.0
Cost refunds, subsidies	36.6	33.1
Insurance compensation	28.5	933.1
Reversal of allowance for doubtful receivables	1.1	3.3
Other	86.4	409.1
	2,828.0	**3,711.5**

Income from onward billing relates to the onward billing of expenses paid on behalf of third parties.

(3) Cost of materials and purchased services

EUR k	2023	2022
Grid loss fees	5,575.4	1,017.2
Electricity expenses – power plants	795.4	676.6
Marketing of electricity purchases	9,409.7	2,141.8
Spot credit invoices	4,704.5	22,846.4
Balancing energy costs	4,522.2	4,787.9
Cost of sales	498.3	505.7
	25,505.5	**31,975.6**

Spot invoices are offset by spot credits under the item "Revenue".

(4) Personnel expenses

EUR k	2023	2022
Wages and salaries	19,082.1	13,976.5
Expenses for statutory charges and contributions	3,904.6	3,032.4
Contributions to the employee benefit fund	295.1	214.4
Other personnel expenses	382.1	272.1
	23,663.9	**17,495.4**

In each fiscal year, we employed on average (calculated on a full-time equivalent (FTE) basis):

Full-time equivalents

	2023	2022
Salaried employees	205	163
Wage employees	17	17
Average (FTEs)	**222**	**180**

(5) Depreciation, amortization and impairment losses

In the current fiscal year, depreciation and amortization of intangible fixed assets and property, plant and equipment included scheduled amortization (previous year: exclusively scheduled amortization) as well as impairment losses on power plants and construction projects in Austria and Italy amounting to EUR 2,279.2 k. Explanations can be found in sections 4 (11), (12) and 6.

(6) Other operating expenses

EUR k	2023	2022
Expenses directly related to our power plants	19,566.9	16,370.9
Maintenance and operating costs – power plants	*14,837.5*	*12,424.1*
Lease expenses	*2,829.7*	*2,703.4*
Insurance – power plants	*1,899.7*	*1,243.4*
Project development	1,291.2	559.4
Project development expenses	*608.7*	*388.2*
Project depreciation, amortization and impairment losses	*682.5*	*171.2*
Expenses directly related to operations	5,726.2	4,248.9
Taxes other than income taxes	25,330.1	9,944.7
Consultancy expenses	3,233.3	2,461.2
Advertising expenses	615.9	447.9
	55,763.5	**34,033.0**

For leasing expenses, please refer to the explanations under (27) Leases. The item "Taxes other than income taxes" includes the windfall tax on revenues amounting to EUR 23,158.2 k (previous year: EUR 7,720.6 k), resulting from statutory requirements under the regulation on an emergency intervention to address high energy prices (Council Regulation (EU) 2022/1854).

The expenses (excluding travel expenses) for the auditor Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. for the fiscal year totaled EUR 134.3 k (previous year: EUR 107.0 k). Of this amount, EUR 127.9 k (previous year: EUR 101.0 k) was attributable to the audit of the separate financial statements and the consolidated financial statements including reporting in accordance with Art. 11 EU-VO and EUR 6.4 k (previous year: EUR 6.0 k) was attributable to other assurance services.

(7) Interest income

EUR k	2023	2022
Clearing accounts	585.0	742.7
Income from interest rate hedges	0.0	23.3
Time deposits/bank balances	365.5	158.9
	950.5	**924.9**

(8) Interest expenses

EUR k	2023	2022
Interest on bank loans	13,138.6	9,400.7
Interest on bonds	1,655.4	839.1
Interest on lease liabilities	925.8	666.5
Income/expenses for interest rate hedges	–2,163.6	679.6
Other	1,160.5	928.6
	14,716.7	**12,514.5**

(9) Other net financial results

EUR k	2023	2022
Foreign currency gains/losses	45.8	457.7
Net income from equity investments	–553.1	871.1
Unwinding of discount on provision for dismantling costs	–604.2	–309.4
Other	–437.7	–538.9
	–1,549.2	**480.4**

(10) Earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders and the weighted average of shares in circulation. In both the reporting year and the previous year, diluted earnings per share were the same as basic earnings per share, as there were no dilutive effects.

Attribution of profit

EUR k	2023	2022
Profit attributable to owners of the parent company	50,717.8	26,687.6
Profit attributable to shareholders	**50,717.8**	**26,687.6**

Weighted average number of shares (basic)

in thousands of shares	2023	2022
Issued shares as of 01/01	3,173.0	3,173.0
Weighted average number of shares as of 12/31	**3,173.0**	**3,173.0**

EUR	2023	2022
Basic earnings per share	16.0	8.4

4. Further information on the statement of financial position

(11) Intangible assets

EUR k	Software	Rights of use	Right-of-use leased assets	Goodwill	Total
2023					
Acquisition costs as of 01/01/2023	**1,987.6**	**4,587.7**	**41,613.2**	**42.3**	**48,230.9**
Currency effects	–5.6	0.0	–114.8	0.0	–120.4
Additions	732.6	0.0	12,983.9	0.0	13,716.5
Reduction in acquisition costs	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	–357.3	0.0	–357.3
Reclassification “assets held for sale”	0.0	–870.1	0.0	0.0	–870.1
Transfers	0.0	0.0	0.0	0.0	0.0
Acquisition costs as of 12/31/2023	**2,714.6**	**3,717.7**	**54,125.0**	**42.3**	**60,599.6**
Cumulative changes in value as of 01/01/2023	**1,619.7**	**3,160.2**	**13,491.3**	**42.3**	**18,313.5**
Currency effects	–2.3	0.0	–18.6	0.0	–20.8
Depreciation	270.7	136.8	2,964.3	0.0	3,371.8
Impairment losses	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	–70.9	0.0	–70.9
Reclassification “assets held for sale”	0.0	–655.6	0.0	0.0	–655.6
Transfers	0.0	0.0	0.0	0.0	0.0
Cumulative changes in value as of 12/31/2023	**1,888.1**	**2,641.4**	**16,366.0**	**42.3**	**20,937.9**
Net carrying amount as of 12/31/2023	**826.5**	**1,076.2**	**37,759.0**	**0.0**	**39,661.7**
2022					
Acquisition costs as of 01/01/2022	**1,696.0**	**4,587.7**	**38,446.1**	**42.3**	**44,772.2**
Currency effects	4.4	0.0	88.1	0.0	92.4
Additions	277.0	0.0	3,309.3	0.0	3,586.3
Reduction in acquisition costs	–1.0	0.0	–63.0	0.0	–64.0
Disposals	0.0	0.0	–167.3	0.0	–167.3
Transfers	11.2	0.0	0.0	0.0	11.2
Acquisition costs as of 12/31/2022	**1,987.6**	**4,587.7**	**41,613.2**	**42.3**	**48,230.9**
Cumulative changes in value as of 01/01/2022	**1,341.3**	**2,994.5**	**11,209.8**	**42.3**	**15,588.0**
Currency effects	–0.2	0.0	–11.6	0.0	–11.8
Depreciation	278.6	165.7	2,357.4	0.0	2,801.7
Impairment losses	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	–64.3	0.0	–64.3
Transfers	0.0	0.0	0.0	0.0	0.0
Cumulative changes in value as of 12/31/2022	**1,619.7**	**3,160.2**	**13,491.3**	**42.3**	**18,313.5**
Net carrying amount as of 12/31/2022	**367.9**	**1,427.5**	**28,121.9**	**0.0**	**29,917.3**

The carrying amounts of the rights of use include the water rights in Imst, Austria, in the amount of EUR 720.1 k (previous year: EUR 751.6 k). As of the reporting date, the Imst water rights had a remaining useful life of 22.5 years. For rights of use for leased assets, please refer to the explanations under (27) Leases.

(12) Property, plant and equipment

EUR k	Land and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments made, plants under construction	Total
2023					
Acquisition/production costs as of 01/01/2023	**18,946.9**	**844,638.1**	**10,359.0**	**64,012.9**	**937,956.9**
Currency effects	–45.6	–4,036.6	–20.3	–188.6	–4,291.2
Acquisitions	453.7	5,063.8	3,357.1	155,816.0	164,690.6
Reductions in acquisitions	–1.1	–454.9	–136.3	–4,016.6	–4,609.0
Disposals	–5.8	–13,048.1	–270.4	–696.5	–14,020.8
Reclassification "assets held for sale"	–903.1	–3,655.6	0.0	0.0	–4,558.7
Transfers	427.0	23,858.9	235.4	–24,521.3	0.0
Acquisition/production costs as of 12/31/2023	**18,871.9**	**852,365.7**	**13,524.5**	**190,405.9**	**1,075,167.8**
Cumulative depreciation and impairment losses as of 01/01/2023	**4,620.9**	**373,875.1**	**5,784.8**	**312.1**	**384,592.9**
Depreciation	358.1	40,671.2	1,421.7	0.0	42,451.0
Impairment losses	0.0	36.1	0.0	2,243.2	2,279.2
Currency effects	0.0	–1,125.7	–7.2	–34.1	–1,167.1
Disposals	0.0	–12,180.3	–185.4	0.0	–12,365.7
Reclassification "assets held for sale"	–375.7	–2,060.1	0.0	0.0	–2,435.7
Transfers	0.0	0.0	0.0	0.0	0.0
Cumulative depreciation and impairment losses as of 12/31/2023	**4,603.4**	**399,216.2**	**7,013.9**	**2,521.1**	**413,354.6**
Net carrying amount as of 12/31/2023	**14,268.5**	**453,149.5**	**6,510.6**	**187,884.7**	**661,813.3**

Assets held for sale

We started negotiations to divest the Eberbach hydroelectric power plant in Germany in 2023. As of the end of the year, the suspensory conditions of the purchase agreement had not yet been fulfilled. The assets and liabilities disposed of in the sale have been separated from the relevant balance sheet items and reported together as "Assets and liabilities held for sale". The assets concerned include water rights, land, buildings and machinery of the hydroelectric power plant as well as receivables. The debts relate to trade liabilities.

EUR k	Land and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments made, plants under construction	Total
2022					
Acquisition/production costs as of 01/01/2022	**17,639.3**	**770,584.2**	**9,540.4**	**58,372.4**	**856,136.3**
Currency effects	–44.7	1,449.1	–11.5	2,299.3	3,692.1
Acquisitions	1,150.7	12,582.7	1,557.3	84,134.8	99,425.6
Reductions in acquisitions	0.0	–18,839.3	–89.7	–362.5	–19,291.4
Initial consolidation	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	–1,128.2	–693.2	–173.0	–1,994.4
Reclassification	0.0	0.0	0.0	0.0	0.0
Transfers	201.6	79,989.7	55.6	–80,258.1	–11.2
Acquisition/production costs as of 12/31/2022	**18,946.9**	**844,638.1**	**10,359.0**	**64,012.9**	**937,956.9**
Cumulative depreciation and impairment losses as of 01/01/2022	**4,265.5**	**333,559.2**	**5,124.5**	**317.1**	**343,266.3**
Depreciation	355.3	40,404.9	1,088.0	0.0	41,848.2
Impairment losses	0.0	0.0	0.0	0.0	0.0
Currency effects	0.0	363.3	–3.3	–5.1	355.0
Disposals	0.0	–452.4	–424.3	0.0	–876.7
Reclassification	0.0	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0	0.0
Cumulative depreciation and impairment losses as of 12/31/2022	**4,620.9**	**373,875.1**	**5,784.8**	**312.1**	**384,592.9**
Net carrying amount as of 12/31/2022	**14,326.1**	**470,763.1**	**4,574.1**	**63,700.8**	**553,364.0**

The carrying amount of the property, plant and equipment pledged as collateral for debts amounts to EUR 559,695.1 k as of December 31, 2023.

The item "Prepayments made, plants under construction" mainly includes the Ariano and Apricena construction projects in Italy, the Gols repowering project and the Rohr and Loosdorf projects in Austria, the Kuhs repowering project in Germany and the Weavers Mountain project in Canada.

The acquisition costs of the technical equipment and machinery newly acquired in the fiscal year include borrowing costs directly attributable to the projects amounting to EUR 1,059.3 k (previous year: EUR 24.9 k). These costs relate to projects in Austria, Germany and Italy. The financing cost rate is on average 3.09% in Austria, 3.97% in Germany and 2.90% in Italy (previous year: 2.06% in Austria).

(13) Share of equity-accounted investments

Company	Proportion 12/31/2023	Proportion 12/31/2022	Carrying amount 12/31/2022	Share of profit or loss for the year	Contribution	Distribution
EUR k						
Tauernwind Windkraftanlagen GmbH[1]	20.0%	20.0%	1,963.3	1,032.2		–1,050.0
Sternwind Errichtungs- und BetriebsgmbH[1]	49.0%	49.0%	950.2	466.1		
Sternwind Errichtungs- und BetriebsgmbH & Co KG[1]	49.0%	49.0%	288.6	237.7		–245.0
SASU Energie Verte Plaine d'Artois	33.3%	33.3%	314.6	96.9		
Zweite WP Weener GmbH & Co KG	50.0%	50.0%	1,705.4	469.3		–500.0
Black Spruce Inc. (including limited partnership agreement)	50.0%	50.0%	417.5	–3.5	41.8	
WEB Windenergie Brandenburg GmbH	50.0%	50.0%	0.0	0.0		
Bleu Vent Développement SAS	50.0%	50.0%	0.0	0.0		
Total			**5,639.6**	**2,298.7**	**41.8**	**–1,795.0**

[1] Data based on indicative figures

The companies operate wind farms and are involved in project development. They are therefore exposed to the same opportunities and risks as we are.

(14) Noncurrent financial assets

	Shares in affiliated companies	Securities	Participating interests	Loans	Credit and capital reserve accounts	Hedges	Total
EUR k							
2023							
Acquisition costs							
As of 01/01/2023	174.5	158.5	1,189.4	10,669.5	6,840.6	74.8	19,107.3
Currency effects	0.0	0.0	0.0	–318.0	–109.1	0.0	–427.1
Acquisitions	110.0	0.0	0.0	462.2	465.1	0.0	1,037.3
Disposals	0.0	0.0	0.0	–402.1	–18.6	0.0	–420.7
As of 12/31/2023	284.5	158.5	1,189.4	10,411.6	7,178.0	74.8	19,296.9
Cumulative changes in value							
As of 01/01/2023	0.0	81.7	2,095.2	0.0	–68.3	8,645.9	10,754.3
Currency effects	0.0	0.0	0.0	0.0	1.7	–132.3	–130.5
Fair value changes	0.0	48.6	–588.4	0.0	0.0	–2,518.0	–3,057.9
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increases in value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
As of 12/31/2023	0.0	130.3	1,506.8	0.0	–66.6	5,995.6	7,566.1
Carrying amount as of 12/31/2023	**284.5**	**288.8**	**2,696.2**	**10,411.6**	**7,111.4**	**6,070.5**	**26,863.0**

		Unrecognized losses		Total			
Currency translation adjustment	Carrying amount 12/31/2023	Annual profit	Cumulative	Assets	Liabilities	Revenue	Net income/ loss for the year
	1,945.4	0.0	0.0	45,434.6	35,790.8	11,566.2	5,161.0
	1,416.3	0.0	0.0	1,155.6	107.0	184.5	53.4
	281.2	0.0	0.0	759.6	165.6	1,275.9	509.1
	411.5	0	0	4,254.5	3,192.2	2,950.7	290.7
	1,674.8	0.0	0.0	9,899.1	6,613.6	2,962.1	933.2
–6.4	449.4	0.0	0.0	907.8	9.1	0.0	–6.9
	0.0	–108.8	–544.3	2,696.7	3,785.2	0.0	–217.6
	0.0	–3.0	–8.3	7.7	24.3	0.0	–5.9
–6.4	**6,178.6**	**–111.8**	**–552.6**				

EUR k	Shares in affiliated companies	Securities	Partici-pating interests	Loans	Credit and capital reserve accounts	Hedges	Total
2022							
Acquisition costs							
As of 01/01/2022	159.5	158.5	1,142.9	10,364.8	6,486.8	74.8	18,387.3
Currency effects	0.0	0.0	0.0	473.6	29.3	0.0	502.9
Acquisitions	15.0	0.0	46.5	703.6	328.8	0.0	1,094.0
Disposals	0.0	0.0	0.0	–872.5	–4.4	0.0	–876.9
As of 12/31/2022	174.5	158.5	1,189.4	10,669.5	6,840.6	74.8	19,107.3
Cumulative changes in value							
As of 01/01/2022	0.0	61.2	1,260.6	0.0	–66.3	0.0	1,255.3
Currency effects	0.0	0.0	0.0	0.0	–2.0	–66.0	–68.0
Fair value changes	0.0	20.5	834.6	0.0	0.0	8,711.9	9,567.0
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increases in value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
As of 12/31/2022	0.0	81.7	2,095.2	0.0	–68.3	8,645.9	10,754.3
Carrying amount as of 12/31/2022	**174.5**	**240.2**	**3,284.6**	**10,669.5**	**6,772.3**	**8,720.7**	**29,861.5**

The equity interests are composed as follows:

EUR k	Proportion	12/31/2023	12/31/2022
oekostrom AG für Energieerzeugung und -handel	3.35%	1,867.5	2,178.7
Windkraft Simonsfeld AG	0.33%	602.5	879.7
Weinviertler Energie GmbH & Co KG	17.66%	150.0	150.0
ANE GmbH & Co KG (merged with GESY Green Energy Systems GmbH)	0.70%	76.2	76.2
		2,696.2	**3,284.6**

In the reporting year, the equity interests in oekostrom AG and Windkraft Simonsfeld AG depreciated due to the fair value of EUR 588.4 k (previous year: appreciation of EUR 834.5 k).

