BUSINESS REPORT 2024

2024

REPORT

CONSOLIDATED MANAGEMENT REPORT

FOR THE FINANCIAL YEAR 2024

CONTENTS

1 GENERAL ECONOMIC DEVELOPMENT

In the last financial year, 2024, the global economy grew only moderately. Economic output in the US has been expanding strongly, with growth expected to reach 2,6% in 2024. In the euro area, however, the economy has seen only modest growth. In 2024, growth is expected to be just 0,7%. Industrial activity in particular is turning out to be very weak. In Germany, GDP actually fell slightly during the year and German growth is expected to be flat for the year as a whole. The pace of expansion in China has also slowed. The country is now expected to grow by 4,8% in 2024. For the world economy, this translates into a growth rate of 3,0%.

In Austria, economic output declined by 0,4% in the second quarter of the year. This was due to the ongoing recession in industry, the decline in construction investment and the collapse in export demand. At the same time, consumer demand has not picked up despite rising real incomes. For 2024 as a whole, economic output is therefore expected to fall by 0,6%.

Forecasts predict that the global economy will grow by 3,1% in 2025. The US is expected to grow by 1,7% and China by 4,5%. In the euro area, the economy is expected to grow by 1,3% in the coming year, with only moderate growth of 0,8% forecast for Germany.

The domestic economy will grow by 0,8% in 2025, remaining below the EU average. Consumer sentiment is expected to pick up again, while the current high savings rate should remain at a high level in 2025 as well. As real interest rates fall, investment should also start to rise again. Construction investment will also stagnate in 2025, mainly due to unfavourable financing conditions.

Austria's high inflation rate came down significantly during the year and is expected to be below the European Central Bank's target on average for the year. The downward trend in energy prices is likely to continue, but fiscal stimulus is expected to end in early 2025, causing prices to rise.

The unemployment rate in Austria will also rise as a result of the economic downturn, reaching 7,0% in 2024. For the following year, a rate of 7,2% is expected. The increase is most pronounced in industry, the construction sector and trade.

2 ENERGY INDUSTRY ENVIRONMENT

After years of energy crises and geopolitical uncertainty, the years 2023 and 2024 were characterised by an easing of tensions, with prices stabilising at twice their pre-crisis level. The supply situation was secured by full natural gas storage facilities, and electricity production had a downward effect on prices thanks to good water supplies and the strong expansion of renewable energies. Further transit restrictions from 2025 have not led to massive uncertainty and rising market prices. Retail price levels are on a downward trend, but remain relatively high.

Power

After the upheaval on the European spot and forward markets more than two years ago, the period of stabilisation on the major power markets continued in calendar year 2024.
In the first few months of the year, the very mild winter, combined with a stable supply of renewable energy and consistently well-filled gas storage facilities, ensured a relaxed market environment, which was increasingly reflected in the forward curve. The very high growth rates and the associated oversupply, particularly in PV, led to further price declines in the spring and into the summer months. The impact of efficiency and cost-saving measures and the very strong expansion of photovoltaics (industrial and residential) have led to a significant reduction in demand. In addition, the increasing oversupply during sunny hours put a strain on the system as a whole.
Sentiment in the power forward market was largely dominated by escalating geopolitical conflicts, such as the war in Ukraine and the conflict between Israel and Iran, which led to intermittent price spikes (Cal 25 DE: the EUR 100/MWh mark) due to increased risk premiums (fears of shortages). In addition, the economic situation in Europe, particularly in Germany and Austria, has continued to cool in recent months. High energy, labour, refinancing and bureaucratic costs by international standards have significantly dampened the economic situation and thus the demand for power.
The average spot price for the year was EUR 79,57/MWh for the German-Luxembourg market area and slightly higher for the Austrian market area. The Cal 25 Base DE started the 2024 calendar year at EUR 91,50/MWh and traded at EUR 97,05/MWh shortly before the start of delivery. The AT-DE spread was EUR 4,68/MWh at the reporting date.

Gas, coal, crude oil and CO_2

The third consecutive exceptionally mild winter, with temperatures above the seasonal average, combined with continued weak economic performance, caused prices across the energy market, with the exception of crude oil, to fall by more than 40% in some cases within five to six months to the end of February (or March in the case of coal).
Similar developments took place in Asia, where a combination of falling domestic gas demand and continued high LNG contract deliveries (which are increasingly not tied to the place of delivery) led to market participants there over-contracting and having to find additional buyers for their surplus volumes. At the end of February, the resulting fall in prices led to some injections being made before the end of the withdrawal season at the end of March. In the US, the US Henry Hub Future briefly approached the 1995 low – in Europe, the TTF fell to its lowest level since May 2021.
As is usually the case after an exaggeration in one direction, the countermovement took the form of a short squeeze, forcing the accumulated bets on further price declines to be gradually unwound by buying. In addition to the favourable price level, the increase in the geopolitical risk premium ensured follow-up buying. The intensification of the Ukrainian attacks on the Russian-Baltic Sea export terminal of Ust-Luga, but also on the Russian refinery and crude oil infrastructure, the escalation of the war between Israel and Iran and its proxies Hamas, Hezbollah and the Houthis, and the increasingly obvious

geopolitical fragmentation of the world pushed up the overall valuation basis for gas, crude oil and distillates in the following months.
The course that Trump's re-election has set for the next decade in terms of energy, environmental, geopolitical and therefore also security policy (tariffs, sanctions, more extreme positions and appointments...) also guarantees volatility.
While European gas consumption in the first six months of this year fell by a further 3% compared to the decade low of the same period in 2023, the last three months saw the second highest gas withdrawals in more than a decade due to weak renewable energy production caused by the weather, especially in November. This, together with the suspension of Russian gas supplies to OMV, has once again highlighted Europe's current dependence on gas, leading to corresponding upward revisions in energy markets and downward revisions in expectations of how much gas and coal we will have in stock after next winter.
The EU storage target for 1 February 2025 has been raised from 45% to 50%, and the option of "more US LNG for fewer US sanctions as a substitute for Russian gas through Ukraine" (expiry of the Gazprom-Naftogaz supply contract on 31 December 2024) is becoming more prominent. The new US sanctions on Gazprombank and Russia's immediate workaround to allow payment for Russian gas supplies in currencies other than the rouble fit in well with this development.
The fundamental situation in the emissions market – historically low emissions from the power sector and subdued demand from industry – has not changed recently. Neither the COP29 summit, which was once again extended, with a minimal compromise that fell even further short of already downgraded expectations, nor the postponement of the compliance date from April to the autumn were able to help CO^2 gain any positive momentum of its own, independent of the primary markets.
Crude oil continues to be influenced by geopolitical uncertainties (price-supportive factor) and the still subdued economic outlook (demand-dampening factor and hopes for Asia in 2025). In the absence of a significant increase in demand, the question is what to do with the OPEC+ surplus volumes that are still being held back, as the increase in production outside the cartel alone covers the expected increase in consumption next year.