As of the reporting date, there is a reciprocal shareholding with Windkraft Simonsfeld AG, in which we hold 0.33% (previous year: 0.33%); this entity holds 10,950 shares (0.35%) in our company (previous year: 10,950 shares, 0.35%).

Loans include a loan extended by us to Windpark Eschenau GmbH in the amount of EUR 6.8 k (previous year: EUR 6.2 k), a loan to Pisgah Holdings LLC, USA, in the amount of EUR 7,871.8 k (previous year: EUR 8,111.2 k) and a loan to Woodstock First Nations, Canada, in the amount of EUR 2,533.0 k (previous year: EUR 2,552.1 k).

The loan to Pisgah Holdings LLC, Maine, we extended to the partner to finance its equity interest in Pisgah Mountain LLC. It is secured by the partner's shares in this entity. The loan bears interest on an ongoing basis and must be repaid from the ongoing cash flows from the project.

The loan to Woodstock First Nations was extended to the partner to finance its equity interest in Wisokol-amson Energy Limited Partnership. It is secured by the partner's shares in this entity. The loan bears interest on an ongoing basis and must be repaid from the ongoing cash flows from the project.

The item "Credit and capital reserve accounts" amounting to EUR 7,111.4 k (previous year: EUR 6,772.3 k) includes liquid funds serving as collateral for lenders. The allowance for expected credit losses on this item amounts to EUR 69.4 k as of December 31, 2023 (previous year: EUR 71.1 k).

Derivative financial instruments

Description	Currency	Volume 12/31/2023	Maturity	Fair value 12/31/2023	Fair value 12/31/2022
		EUR k		EUR k	EUR k
1) Interest rate swap CZK/1M-PRIBOR >> 2.05% fixed (CZK 50,459.0 k)	CZK	0.0		0.0	29.0
2) Interest rate swap EUR/3M-EURIBOR >> 1.60% fixed (EUR 13,581.0 k)	EUR	1,131.8	12/31/2024	13.5	39.0
3) Interest rate swap CZK/1M-PRIBOR >> 1.75% fixed (EUR 2,155.8 k)	CZK	528.2	08/31/2026	–18.7	54.0
4) Interest rate swap EUR/3M-EURIBOR >> 1.2775% fixed (EUR 13,644.6 k)	EUR	3,274.7	12/31/2026	76.8	168.3
5) Interest rate swap EUR/3M-EURIBOR >> 1.29% fixed (EUR 14,875.0 k)	EUR	3,499.9	12/31/2026	81.7	178.6
6) Interest rate swap EUR/3M-EURIBOR >> 1.24% fixed (EUR 6,727.5 k)	EUR	1,341.8	06/30/2026	29.3	65.4
7) Interest rate swap EUR/3M-EURIBOR >> 1.01% fixed (EUR 9,116.9 k)	EUR	2,547.9	12/30/2031	150.7	236.5
8) Interest rate swap USD/1M-LIBOR +2.25% >> 4.63% fixed (USD 17,500.0 k)	USD	9,270.0	02/13/2027	374.3	541.8
9) Interest rate swap EUR/6M-EURIBOR >> 1.092% fixed (EUR 25,360.0 k)	EUR	15,901.6	06/30/2032	939.2	1,674.0
10) Interest rate swap EUR/3M-EURIBOR >> 0.835% fixed (EUR 8,843.5 k)	EUR	5,634.3	06/30/2031	328.8	583.3
11) Interest rate swap EUR/3M-EURIBOR >> 0.835% fixed (EUR 16,266.5 k)	EUR	10,369.0	06/30/2031	605.4	1,073.9
12) Forward starting interest rate swap EUR/3M-EURIBOR >> 0.918% fixed Start: 03/29/2029 (EUR 8,883.0 k)	EUR	8,883.0	09/30/2037	536.0	655.2
13) Interest rate swap USD/1M-LIBOR +2.5% >> 4.05% fixed (USD 2,417.9 k)	USD	2,011.6	06/15/2031	224.6	279.8
14) Interest rate swap USD/1M-LIBOR +2.5% >> 4.05% fixed (USD 4,483.6k)	USD	3,732.5	06/15/2031	417.2	519.6
15) Fixed floating swap USD/ 1M USD-SOFR CME +2.25% >> 4.11% fixed (USD 19,870.3 k)	USD	17,765.2	01/15/2035	2,274.2	2,622.3
16) Fixed floating swap USD/ 1M USD-SOFR CME +2.25% >> 7.16% fixed (USD 4,000.0 k)	USD	3,267.6	04/15/2027	–47.8	0.0
17) Forward starting interest rate swap EUR/1M-EURIBOR >> 3.682% fixed Start: 12/31/2023 (EUR 11,826.9 k)	EUR	11,826.9	06/30/2024	–4.5	0.0
18) Forward starting interest rate swap EUR/6M-EURIBOR >> 3.214% fixed Start: 06/30/2024 (EUR 23,170.3 k)	EUR	23,170.3	12/31/2044	–2,057.4	0.0

19)	Forward starting interest rate swap EUR/3M-EURIBOR >> 3.673% fixed Start: 06/30/2032 (EUR 15,445.7 k)	EUR	15,445.7	03/31/2042	–505.6	0.0
20)	Forward starting interest rate swap EUR/3M-EURIBOR >> 3.673% fixed Start: 06/30/2032 (EUR 5,148.4 k)	EUR	5,148.4	03/31/2042	–168.5	0.0
					3,249.1	**8,720.7**

Our derivative financial instruments are interest rate swaps, forward-starting interest rate swaps and fixed floating swaps. Interest rate swaps and fixed floating swaps transform variable-rate financial liabilities into fixed-rate financial liabilities and thus mitigate the risk of higher interest payments if interest rates rise. Forward-starting interest rate swaps differ from interest rate swaps in that the hedge starts at a future date. In the case of all interest rate swaps, the amount decreases as the hedged liability is repaid.

We determine whether a commercial relationship exists between the underlying transactions and the hedging instrument on the basis of the reference interest rates, the terms, the maturities and the nominal amounts. If the hedging relationship is directly affected by the uncertainty arising from the IBOR reform, we then assume that the reference interest rate remains unchanged by the reform of the reference interest rate.

All interest rate swaps and the foreign currency swap qualify for hedge accounting (hedges of future cash flows). Therefore, we recognized the change in fair value net of the tax effect of EUR –3,995.2 k (previous year: EUR 9,365.2 k) in other comprehensive income.

(15) Inventories

EUR k	12/31/2023	12/31/2022
Spare parts for wind power plants	7,673.5	6,702.9

(16) Trade receivables

EUR k	12/31/2023	12/31/2022
Receivables from electricity supplied	32,849.8	19,604.3
	32,849.8	**19,604.3**

(17) Other receivables and assets

EUR k	12/31/2023	12/31/2022
Financial assets		
Clearing accounts – third parties	416.3	0.1
Clearing accounts	1,821.9	1,728.3
Receivables from investment grants	0.0	6,561.7
Receivables from investment tax credits	0.0	11,079.2
Other	6,326.4	3,971.1
	8,564.6	**23,340.4**
Nonfinancial assets		
Receivables from taxation authorities	14,031.0	6,524.7
Prepaid charges	3,776.3	4,146.5
	17,807.4	**10,671.2**
Total	**26,372.0**	**34,011.6**

Clearing accounts mainly comprise temporary financing extended to associates. In the previous year, the item "Receivables from investment grants" related to grants awarded for investments in Austria. The investment tax credits resulted from investments in a wind farm in the USA (Investment Tax Credits).

There are no material receivables that are past due but not impaired.

(18) Cash and cash equivalents

EUR k	12/31/2023	12/31/2022
Bank balances	75,172.0	59,578.6
Cash on hand	10.0	7.8
	75,182.0	**59,586.4**

(19) Equity

The share capital of WEB Windenergie AG as of the reporting date amounts to EUR 31,729,830.00 (previous year: EUR 31,729,830.00) and consists of 3,172,983 shares (previous year: 3,172,983).

The shares are registered shares with restricted transferability. In accordance with the Articles of Association, their transfer is subject to the approval of the company. This approval is granted by the Management Board in consultation with the Supervisory Board.

The appropriated capital reserves result from shareholders' payments and contributions in kind, less the allocated transaction costs.

The hybrid capital consists of the hybrid bond issued in 2014 ("wind power bond") in the amount of EUR 4,438.0 k, the hybrid bond issued in 2015 in the amount of EUR 6,727.0 k, the hybrid bond issued in 2016 in the amount of EUR 6,349.0 k, the hybrid bond issued in 2018 in the amount of EUR 9,999.0 k and the hybrid bond issued in 2019 in the amount of EUR 9,659.0 k, less the issuance costs attributable in each case. In 2023, partial repayments were made on the hybrid bonds from 2014 (EUR 443.8 k), 2015 (EUR 672.7 k), 2016 (EUR 634.9 k), 2018 (EUR 999.9 k) and 2019 (EUR 965.9 k) (previous year: EUR 3,717.2 k). The bonds are listed on the Vienna MTF of the Vienna Stock Exchange and are deposited with Österreichische Kontrollbank as a global certificate.

The hybrid bonds have unlimited terms. The interest rate is fixed at 6.5% p.a. of the face value for the 2014 and 2015 hybrid bonds, 6.25% p.a. of the face value for the 2016 hybrid bond and a fixed 4.5% p.a. of the face value for the 2018 and 2019 hybrid bonds, although interest payments may be suspended in years in which no dividend is paid for the previous year. Catch-up interest payments are made at a later date, including compound interest. In accordance with the bond terms and conditions, a proportionate repayment amounting to a tenth of the nominal value is made in years in which WEB Windenergie AG distributes a dividend for the previous fiscal year.

In 2023, as a result of the resolution passed by the Annual General Meeting to distribute a dividend for the 2022 fiscal year, a partial repayment at one tenth of the nominal value was made on the hybrid bonds issued in 2014, 2015, 2016, 2018 and 2019 (EUR 3,717.2 k, previous year: EUR 3,717.2 k) as well as interest payments in the amount of EUR 921.8 k (previous year: EUR 1,122.5 k). As of the reporting date, there was not yet an obligation to make further principal and interest payments, as such an obligation will arise at the earliest when a resolution regarding the distribution of a dividend for the 2023 fiscal year is passed at the 2024 Annual General Meeting. A dividend payout for the 2023 fiscal year will be proposed at the 2024 Annual General Meeting. We therefore anticipate that interest and principal payments will be made on hybrid bonds again in 2024.

Other reserves include amounts not yet recognized in profit or loss. They arise from changes in the value of the foreign currencies of subsidiaries in other currency zones and from changes in the value of interest rate swaps (hedges) held for interest rate hedging purposes. We recognize these items in profit or loss when they are realized.

The changes in other comprehensive income not recognized in profit or loss are as follows:

	12/31/2023			12/31/2022		
EUR k	Amount before taxes	Income taxes	Amount after taxes	Amount before taxes	Income taxes	Amount after taxes
Currency translation	–1,405.6	0.0	–1,405.6	2,368.7	0.0	2,368.7
Hedges	–5,434.1	1,438.9	–3,995.2	12,662.7	–3,297.5	9,365.2
	–6,839.7	**1,438.9**	**–5,400.8**	**15,031.4**	**–3,297.5**	**11,733.9**

Retained earnings comprise the profits we have generated, less the dividends disbursed. From these amounts, we may distribute no more than the net retained profit reported in the separate financial statements of WEB Windenergie AG.

(20) Noncontrolling interests

Other shareholders also hold shares in the following companies controlled by us. We have control in those companies in which we do not hold a majority of the voting rights because contractual arrangements empower us to make key decisions that affect the returns of these companies. The following values are based on financial statements prepared in accordance with the International Financial Reporting Standards applicable in the EU as well as on statements prepared in accordance with local law.

2023	Scotian WEB Limited Partnership	Scotian WEB II Limited Partnership	Wisokolamson Energy Limited Partnership	Weavers Mountain Limited Partnership	Pisgah Mountain LLC	WEB Photo-voltaik AG & Co KG	Windpark Grube GmbH	PV DE 2 GmbH
EUR k								
Headquarters	New Brunswick, Canada	New Brunswick, Canada	New Brunswick, Canada	New Brunswick, Canada	Maine, USA	Pfaffen-schlag, Austria	Grube, Germany	Grube, Germany
Shares held by non-controlling interests	67.00%	67.00%	51.00%	51.00%	51.00%	30.00%	50.00%	50.00%
Voting rights held by noncontrolling interests	45.00%	45.00%	51.00%	51.00%	51.00%	30.00%	50.00%	50.00%
Share of equity	3,499.3	1,706.9	1,475.5	–5.3	4,161.7	203.8	163.5	10.1
Profit or loss allocated	950.0	118.6	–71.0	–5.6	115.5	68.4	–25.3	–2.4

2022	Scotian WEB Limited Partnership	Scotian WEB II Limited Partnership	Wisokolamson Energy Limited Partnership	Pisgah Mountain LLC	WEB Photo-voltaik AG & Co KG	Windpark Grube GmbH	WEB Grid SAS
EUR k							
Headquarters	New Brunswick, Canada	New Brunswick, Canada	New Brunswick, Canada	Maine, USA	Pfaffen-schlag, Austria	Grube, Germany	Paris, France
Shares held by non-controlling interests	67.00%	67.00%	51.00%	51.00%	30.00%	50.00%	0.00%
Voting rights held by noncontrolling interests	45.00%	45.00%	51.00%	51.00%	30.00%	50.00%	0.00%
Share of equity	3,994.4	1,976.1	1,652.1	4,632.6	135.3	88.8	0.0
Profit or loss allocated	1,263.8	215.5	191.9	230.1	55.1	–8.3	–15.9

The financial key performance indicators of these entities are as follows:

2023	Scotian WEB Limited Partnership	Scotian WEB II Limited Partnership	Wisokolamson Energy Limited Partnership	Weavers Mountain Limited Partnership	Pisgah Mountain LLC	WEB Photo-voltaik AG & Co KG	Windpark Grube GmbH	PV DE 2 GmbH
EUR k								
Revenue	8,351.4	3,048.1	3,046.4	0.0	2,838.7	443.0	0.0	0.0
Comprehensive income after tax	2,149.9	263.5	–139.3	–11.1	224.3	228.4	–50.7	–4.7
Noncurrent assets	33,754.9	19,092.1	25,020.0	358.8	16,550.6	2,763.4	1,154.4	0.0
Current assets	2,556.4	739.0	907.0	213.9	1,295.0	229.4	504.1	22.3
Current liabilities	3,269.5	1,331.7	1,107.7	583.1	934.7	23.6	1,331.5	2.0
Noncurrent liabilities	25,265.6	14,706.5	21,926.1	0.0	8,750.8	2,289.9	0.0	0.0
Equity	7,776.2	3,793.0	2,893.2	–10.4	8,160.1	679.3	327.0	20.3
Cash flow from operating activities	6,461.2	2,391.2	2,114.2	1.5	1,526.0	579.3	–214.8	–4.8
Cash flow from investing activities	229.0	94.9	0.0	455.4	–7.8	–1,294.5	69.2	1.6
Cash flow from financing activities	–7,072.6	–2,639.3	–2,144.8	–281.9	–1,593.9	808.0	–274.6	25.0
Payments to non-controlling interests	1,385.2	362.8	84.8	0.0	432.2	0.0	0.0	0.0

2022	Scotian WEB Limited Partnership	Scotian WEB II Limited Partnership	Wisokolamson Energy Limited Partnership	Pisgah Mountain LLC	WEB Photo-voltaik AG & Co KG	Windpark Grube GmbH
EUR k						
Revenue	9,544.2	3,516.7	3,573.0	3,152.9	318.7	0.0
Comprehensive income after tax	2,849.9	478.8	376.2	451.2	183.7	–16.5
Noncurrent assets	36,816.3	20,533.8	26,419.3	18,364.7	2,538.3	723.7
Current assets	2,967.3	1,008.3	944.4	1,491.7	301.6	341.4
Current liabilities	3,037.1	1,275.1	1,093.7	988.4	961.4	887.4
Noncurrent liabilities	27,870.1	15,875.6	23,030.4	9,784.4	1,427.3	0.0
Equity	8,876.4	4,391.3	3,239.5	9,083.5	451.1	177.7
Cash flow from operating activities	7,673.3	2,780.1	2,704.7	1,790.4	165.5	357.6
Cash flow from investing activities	83.2	40.0	13.0	–4.2	–58.6	69.2
Cash flow from financing activities	–7,795.8	–2,805.3	–3,084.6	–1,847.7	–90.5	–274.6
Payments to non-controlling interests	1,599.9	389.9	545.8	459.6	0.0	0.0

(21) Financial liabilities

	12/31/2023			12/31/2022		
	Current	Noncurrent	Total	Current	Noncurrent	Total
EUR k						
Bank loans	41,419.0	406,203.6	447,622.5	51,210.0	347,815.6	399,025.6
Lease liabilities – right-of-use assets	2,708.4	35,238.3	37,946.7	2,241.3	25,842.6	28,084.0
Tax equity liabilities	0.0	551.2	551.2	10,834.1	546.1	11,380.2
Total	**44,127.4**	**441,993.0**	**486,120.5**	**64,285.5**	**374,204.3**	**438,489.8**

Liabilities to banks

			Carrying amount 12/31/2023	Carrying amount 12/31/2022
Maturity	Interest	Currency	EUR k	EUR k
2023	EURIBOR +1.35%	EUR	0.0	13,113.7
2023	EURIBOR + 1.50%	EUR	0.0	3,586.0
2024	PRIBOR +1.50%	CZK	465.5	881.0
2024	EURIBOR +1.30%	EUR	1,298.0	2,358.5
2025	EURIBOR + 1.19%	EUR	1,679.2	1,073.9
2025	from EURIBOR +1.625% to EURIBOR +1.65%	EUR	1,924.2	3,459.2
2025	EURIBOR +2.125%	EUR	181.2	271.8
2025	PRIBOR +1.85%	CZK	375.3	563.1
2026	PRIBOR +2.80%	CZK	546.4	746.6
2026	from EURIBOR +2.00% to EURIBOR +2.30%	EUR	4,238.0	5,503.0
2027	EURIBOR +1.60%	EUR	6,440.6	0.0
2027	from EURIBOR +2.00% to EURIBOR +2.20%	EUR	5,730.6	7,927.3
2029	EURIBOR +1.80%	EUR	243.8	286.0
2030	EURIBOR + 0.87%	EUR	1,647.1	1,882.4
2031	EURIBOR + 0.715%	EUR	17,248.9	19,468.9
2031	EURIBOR +1.75%	EUR	2,586.7	3,035.1
2031	LIBOR +2.50%	USD	8,051.2	8,739.4
2033	EURIBOR +1.35%	EUR	18,419.9	20,513.6
2034	LIBOR +2.25%	USD	9,218.9	10,295.1
2035	EURIBOR +1.85%	EUR	1,468.8	1,593.8
2035	SOFR +2.25%	USD	20,701.0	18,462.1
2037	EURIBOR + 1.19%	EUR	3,115.3	3,142.1
2042	CDOR +2.1%	CAD	3,325.9	3,494.8
Total at a variable interest rate			**108,906.5**	**130,397.5**

Liabilities to banks

Maturity	Interest	Currency	Carrying amount 12/31/2023 EUR k	Carrying amount 12/31/2022 EUR k
2027	0.549% fixed	EUR	1,489.7	1,862.1
2027	1.90% fixed	EUR	4,549.6	5,590.3
2027	3.09% fixed	USD	1,108.6	1,476.7
2028	1.95% fixed	EUR	7,605.3	9,053.9
2028	2.00% fixed	EUR	9,397.0	11,176.7
2029	2.00% fixed	EUR	134.0	158.8
2030	0.555% fixed	EUR	8,363.3	9,554.2
2030	2.00% fixed	EUR	249.9	285.7
2030	2.89% fixed	EUR	3,879.0	4,431.1
2031	1.45% fixed	EUR	6,333.3	7,125.0
2031	1.85% fixed	EUR	24,970.2	28,053.1
2032	1.49% fixed	EUR	692.2	769.2
2033	3.92% fixed	EUR	4,550.0	0.0
2033	6.22% fixed	CAD	26,146.1	28,687.8
2034	1.35% fixed	EUR	10,913.2	11,977.9
2034	1.38% fixed	EUR	108.4	117.9
2034	1.625% fixed	EUR	186.4	203.4
2035	5.35% fixed	CAD	15,039.8	16,189.8
2035	0.86% fixed	EUR	49,289.3	50,288.4
2037	1.65% fixed	EUR	17,842.0	19,079.5
2037	2.49% fixed	EUR	7,560.2	4,803.8
2037	4.11% fixed	EUR	3,778.8	1.1
2037	2.75% fixed	EUR	7,206.3	0.0
2038	1.66% fixed	EUR	8,005.6	8,557.7
2038	2.06% fixed	EUR	11,299.0	12,067.6
2038	2.20% fixed	EUR	961.1	0.0
2038	3.00% fixed	EUR	698.5	0.0
2038	4.375% fixed	EUR	1,130.0	0.0
2039	0.86% fixed	EUR	16,230.5	17,262.1
2040	2.00% fixed	EUR	505.7	529.8
2042	3.31% fixed	EUR	45,809.2	0.0
2042	4.45% fixed	CAD	18,408.9	19,324.5
2043	3.97% fixed	EUR	9,685.2	0.0
2044	3.89% fixed	EUR	14,589.6	0.0
Total at a fixed interest rate			**338,716.0**	**268,628.0**
			447,622.5	**399,025.6**

The liabilities are repaid on an ongoing basis (not through a bullet payment at maturity).

The average effective interest rate of all financial liabilities in the reporting year was 2.81% (previous year: 2.74%).

The following securities have been pledged for the financial liabilities:

- Assignment of power plants as security
- Step-in rights into electricity supply contracts, purchase agreements, contracts for use and leases
- Assignment of claims under feed-in contracts with energy companies
- Assignment of claims under machinery and business interruption insurance policies
- Restricted easements on business premises
- Liens over registered land

Tax equity liabilities
In previous years, we claimed investment tax credits for investments in a wind farm and photovoltaic power plants. To take full advantage of these investment tax credits, we work with tax equity investors who receive a large portion of the tax credits in return for their capital contributions to the project.

When establishing a partnership with a tax equity investor, we consider whether the project company will be consolidated based on our claim to variable returns and our ability to influence financial and operational decisions that affect those returns. Due to the operational and financial nature of the projects and the protective nature of the rights granted to tax equity investors, we have the leverage to consolidate the company. The capital injections of tax equity investors usually have the character of a liability, since the original capital injection is repaid including an agreed return and tax equity investors are not exposed to the risks of the project to the same extent as a shareholder. The capital contributions from tax equity investors are therefore reported as a liability and valued at amortized cost until the project is completed. The allocation of investment tax credits reduces the liability to the tax equity investors on the one hand and the costs capitalized for the project on the other.

In the reporting year, tax equity liabilities amounting to EUR 10,792.5 k were repaid. The resulting currency difference amounts to EUR 36.5 k.

(22) Bonds

Bond	ISIN no.	Interest	Maturity	Nominal amount	Effective interest rate	Carrying amount 12/31/2023	of which current	Carrying amount 12/31/2022	of which current
				EUR k		EUR k	EUR k	EUR k	EUR k
Wind power bonds									
2013–2023 bond	AT0000A0Z785	5.5% fixed	2023	6,391.00	5.51%	0.0	0.0	6,389.2	6,389.2
2013–2023 bond	AT0000A0Z793	5.25% fixed	2023	10,211.00	5.25%	0.0	0.0	1,020.7	1,020.7
2015–2025 bond	AT0000A1GTP3	4% fixed	2025	8,532.00	4.31%	1,699.3	848.4	2,545.4	846.1
2016–2026 bond	AT0000A1MC22	3.75% fixed	2026	6,872.00	4.05%	2,051.8	681.9	2,731.9	680.1
2018–2028 bond	AT0WEB1810A6	2.25% fixed	2028	5,088.00	2.50%	2,527.8	503.3	3,030.0	502.2
2019–2029 bond	AT0WEB1910A4	2.25% fixed	2029	4,989.00	2.50%	2,972.5	492.6	3,464.0	491.6
2023–2033 bond	AT0WEB2310A6	4.5% fixed	2033	38,251.00	4.74%	37,877.0	3,757.2	0.0	0.0
Accrued interest on bonds						1,289.2	1,289.2	391.7	391.7
LUMO bond		4.25% fixed	2023	131.20	4.25%	0.0	0.0	131.2	131.2
Lendosphere bond		5%/6% fixed	2025	15.20	5.00%	6.1	3.0	9.1	3.0
						48,423.6	**7,575.7**	**19,713.2**	**10,455.8**

The wind power bonds are listed on the Vienna MTF of the Vienna Stock Exchange and are in each case deposited at the Österreichische Kontrollbank in the form of a global certificate. The denomination of each bond is EUR 1,000.00. All bonds have an issue price and a redemption price of par (100). In the reporting year, WEB Windenergie AG issued a partially redeemable bond with an issue amount of EUR 38,251,000.00, a term of 10 years and an interest rate of 4.5%.

(23) Other noncurrent liabilities

EUR k	Carrying amount 12/31/2023	Carrying amount 12/31/2022
Fair value measurement of cash flow hedges	2,783.9	0.0
	2,783.9	**0.0**

(24) Income taxes

Income tax expense

EUR k	2023	2022
Current income taxes for the current period	15,686.2	8,483.7
Current income taxes for prior periods	211.7	–20.7
Deferred income taxes for the current period	–72.4	2,540.5
Deferred income taxes for prior periods	24.2	304.4
	15,849.7	**11,307.9**

Profit before tax amounts to EUR 68,583.9 k (previous year: EUR 40,996.7 k). Applying the income tax rate of 24% applicable in Austria would result in a tax expense of EUR 16,460.1 k (previous year: EUR 10,249.2 k). The income tax expense reported in the income statement for 2023 amounts to EUR 15,849.7 k (previous year: EUR 11,307.9 k) and is thus EUR 610.4 k lower (previous year: EUR 1,058.7 k higher). The reasons for this difference are as follows:

EUR k	2023	2022
Profit before tax	**68,583.9**	**40,996.7**
Group tax rate	24.0%	25.0%
Expected tax expense	**16,460.1**	**10,249.2**
Higher income taxes due to		
higher foreign tax rates	130.1	793.2
tax benefit from unrecognized deferred taxes	97.7	348.9
property, plant and equipment	71.0	738.3
interest not deductible for tax purposes	205.9	29.2
tax credits	155.3	0.0
aperiodic taxes and levies	124.7	0.0
loss allocated to equity investments	0.0	581.1
other reasons	201.4	135.2
Lower income taxes due to		
tax-exempt income from equity investments	–515.3	–291.8
loss allocated to equity investments	–212.8	0.0
interest on hybrid capital	–221.2	–280.6
property, plant and equipment	–371.3	0.0
aperiodic taxes and levies	–24.3	–43.6
tax credits	0.0	–308.2
other reasons	–32.1	–100.1
Deferred taxes attributable to noncontrolling interests	–394.2	–776.1
Unrecognized deferred taxes	107.1	54.0
Solidarity tax	20.4	693.5
Income taxes for prior periods		
Current income taxes for prior periods	211.7	–20.7
Deferred taxes from prior periods	24.2	304.4
Tax rate changes	–188.7	–798.0
Current tax expense	**15,849.7**	**11,307.9**
Effective tax rate	23.1%	27.6%

Deferred tax assets and deferred tax liabilities result from the following differences between the tax base of assets and liabilities and their carrying amount in the IFRS statement of financial position as well as from tax loss carryforwards as of the reporting date:

EUR k	12/31/2023	12/31/2022
Differences between the tax base and IFRS carrying amounts of:		
Intangible assets and property, plant and equipment	–31,235.7	–27,928.9
Financial assets	–1,702.1	–1,621.2
Other noncurrent assets	–1,893.3	–2,670.8
Other current assets	517.9	–219.7
Financial liabilities	9,156.7	6,839.7
Bonds	–119.7	–88.1
Noncurrent provisions	266.7	3.2
Other noncurrent liabilities	733.6	–15.8
Other current liabilities	–84.2	209.9
Loss carryforwards	**2,179.7**	**1,771.9**
Net deferred taxes	**–22,180.4**	**–23,719.8**
of which deferred tax assets	1,974.0	460.9
of which deferred tax liabilities	–24,154.4	–24,180.7

Deferred tax assets on loss carryforwards are only recognized if sufficient deferred tax liabilities exist or sufficient taxable profits will be available in the future. For loss carryforwards amounting to EUR 2,133.2 k (previous year: EUR 1,660.7 k), no deferred tax assets were recognized, as it cannot be assumed that the loss carryforwards will be utilized in the medium term. Loss carryforwards can be carried forward without restriction.

Net deferred taxes changed as follows:

EUR k	2023	2022
Opening balance as of 01/01	**–23,719.8**	**–17,592.1**
Foreign exchange differences	57.9	14.7
Deferred taxes on other comprehensive income	1,433.3	–3,297.5
Deferred taxes recognized in profit or loss	48.2	–2,844.9
Closing balance as of 12/31	**–22,180.4**	**–23,719.8**

The deferred taxes recognized in other comprehensive income relate to remeasurement gains and losses on hedges.

We have not recognized deferred tax liabilities of EUR 24,839.2 k (previous year: EUR 18,774.7 k) for differences between the tax base of investments in subsidiaries and the pro rata equity of these subsidiaries because we do not expect these differences to reverse in the foreseeable future or a reversal to be subject to income tax.

(25) Provisions

EUR k	As of 01/01/2023	New provisions	Addition due to change in discount rate	Interest	Used	Reversed	Foreign exchange differences	As of 12/31/2023
Dismantling costs	12,510.7	207.0	1,005.7	604.2	–269.0	–96.0	–42.5	13,920.1
Severance payments	81.1	21.1	0.0	0.0	15.7	0.0	0.0	86.4
	12,591.8	**186.3**	**1,005.7**	**604.2**	**–253.3**	**–96.0**	**–0.7**	**14,006.5**
of which noncurrent	12,591.8							14,006.5

Due to our contractual obligations to dismantle the wind power plants at the end of their useful life, we recognized a provision for dismantling costs in the amount of the expected costs and discounted it at 5.25% (previous year: 2.0%). As of December 31, 2023, the interest rate was adjusted to 4.33%, resulting in a change in the provision for dismantling costs.

(26) Trade and other payables

EUR k	12/31/2023	12/31/2022
Financial liabilities		
Trade payables	10,535.5	10,692.6
Outstanding invoices	10,932.8	7,172.5
Other	1,191.3	860.8
	22,659.6	**18,725.9**
Nonfinancial liabilities		
Windfall tax on revenues liability	19,536.7	6,704.0
Claims of employees and members of the Management Board	7,724.6	5,214.6
Amounts payable to taxation authorities	1,254.9	1,393.2
	28,516.2	**13,311.7**
Total	**51,175.8**	**32,037.6**

The claims of employees and members of the Management Board consist mainly of unused vacation in the amount of EUR 1,509.7 k (previous year: EUR 1,246.9 k), time credits in the amount of EUR 230.0 k (previous year: EUR 279.7 k), pending payments to pension insurance companies in the amount of EUR 1,231.1 k (previous year: EUR 0.0 k) and bonuses in the amount of EUR 3,896.9 k (previous year: EUR 3,075.9 k).

The outstanding invoices mainly relate to construction work and consulting services already provided. The item “Windfall tax on revenues” results from legal requirements.

(27) Leases

Please see the accounting policies outlined in section 9.

Leases as lessee (IFRS 16)

We have entered into leases for properties which we use in connection with the operation of our power plants. These are generally entered into for fixed periods of at least 20 years, but may contain extension options. Many contracts provide for adjustments to be made based on the changes in local price indexes. We also lease office space in various countries. All other leases, such as for IT equipment, are either short-term leases or involve items of low value. We have not recognized any right-of-use assets or lease liabilities for these lease agreements.

Right-of-use assets

EUR k	Land	Buildings	PV system	Total
As of 01/01/2023	22,215.4	869.6	5,036.9	28,121.9
Additions to right-of-use assets	12,854.0	116.8	13.1	12,983.9
Foreign exchange differences	–107.4	–7.3	0.0	–114.7
Disposals of right-of-use assets	–357.3	0.0	0.0	–357.3
Depreciation charge for the fiscal year	–2,124.2	–216.2	–623.8	–2,964.3
Value adjustment for disposals	70.9	0.0	0.0	70.9
Foreign exchange differences	14.3	4.3	0.0	18.6
As of 12/31/2023	**32,565.7**	**767.2**	**4,426.2**	**37,759.0**

Amounts recognized in profit or loss

EUR k	2023	2022
Leases under IFRS 16		
Interest expense on lease liabilities	925.8	666.5
Expenses relating to short-term leases	251.8	85.0
Expenses relating to leases of low-value assets	195.6	188.7
Expenses relating to variable lease payments and expenses relating to contracts not within the scope of IFRS 16	2,829.6	2,703.4
Total	**4,202.7**	**3,643.5**

Amounts recognized in the statement of cash flows

EUR k	2023	2022
Total cash outflow for leases	3,554.3	2,830.8

Extension options

Some leases contain extension options that are only exercisable by us and not by the lessor. At the commencement date, we assess whether extension options are reasonably certain to be exercised. We make a fresh decision as to whether it is reasonably certain that an extension option will be exercised if a significant event or change in circumstances occurs. Based on the current assessment, there is no change in leasing liabilities as a result of the fact that an extension option may be exercised.

Leases as lessor
We lease solar power plants in accordance with IFRS requirements. We have classified these leases as operating leases because they do not substantially transfer all of the risks and rewards associated with ownership. In 2023, we recorded lease income of EUR 472.5 k (previous year: EUR 262.5 k). The lease income is variable, as it depends on the electricity generation at the solar power plants.

5. Other obligations

5.1 Financial obligations arising from lease contracts and purchase orders

Most of our power plants are on leased land. The term of the underlying lease contracts is usually the expected useful life of the respective assets. Under the contracts, we are obliged to make lease payments, which in accordance with IFRS 16 are presented as a right-of-use asset and a lease liability – see (27) and section 9.

The amount of the lease payments depends on uncertain factors, such as price index increases or adjustments linked to the income generated by wind power plants. The contracts usually require us to dismantle the assets and restore the generation sites at the end of the lease term – see (6), (25) and section 6.

As of the reporting date, there were significant outstanding orders for investments in property, plant and equipment EUR 48,610.8 k (previous year: EUR 120,165.1 k).

5.2 Pending litigation

There is currently no pending litigation.

6. Judgments and estimation uncertainty

The preparation of our consolidated financial statements required the following significant judgments and estimates:

- One significant judgment is the determination of whether we control an investee. This is relevant primarily in cases where we do not hold a majority interest.

- Other judgments relate to the recognition of project development costs as assets when projects have been set out in sufficient detail, which is generally documented by a project development instruction from the Management Board.

There is a considerable risk that the following estimates will require a significant reassessment in the coming fiscal years, possibly resulting in an adjustment to the carrying amounts of assets and liabilities:

- The project costs are capitalized once a project order has been received from management. The assessment of the recoverability of investments in the project development of wind farms and photovoltaic systems in the amount of EUR 33,141.2 k (previous year: EUR 15,466.9 k) is based on the assessment

of the respective wind farm's probability of realization. This probability of realization may quickly change if public acceptance is lacking or approvals are unattainable. We recognized an impairment of EUR 2,243.2 k in relation to a construction project in Italy during the fiscal year. Project costs amounting to EUR 684.5 k (previous year: EUR 171.2 k) were written off as expenses due to the fact that the project is no longer likely to be realized.

- An impairment test is carried out on our technical equipment and machinery whenever there are indications that an impairment/reversal of impairment may have occurred. The indications identified by W.E.B include, for example, a short remaining term of the subsidized tariff or unforeseen building costs during construction.

- In the event of the indications identified, we test our technical equipment and machinery for impairment by determining their recoverable amount, which is the present value of the future net cash inflows. The outcome of the calculation depends on several assumptions. The most significant assumptions are the future revenue for the electricity generated (especially for projects without a subsidized tariff or after the end of the subsidized period) and the interest rate used to discount the future cash flows. The assumptions for the tariff are based on the trading prices for electricity and assume a price increase of 2.5% p.a. in the medium to long term (previous year: 2.5% p.a.). In the wind segment, we have assumed a price increase of 1.4% p.a. (previous year: 1.4% p.a.). The capitalization rate used is the post-tax interest rate that reflects current market assessments of the fair value and the risks specific to the asset in question. The interest rate after taxes was determined specifically for each measured asset depending on the remaining term and ranges from 5.48% to 7.44% (previous year: 4.87% to 13.89%). The pre-tax interest rate was calculated iteratively and ranges from 5.32% to 116.92% (previous year: 7.33% to 80.80%).

  The impairment tests led to an adjustment in the amount of EUR 36.1 k for a solar power plant in Austria during the fiscal year.

  A change in the electricity price of –20% and the WACC of +0.5% would have led to a reduction in profit of EUR 50.9 k for the 2023 fiscal year. A change in the electricity price of –10% and the WACC of +0.5% would have led to a reduction in profit of EUR 39.0 k for the 2023 fiscal year.

- Further assumptions and estimates relate to the determination of the useful lives of property, plant and equipment (see section 9.3) and the determination of components of an item of property, plant and equipment.

- We change our assumptions and estimates regarding the useful lives of our wind power plants if the operating license for the installation is extended and the economic environment allows for the operation of the installation beyond its useful life as estimated at the time of commissioning.

- Provisions for dismantling costs with a carrying amount of EUR 13,920.1 k as of December 31, 2023 (previous year: EUR 12,510.7 k) are assessed based on expert estimates and experience of the cost of dismantling comparable plants as well as on the assumption that some of the materials to be disposed of can be reused. The provision is recognized as part of the cost of the asset, as a result of which any increase or decrease in the provision is recognized in profit or loss over the useful life of the asset rather than immediately.

- The hybrid bonds issued by us are reported in equity due to the bond terms and conditions, under which there is only a contractual obligation to make interest and principal payments on the bonds in the event of a legally effective resolution to disburse a dividend, some other form of distribution, or a payment for the previous fiscal year. Furthermore, the hybrid bonds are subordinate to all other liabilities.

- In determining lease terms, we consider all facts and circumstances that create an economic incentive to exercise extension options. Any changes in the term of a lease relating to the exercise of extension options are only reflected in the term if the options are reasonably certain to be extended. This assessment is reviewed upon the occurrence of a significant event or a significant change in circumstances that may affect the previous assessment – provided that this event or change is within our control.

- A power purchase agreement, or PPA for short, is an often long-term electricity supply contract between an electricity generator and an electricity consumer. Since this is a bilateral contract that is tailored to the contracting parties, the design of the contract is subject to a large number of discretionary decisions. It can be a lease, a financial instrument or a pending contract.

- The recognition of deferred tax assets is based on the assessment of the availability of future taxable profits.

- The impacts of climate change could be reflected in both the generation levels and the service life of our power plants. These climate-related risks are taken into account when reviewing the value of our power plants.

7. Additional information on financial instruments

7.1 Significance of financial instruments

The following table shows the carrying amount and the fair value of the financial instruments held by us at each reporting date (financial assets and financial liabilities) as well as the fair value measurement levels. Further information on the measurement methods and levels can be found in section 9.3.

	Carrying amount 12/31/2023	Carrying amount 12/31/2022	Fair value 12/31/2023	Fair value 12/31/2022	Measure-ment level
EUR k					
Financial assets measured at fair value					
Securities	288.8	240.2	288.8	240.2	Level 1
Shares in companies	2,980.6	3,459.0	2,980.6	3,459.0	Level 2
Hedges					
Interest rate swaps with a positive carrying amount	6,070.5	8,720.7	6,070.5	8,720.7	Level 2
Financial assets not measured at fair value					
Loans and receivables					
Trade receivables	32,849.8	19,604.3	32,849.8	19,604.3	
Loans and other receivables	18,976.2	34,070.2	18,976.2	34,070.2	
Credit and capital reserve accounts	7,111.4	6,772.3	7,111.4	6,772.3	
Cash					
Cash and cash equivalents	75,182.0	59,578.6	75,182.0	59,578.6	
Total financial assets	**143,459.4**	**132,445.3**			
Financial liabilities measured at fair value					
Hedges					
Interest rate swaps with a negative carrying amount	2,783.9	0.0	2,783.9	0.0	Level 2
Financial liabilities not measured at fair value					
Financial liabilities measured at amortized cost					
Financial liabilities	447,622.5	399,025.6	410,343.9	355,299.4	
Bond liabilities	48,423.6	19,713.2	48,965.5	19,245.9	
Tax equity liabilities	551.2	11,380.2	551.2	11,380.2	
Trade and other payables	49,597.8	30,644.5	49,597.8	30,644.5	
Total financial liabilities	**548,979.1**	**460,763.4**			

In the case of trade receivables, loans, other receivables, and trade and other payables, the carrying amounts approximate their fair values due to the mainly short remaining maturities. For financial liabilities and bonds, the fair value was determined by discounting the contractual cash flows using the current, country-specific yield curve. The main input factors here are the respective yield curves and the discount factor. The difference between the carrying amount and the fair value of financial liabilities and bonds results from the difference between the contractual, fixed interest rate on certain debts and the current interest rate development. There were no transfers between the measurement levels in the reporting year or in the previous year.

The carrying amount of financial assets pledged as security amounted to EUR 7,111.4 k as of December 31, 2023 (previous year: EUR 6,772.3 k). Part of this served as security for our contractual obligation to land owners to dismantle and remove wind power installations at the end of their useful service lives. The other part served as security for liabilities to credit institutions.

The financial instruments gave rise to the following income and expenses:

	From subsequent measurement				From interest/ dividends
2023	**At fair value through other comprehensive income**	**Currency translation**	**At fair value through profit or loss**	**Valuation allowance**	
EUR k					
Securities	0.0	0.0	48.7	0.0	1.9
Shares in companies	0.0	0.0	0.0	0.0	0.0
Cash	0.0	0.0	0.0	0.0	365.5
Loans and receivables	0.0	0.0	0.0	0.0	581.7
Financial liabilities at amortized cost	0.0	–2,587.9	0.0	0.0	–16,880.3
Hedges	5,434.1	0.0	0.0	0.0	2,163.6
Total	**5,434.1**	**–2,587.9**	**48.7**	**0.0**	**–13,767.6**

	From subsequent measurement				From interest/ dividends
2022	**At fair value through other comprehensive income**	**Currency translation**	**At fair value through profit or loss**	**Valuation allowance**	
EUR k					
Securities	0.0	0.0	20.5	0.0	1.3
Shares in companies	0.0	0.0	0.0	0.0	0.0
Cash	0.0	0.0	0.0	0.0	158.9
Loans and receivables	0.0	0.0	0.0	0.0	741.4
Financial liabilities at amortized cost	0.0	362.8	0.0	0.0	–11,834.9
Hedges	–12,662.7	0.0	0.0	0.0	–656.3
Total	**–12,662.7**	**362.8**	**20.5**	**0.0**	**–11,589.6**

The financial assets were remeasured in the reporting year. For companies for which a rating was available, we consider there to be no probability of default in the case of agency ratings of BB+ or above. For companies for which no rating is available, a probability of default of up to 2% is assumed in the electricity sector.

The repayment of the loans granted to the noncontrolling shareholders depends on the cash flows from the project companies. Based on the expected cash flows, it can be assumed that the loans can be repaid. Therefore, no expected credit losses were recognized on the loans. The year-end measurement resulted in a change in the measurement of noncurrent assets.

Expected credit losses therefore changed as follows in the 2023 fiscal year:

Other Receivables

EUR k	
Expected credit losses as of 12/31/2022	71.1
Addition	0.0
Dissolution	0.0
Adjustments from foreign exchange differences 2023	–2.5
Expected credit losses as of 12/31/2023	**68.6**

Trade Receivables

EUR k	
Expected credit losses as of 12/31/2022	216.6
Addition	203.1
Dissolution	–1.1
Adjustments from foreign exchange differences 2023	0.0
Expected credit losses as of 12/31/2023	**418.6**

7.2 Risks arising from financial instruments

7.2.1 Liquidity risk

Liquidity risk is the risk that we may not be able to meet our financial obligations in accordance with contractual provisions. The objective of our liquidity management is to ensure that we always have sufficient liquid funds to meet our payment obligations when they fall due, under both normal and stressed conditions (e.g. in the event of fluctuations in cash inflows due to wind conditions).

The following contractual payment obligations existed as of the reporting date (by maturity, including interest payments, not discounted):

	Due		
	Up to 1 year	**Between 1 and 5 years**	**Over 5 years**
Bonds	8,229.5	26,573.6	21,605.8
Liabilities to banks	47,618.5	166,307.4	305,181.3
Lease liabilities – right-of-use assets	3,521.6	13,122.8	29,445.3
Tax equity liabilities	0.0	551.2	0.0
Other obligations	50,852.7	0.0	0.0
Purchase commitments for property, plant and equipment	48,610.8	0.0	0.0
Total	**158,833.2**	**206,555.0**	**356,232.4**

	Due		
	Up to 1 year	**Between 1 and 5 years**	**Over 5 years**
Bonds	10,537.9	8,365.7	1,584.7
Liabilities to banks	61,016.0	167,887.3	232,308.8
Lease liabilities – right-of-use assets	2,882.9	12,295.5	18,506.8
Tax equity liabilities	10,834.1	546.1	0.0
Other obligations	32,037.6	0.0	0.0
Purchase commitments for property, plant and equipment	120,165.1	0.0	0.0
Total	**237,473.6**	**189,094.6**	**252,400.3**

As security for existing financing, extensive pledges of assets and assignments of receivables have been agreed with the financial institutions. In addition, we have undertaken to comply with certain financial ratios. A breach of these ratios could entitle financial institutions to demand repayment of financing. In the previous year, we were unable to meet a financing ratio due to temporary interruptions and lower wind levels in France. Before the end of the year, the financing credit institution had informed us that, due to our stable structure and the positive generation forecast, this would not result in a breach of the loan agreement.