Heat

Over half of end energy consumption in Austria is used to generate heat. According to the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK), around 35 percent of the approximately four million primary households were still heated directly with natural gas or heating oil in 2023. Local and district heating systems supplied 30 percent of households, while 18 percent used wood heating systems. Heat pumps were installed in 11 percent of primary households and 6 percent used direct electric heating.
In the coming years, Austria will gradually move away from fossil fuel heating systems, replacing these with more environmentally friendly alternatives, including connection to local and district heating networks, the use of heat pumps and biomass heating systems such as pellet, wood chip and log wood heating systems. Experts agree that district heating in particular will play a key role in having climate-neutral buildings and managing the urban heating transition.
Politicians, experts and other stakeholders emphasize the central role of district heating, in addition to improved energy efficiency and the use of renewable energies. The expansion of district heating networks and – most importantly – the decarbonisation of district heating generation are essential. This requires considerable investment in technical equipment and clear political decisions.
There are subsidies for households, municipalities and businesses to help them get there. One example that has been successful for years is the *Raus aus Öl and Gas* ("Get out of oil and gas") campaign. Statutory regulations as well as measures and subsidies from the federal states also make a significant contribution to the energy transition.
After reaching historic highs in 2022, energy prices have fallen back again somewhat, but remain well above pre-crisis levels, particularly for natural gas. The fall in energy prices has only had a limited

impact on household prices for district heating. The Austrian energy index “CPI2020 4.5.5 Thermal energy” averaged 101.2 in 2021, rising to 211 in the first half of 2023 and reaching a value of around 175 in fall 2024.
At the end of August this year, the Federal Competition Authority (BWB) launched a sector inquiry into the district heating market in Austria. This investigation was prompted by increasing complaints about the district heating market and the BWB’s perception that district heating suppliers occupy a special market position. In BWB’s view, connected customers have only limited or no alternatives.
BWB’s investigation will primarily analyse the district heating markets and grid areas in which the major provincial energy suppliers such as Wien Energie, Energie Steiermark, KELAG, Salzburg AG, Energie AG and EVN operate. The study will not only look at structural aspects such as supplier concentration, barriers to entry and cost structures, but also carry out detailed analyses of market results such as sales prices, revenues and procurement costs. A closer look should also be taken at the terms and conditions and practices that could potentially have a negative impact on consumers.

Grids
The energy industry environment and the resulting effects relevant to the energy grids continued to be characterised by the integration of photovoltaic systems in the reporting year.
The Group-wide preventive energy crisis management team, which was set up in 2022, remained active with regard to potential energy shortages in gas and electricity. In detail, the gas supply situation has eased considerably due to the successful storage build-up (over 90 TWh in mid-November, equivalent to one year's gas consumption in Austria) and the now established new supply routes (in particular LNG) together with a general decline in consumption across Europe. The risk of an electricity shortage has also eased considerably.
The legislative area in the energy industry environment was characterised by its involvement in the planned comprehensive successor regulation to the Electricity Industry and Organisation Act (ElWOG). It still has not been possible, however, for the resolution to be passed by the National Assembly due to the inability to achieve a constitutionally-required majority. A comprehensive amendment is therefore not expected until a new federal government has been constituted in 2025.
The final report pertaining to the Federal Court of Audit’s audit of “Smart meters” has been published by the Federal Court of Audit. This mainly contains recommendations to the responsible federal ministries and ECA as regards the lack of coordination.
The Provincial Court of Audit’s mandate to audit Energie Steiermark AG, which was also extended to include Energienetze Steiermark GmbH, was concluded with a positive result for Energienetze Steiermark GmbH.
The feed-in of electrical energy generally incurs costs due to expansion measures required so as to provide the necessary grid capacities to absorb the electricity fed in. Such measures include investments in grid expansion, the reinforcement of existing grid structures and measures to ensure grid stability. Depending on the scope of the measures, the expenses incurred are distributed across one or more grid levels. The recent Supreme Court ruling in 1 Ob 85/24t clarified that charging grid access fees to decentralised suppliers for (pro rata) compensation of these expenses is generally not permitted unless direct measures are required at the existing grid connection point. This means that the grid access fees charged since the EAG package came into force in 2021 will be refunded to the affected decentralised suppliers.
With the 2024 SNE-VO amendment (Ordinance on Use of System Charges) and the 2024 GSNE-VO amendment (Ordinance on Use of Gas System Charges), the system usage fees and the compensation payments for the electricity and gas network of the Energienetze Steiermark GmbH were newly set for 2024. In accordance with EIWOG 2010 and GWG 2011, the Management Board of Energie-Control Austria (ECA) initially specified the cost basis, the objectives and the quantity structure in its notification. The system usage fees and the compensation payments are then subsequently determined by E-Control’s regulatory commission. The recognised cost basis and the quantity structure of all grid operators (in

the electricity grid segment with an annual sales volume of more than 50 GWh) are taken into account to set the grid usage and grid loss charges for the Styrian grid.

3 ECONOMIC DEVELOPMENT OF THE GROUP

Selected P&L, balance sheet and cash flow positions develop as follows in the 2024 financial year:

in MEUR	Jahressicht		Abweichung	
	2024	2023	absolut	%
Umsatzerlöse	2.191,9	2.786,9	-594,9	-21%
Materialaufwand	-1.613,8	-2.225,1	611,3	27%
Operatives Ergebnis (EBIT)	113,6	150,4	-36,7	-24%
Ergebnis vor Ertragssteuern	209,7	198,5	11,2	6%
Ergebnis nach Ertragssteuern	192,5	160,8	31,7	20%
Eigenkapital	1.901,2	1.628,1	273,0	17%
Bilanzsumme	4.461,6	4.435,5	26,1	1%
Netto-Geldfluss aus laufender Geschäftstätigkeit	310,9	-154,1	465,0	302%
Netto-Geldfluss aus der Investitionstätigkeit	-128,4	-114,9	-13,5	-12%
Netto-Geldfluss aus der Finanzierungstätigkeit	-114,1	291,3	-405,4	-139%
Investitionen in Sachanlagen	281,5	221,3	60,2	27%

in EUR millions	Full year		Deviation	
	2024	2023	absolute	%
Sales revenues	2.191,9	2,786.9	-594.9	-21%
Cost of materials	-1.613,8	-2,225.1	611.3	27%
Operating result (EBIT)	113.6	150.4	-36.7	-24%
Result before income taxes	209.7	198.5	11.2	6%
Result after income taxes	192.5	160.8	31.7	20%
Equity	1,901.2	1,628.1	273.0	17%
Balance sheet total	4,461.6	4,435.5	26.1	1%
Net cash flow from ongoing operating activities	310.9	-154.1	465.0	302%
Net cash flow resulting from investment activities	-128.4	-114.9	-13.5	-12%
Net cash flow resulting from financing activities	-114.1	291.3	-405.4	-139%
Investments in property, plant and equipment	281.5	221.3	60.2	27%

In the 2024 financial year, the operating result (EBIT) was € 113.6 million, which is an increase of € 36.7 million in comparison with the previous year.

Sales revenue includes both revenue from the energy business and revenue from the grid segment. The year-on-year reduction in both sales revenue and the cost of materials is due in particular to lower prices on the wholesale market. The cost of materials tended to fall more sharply compared to the previous year, resulting in an increase in the gross profit margin of € 16.4 million.

In addition to sales revenues, changes in inventories, own work capitalised and other operating income also contributed to operating performance. Own work capitalised including changes in inventory amounted to € 43.5 million in 2024 and was € 6.8 million above the level of the previous year. Other operating income amounted to € 21.4 million.

Personnel expenses in 2024 were up € 19.5 million over the previous year, mainly due to rises in the collectively agreed salaries and the higher number of employees.

Higher investments, especially in the grid segment and generation facilities, lead to higher depreciation.

At € 147.5 million, other operating expenses were € 16.8 million higher than the previous year's figure, mainly due to higher commissions for customer acquisitions and external services, for example for maintenance and servicing.

In 2024, income from shares held in associated companies mainly comprised the result of Energie Graz GmbH. Other income from shareholdings primarily includes the dividend from VERBUND Hydro Power GmbH.

Overall, after taking into account the higher financial result, as a result of higher interest rates on financial liabilities, and taxes, the consolidated net profit for 2024 amounted to EUR 192.5 million. Majority shareholders account for a result of € 191.1 million (previous year: € 157.4 million).

In 2024, investments in property, plant and equipment totalling € 281.5 million were made. Investments in the energy grids and in renewable energies here are essential.

The following key figures were calculated for the 2024 financial year:

	Full year	
	2024	**2023**
EBITDA (EBIT + depreciation and amortisation) in € million	256.5	281.5
EBIT margin (EBIT/sales revenues)	5.2%	5.4%
Return on equity (taxed results/ø equity))	10.9%	7.5%
Capitalisation ratio (property, plant and equipment/balance sheet total)	43.7%	40.7%
Equity ratio (equity/total capital)	42.6%	36.7%

4 NON-FINANCIAL PERFORMANCE INDICATORS

Energy report

in GWh	Full year		Deviation	
	2024	**2023**	**absolute**	**%**
Sales				
Electrical energy				
Electricity sales on the customer market	**7,957**	7,750	208	3%
Portfolio and compensation energy sales	**218**	3,646	-3,428	-94%
Trading	**1,665**	1,211	454	37%
Total sales	**9,841**	12,607	-2,766	-22%
Gas energy				
Gas sales on the customer market	**4,015**	3,568	447	13%
Portfolio and compensation energy sales	**2,691**	3,419	-728	-21%
Trading	**11**	451	-440	-98%
Total sales	**6,717**	7,437	-721	-10%
Grids				
Electricity grid	**7,622**	7,639	-17	0%
Gas network	**11,905**	10,737	1,168	11%
Heat				
Domestic heat sales	**1,305**	1,329	-24	-2%
Foreign heat sales	**516**	522	-6	-1%
Total sales	**1,820**	1,851	-31	-2%
Generation				
Electricity generation (including abroad)	**380**	326	54	17%

Electricity sales on the customer market increased compared to the previous year, with the additional demand being primarily due to the investments in France and higher sales in the industrial customers and secondary distributors segment. The business customer segment saw a decline in electrical energy in 2024.

Sales in the gas energy segment on the customer market are growing compared to the previous year due to customer gains in the industrial customer segment as well as customer gains in the secondary distributors supplied. Finally, demand in the private customer and small business segment increased due to the weather in the last quarter.

Both portfolio and trading volumes are driven by market price volatility and can vary widely each year.

Sales in the electricity grid are at the previous year’s level. The higher sales in the gas grid are mainly due to the higher volume in grid level 2.

The somewhat lower level of heat sales results from different weather conditions compared to 2023.

The higher electricity generation over the year stems from hydropower, in particular the Gratkorn power plant, as well as from the higher water supply.

- **Sales**

We continue to face a competitive and volatile market environment. The sharp increase in the expansion of renewable energy generation plants is leading to strong intraday volatility and changes in our customers' load profiles due to in-house generation. We are countering this with improvements in load forecasting and new tariff models. In future, however, it will be necessary to adapt the market rules in the energy industry to take account of these changes. The end of the "electricity price brake" and the passing on of fees and charges as well as rising grid fees will lead to higher overall electricity costs for end customers.
The new business models (mobility, smart tariffs, decarbonisation of the heating sector) need a lot of management attention to get off the ground, and stakeholder expectations and public pressure to be innovative and customer-friendly remain high. The development to ensure an improved, seamless and holistic shopping and service experience for our customers was also further promoted this year with additional initiatives towards omnichannel.
The business performance was largely determined by the volatile wholesale prices for electricity, gas and certificates, green power surcharges and energy efficiency measures, as well as by weather conditions. The price of electricity and gas is influenced here by demand, decentralised generation and the development of global fuel/CO_2 markets.
Another important component of a satisfactory business model is optimised customer management – key words data analysis and customer experience – the ability to retain customers and lose as few as possible to ensure a solid business base. The ability of our organisation to have the skills required to meet the challenges of the future, as well as the attractiveness of our company to attract a suitable mix of young talents and experienced professionals will also be a key competitive advantage.

- **Grids**

Energienetze Steiermark GmbH is an independent electricity grid and gas grid operator within the meaning of Section 42 (3) of the Electricity Industry and Organisation Act 2010 as amended (ElWOG) and Section 106 (1) of the of the Gas Industry Ac 2011 as amended (GWG). Energienetze Steiermark GmbH operates its own electricity and gas transmission grids to distribute electricity and natural gas. The electricity grid covers a length of around 32,000 km in the high, medium and low voltage areas, while the natural gas grid covers around 4,200 km in the high and low pressure areas.
The revision of the electricity grid fees for consumers (grid usage and grid losses) resulted in an average change of +11.8 percent in the electricity grid fees for Energienetze Steiermark GmbH for 2024, with the grid usage fees increasing by an average of +5.7 percent and the grid loss fees increasing by an average of +105 percent compared to 2023. For decentralised suppliers, the grid usage fee for 2024 is reduced by an average of -22 percent (differentiation of the grid loss fee between consumers and decentralised suppliers). The change in the grid loss cost rate results in particular from the expiry of the subsidy to cover the procurement costs of grid loss energy by the federal government at the end of December 2023.
The redetermination of the gas system usage fees for Energienetze Steiermark GmbH as of 1 January 2024 shows an average reduction of -14.4 percent, with an average reduction of -13.7 percent in grid level 2 and -14.8 percent in grid level 3.
In the electricity grid segment, grid sales volumes supplied from the electricity transmission grid amounted to 7,652 GWh in 2024, which is -9 GWh lower than the value of the previous year. This corresponds to a decrease of approximately -0.1 percent. The maximum grid load for 2024 was registered at 1,479 MW on 6 December 2024 and was thus -1.0 percent below the peak of 2023.
In the gas segment, the distributed natural gas volume for downstream grid operators and end customers amounted to 12,823.5 GWh in the year under review. This was an increase of approximately around 1,173 GWh or approx. +10 percent over the previous year.

The general operating and disruption situation in the supply area of Energienetze Steiermark was affected by four extreme weather events (“regional exceptional events”) in the 2024 reporting year, with gale-force winds at Präbichl (Hirscheggsattel) leading to a 110 kV lattice mast breaking and subsequently to a 110 kV line outage. However, this line failure did not lead to any immediate supply interruptions due to sufficient redundancy in the 110 kV grid. The general incidence of disruptions in the supply area of Energienetze Steiermark in the observation period 2024 was otherwise slightly above the average for the last few years.

- **Heating (excluding abroad)**

Overall, the weather in 2024 was warmer than the average of the last five years, especially from the beginning of February to the end of April. This shorter comparison period of five years reflects the current climatic conditions, which influence the actual demand for heating, much better. Climatic conditions have changed significantly in recent years, meaning that long-term averages would be outdated and would no longer adequately capture current trends.
In 2024, district heating generation amounted to 1,335 GWh. Around 50.7 percent of district heating was in the form of high-efficiency co-generation heat, industrial waste heat, and heat from renewable sources. In the regions outside the greater Graz area (city of Graz and southern surrounding municipalities), a value of 79.1 percent has been achieved.
In the grids of Energie Steiermark Wärme GmbH, district heating sales are also expected to increase in the coming years as a result of grid densification and new conditions. The ongoing “Get out of oil & gas” campaign, the generally positive image of district heating and slightly lower prices are helping to promote district heating.

- **Generation**

Energie Steiermark Green Power GmbH, the sustainable energy generation subsidiary of Energie Steiermark AG, is the Group’s internal centre of excellence for the topic of “construction”. The company plans, builds and operates its own hydropower plants, wind farms, photovoltaic systems and hydrogen production plants. In addition, the full scope of construction projects in building and line construction in the medium and low-voltage level as well as in the low-pressure gas grid in the entire supply area of Energienetze Steiermark GmbH is carried out, as well as the construction of grid connections, house connection lines and transformer stations for customers. Technical services are also provided for electrical systems.