When making investment decisions, we always consider the current liquidity situation and further liquidity planning. As of the reporting date, there were outstanding orders amounting to EUR 48,610.8 k (previous year: EUR 120,165.1 k) for property, plant and equipment.

7.2.2 Market risk

Our financial assets, financial liabilities and obligations mainly expose us to the risk of changes in interest rates and exchange rates. The objective of our financial risk management is to limit these market risks through ongoing operating and financing activities. For this, we use selected derivative and nonderivative hedging instruments, depending on the assessment of the risk. We use derivative financial instruments solely as hedging instruments; they are not used for trading or other speculative purposes.

A list of the derivative financial instruments can be found in note (23).

Our financial instruments are exposed to interbank offered rates (IBORs). Major benchmark interest rates are the subject of fundamental reform worldwide (referred to as "IBOR reform"), including the replacement of some IBORs with alternative, nearly risk-free rates. Based on the current assessment, we assume that

the IBOR reform will impact our risk management. We believe that EURIBOR will continue to be used as a reference rate for the foreseeable future. The USD-SOFR was used as the reference interest rate for long-term financing raised during the reporting year. We currently envision no impact on our recognition of hedging transactions.

Interest rate risk

Fluctuations in interest rates represent a significant market risk for us. A rise in interest rates leads to higher interest expenses and cash outflows for variable-rate financial liabilities. In the case of fixed-rate financial liabilities, the fair value of the obligation rises as interest rates fall.

As of December 31, 2023, the share of financial liabilities with variable interest rates (taking into account the interest rate swaps concluded) amounts to 6.4% (previous year: 10.5%). With the credit portfolio in place at the reporting date and all other factors remaining unchanged, an increase in interest rates of one percentage point would reduce profits before taxes on income by EUR 295.5 k p.a. (previous year: EUR 427.4 k p.a.).

As of December 31, 2023, we were a party to interest rate swaps with a nominal value of EUR 144,750.4 k (previous year: EUR 98,137.9 k). The sole purpose of these interest rate swaps is to swap variable for fixed rates. They are designated as hedges (of future cash flows) in accordance with IFRS 9. The table in note (23) shows a detailed presentation of derivative financial liabilities including fair values. The average remaining term of the derivatives is 7.8 years (previous year: 6.8 years). Changes in interest rates affect the measurement of interest rate swaps and, through the recognition of the remeasurement gains or losses in other comprehensive income, they also affect equity.

Currency risk

Our currency risks result from investments and operating activities in non-euro countries. At present, these are the Czech Republic, Canada and the USA. Investments are financed partly through equity and predominantly through loans taken out in the respective local currency.

Equity financing is not hedged. The equity risk amounts to EUR 496.8 k for Canada (previous year: EUR 496.8 k), EUR 965.3 k for the Czech Republic (previous year: EUR 989.2 k) and EUR 27,239.7 k for the USA (previous year: EUR 27,239.7 k). We recognize the resulting translation differences in other comprehensive income. In the 2023 fiscal year, they amounted to EUR 113.8 k for the subsidiaries in the Czech Republic (previous year: EUR 247.4 k), EUR –1,654.4 k for those in Canada (previous year: EUR –1,638.4 k) and EUR 946.5 k for those in the USA (previous year: EUR 1,942.4 k).

Foreign currency financial liabilities were composed as follows as of the reporting date:

Financial liabilities

EUR k	12/31/2023	12/31/2022
CAD bank credit	63,746.9	68,635.3
CZK bank credit	1,387.2	2,190.8
USD bank credit	39,617.3	39,371.7

In the 2014, 2017 and 2019 fiscal years, we took out loans in Canadian dollars to finance activities in Canada. In the 2017 fiscal year, we also took out loans in US dollars to finance activities in the USA. Financing is therefore carried out in the same currency as the cash flows from the investments. As the expected cash flows are sufficient to cover this financing, the Management Board currently believes that these financial liabilities do not give rise to any currency risk.

The parent company WEB Windenergie AG previously took out a US dollar loan, which had a balance of EUR 1,108.6 k as of the reporting date (previous year: EUR 1,476.7 k). The resulting currency risk was recognized in profit or loss in the reporting year as a profit of EUR 49.7 k (previous year: loss of EUR 107.2 k).

In operating activities, invoicing is carried out in the functional currency of the respective Group company. Trade receivables and payables are denominated mainly in the functional currency of the respective Group company.

A 10% appreciation or depreciation of the euro against the following key currency for financial liabilities would have affected profit before taxes and equity as follows:

2023	10% appreciation	10% depreciation
EUR k	Result	Result
USD	100.8	–123.2

A 10% appreciation or depreciation of the euro against the following key currencies for subsidiary equity financing would have affected other comprehensive income and equity as follows:

2023	10% appreciation	10% depreciation
EUR k	Result	Result
CAD	20.1	–24.5
CZK	–194.8	238.1
USD	–2,674.6	3,269.0

Credit risk

We are exposed to credit risk both in our operating business and in certain investing and financing activities. Wherever possible in investing and financing activities, we only enter into transactions with counterparties of impeccable credit standing.

The maximum exposure to credit risk is the carrying amount of the financial assets. There are no arrangements regarding the offsetting of our receivables against existing liabilities.

We measured our receivables as of the reporting date. For companies for which a rating was available, we consider there to be no probability of default in the case of agency ratings of BB+ or above. For companies for which no rating is available, a probability of default of up to 2% is assumed in the electricity sector. A default risk from trade receivables amounting to EUR 418.6 k (previous year: EUR 216.6 k) was recorded.

As of December 31, 2023, the maximum default risk in connection with trade receivables amounts to EUR 32,849.8 k (previous year: EUR 19,604.3 k) and for all other receivables, loans etc. EUR 43,895.0 k (previous year: EUR 51,543.3 k).

8. Other disclosures

8.1 Geographical information

The following tables show selected financial information disaggregated by major geographical region. Revenue and noncurrent assets are allocated to the company's locations.

Revenue

EUR k	2023	2022	Change
Austria	147,900.7	80,123.4	85%
France	24,153.3	24,821.1	–3%
Germany	22,471.4	34,805.5	–35%
Canada	14,445.8	16,633.9	–13%
Italy	10,640.0	9,887.4	8%
USA	8,430.1	5,021.4	68%
Czech Republic	3,777.4	2,783.1	36%
Total	**231,818.6**	**174,075.8**	**33%**

Noncurrent assets (intangible assets and property, plant, and equipment)

EUR k	2023	2022	Change
Austria	245,059.9	211,072.7	16%
Italy	157,876.8	74,980.5	111%
France	93,763.0	99,803.5	–6%
Germany	71,275.3	56,689.3	26%
Canada	70,240.6	73,502.2	–4%
USA	57,564.9	60,911.2	–5%
Czech Republic	5,483.9	6,183.0	–11%
Slovakia	210.7	138.9	52%
Total	**701,475.1**	**583,281.3**	**20%**

8.2 Notes to the statement of cash flows

The composition of cash and cash equivalents is shown in (18).

We classify interest payments and dividends we received as investing activities. Interest payments and dividends we paid are classified as financing activities. Payments to acquire intangible assets and property, plant and equipment take into account the decrease in liabilities in connection with investments amounting to EUR 3,659.2 k (previous year: increase of EUR 6,755.5 k).

In the current fiscal year, dividends in the amount of EUR 9,201.7 k (previous year: EUR 6,663.3 k) were distributed and interest in the amount of EUR 921.8 k (previous year: EUR 1,122.5 k) was disbursed to hybrid capital investors.

Financial liabilities and bonds changed as follows:

		Cash			Non-cash					
	01/01/2023	Repay-ments	Borrow-ings	Loan charges	Borrow-ings	Adjust-ment	Interest	Foreign exchange differences	Loan charges	12/31/2023
EUR k										
Financial liabilities including tax equity liabilities	410,405.8	–65,951.5	108,741.6	–3,401.1	0.0	0	64.8	–2,379.7	693.9	448,173.8
Lease liabilities under IFRS 16	28,084.0	–2,628.5	0.0	0.0	12,970.8	–286.4	0.0	–208.2	15.1	37,946.7
Bonds	19,713.2	–10,094.4	38,251.0	–421.9	0.0	0	897.6	0.0	78.2	48,423.6
	458,203.0	**–78,674.5**	**146,992.6**	**–3,822.9**	**12,970.8**	**–286.4**	**962.4**	**–2,587.9**	**787.1**	**534,544.1**

Income tax payments amounted to EUR 5,006.1 k (previous year: EUR 7,408.9 k) and mainly related to cash flows from operating activities.

8.3 Objectives of capital management

The objectives of capital management are to ensure the company's continued existence as a going concern and further expand the generation of electricity from renewables in Europe, Canada and the USA, while achieving an adequate return on equity. Our goal is to maintain a long-term return on equity of 7% to 10%. To hedge against corporate risks while at the same time making optimal use of the available equity, we aim for an equity ratio of 20% to 30% in the long term. As of December 31, 2023, the equity ratio is 27.2% (previous year: 28.2%) and the return on equity 23.5% (previous year: 15.2%).

In the reporting year, the Annual General Meeting approved a dividend distribution of EUR 9,201.7 k (previous year: EUR 6,663.3 k). This corresponded to a dividend of EUR 2.90 per share (previous year: EUR 2.10 per share).

Our dividend policy aims to keep the dividend ratio as stable as possible. We plan to distribute one third of the Group's profit as dividends. In 2024, the company plans to distribute a dividend of EUR 4.90 per share for the year 2023.

8.4 Related party disclosures

The related parties of our Group include all unconsolidated affiliated companies, all associates and all joint ventures, as well as the members of the Management and Supervisory Boards, their close family members and entities controlled by them. A list of Group companies can be found in Annex 1.

There were no significant transactions with unconsolidated subsidiaries in the reporting year or in the previous year.

The equity investments Sternwind Errichtungs- und Betriebs GmbH and Sternwind Errichtungs- und Betriebs GmbH & Co KG were accounted for using the equity method, resulting in operational management and maintenance contracts at customary market terms. As of December 31, 2023, outstanding receivables amounted to EUR 34.5 k (previous year: EUR 13.8 k).

WEB Windenergie AG granted a loan to finance the capital contribution from noncontrolling shareholders to the Pisgah Mountain LLC, USA. As of December 31, 2023, there were outstanding receivables from Pisgah Holdings LLC, USA, in the amount of EUR 7,871.8 k (previous year: EUR 8,111.2 k).

WEB Windenergie AG granted a loan to finance the capital contribution from noncontrolling shareholders to Wisokolamson Energy LP, Canada. As of December 31, 2023, there were outstanding receivables from Woodstock Wind LP, Canada, in the amount of EUR 2,533.0 k (previous year: EUR 2,552.1 k).

For details about loans granted to project partners, please see note (14).

A consultancy agreement is in place with the law firm Sattler und Schanda, in which Supervisory Board member Reinhard Schanda is a partner. The legal advice is predominantly provided by one of the law firm's lawyers, Angela Heffermann. At its meeting on June 26, 2009, the Supervisory Board approved the continuation of the consultancy agreement. In the reporting year, expenses in the amount of EUR 6.7 k (previous year: EUR 15.6 k) were recorded. As in the previous year, there were no outstanding claims for fees by the law firm of Sattler und Schanda as of December 31, 2023.

An agreement is in place with Supervisory Board member Martin Zimmermann on the management and maintenance of brownfield sites in relation to wind power locations in Austria. In the reporting year, we recorded expenses of EUR 10.8 k (previous year: EUR 9.7 k). As of December 31, 2023, there were no outstanding liabilities (previous year: EUR 0.0 k).

Governing bodies of the company

a) Management Board

In the 2023 fiscal year, the Management Board consisted of the following people:
Frank Dumeier, born March 29, 1962, member of the Management Board since April 1, 2010, Chairman of the Management Board since April 30, 2016, joint representation
Michael Trcka, born November 10, 1970, member of the Management Board since May 1, 2009, Chief Financial Officer since May 1, 2009, joint representation

Effective from January 1, 2024, Stefanie Markut, born on September 1, 1977, and Florian Müller, born on November 1, 1987, were appointed to the Management Board.
Frank Dumeier will step down from the Management Board on April 30, 2024.
With effect from May 1, 2024, he will be succeeded by Roman Prager, born on January 29, 1976, as a member of the Management Board.

b) Supervisory Board

In 2023, the Supervisory Board consisted of the following people:
Josef Schweighofer, born August 26, 1964, member of the Supervisory Board since July 5, 2022, Chairman of the Supervisory Board since January 17, 2009, term of office until the Annual General Meeting in 2026
Reinhard Schanda, born January 16, 1965, Member of the Supervisory Board since June 19, 2009, Deputy Chairman of the Supervisory Board since June 17, 2011, term of office until the Annual General Meeting in 2024
Stefan Bauer, born September 20, 1977, member of the Supervisory Board since May 1, 2005, term of office until the Annual General Meeting in 2026
Brigitte Ederer, born February 27, 1956, member of the Supervisory Board since May 25, 2018, term of office until the Annual General Meeting in 2028
Martin Zimmermann, born December 23, 1968, member of the Supervisory Board since June 17, 2011, term of office until the Annual General Meeting in 2026
Mathias Dangl, born October 15, 1987, delegated member of the Supervisory Board since October 1, 2022

c) Authorized signatories

Claudia Bauer, born on February 1, 1983, was appointed as an authorized signatory on September 15, 2008. Stefanie Markut, born on September 1, 1977, and Roman Prager, born on January 29, 1976, were appointed as authorized signatories on August 1, 2016. Martin Jahn, born on May 4, 1977, was appointed as an authorized signatory on January 25, 2021. They represent the company together with a member of the Management Board. Due to their appointments as members of the Management Board, Stefanie Markut and Roman Prager were removed as authorized signatories effective from January 1, 2024, and May 1, 2024, respectively.

8.4.1 Remuneration of governing body members

The members of the Management Board received remuneration totaling EUR 1,008.5 k in 2023 (previous year: EUR 760.1 k), of which EUR 500.0 k was performance-related components for the profit for 2022

(previous year: EUR 300.2 k for the profit for 2021) and EUR 138.0 k was payments to pension funds (previous year: EUR 114.0 k). The payments to pension funds are defined contribution pension obligations. There are no other benefit obligations. The criteria for the performance-related components (variable remuneration) are: newly installed power plant capacity (in MW) in the respective fiscal year; achieving or exceeding a certain return on equity, and exceeding a certain level of installed capacity (in MW) for the entire Group. Caps have been set on total remuneration. In order to promote sustainable growth based on more than just short-term results, and to reward the stable development of projects that will only be realized in the coming years, a separate bonus has also been agreed subject to exceedance of very ambitious capacity levels (in MW) and a defined return on equity by 2030.

We did not pay any remuneration to former members the Management Board in the fiscal year.

We did not grant any advance payments to governing bodies of the company in 2023.

The remuneration of the Supervisory Board amounted to EUR 194.4 k in the reporting year (previous year: EUR 145.5 k).

EUR	
Josef Schweighofer	48,000.00
Reinhard Schanda	34,800.00
Stefan Bauer	32,400.00
Brigitte Ederer	26,400.00
Martin Zimmermann	26,400.00
Mathias Dangl	26,400.00
	194,400.00

We have taken out a directors' and officers' liability insurance (D&O insurance) covering certain personal liability risks for persons acting responsibly on behalf of WEB Windenergie AG and its subsidiaries. The costs (EUR 22.3 k) are borne by the company.

9. Accounting policies

9.1 Entities included in the consolidated financial statements

Our consolidated financial statements include WEB Windenergie AG and its subsidiaries.

Subsidiaries are entities that we control. Control exists if we

a) have power over the entity and thus direct the activities of the entity that significantly affect its returns,
b) have exposure or rights to returns from our involvement with the subsidiary, and
c) have the ability to use our power over the subsidiary to affect the amount of our returns from our involvement with the subsidiary.

One rebuttable indication of control is an ownership interest of 50% or above. However, control may also result from contractual arrangements. A list of all our subsidiaries can be found in Annex 1.

We include all subsidiaries in the consolidated financial statements. This means that their assets and liabilities are included in the consolidated statement of financial position, and their income and expenses in the consolidated income statement. This will also apply if we own less than 100% of the shares in a subsidiary. In this case, the (noncontrolling) shares in the respective subsidiary attributable to the other shareholders are shown in the statement of financial position under the item "Noncontrolling interests". Intragroup transactions, receivables, liabilities and material unrealized profits (intercompany profits) are eliminated.

If we lose control of a subsidiary, we derecognize the subsidiary's assets and liabilities as well as the noncontrolling interests. We recognize the resulting gain or loss in the income statement.

Associates and joint ventures are also recognized in our consolidated financial statements. Associates are entities over which we have significant influence, but which we do not control. One rebuttable indication of significant influence is an ownership interest of 20% to 50%. Joint ventures are entities which we manage jointly with one or more partners. We account for associates and joint ventures using the equity method. This means that, at the acquisition date, we include the shares in the statement of financial position at cost. In subsequent periods, we adjust the carrying amount for our share of the associate's profit or loss and other comprehensive income as well as our share of other changes in the associate's net assets (e.g. distributions). We only assume a loss if the remaining carrying amount of the shares is positive.

The number of entities included in the consolidated financial statements changed as follows in the fiscal year:

	Subsidiaries	Associates and joint ventures
As of 01/01/2022	**56**	**8**
Entities established by us	22	0
Entities acquired by us	0	0
As of 12/31/2022	**78**	**8**
Entities established by us	9	0
Entities acquired by us	1	0
As of 12/31/2023	**88**	**8**

Entities established by us

The company WEB Windpark 4 GmbH & Co KG was established in Austria in January 2023. We hold 100% of the shares. Therefore, the entity is consolidated.

The company WEB Windpark Kuhs III GmbH & Co. KG was established in Germany in June 2023. Since we hold 100% of the shares, the company is fully consolidated.

The company WEB PV DE 1 GmbH & Co. KG was established in Germany in July 2023. The company is fully consolidated as we hold 100% of the shares.

The company WEB Windpark 5 GmbH & Co. KG was established in Austria in August 2023. We hold 100% of the shares. The company PV DE 2 GmbH was founded in Germany. We hold 50% of the shares but control the company. These entities are therefore fully consolidated.

The company 4. Windpark Weener GmbH & Co. KG was established in Germany in September 2023. The company is fully consolidated as we hold 100% of the shares.

The company WEB Lausitz-Spreewald GmbH was established in Germany in November 2023. This company is also fully consolidated as we hold 100% of the shares.

The companies WEB PV Barlt GmbH & Co. KG and WEB Windpark Glaubitz GmbH & Co. KG were established in Germany in December 2023. We also hold 100% of the shares in these companies. These entities are therefore fully consolidated.

Entities acquired by us

In March 2023, we acquired WEB energy sales GmbH (formerly: OE SASR Beta Einundfünzigste Beteiligungsverwaltung GmbH). The "Grünstrom" (green electricity) division of WEB Windenergie AG has been transferred to this company by way of universal succession through a split-off for absorption as of the split-off date of December 31, 2022. We hold 100% of the shares. Therefore, the entity is consolidated.

9.2 Currency translation

Our consolidated financial statements have been prepared in euros. The consolidated financial statements include transactions entered into in a different currency. They also include subsidiaries with a currency other than the euro, namely the Czech koruna (CZK), the US dollar (USD) and the Canadian dollar (CAD).

We translate foreign currency transactions at the middle spot rate at the transaction date. Monetary assets and liabilities in foreign currencies as of the reporting date, such as cash and cash equivalents, receivables and liabilities, are translated at the currency buying or selling rate at that date. The resulting foreign exchange gains or losses are recognized in profit or loss within the net financial result.

Assets and liabilities of subsidiaries reporting in foreign currencies are translated at the middle spot rate at the reporting date. Income statement items are translated at the average rate for the fiscal year. The resulting foreign exchange gains or losses are recognized in other comprehensive income.

For the financial statements as of December 31, 2023 and 2022, we used the following rates:

	Valuation rate 12/31/2023	Average rate 2023	Valuation rate 12/31/2022	Average rate 2022
CZK	24.7240	23.9203	24.1160	24.5996
USD	1.1050	1.0797	1.0666	1.0555
CAD	1.4642	1.4603	1.4440	1.3700

9.3 Other accounting policies

9.3.1 Goodwill and intangible assets

Our intangible assets consist mainly of water rights and IT software. The cost of an asset is amortized on a straight-line basis over its expected useful life. We estimate the useful lives to be as follows:

	Useful life
Rights of use, water rights	16–40 years
Software	2–3 years

Intangible assets consist solely of assets acquired from third parties. To date, we have not recognized any internally generated intangible assets, as the criteria required by IAS 38 were not met. Expenditure on research activities is recognized in profit or loss when incurred.

In the event of a business combination, the consideration transferred is compared with the fair value of the net assets acquired. If the difference is an excess of consideration over net assets acquired, we recognize it as goodwill. If the difference is an excess of net assets acquired over consideration, we review the carrying amounts of the factors influencing this difference. If there is still an excess of net assets acquired over consideration after the review, we recognize this in profit or loss.

9.3.2 Property, plant and equipment

We recognize our property, plant and equipment at cost. This also includes the project development costs for the plant in question arising as of the date when a project is set out in sufficient detail. Costs in the general project advertising phase, on the other hand, are recognized as an expense when incurred. Costs resulting from significant deviations from the original project development plan are also recognized as an expense. If the construction phase of items of property, plant and equipment extends over a longer period, we recognize the borrowing costs incurred up to the date of completion as part of the cost. If we receive government grants in constructing items of property, plant and equipment, we reduce the cost of the items by that amount.

Rental and lease contracts with property owners include obligations to dismantle assets and restore the generation sites. We estimate the expected costs based on the investment amount and the recommendation of the system manufacturer. We capitalize the resulting provision as part of the acquisition costs.

We lease our solar power plants through finance leases. We recognize these as noncurrent assets in the statement of financial position at the lower of fair value and the present value of the contractually agreed minimum lease payments. The payment obligations under the leases are recognized as financial liabilities.

Items of property, plant and equipment are depreciated on a straight-line basis over their expected useful life. We estimate the useful lives to be as follows:

	Useful life
Wind power plants	20–25 years
Solar power plants	20 years
Hydropower plants	20–30 years
Office buildings	50 years
Hydropower plants (buildings), production facility	33 years
Property fixtures and fittings	10–15 years
Other equipment, operating and office equipment	2–20 years

9.3.3 Impairment of nonfinancial assets

At each reporting date, we test our nonfinancial assets (mainly intangible assets and property, plant and equipment) for indications that they may be impaired. If there are such indications, we carry out an impairment test. Examples of such indications are a short remaining term of the subsidized tariff for the electricity generated in our power plants or unforeseeable building costs during construction.

An asset, for example a power plant, is impaired when its carrying amount in our statement of financial position exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use.

We calculate the value in use as the present value of the future cash flows expected to be derived from the continuing and unchanged use of the asset based on existing budgets. Budgets are based on forecasts of the trend in electricity prices published by renowned institutions, information from plant and equipment manufacturers, and industry or expert experience, which we supplement with our estimates based on past experience. The discount rate is the post-tax interest rate that reflects current market assessments of the fair value and the risks specific to the asset in question. The interest rates used are shown in section 6.

Fair value is based on the market selling prices of similar assets, less costs of disposal.

We are required to recognize an impairment loss equal to the amount by which the carrying amount of the asset exceeds its recoverable amount. If, in subsequent periods, the reasons for the impairment no longer apply, we reverse the impairment loss through profit or loss up to a maximum of the original cost of the asset, net of depreciation or amortization.

9.3.4 Financial instruments

We recognize our financial instruments at the settlement date. This is the date on which the financial instrument is transferred to us by the seller in the case of a purchase and by us to the buyer in the case of a sale.

Under IFRS 9, financial assets are classified on the basis of the business model and the contractual cash flow characteristics of the financial instruments. Financial assets are measured according to their classification: at amortized cost, at fair value through profit or loss, or at fair value through other comprehensive income.

How our financial instruments are measured depends on the measurement category to which they are allocated.

Financial instrument	Measurement in accordance with IFRS 9
Shares and equity investments (except in subsidiaries or associates)	Fair value; changes in value through profit or loss
Securities	Fair value; changes in value through profit or loss
Receivables, long-term lendings, and loans	Amortized cost
Bond and loan liabilities	Amortized cost
Bank liabilities	Amortized cost
Derivative financial instruments	Fair value; changes in value through other comprehensive income or through profit or loss

Fair value is the price that would be received on selling an asset or paid on transferring a liability in an orderly transaction between market participants at the measurement date. Depending on the information (inputs) observable in the market for the asset or liability, we can

- obtain the value directly from the price in an active market for identical assets or liabilities (e.g. quoted securities; measurement level 1), or
- derive the value from objective inputs that are observable for the asset or liability either directly or indirectly (e.g. interest rates used to determine the fair value of interest rate swaps; measurement level 2), or – if there are no observable inputs –
- calculate the value from inputs representing our best estimate and based on statistical data or expert estimates (e.g. when determining the fair value of individual wind turbines during impairment testing; measurement level 3).

The amortized cost of a financial asset (e.g. in the case of long-term lendings) or a financial liability (e.g. in the case of our bonds) is the amount at which this financial instrument was initially recognized in the statement of financial position, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. This amount may differ significantly from fair value.

In our Group, derivative financial instruments relate to interest rate swaps. We use interest rate swaps to ensure that future interest payments do not exceed a certain amount when interest rates rise. We measure our hedging transactions at fair value. Positive fair values as of the reporting date are included in receivables and other assets. Negative fair values are included in other liabilities. Changes in value are recognized in other comprehensive income. At maturity, the fair value of an interest rate swap is zero.

For the purpose of assessing whether a commercial relationship exists between the underlying transactions and the hedging instruments, we assume that the reference interest rate remains unchanged following the reform of the reference interest rates.

9.3.5 Impairment of financial assets

At each reporting date, we examine whether credit losses are expected on financial assets measured at amortized cost. The assessment is based on external ratings, payment history, and objective indications of risks with regard to the collectability of the financial assets. The amount of the impairment loss required to be recognized is determined on the basis of the credit risk associated with the rating and the resulting probabilities of default and recovery rates. All impairment losses are recognized in profit or loss.

9.3.6 Inventories

Inventories are valued at the lower of acquisition or production cost and net realizable value at the reporting date. The valuation is carried out according to the moving average price method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

9.3.7 Assets held for sale and liabilities related to assets held for sale

Assets that can be sold in their current condition and whose sale is highly probable are classified as "assets held for sale". These can be individual long-term assets, groups of assets (asset pools) or business units (discontinued operations). Liabilities that are to be disposed of together with assets in a transaction are part of an asset pool held for sale or a discontinued operation and are presented separately as "liabilities held for sale".

9.3.8 Provisions

Provisions are liabilities of uncertain timing or amount. We recognize a provision in the statement of financial position when we have a legal or constructive obligation to a third party, it is probable that an outflow of resources (e.g. payments or services) will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. A provision is measured at the amount representing the best estimate of the future expenditure required to settle the obligation. Where the effect is material, we discount the amount to its present value as of the reporting date. The interest rate used in the 2023 fiscal year was 5.25% (previous year: 2.0%). The interest subsequently required for compounding provisions is recognized in the other net financial result. As of December 31, 2023, the interest rate was adjusted to 4.33%, resulting in a change in the provision for dismantling costs. Details on the change in provisions can be found under note (25). The provisions reported in the statement of financial position relate mainly to our obligations to dismantle assets and restore the generation sites. Further information on the measurement of these provisions is provided in the accounting policies for property, plant and equipment.

9.3.9 Leases

At inception of a contract, we assess whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a defined period of time in exchange for consideration.

As lessee

At the commencement date or at the date on which a contract containing a lease component is modified, we allocate the contractually agreed consideration on a relative stand-alone selling price basis. We recognize an asset for the right of use granted as well as a lease liability. The right-of-use asset is initially measured at cost, which is the amount of the initial measurement of the lease liability, adjusted for any payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs, and an estimate of the costs to be incurred to dismantle or remove the underlying asset or restore the site on which it is located. The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the end of the lease period, unless ownership of the underlying asset transfers to us at the end of the lease term or the cost of the right-of-use asset reflects that we will exercise a purchase option. In that case, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined in accordance with the requirements for property, plant and equipment. In addition, the right-of-use asset continues to be adjusted for impairment, if necessary, and for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments not yet made at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using our incremental borrowing rate. We normally use the incremental borrowing rate as the discount rate. To determine our incremental borrowing rate, we obtain interest rates from an external financial source and make certain adjustments to reflect the lease terms and the nature of the asset.

The lease payments included in the measurement of the lease liability comprise fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or (interest) rate, initially measured using the index or (interest) rate as of the commencement date, amounts expected to be payable under a residual value guarantee, and the exercise price of a purchase option if we are reasonably certain to exercise that option. They also comprise lease payments for an extension option if we are reasonably certain to exercise that option as well as payments of penalties for terminating the lease early, unless we are reasonably certain we will not terminate the lease early.

The lease liability is measured at the adjusted carrying amount using the effective interest method. It is remeasured when future lease payments change due to an index or interest rate change, when we adjust our estimate of expected payments under a residual value guarantee, when we change our assessment of the exercise of a purchase, extension or termination option, or when a de facto fixed lease payment changes. In the event of remeasurement of lease liability, a corresponding adjustment is made to the carrying amount of the right of use or, if the carrying amount of the right of use is reduced to zero, in profit or loss.

We report right-of-use assets as intangible assets in the statement of financial position.

Short-term leases and leases for which the underlying asset is of low value
We do not recognize right-of-use assets or lease liabilities for leases of low-value assets or for short-term leases, including IT equipment. We recognize the lease payments relating to those leases as an expense on a straight-line basis over the lease term.

As lessor
At inception of a contract or at the date on which a contract containing a lease component is modified, we allocate the contractually agreed consideration on a relative stand-alone selling price basis. When we act as a lessor, we classify each lease as either a finance lease or an operating lease at the inception of the contract. To classify each lease, we made an overall assessment of whether the lease substantially transfers all the risks and rewards associated with ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is an operating lease. In making this assessment, we consider certain indicators, such as whether the lease covers most of the useful economic life of the asset.

Lease payments from operating leases are recognized as income within revenue on a straight-line basis over the lease term.

9.3.10 Income taxes
Income taxes comprise all domestic and foreign taxes which are based on profits. Income taxes also include withholding taxes payable by a subsidiary or an associate on distributions to us.

The income tax expense or income presented in the income statement relates both to income taxes paid or payable in the fiscal year in question and to deferred taxes that result from temporary differences between the IFRS carrying amounts of assets and liabilities and their tax base and will only affect current income taxes in future periods. Income taxes relating to transactions recognized in other comprehensive income are not recognized in profit or loss (but rather in other comprehensive income).

Current income taxes for the individual Group companies are calculated from the companies' taxable income using the tax rate applicable in the country in question.

Deferred taxes are calculated on all temporary differences between the carrying amount of the assets and liabilities in the IFRS consolidated financial statements and their tax base. This excludes differences resulting from goodwill that is not deductible for tax purposes and from investments in subsidiaries and associates. However, it only excludes the latter if we do not expect the differences to reverse in the foreseeable future and we are able to control the timing of the reversal of the differences. Deferred tax liabilities are recognized on temporary differences taxable in the future. Deferred tax assets are recognized on temporary differences that mean a future tax benefit or credit. Deferred tax assets are also recognized on existing tax loss carry-forwards. In all cases, however, deferred tax assets are only recognized to the extent that it is reasonably certain that they can be realized in the coming years.