Abroad

Energie Steiermark AG has shareholdings in Slovakia (STEFE SK Group), the Czech Republic (Jihlavske Kotelny s.r.o.), Slovenia (Adriaplin d.o.o.), Germany (E1 Energiemanagement GmbH) and France (la bellenergie SAS and LBE Business SaS), with the foreign countries being managed as a separate business field for the purpose of dedicated market development.
On the foreign markets relevant to Energie Steiermark AG, a plus of 2.2 percent is forecast in Slovakia and 0.1 percent in the Czech Republic for the 2024 financial year. Expected growth in Slovenia is 1.4 percent. A slight decrease of 0.1 percent is expected in Germany and an increase of 1.1 percent in France.

Sustainability

Sustainability is fused with Energie Steiermark's core values, a fact reflected, among other things, in the company's regular sustainability reports and also in the work of the Sustainability Advisory Board, a key group composed of well-known stakeholders. Energie Steiermark's key strategic goal is to achieve climate neutrality by 2040 at the latest (earlier in some areas). Both the company's sustainability strategy and the climate neutrality roadmap are intended to ensure that the target is achieved on time. A holistic programme of measures comprising around 100 strategic/operational action initiatives was drawn up on the basis of the sustainability strategy. Detailed descriptions of measures and activities with specific milestones and deadlines for implementation were drawn up for 55 high-priority sustainability measures. The sustainability strategy covers all domestic, fully consolidated Group companies, relates to the period under review up to 2030 and was drawn up in coordination with the Group strategy. The sustainability report for the 2022/2023 financial years published in the 2024 Group Annual Report was prepared for the last time in the established manner in accordance with the GRI (Global Reporting Initiative) standard and builds on the results of the 'double materiality' approach. "Double materiality" is the foundation of future mandatory sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD), as the results justify the ESG topics reported on in the sustainability report. The "double materiality analysis" approach required for this was implemented in accordance with the European Sustainability Reporting Standards (ESRS). As part of the "double materiality analysis", the positive and negative effects, risks and opportunities of Group-wide business activities along the entire value chain were assessed. With the involvement of the main internal and external stakeholder groups (e.g. Sustainability Advisory Board, suppliers, customers, employees, banks, regulatory authority, management board), those sustainability topics were identified that are material for Energie Steiermark from an environmental, social or governance-related sustainability perspective and therefore subject to reporting.

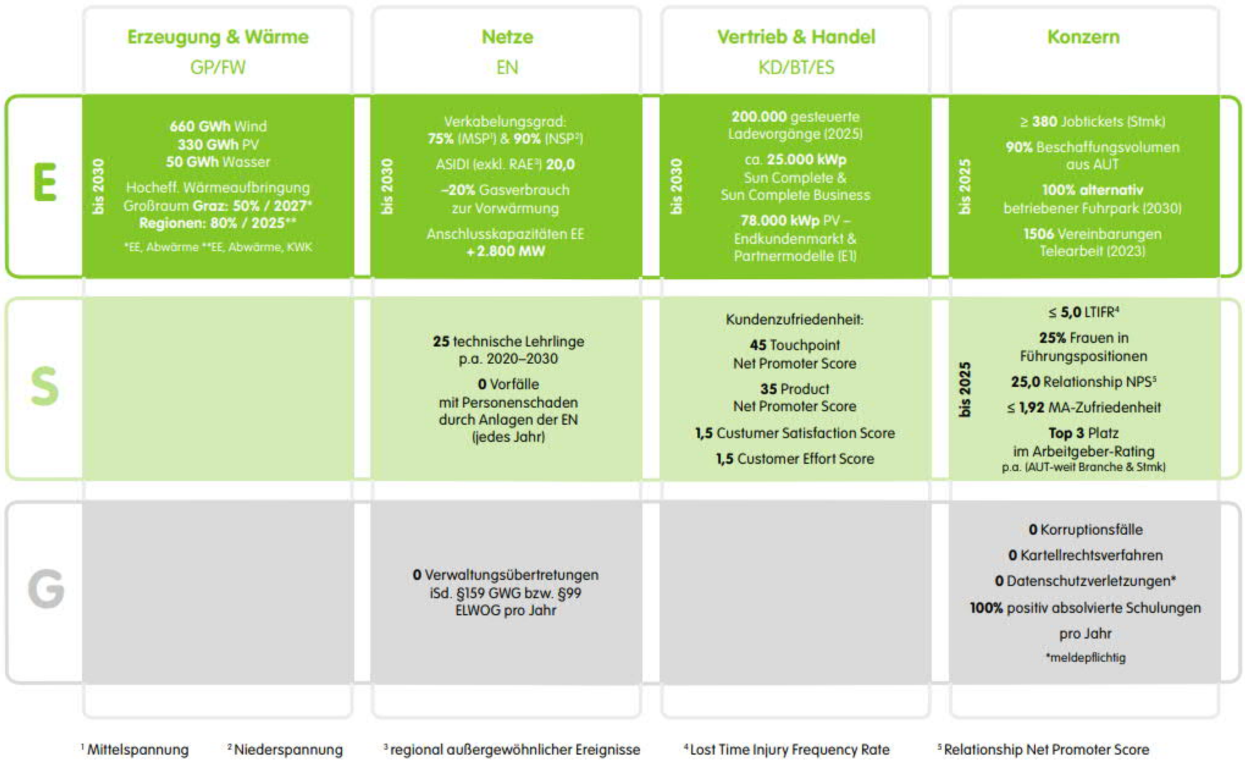


Fig.: Key sustainability targets of Energie Steiermark

	Generation and heating

	GP/FW
	until 2030 660 GWh wind 330 GWh PV 50 GWh water Highly efficient heat generation Greater Graz area: 50% / 2027* Regions: 80% / 2025** *RE, waste heat **RE, waste heat, CHP
	Grids **EN**
	until 2030 Cabling density: 75% (MSP) & 90% (NSP[2]) ASIDI (excl. RAE[3]) 20.0 -20% Gas consumption for preheating Connection capacities RE +2,800 MW
	25 technical apprentices p.a. 2020-2030 0 Incidents involving personal injury caused by EN equipment (every year)
	0 Administrative offences within the meaning of Section 159 GWG or Section 99 ElWOG per year
	Distribution and trading **KD/BT/ES**
	until 2030 200,000 managed charges (2025) approx. 25,000 kWp Sun Complete & Sun Complete Business 78,000 kWp PV – end customer market & partner models (E1)
	Customer satisfaction: 45 touchpoint net promoter score 35 product net promoter score 1.5 Customer satisfaction score 1.5 Customer effort score
	Group
	until 2025 ≥ 380 job tickets (Styria) 90% procurement volume from AUT 100% alternatively powered fleet (2030) 1,506 teleworking arrangements (2023)
	until 2025 ≥ LTIFR[4]

	25% Women in management positions 25.0 Relationship NPS[5] ≤ 1.92 employee satisfaction Top 3 place in the employer rating p.a. (AUT-wide industry & Styria)
	0 Corruption cases 0 Antitrust proceedings 0 Privacy violations* 100% Training courses completed positively per year *notifiable
	Medium voltage Low voltage Regionally exceptional events Lost time injury frequency rate Relationship net promoter score

A sustainability report in accordance with GRI was and will no longer be prepared for the 2024 financial year, as the aforementioned provisions of the Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS) and the EU Taxonomy Regulation will be mandatory for the Energie Steiermark Group's domestic and foreign fully consolidated companies from the 2025 financial year.