Deferred taxes are valued at the local tax rate applicable in the future. No discounting is planned. The tax rates in the individual countries are as follows:

- Austria: 23% (previous year: 23–24%)
- Germany: 27–30% (previous year: 27–30%)
- France: 25% (previous year: 25%)
- Canada: 29% (previous year: 29%)
- USA: 29.93% (previous year: 30.85%)
- Italy: 27.90% (previous year: 27.90%)
- Czech Republic: 19% (previous year: 19%)
- Slovakia: 21% (previous year: 21%)

In Austria, the 2022 eco-social tax reform reduced the corporation tax rate. For 2023, a corporation tax rate of 24% will apply; from 2024, the corporation tax rate will be 23%. The tax rate used to calculate the deferred tax is the one that is likely to apply when the temporary difference underlying the deferred tax is realized (reversed). The change in tax rates led to a reversal of deferred tax liabilities in the amount of EUR 188.7 k in the reporting period.

To ensure global minimum taxation, the Minimum Taxation Act came into force in Austria on December 31, 2023, which applies to fiscal years beginning on or after December 31, 2023. Corporations with a turnover exceeding EUR 750 million are subject to the global minimum taxation. Therefore, the law has no impact on our consolidated financial statements.

9.3.11 Revenue recognition

Revenue from the sale of electricity generated at our wind farms, solar power plants and hydropower plants is recognized in the amount of the existing feed-in tariff at the date on which it is fed into the respective grid.

Revenue in connection with the delivery of green electricity to our customers is recorded after the performance obligation has been fulfilled. Revenue from operations management and other commercial and technical services is recognized at the date on which the service is provided.

9.3.12 Interest and income from equity investments

Interest expense comprises the interest and similar expense incurred on borrowings and finance lease transactions with the exception of the portion that we recognize as part of the cost of the items of property, plant and equipment concerned. We calculate interest expense at the effective interest rate. Discounts and premiums, charges, costs incurred to raise funds and similar expenses directly related to financing are therefore allocated over the fixed term of the financing in question.

Income from unconsolidated entities or associates is recognized at the date on which a resolution to make a distribution is adopted.

9.4 Rules required to be applied in the future

In the coming years, we will be required to adopt the following amended Standards:

Standard/ Interpretation	Title of standard/ interpretation	Date of first application	Type of amendment
IAS 1	Presentation of Financial Statements	January 1, 2024	Amendments regarding classification of liabilities as current or noncurrent with ancillary conditions
IAS 7	Supplier Finance Arrangements	January 1, 2024	Amendments regarding disclosures of supplier finance arrangements
IFRS 7	Supplier Finance Arrangements	January 1, 2024	Amendments regarding disclosures of supplier finance arrangements
IFRS 16	Leases	January 1, 2024	Amendments regarding lease obligations in sale and leaseback contracts
IAS 21	Deferred Taxes	January 1, 2025	Amendments regarding lack of exchangeability
IFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	TBD	Amendments regarding sales or contributions of assets between an investor and its associate/ joint venture
IAS 28	Sale or Contributions of Assets between an Investor and its Associate or Joint Venture	TBD	Amendments regarding sales or contributions of assets between an investor and its associate/ joint venture

We are required to apply the amendments to IFRS 16, IFRS 17, IAS 1 and IAS 7 as of January 1, 2024. We have assessed the estimated effects of the amendments on our consolidated financial statements. The actual effects of applying the amendments to these standards as of January 1, 2024, may differ from this as we have not yet completed all checks. We do not expect any material effects on our consolidated financial statements.

10. Events after the reporting period

WEB Windenergie AG began its 30th business year with a reorganization of the Management Board. After 14 years on the Management Board, Frank Dumeier will step down from his position as of April 30, 2024. In the course of this reorganization, the Supervisory Board is appointing a new generation of Management Board members: Stefanie Markut, Florian Müller and Roman Prager – three experienced managers already with the company – will join the Management Board in 2024. Michael Trcka will remain as Chief Financial Officer.

On March 10, 2024, residents of five municipalities in the district of Waidhofen an der Thaya, Austria, voted on the future of wind power in their communities. The municipalities of Karlstein, Thaya and Waidhofen an der Thaya (Stadt) voted in favor of the expansion of wind energy as an alternative, renewable energy source of the future. The municipalities of Groß-Siegharts and Waidhofen an der Thaya (Land) voted against the planned wind farm projects. WEB Windenergie AG is very pleased that, thanks to this vote, it will be able to pursue projects in its home district. It is now up to the municipal authorities and the province of Lower Austria to take action in the course of ongoing zoning reforms to facilitate the indisputably necessary expansion of wind energy .

No other significant events occurred after the reporting date.

The Management Board approved these consolidated financial statements on March 20, 2024.

The separate financial statements of the parent company, which were also included in the consolidated financial statements following restatement to International Financial Reporting Standards, were submitted to the Supervisory Board for examination on March 20, 2024. The Supervisory Board may adopt the annual financial statements or delegate their adoption to the Annual General Meeting.

Pfaffenschlag, March 20, 2024

Frank Dumeier
Chairman of the Management Board

Michael Trcka
Chief Financial Officer

Stefanie Markut
Member of the Management Board

Florian Müller
Member of the Management Board

Group companies | Information on investees in accordance with Section 238(2) of the Austrian Commercial Code

Company	Registered office	Country	Method of inclusion
WEB Windenergie AG	Pfaffenschlag	Austria	FC
WEB Windpark GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB PV GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB PV GmbH	Pfaffenschlag	Austria	NC
WEB DHW Wind GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB DHW Wind GmbH	Pfaffenschlag	Austria	NC
WEB DGHS Wind GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB DGHS Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB PV 2 GmbH (formerly: WEB Traisenwind GmbH)	Pfaffenschlag	Austria	FC
WEB Windpark DK Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark DK Verwaltungs GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windpark 2 Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark 2 GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windpark 3 Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark 3 GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windpark 4 Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark 4 GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windpark 5 Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark 5 GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB energy sales GmbH (formerly: OE SASR Beta Einundfünfzigste Beteiligungsverwaltung GmbH)	Pfaffenschlag	Austria	FC
WEB Windenergie Deutschland GmbH	Hamburg	Germany	FC
WEB Windenergie Loickenzin GmbH	Tützpatz	Germany	FC
WEB Energie du Vent SAS	Paris	France	FC
Parc eolien de Champigneul Pocancy SAS	Paris	France	FC
WEB Větrná Energie s.r.o.	Brno	Czech Republic	FC
Friendly Energy s.r.o.	Brno	Czech Republic	FC
WEB Italia Energie Rinnovabili s.r.l.	Bolzano	Italy	FC
WEB Wind Energy North America Inc.	New Brunswick	Canada	FC
ELLA GmbH & Co KG	Pfaffenschlag	Austria	FC
ELLA Verwaltungs GmbH	Pfaffenschlag	Austria	NC
Les Gourlus Holding SAS	Paris	France	FC
Parc éloien des Portes du Cambrésis SAS	Paris	France	FC
CEPE de Bel-Air Nord SAS	Paris	France	FC
W.E.B Parc éolien des Vallées SAS	Paris	France	FC
W.E.B Parc éolien des Vents du Serein SAS	Paris	France	FC
W.E.B Parc éolien du Pays Blancourtien SAS	Paris	France	FC
WEB Grid SAS	Paris	France	FC
Les Gourlus Holding II SARL	Paris	France	NC
W.E.B Parc éolien Autour des Carrières SASU	Paris	France	FC

FC ... Full consolidation
EV ... Equity valuation
NC ... Not consolidated

(UGB)

Ownership interest	Prior-year ownership interest	Reporting date	Equity	Net income/ loss for the year	Equity in foreign currency	Net income/loss for the year in foreign currency	Exchange rate
			EUR k	EUR k			
		12/31/2023	111,555	22,380			
100%	100%	12/31/2023	20,867	8,974			
70%	70%	12/31/2023	680	224			
70%	70%	12/31/2023	1	–1			
100%	100%	12/31/2023	12,242	7,010			
100%	100%	12/31/2023	6	2			
100%	100%	12/31/2023	25,399	17,081			
100%	100%	12/31/2023	6	2			
100%	100%	12/31/2023	30	–5			
100%	100%	12/31/2023	6	2			
100%	100%	12/31/2023	1,204	–259			
100%	100%	12/31/2023	6	2			
100%	100%	12/31/2023	118	–763			
100%	100%	12/31/2023	5	3			
100%	100%	12/31/2023	234	–19			
100%		12/31/2023	4	–1			
100%		12/31/2023	2,356	–9			
100%		12/31/2023	3	–2			
100%		12/31/2023	–2	–5			
100%		12/31/2023	669	354			
100%	100%	12/31/2023	19,862	4,130			
100%	100%	12/31/2023	16	–0			
100%	100%	12/31/2023	–7,368	–1,625			
100%	100%	12/31/2023	–972	–4			
100%	100%	12/31/2023	4,860	865	CZK 120,170,989	CZK 21,397,306	24.724
100%	100%	12/31/2023	1,091	459	CZK 26,969,715	CZK 11,345,717	24.724
100%	100%	12/31/2023	3,674	153			
100%	100%	12/31/2023	8,326	334	CAD 12,191,333	CAD 489,119	1.464
100%	100%	12/31/2023	–1,618	–859			
100%	100%	12/31/2023	3	–1			
100%	100%	12/31/2023	1,477	433			
100%	100%	12/31/2023	6,252	2,365			
100%	100%	12/31/2023	–42	–14			
100%	100%	12/31/2023	2,530	684			
100%	100%	12/31/2023	–155	–83			
100%	100%	12/31/2023	–273	–3			
100%	100%	12/31/2023	–856	–268			
100%	100%	12/31/2023	–29	–3			
100%	100%	12/31/2023	–59	–34			

Annex 1

Company	Registered office	Country	Method of inclusion
SLOWEB s.r.o.	Bratislava	Slovakia	FC
WEB Windenergie Brandenburg GmbH	Hamburg	Germany	EV
WEB Windpark Wörbzig GmbH & Co KG	Hamburg	Germany	FC
WEB Windpark Wörbzig Verwaltungs GmbH	Hamburg	Germany	NC
Itterkraftwerk Verwaltungs GmbH	Eberbach	Germany	NC
Itterkraftwerk GmbH & Co. KG	Eberbach	Germany	FC
Windpark Grube GmbH	Grube	Germany	FC
WEB Windpark Kuhs Verwaltungs GmbH	Hamburg	Germany	NC
WEB Windpark Kuhs GmbH & Co. KG	Hamburg	Germany	FC
WEB Windpark Kuhs III Verwaltungs GmbH	Hamburg	Germany	NC
WEB Windpark Kuhs III GmbH & Co KG	Hamburg	Germany	FC
WEB PV DE 1 Verwaltungs GmbH	Hamburg	Germany	NC
WEB PV DE 1 GmbH & Co. KG	Hamburg	Germany	FC
PV DE 2 GmbH	Grube	Germany	FC
4. Windpark Weener Verwaltungs GmbH	Weener	Germany	NC
4. Windpark Weener GmbH & Co. KG	Weener	Germany	FC
WEB Lausitz-Spreewald GmbH	Lübben	Germany	FC
WEB PV Barlt Verwaltungs GmbH	Hamburg	Germany	NC
WEB PV Barlt GmbH & Co. KG	Hamburg	Germany	FC
WEB Windpark Glaubitz Verwaltungs GmbH	Hamburg	Germany	NC
WEB Windpark Glaubitz GmbH & Co. KG	Hamburg	Germany	FC
WEB USA Inc.	Delaware	USA	FC
SWEB Development USA, LLC	Delaware	USA	FC
Pisgah Mountain USA, LLC	Maine	USA	FC
WEB Silver Maple Wind, LLC	Maine	USA	FC
Zweite WP Weener GmbH & Co. KG	Weener	Germany	EV
Tauernwind Windkraftanlagen GmbH	Pottenbrunn	Austria	EV
Sternwind Errichtungs- und BetriebsgmbH	Bad Leonfelden	Austria	EV
Sternwind Errichtungs- und BetriebsgmbH & Co KG	Vorderweißenbach	Austria	EV
WEB Windenergie Betriebs GmbH	Pfaffenschlag	Austria	NC
Società di gestione impianti fotovoltaici s.r.l.	Bolzano	Italy	FC
WEB Conza s.r.l.	Bolzano	Italy	FC
ARSOLAR S.R.L.	Sant'Andrea Di Conza	Italy	FC
WP France 4 SNC	Paris	France	FC
WEB Windenergie Loickenzin Betriebsgesellschaft GmbH & Co KG	Tützpatz	Germany	FC
Scotian Web Inc. (including limited partnership agreement)	Halifax	Canada	FC
Scotian Web II Inc. (including limited partnership agreement)	Halifax	Canada	FC
Scotian Web III Inc. (including limited partnership agreement)	Halifax	Canada	NC
SWEB Development Inc. (including limited partnership agreement)	Halifax	Canada	FC
SWEB Ownership Ontario Inc. (including limited partnership agreement)	Toronto	Canada	NC
SWEB Development Ontario Inc.	Toronto	Canada	NC

[1] Included in the figures of WEB USA Inc.
[2] Included in the figures of WEB Wind Energy North America Inc.
FC ... Full consolidation
EV ... Equity valuation
NC ... Not consolidated

Ownership interest	Prior-year ownership interest	Reporting date	Equity	Net income/ loss for the year	Equity in foreign currency	Net income/loss for the year in foreign currency	Exchange rate
			EUR k	EUR k			
100%	100%	12/31/2023	235	–201			
50%	50%	12/31/2023	–1,089	–218			
100%	100%	12/31/2023	6,717	2,103			
100%	100%	12/31/2023	25	0			
100%	100%	12/31/2023	24	–2			
100%	100%	12/31/2023	2,386	–185			
50%	50%	12/31/2023	327	–51			
100%	100%	12/31/2023	23	–0			
100%	100%	12/31/2023	–10	–293			
100%	100%	12/31/2023	18	–4			
100%		12/31/2023	6	–4			
100%		12/31/2023	24	–1			
100%		12/31/2023	6	–4			
50%		12/31/2023	20	–5			
100%		12/31/2023	24	–1			
100%		12/31/2023	7	–3			
100%		12/31/2023	23	–2			
100%		12/31/2023	24	–1			
100%		12/31/2023	10	–0			
100%		12/31/2023	24	–1			
100%		12/31/2023	10	–0			
100%	100%	12/31/2023	34,110	–836	USD 37,691,834	USD –923,853	1.105
100%	100%	12/31/2023[1]					
49%	49%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
50%	50%	12/31/2023	2,645	810			
20%	20%	12/31/2023	7,286	4,845			
49%	49%	12/31/2023	1,049	53			
49%	49%	12/31/2023	593	509			
100%	100%	12/31/2023	33	1			
100%	100%	12/31/2023	–19	–85			
100%	100%	12/31/2023	1,222	235			
100%	100%	12/31/2023	4,626	217			
100%	100%	12/31/2023	11,613	5,031			
100%	100%	12/31/2023	1,570	218			
55%	55%	12/31/2023[2]					
55%	55%	12/31/2023[2]					
55%	55%	12/31/2023[2]					
100%	100%	12/31/2023[2]					
90%	90%	12/31/2023[2]					
90%	90%	12/31/2023[2]					