Energie Steiermark plans to take advantage of the exemption from preparing sustainability reports at the individual company level and to report on its environmental, social and governance-related sustainability performance at the consolidated level in the 2025 Consolidated Management Report. In this context, there are plans to do a dry run in accordance with the new sustainability reporting regulations for the 2024 financial year.

In order to enable a structured, standardised and audit-proof implementation of sustainability reporting in the integrated 2025 Consolidated Management Report, the corresponding preparations were developed in the 2024 Sustainability Programme. These relate in particular to the establishment of processes for combining financial and non-financial reporting, the development of Group-wide ESG data management and the integration of ESG aspects into risk management and the supply chain / guidelines / ICS / organisational structure. 2024 was therefore characterised by the analysis of process gaps, data gaps and strategic gaps in the ESG area and the implementation of measures to close these gaps.

In the area of the EU Taxonomy Regulation, following the classification of electricity generation and transmission activities, economic activities in the area of heat generation and distribution were identified and an examination of the relevant detailed criteria began. In addition, the pilot project initiated in the previous year for the automated, system-based collection of the key figures to be reported was continued and rolled out to all fully consolidated Group companies.

Employees

Human Resources Management

Digital transformation, demographic conditions, climate change and social and global changes such as the pandemic, war in Europe and the associated intense dynamics in the energy industry are having a fundamental impact on working and professional life and HR policy. In such turbulent times affected by massive upheaval, it is important to have an HR strategy that is both flexible and long-term oriented. The focus here is on supporting the leading green company in Styria and securing an attractive and stable employer position in the federal state.
The implementation, further development and reorientation of strategic business processes requires all organisational units to have the courage to make room for new perspectives and ways of thinking, to think outside the box and to embrace new and innovative approaches. In the energy policy triangle of sustainability, competitiveness and security of supply, priorities in personnel management must be continuously adapted or redefined.
The employees of Energie Steiermark are the central factor in the success of the company and form the basis of sustainable corporate success. Aware of their great strategic importance, we act toward them as a responsible, fair and attractive employer. Promoting diversity and equal opportunities, pushing training and development, and offering a diverse and lucrative range of tasks in a modern working environment stand for our claim as one of the largest and most crisis-proof employers in the country.
Since the beginning of the pandemic, our employees have been expected to show a high degree of flexibility, understanding and loyalty. Respect, appreciation and fairness are the pillars of a good working atmosphere and cooperation in order to shape the new challenges of the country's energy future in exciting fields of activity and innovative projects, even in difficult times.
The professional cooperation of managers at all levels is the fundamental prerequisite for achieving the ambitious strategic goals. All employees are called upon to play an active role, to help shape change and to tread new paths together with the company. This approach enables the Group to grow steadily and healthily despite ongoing changes and new challenges.
As an employer, we also motivate our employees by offering a range of voluntary benefits in addition to performance-based, attractive remuneration. Fundamental principles, such as equal treatment and equal opportunities, work-life balance, flexible working time models, high standards of health care, occupational health and safety, diversity and inclusion management, are actively practised.
Employee satisfaction is an important aspect of the company’s strategy. A comprehensive employee survey throughout the entire Group is carried out at regular intervals with the aim of establishing the level of satisfaction with the status quo among employees. It also offers them room to make suggestions or indicate any changes they would like to see.

The coronavirus pandemic has provided valuable experience for future challenges in many respects and has led to a general upheaval in the world of work. With the aim of not just reacting, but acting, and subsequently creating new working models and new organisational structures adapted to the situation, the crisis became an opportunity to create new framework conditions within the company, optimise work processes and create greater employee satisfaction and a competitive advantage over the competition in the long term.

Personal responsibility and innovative, team-oriented working methods combined with working from home have proven their worth in the face of special challenges and demonstrated the resilience of the overall system. In addition to the digitalisation of working practices, new requirements have emerged, particularly in terms of networking, communication, self-organisation and employee resilience.

Individual Framework Conditions
Another key area of concern for Energie Steiermark is ensuring a good balance between work and family life. Energie Steiermark provides its employees with numerous instruments and opportunities to keep professional and private interests in balance. In this way, special needs of individual employees can also be taken into account and significant advantages can be gained on both sides.

Individual and highly flexible flexitime and part-time models, offered alongside statutory regulations in line with requirements, make it easier for young parents in particular to start their careers soon. This maintains a close connection to the company and allows them to actively experience the ongoing digital and organisational changes in the individual areas.
A full-day company childcare service in the form of a crèche or kindergarten completes the offer for employees. The option of using decentralised workplaces close to home also continues to be utilised – in addition to working from home.
A competitive working environment also includes attractive remuneration and additional benefits. The remuneration of our employees is job-related, performance-oriented and is based on the respective job, experience and qualifications, regardless of gender and origin.
Ideas management, which has been established in the company for years, also promotes the creativity and ideas potential of employees with lucrative bonuses and supports participation in suggestions for improvement, innovative input and efficiency improvement measures in all areas of the company.
The company pension scheme in the form of a pension fund is another important component of employee retirement planning as part of the overall remuneration and also contributes to the loyalty to the company.

High transparency of internal information
Management attaches great importance to continuous transparency with regard to all current issues and changes within the company. Regular information and corresponding video messages are provided to ensure that all employees are informed promptly and comprehensively.

Dynamic labour market

Employer branding and recruiting

The demographic trend with a large number of retirements and an increasing need for skilled workers for the energy transition in the company are creating a shortage of available people on the labour market. This must be seen in combination with very strong predatory competition on the labour market, in which, for example, higher qualifications, wage costs, flexibility or productivity make certain groups of workers appear more attractive. It is also important to mention technological change so as to have a complete picture of labour market dynamics: New technologies, especially artificial intelligence and automation, are changing the way work is done and the skills that are required.

In a constantly changing world of work, job security has once again become one of the most decisive factors when choosing an employer.

In this environment, employer branding, positioning as an employer and communication with applicants and employees are of great importance. Key factors include corporate culture, remuneration and benefits, career and training opportunities, working environment, social responsibility, company reputation, employee satisfaction and leadership. These factors are taken into account as part of a holistic strategy and are essential to be positioned as a top employer on the labour market.

Potential applicants go for the combination of a new job or task and the key factors listed above, which are more important than in the past and are also presented more transparently. Recruiting processes are more complex in the current labour market than in the past. The decision-making process is characterised by a substantial need for information and negotiation, and the length of time required for a candidate to decide is more. Communication and recruiting are becoming more specialist activities. Network and recommendation communication, particularly in the direction of educational and development institutions, is becoming increasingly important.

In the awareness strategy as an employer, media and channels are strategically used, relevant recruiting events and development institutions are visited together with the specialist departments and cooperation agreements are made based on the positioning as described above. The installation of operational recruiting directly in the companies has increased efficiency and effectiveness in terms of the necessary proximity to the candidates.

Energie Steiermark’s recruiting process is digitalised from the initial job application to the start of employment. The technology offers simplicity in establishing contact. The aforementioned needs of the applicants are subsequently taken into account and the focus is placed on communication quality and individuality – from the invitation, getting to know each other through to acceptance or rejection. Gender and diversity management are taken into account in the recruitment process.

Authenticity in recruiting is required and crucial to building trust. In these times, excellent employer attractiveness for both potential and existing employees is considered a decisive competitive advantage in order to secure the long-term demand for qualified employees despite increased challenges on the labour market.

Employee experience

HR, skills and corporate culture development

In addition to a strong positioning on the labour market and strategic partnerships for different target groups, comprehensive development opportunities, individual training opportunities and an open corporate culture are key success factors for creating loyalty and a sense of belonging to the company. The main areas of responsibility for strategic HR development include systematic retention management, diversity and corporate culture, training and skills development. Effective HR development is directly linked to positive experiences in everyday working life and the corporate culture in order to strengthen the commitment and identification of employees in the long term.

With a focus on the sustainability goals (SDGs) such as high-quality education, health and well-being, gender equality and less injustice, a holistic range of training and further education courses is being created, ranging from subject-specific training, training courses and work methodology to targeted

seminars to strengthen personal and social skills and comprehensive junior and management programmes.
Dealing with complexity, flexibility, agility, goal orientation and positive leadership are essential skills for mastering these challenges and successfully breaking new ground. Self-directed learning, collaborative working and diversity are key and evolving success factors.
Systematic talent and generation management is a key success factor in securing the Group's key strategic business positions over the long term. On the one hand, this involves maintaining and further developing the necessary skills and abilities within the Group and, on the other, recognising the professional and personal development potential of skills and systematically building them up. Target group-specific qualification programmes, accompanied mentoring, and individual development plans are intended to help prepare for successful, skills-based internal succession planning.
In the area of gender and diversity management, the initiatives already established for promoting women in the Group were continued. With the implementation of the Gender Equality Plan, the measures developed to achieve these strategic objectives were bundled, appropriate monitoring was anchored and thus another important milestone towards equal opportunities was set.
A scientifically based potential analysis procedure, which is based on self-assessment, is used in recruitment as well as in team development. The goal is to create awareness of personal strengths, behaviours and values, as well as of one's own needs and motivators in professional situations, and thus to promote the strength-oriented development of employees and managers.
The employee interview as a central development tool accompanies employees and managers on the basis of the values and competence model. Every development measure agreed between managers and employees is intended to contribute to the successful implementation of the corporate strategy.

Focus on Young People
The current increasing shortage of skilled workers requires long-term strategic personnel planning and safeguarding. State-of-the-art apprenticeship training in a wide range of professions is becoming increasingly important and is being further promoted and constantly developed. Fresh commitment is brought into the company with the targeted recruitment of employees adjusted to the needs and expectations of "new" generations, and resulting in a profitable mixture with the existing know-how.
33 apprentices in 6 professions started at Energie Steiermark at the beginning of 2024. We are therefore continuing to focus on replacing retirees and filling new innovative positions with young professionals from our own apprenticeship program.
Training takes place in the first part of the apprenticeship in the e-campus area. Using state-of-the-art infrastructure, the basics of the respective job profile are taught by competent instructors. The individual requirements of management and specialist departments are addressed decentrally in the second part of the apprenticeship, the focus being on high-quality training for the challenges of an energy supplier and support for personal development.

In 2024, the following occupational profiles were trained in the apprenticeship programme:

- Office clerk
- Electrical and building technician
- Plant and operations technician
- Installation and building technician
- Dual occupation plant and operation technician, construction draftsperson
- Company logistics clerk

As at 31 December 2024, a total of 136 apprentices and young professionals were employed by the company.

When looking for suitable young people for apprenticeships, it is important to position the company as an interesting and high-quality training company and employer among the target group and legal guardians. Direct contact with schools is constantly being intensified. School visits by Energie Steiermark colleagues and company visits for school classes are intended to provide insights into working life and facilitate or support decision-making. Increased use of resources in target group-oriented recruiting should positively support the application process for apprenticeships in the future.
The opportunity to offer taster days to potential applicants is constantly being expanded to enable them to get to know the company and the tasks involved in the job. Cooperation with the training centre for vocational orientation teachers is also planned.
Training deficits after the end of compulsory schooling are compensated for by additional measures in the course of basic training in the first year of apprenticeship. Mathematics, German and English courses are currently also offered. The digital skills of young colleagues are promoted through hardware and software training in collaboration with the IT department.
By using the “teleworking agreement” in apprenticeship training, we offer an attractive opportunity to use digital communication from home for individual teaching units.
In order to promote apprenticeships as a suitable entry into the world of work, Energie Steiermark has been a member of the “Zukunft Lehre Österreich” association since 2022. A platform for apprenticeship issues within the industry is also being set up in a subgroup of the Austrian Energy Personnel Committee.
Integrating and promoting young employees are concerns of Energie Steiermark which go far beyond the training of the apprentices. Every year trainees from universities, technical colleges and secondary schools have the opportunity to familiarise themselves with a job in Energie Steiermark, enabling them to gain their first practical experience for their future everyday working life.

Health and safety of employees
Energie Steiermark considers it a top priority to ensure the safety and health of its employees. This responsibility includes the promotion and protection of physical and mental health, occupational safety and accident prevention, prevention and the promotion of personal responsibility in all areas of the company.
The digital health and safety management system introduced in the Group in 2022 was successfully continued, enabling Energie Steiermark to provide safe and healthy workplaces, to prevent work-related injuries and illnesses, and to continuously and sustainably improve the safety performance and the mental and physical health performance of its employees. The digital implementation of clearly defined processes and standardised internal procedures enables the rapid implementation of legal and internal requirements. Internal audits, regular inspections and evaluation by top management serve as a control system and performance evaluation with regard to the up-to-dateness, effectiveness, appropriateness and further development of this tool.
In-house preventative health care goes far beyond the measures required by law and thus sensitises employees to greater health awareness through targeted preventative measures. Supported by occupational physicians, occupational psychologists and safety specialists, there are numerous points of contact regularly available for employees.

In order to prevent and reduce the number of accidents at work, compliance with all legal and internal requirements is constantly monitored and, if necessary, adjusted accordingly. Any occupational accidents are recorded centrally, documented fully, analysed and subsequently evaluated, This has resulted in measures to prevent hazards and accidents, such as additional instructions, training or courses in person, but also virtually via e-learning modules, throughout the entire Group.

Renewable Energy

Energie Steiermark Green Power GmbH is consequently oriented on the new needs of the market and positions itself as a modern service company. In generation, Energie Steiermark Green Power GmbH continues to focus on renewable energy from water, wind and sun, and on hydrogen. In addition, efforts to implement energy storage projects were stepped up in the financial year and the first pilot projects were launched to develop business models.

Hydropower

Energie Steiermark Green Power GmbH's own generation in the hydropower segment currently results from the co-ownership shares in the Gössendorf and Kalsdorf power plants as well as from the electricity procurement rights to the Mur power plant in Graz and several small hydropower plants. The commissioning of the Gratkorn power plant, which had been under construction since 2021, in the first half of 2024 further strengthened in-house generation from hydropower. Energie Steiermark Green Power GmbH is also intensively pursuing the Leoben Ost project as well as other small and medium-sized hydropower plant projects in Styria.

Wind Power

With the Handalm, Freiländeralm 1-4 and Plankogel wind farms, Energie Steiermark Green Power GmbH currently also has significant generation capacities in the wind power segment.
Following the successful completion of the environmental impact assessment for the Freiländeralm II wind farm in the 2023 financial year and the conclusion of a wind turbine supply agreement, the final decision to proceed with construction was made by the Supervisory Board of Energie Steiermark AG in the first half of 2024. The construction work that immediately followed is proceeding according to plan. The first set of wind turbines will be commissioned in the second half of 2025, followed by the second set in 2026. Implementing the project will increase the wind power capacities of Energie Steiermark Green Power by more than 100 MW.
The final decision to build the Soboth wind farm was also made in the 2024 financial year, followed immediately by the preparatory work for it. The wind turbines will also be installed here in two phases in 2026 and 2027, increasing wind generation capacity by a further >100 MW.
As regards the construction of the Stubalm wind farm, which has a positive EIA, significant progress has been made in recent months in the search for a suitable supplier. It therefore appears realistic to achieve the target of implementing the project by 2030, assuming a stable market and funding environment.
In addition, further areas for increasing wind power potential are continuously being evaluated and secured.