Company	Registered office	Country	Method of inclusion
Wisokolamson Energy GP inc. (including limited partnership agreement)	Saint John	Canada	FC
SASU Energie Verte Plaine d'Artois	Le Havre	France	EV
Société d'Electricité du Nord SARL	Paris	France	FC
Bleu Vent Développement SAS	Paris	France	EV
WEB Poste d'Armançon	Paris	France	FC
WEB Parc Eolien des Bosquets SASU (formerly: W.E.B Parc Eolien de Flesquières II SASU)	Paris	France	FC
W.E.B Parc Eolien de Bouin-Plumoison SASU	Paris	France	FC
W.E.B Parc Solaire des Plateaux de Bourgogne SAS	Paris	France	FC
W.E.B Parc Solaire du Puits de la Loge SAS	Paris	France	FC
Società Elletrica Ligure Toscana s.r.l.	Bolzano	Italy	FC
WEB ARIANO SRL	Bolzano	Italy	FC
CAMPO EOLICO ARIANO - CEA SRL	Bolzano	Italy	FC
WEB Ariano 2 SRL	Bolzano	Italy	FC
Parco Eolico Apricena SRL	Bolzano	Italy	FC
WEB PV Bisaccia SRL	Bolzano	Italy	FC
WEB PV Ariano SRL	Bolzano	Italy	FC
WEB PV Apricena SRL	Bolzano	Italy	FC
Black Spruce Windenergy GP Inc. (including limited partnership agreement)	Toronto	Canada	EV
WEB Brimfield Solar, LLC	Massachusetts	USA	FC
WEB Brookfield Solar, LLC	Massachusetts	USA	FC
WEB Brimfield Holdings, LLC	Delaware	USA	FC
WEB Brookfield Holdings, LLC	Delaware	USA	FC
WEB Asset Holdings, Inc.	Delaware	USA	FC
WEB Silver Maple Holdings, LLC	Delaware	USA	FC
WEB Westport Solar, LLC	Massachusetts	USA	FC
WEB Southbridge Solar, LLC	Massachusetts	USA	FC
WEB Freetown Solar, LLC	Massachusetts	USA	FC
WEB Auburn Solar, LLC	Massachusetts	USA	FC
WEB Addison Solar, LLC	New York	USA	FC
WEB Warner Hill Solar, LLC	New York	USA	FC
WEB Shady Tree Solar, LLC	New York	USA	FC
WEB Bangor Solar, LLC	New York	USA	FC
WEB Woodhull Solar, LLC	New York	USA	FC
WEB Amelia Courthouse Solar, LLC	Virginia	USA	FC
WEB Blueberry Acres Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC
WEB Weavers Mountain Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC
WEB Red Spruce Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC
WEB Apitamkiejit Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC

[1] Included in the figures of WEB USA Inc.
[2] Included in the figures of WEB Wind Energy North America Inc.
FC ... Full consolidation
EV ... Equity valuation
NC ... Not consolidated

Ownership interest	Prior-year ownership interest	Reporting date	Equity	Net income/ loss for the year	Equity in foreign currency	Net income/loss for the year in foreign currency	Exchange rate
			EUR k	EUR k			
49%	49%	12/31/2023[2]					
33%	33%	12/31/2023	1,062	291			
100%	100%	12/31/2023	–741	401			
50%	50%	12/31/2023	–17	–6			
100%	100%	12/31/2023	–11	–4			
100%	100%	12/31/2023	–34	–29			
100%	100%	12/31/2023	–26	–21			
100%	100%	12/31/2023	–2	–3			
100%	100%	12/31/2023	–1	–2			
100%	100%	12/31/2023	5,630	1,962			
100%	100%	12/31/2023	11,825	–248			
100%	100%	12/31/2023	8,426	–651			
100%	100%	12/31/2023	53	–131			
100%	100%	12/31/2023	1,390	–212			
100%	100%	12/31/2023	37	–38			
100%	100%	12/31/2023	56	–124			
100%	100%	12/31/2023	51	–21			
50%	50%	12/31/2023[2]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
100%	100%	12/31/2023[1]					
49%	49%	12/31/2023[2]					
49%	49%	12/31/2023[2]					
49%	49%	12/31/2023[2]					
100%	100%	12/31/2023[2]					

Auditor's report

Report on the consolidated financial statements

Audit opinion

We have audited the consolidated financial statements of

WEB Windenergie AG,
Pfaffenschlag bei Waidhofen a.d. Thaya,

and its subsidiaries ("the Group"), comprising the consolidated statement of financial position as of December 31, 2023, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity for the fiscal year then ended, and the notes to the consolidated financial statements.

In our opinion, the enclosed consolidated financial statements comply with legal requirements and give a true and fair view of the assets, liabilities and financial position of the Group as of December 31, 2023 and of its financial performance and cash flows for the fiscal year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the additional requirements of Section 245a of the Austrian Commercial Code (Unternehmensgesetzbuch – UGB).

Basis for the audit opinion

We conducted our audit in accordance with EU Regulation No 537/2014 (hereinafter "EU Regulation") and with Generally Accepted Austrian Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those requirements and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our auditor's report. We are independent of the Group in accordance with the requirements of Austrian commercial law and professional law, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of this auditor's report is sufficient and appropriate to provide a basis for our audit opinion as of that date.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate audit opinion on these matters.

We present what we consider to be the key audit matters below:

Valuation of property, plant and equipment
The relevant information is contained in the notes to the consolidated financial statements, items 3.(5); 4.(11), (12); 6 and 9.3.

Description / Risk:
Property, plant and equipment (in particular wind power plants, solar power plants and hydropower plants) with a carrying amount totaling EUR 661.8 million represent approx. 75% of the WEB Group's reported assets as of the reporting date.

At the end of each reporting period, the company assesses whether there are indications that assets may be impaired (triggering events) and therefore indications of impairment losses on property, plant and equipment. If there are such indications, an impairment test is carried out. For assets for which impairment losses were recognized, the company assesses whether the reasons for the impairment loss no longer apply and therefore the impairment loss needs to be reversed.

The impairment test is carried out at cash-generating unit (CGU) level. When testing for impairment, the company first determines value in use and, if necessary, fair value less costs of disposal. Both value in use and fair value less costs of disposal are calculated by discounting planned cash flows using a discounted cash flow method.

The result of this measurement depends to a significant extent on estimates such as future generation and sales volumes, the remaining useful lives relative to the remaining term of subsidized tariffs, the trend in electricity prices and the discount rates used under the measurement model, and is therefore subject to estimation uncertainty.

There is a risk property, plant and equipment being overvalued or undervalued in the consolidated financial statements.

Approach to addressing this issue in the consolidated financial statement audit:
To address this risk, we critically examined management's assumptions and estimates and performed the following audit procedures:

- We identified the process and the key internal controls in the WEB Group as well as the methods used to conduct the impairment test and assessed the conception and design of the controls in the process. We evaluated the triggering events control for identifying and assessing indications of impairment or reversal of impairment in terms of its design, implementation and function.

- The composition of the cash-generating units (CGUs) as well as the allocation of assets, liabilities and cash flows to the CGUs were reviewed.
- The calculation model for deriving the discount rates and the parameters used were checked using database queries and with the assistance of EY valuation specialists.
- We reproduced the methodological approach (valuation model).
- For selected CGUs, we checked the mathematical accuracy of the impairment tests by means of comparison and test calculations, as well as the planning assumptions and the valuation parameters, consulting our valuation specialists on specific issues.
- We discussed and scrutinized the assumptions regarding electricity price developments in the individual countries, which were made on the basis of externally available market studies and internal industry experience, in joint meetings with management and the specialist department/operational management.
- Finally, we verified whether the disclosures on impairment testing in the notes were made in accordance with IAS 36.

Other information

Management is responsible for the other information. Other information includes all information in the annual report, with the exception of the consolidated financial statements, the group management report and the auditor's report. The annual report is expected to be made available to us after the date of this auditor's report.

Our audit opinion on the consolidated financial statements does not extend to this other information and we do not express any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read this other information when available and in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of management and the Audit Committee for the consolidated financial statements

Management is responsible for preparation of the consolidated financial statements and for ensuring that they give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in accordance with IFRS, as adopted by the EU, and the additional requirements of Section 245a UGB. In addition, management is responsible for such internal control as it determines necessary to enable the

preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, for disclosing, as applicable, matters relating to going concern, and for financial reporting based on the going concern basis of accounting, unless management intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 audit opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Generally Accepted Austrian Auditing Standards, which require the application of the ISAs, will always detect a material misstatement if it exists. Misstatements can 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 these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Generally Accepted Austrian Auditing Standards, which require the application of the ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

In addition:

- We identify and assess the risks of material misstatement of the consolidated 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 audit 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 the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems for the Group.

- We evaluate the appropriateness of accounting policies used by management and the reasonableness of accounting estimates made by management and related disclosures.

- We conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our audit 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 Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business transactions within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with the relevant professional requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, on actions taken to eliminate hazards or applied safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements for the fiscal year and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other statutory and other legal requirements

Report on the audit of the group management report

Under the provisions of Austrian commercial law, the group management report is required to be audited as to whether it is consistent with the consolidated financial statements and as to whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the group management report in accordance with the UGB.

We have conducted our audit in accordance with generally accepted principles for the audit of the group management report.

Opinion

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

Statement

In view of the knowledge gained during the audit of the consolidated financial statements and the understanding gained of the Group and its environment, no material misstatements were identified in the group management report.

Auditor responsible for the engagement

The auditor responsible for the audit is Stefan Uher.

Vienna, March 20, 2024

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Stefan Uher (personal signature)
Auditor

ppa Victoria Scherich (personal signature)
Auditor

Separate financial statements

WEB Windenergie AG income statement 01/01–12/31/2023

EUR		2023	2022
1.	**Revenue**	**76,561,437.88**	**59,181,244.46**
2.	**Other operating income**		
	a) Income from the disposal of fixed assets	*372,164.01*	*9,409.57*
	b) Income from the reversal of provisions	*194,904.01*	*339,721.54*
	c) Other	*145,565.73*	*557,273.39*
		712,633.75	906,404.50
3.	**Cost of materials and other purchased services**		
	a) Cost of materials	*–2,934,005.52*	*–18,422,466.18*
	b) Cost of purchased services	*–13,469,240.56*	*–10,952,628.90*
		–16,403,246.08	–29,375,095.08
4.	**Personnel expenses**		
	a) Wages	*–976,314.33*	*–885,447.86*
	b) Salaries	*–10,233,483.51*	*–8,939,507.42*
	c) Payments to employee benefit funds	*–157,669.35*	*–125,579.28*
	d) Post-employment benefit costs	*–1,389,558.84*	*–128,527.60*
	e) Expenses for statutory social security contributions as well as income-based charges and compulsory contributions	*–2,634,910.07*	*–2,324,855.62*
	f) Other social security expenses	*–201,332.70*	*–63,318.28*
		–15,593,268.80	–12,467,236.06
5.	**Amortization and write-downs of intangible fixed assets and property, plant and equipment**	**–7,223,862.44**	**–8,377,432.45**
		–7,223,862.44	–8,377,432.45
6.	**Other operating expenses**		
	a) Taxes other than taxes on income	*–148,689.24*	*–84,922.52*
	b) Other	*–8,348,099.55*	*–5,288,869.37*
		–8,496,788.79	–5,373,791.89
7.	**Subtotal of items 1 through 6 (operating result)**	**29,556,905.52**	**4,494,093.48**
	Brought forward:	**29,556,905.52**	**4,494,093.48**

EUR		2023	2022
8.	**Income of equity investments**	**5,481,110.26**	**11,017,493.58**
	of which of affiliated companies: EUR 4,163,610.26; previous year: EUR 10,365 k		
9.	**Income of other marketable securities and long-term lendings classified as long-term financial assets**	**845,078.73**	**348,656.09**
10.	**Other interests and similar income**	**6,423,828.19**	**2,159,709.66**
	of which of affiliated companies: EUR 5,966,870.90; previous year: EUR 1,118 k		
11.	**Income from the disposal of and the reversal of write-downs of long-term financial assets**	**0.00**	**6,671.25**
12.	**Expenses from long-term financial assets**	**0.00**	**–10,898.66**
	of which of affiliated companies: EUR 0.00; previous year: EUR 11 k		
13.	**Interest and similar expenses**	**–7,138,141.36**	**–4,873,099.25**
	of which of affiliated companies: EUR 2,855,540.55; previous year: EUR 542 k		
14.	**Subtotal of items 8 through 13 (financial result)**	**5,611,875.82**	**8,648,532.67**
15.	**Profit before tax**	**35,168,781.34**	**13,142,626.15**
16.	Taxes on income	–12,788,360.10	–3,833,027.70
	of which deferred taxes: EUR -2,484,777.52; previous year: EUR –2,994 k		
17.	**Profit after tax = Net income for the year**	**22,380,421.24**	**9,309,598.45**
18.	Retained profits brought forward from previous year	3,800,203.78	3,692,256.03
19.	**Net retained profits**	**26,180,625.02**	**13,001,854.48**

Separate financial statements

WEB Windenergie AG balance sheet as of 12/31/2023

Assets	12/31/2023	12/31/2022
EUR		
A. Fixed assets		
I. Intangible assets		
1. Concessions, industrial and similar rights and assets, and licenses in such rights and assets	1,345,634.04	1,016,631.67
	1,345,634.04	**1,016,631.67**
II. Property, plant and equipment		
1. Land, land rights and buildings, including buildings on third-party land	9,842,951.75	10,009,464.59
2. Technical equipment and machinery	31,727,002.75	36,652,929.64
3. Other equipment, operating and office equipment	4,884,446.19	3,658,679.47
4. Prepayments and plants under construction	5,571,623.64	7,290,113.36
	52,026,024.33	**57,611,187.06**
III. Financial assets		
1. Shares in affiliated companies	73,203,884.80	60,207,258.81
2. Long-term lendings to affiliated companies	19,434,444.30	16,963,889.91
3. Equity investments	1,152,075.39	1,152,075.39
4. Long-term securities (book-entry securities)	156,993.84	156,993.84
	93,947,398.33	**78,480,217.95**
	147,319,056.70	**137,108,036.68**
B. Current assets		
I. Inventories		
Raw materials, consumables, supplies and spare parts	5,225,564.29	5,606,774.38
	5,225,564.29	**5,606,774.38**
II. Receivables and other assets	**143,545,400.25**	**101,396,746.17**
of which due in more than one year: EUR 0.00; previous year: EUR 0 k		
III. Marketable securities classified as current assets		
Marketable securities classified as current assets	269,000.00	75,700.00
	269,000.00	**75,700.00**
IV. Cash in hand, bank balances	**17,136,174.98**	**11,072,311.21**
	166,176,139.52	**118,151,531.76**
C. Prepaid expenses	**1,032,665.68**	**600,966.97**
	314,527,861.90	**255,860,535.41**

Equity and liabilities	12/31/2023	12/31/2022
EUR		
A. Equity		
I. Subscribed, called and paid-in capital	31,729,830.00	31,729,830.00
	31,729,830.00	**31,729,830.00**
II. Capital reserves		
appropriated	45,933,241.55	45,933,241.55
	45,933,241.55	**45,933,241.55**
III. Retained earnings		
Other reserves (unappropriated reserves)	7,711,323.83	7,711,323.83
	7,711,323.83	**7,711,323.83**
IV. Net retained profits		
of which retained profits brought forward: EUR 3,800,203.78; previous year: EUR 3,692 k	**26,180,625.02**	**13,001,854.48**
	111,555,020.40	**98,376,249.86**
B. Special reserve for investment grants	**1,155,141.64**	**1,246,833.22**
C. Provisions		
1. Tax provisions	14,385,414.31	2,518,864.64
of which deferred tax provisions: EUR 4,118,520.70; previous year: EUR 1,645 k		
2. Other provisions	11,783,684.59	9,243,958.54
	26,169,098.90	**11,762,823.18**
D. Liabilities	**173,433,059.39**	**142,877,363.46**
of which due in less than one year: EUR 102,203,408.08; previous year: EUR 93,191 k		
of which due in more than one year: EUR 71,229,651.31; previous year: EUR 49,686 k		
of which taxes: EUR 198,192.61; previous year: EUR 147 k		
of which relating to social security: EUR 264,743.90; previous year: EUR 218 k		
E. Prepaid expenses	**2,215,541.57**	**1,597,265.69**
	314,527,861.90	**255,860,535.41**

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This annual report was prepared with the utmost care. However, the possibility of typesetting and typographical errors cannot be ruled out. Rounding differences may also occur in numerical data due to the use of computational aids.
This annual report also contains forward-looking estimates and statements. These were made on the basis of all the information currently available. We would like to point out that actual circumstances – and therefore actual results – may differ from the expectations presented in this report due to a variety of factors. In this regard, we also refer to the information on expected developments as well as risks and uncertainties in the group management report, starting on page 74.

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