Photovoltaics

Energie Steiermark Green Power GmbH currently has an installed photovoltaic capacity of around 30 MWpeak, taking into account the proportionate share of plants built by associated companies. Decisions to proceed with the construction of plants with a capacity of around 15 MWpeak (share of Energie Steiermark Green Power GmbH) were made in the financial year, and work was also began on these. A significant increase in project volumes in the photovoltaic sector is expected for 2025. Specific projects are about to be submitted for approval by the electricity and building authorities. The strategic specifications in the area of photovoltaics remain valid. Current project developments and implementation are on the required path towards 300 MWpeak in 2030. In the short and medium term, the focus is on areas designated in the photovoltaics program and on areas with existing dedications. Areas with the potential to obtain individual site approval are also being developed.

Branches

Energie Steiermark AG does not have any registered branches.

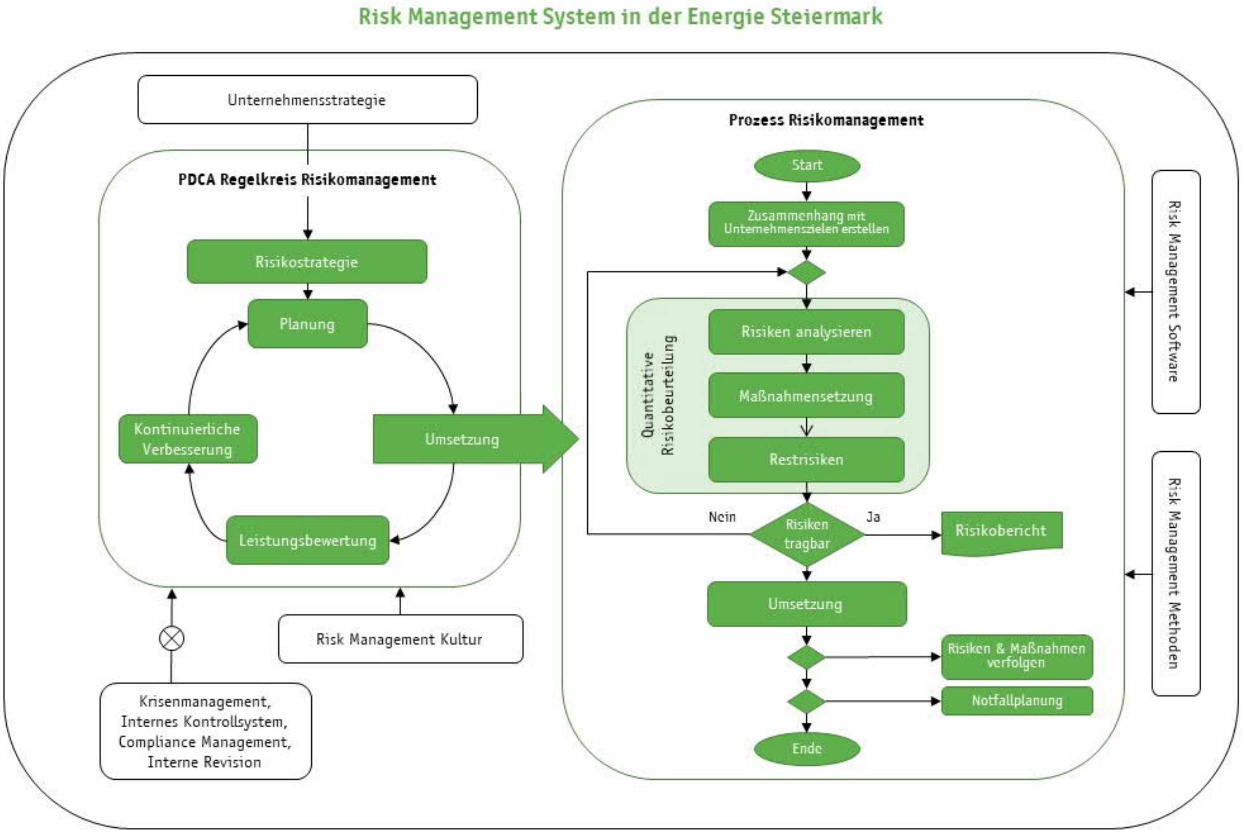
5 RISK MANAGEMENT

Risk management system and risk management process

On the basis of its mission statement and in line with its corporate strategy, Energie Steiermark pursues the goal of achieving a sustainable increase in corporate value. The Group-wide sustainability strategy ensures that environmental, social and responsible corporate governance issues are dealt with in a sustainable manner. This sustainable value creation through the systematic exploitation of opportunities at a tenable risk is inseparably linked to the corporate activity of Energie Steiermark for its stakeholders. Risks here are generally defined and managed as being negative or positive deviations from company objectives.

Inadequate company-wide risk management can have serious consequences. Risks that are recognized too late can lead to increased costs, loss of earnings, liquidity bottlenecks and reputational damage. This means that a functional and effective risk management system must therefore be implemented, operated and developed throughout the company for the systematic and holistic management of business risks and opportunities. Recognising that target-oriented management of decisive opportunities and risks is a central component of all successful business activities, Energie Steiermark has operated a company-wide risk and opportunity management system as an integrated part of corporate decision-making processes for many years.

The risk management system is implemented according to the norms and standards of ONR 49000 and ISO 31000 (risk management for organisations and systems). All statutory requirements and Corporate Governance regulations are met in full. The risk management system also takes into account the central aspects of the COSO Enterprise Risk Management Framework in order to increasingly link opportunity and risk aspects with strategy and performance. Risk Management as a governance function is part of the Three Lines model and deals centrally and uniformly with all key risk issues in coordination with the operational business units and the crisis management, internal control system and compliance management functions. The risk management system as a whole is audited periodically by the internal audit department.



Risk management system and risk management process of Energie Steiermark in accordance with ISO 31000

	Risk Management System at Energie Steiermark
	Corporate strategy
	PDCA risk management control loop
	Risk Strategy
	Planning
	Implementation
	Performance evaluation
	Continuous improvement
	Risk management culture
	Crisis management, internal control system, compliance management, internal audit
	Risk management process
	Start
	Create a connection with corporate goals
	Quantitative risk assessment
	Analyse risks
	Implementation of measures
	Residual risks
	No
	Yes
	Risks bearable
	Risk report
	Implementation

	Tracking risks and measures
	Emergency planning
	End
	Risk management software
	Risk management methods

In the risk management process, the risk inventory of all material risk positions of Energie Steiermark is updated and reported on a quarterly basis. In doing so, all existing and newly identified individual risks are analysed according to a standard method and quantitatively assessed by means of their potential financial effects and occurrence probabilities. After checking the most important individual risks and existing measures as well as the aggregated total risk position by taking corporate targets and risk strategy as a basis, where required, additional effective control measures are set according to cost-benefit criteria and monitored in the following. The entire risk management process is supported, illustrated and documented in audit proof manner and on an ongoing basis by means of a leading, company-wide risk and opportunities management software. Standardised risk management reporting, including risk aggregation and the calculation of value-at-risk risk indicators using Monte Carlo simulation, takes place on a quarterly basis.

Risk Portfolio

Energie Steiermark has mapped all its material risk positions in a risk portfolio in line with the corporate structure of a modern energy service provider. This makes it easier to efficiently and effectively manage the material risk positions of the business areas as well as the overall risk position of Energie Steiermark.

GRIDS	PRODUCTION	SALES	GENERATION	HEATING	INVESTMENTS
Regulatory Risks	Price risk electricity, gas, CO_2	Customer market and regulatory risks	Regulatory framework for renewables	Weather conditions, heating degree days	Entrepreneurial and control risk
Grid facility/grid operation/grid failure risks	Compliance and regulation	Market price risks Energy and services	Equipment, operating and downtime risk		Liquidity Risk
Decentralised generation/feed-in		Competition and innovation risks	Levels of wind/sunlight	Generation/procurement risk	Regulatory Risks
Credit and counterparty risks			Water supply	Heat sales risk	Country market risks
Smart metering	Raising liquidity risk	Digitalisation	Project development risks	Expansion of renewables	Countries and political risks
ENVIRONMENT, SOCIAL AFFAIRS, GOVERNANCE					
Climate risks	Transformation risks	Environmental and natural risks	Health	Shareholders and stakeholders	Governance and compliance
GROUP FUNCTIONS / SHARED SERVICES					
Balance sheet valuation risks	Rating change risk	HR cost risks	IT/OT operating risks	Material management risks	Organisational and process risks
Price risk for equities / social capital	Interest rate risk	Personnel development risks	Information security risks	Strategic risks	Business process risks
Compliance and legal risks	Reputational risks	Counterparty/investment risks	Tax/duties risks	Liquidity risk	Governance, compliance risks

Portfolio of substantial risks of Energie Steiermark in accordance with the company structure as a sustainable energy service provider

Risk situation in the 2024 financial year

The 2024 financial year showed that the Energie Steiermark Group navigated the energy market crisis and achieved good results. By continuing to implement risk-averse and timely measures, the company has created good conditions for sustainable results at the planned level in a challenging market and regulatory environment. In recent years, the energy market has been characterized by unprecedented turmoil – regulatory intervention in the form of gas storage stockpiling and excess profit absorption was introduced, aid for energy consumers (electricity cost brakes) was introduced and prices and volatility on the wholesale energy markets were at all-time highs. A relative easing of the market situation and the return to less volatile prices, albeit at a higher level, in conjunction with the various risk management measures, are having a positive effect on the current risk situation.

In the 2024 financial year, Energie Steiermark was able to maintain its energy supply and grid operations at the usual high level and continue its core business activities despite these challenging external conditions in its role as a systemically important company and operator of critical infrastructure. The company's viability is due to a high degree of organisation across the most important areas and will continue to be expanded. A structured, systematic early warning system has been implemented for energy market risks, which ensures timely warning and reaction to adverse developments on the energy markets in order to safeguard liquidity and the financial result within the scope of the risk-bearing capacity through timely action.

Against the backdrop of this uncertain development of the economic environment, the following key risk issues are presented.

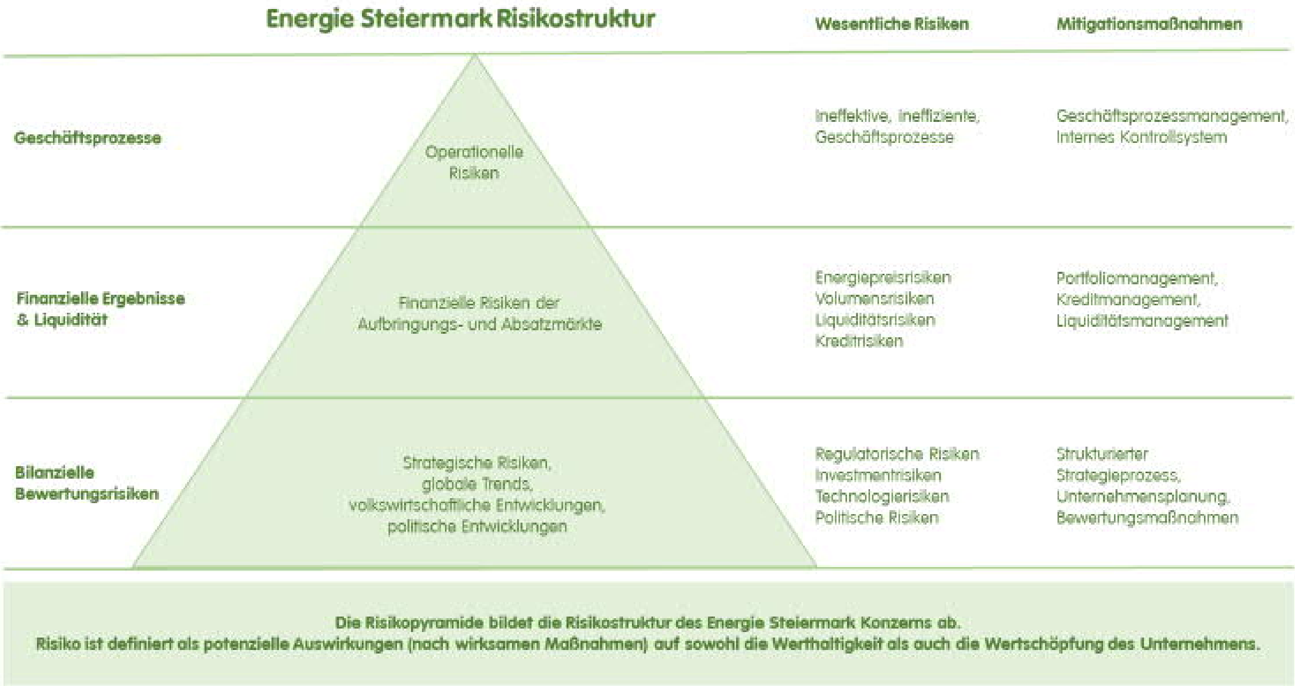


Fig.: Energie Steiermark risk structure

Energie Steiermark risk structure		**Significant risks**	**Migration measures**
Business processes	Operational risks	Ineffective, inefficient, business processes	Business process management, internal control system
Financial results and liquidity	Financial risks of the procurement and sales markets	Energy price risks Volume risks Liquidity risks Credit risks	Portfolio management, credit management, liquidity management
Balance sheet valuation risks	Strategic risks, global trends, economic developments, political developments	Regulatory risks Investment risks Technology risks Political risks	Structured strategy process, corporate planning, evaluation measures
The risk pyramid shows the risk structure of the Energie Steiermark Group. Risk is defined as the potential impact (following effective measures) on both the value and value creation of the company.			

Strategic Company Risks

The planning for Energie Steiermark is based on an environment of stagnating or only slowly growing macroeconomic development with a high degree of uncertainty. Strategic risks such as the uncertain recovery in economic demand, supply chain restrictions and high volatility on the international and European energy markets, new economic trends, changes in public opinion, changes in the regulatory framework and market rules, medium and long-term technology risks, the effects of climate change and a strong focus of the entire corporate strategy on the most important sustainability issues affect the medium-term development of the company and are managed in a structured strategy process including a future radar and the resulting business area strategies for the subsidiaries and are subsequently mapped and managed quantitatively in the medium-term planning process.

Energy prices secured in line with proven sales and procurement strategy

In 2024, energy prices on the wholesale markets were stable but higher than in pre-crisis times. With this in mind, the portfolio of the entire sales volume was managed in order to achieve the risk-averse goal of a customer portfolio of a risk-adequate size with appropriate risk/earnings ratios in all customer segments. The liquidity requirements for corresponding security deposits on energy exchanges were taken into account at an early stage and monitored and managed within a sufficiently large liquidity framework. Sales generally continue to pursue the goal of stable prices and secure these by means of a reinsurance strategy that is long-term, enabling necessary and justifiable price adjustments to be made smoothly over a period of several years.

Sales risks

The challenges on the energy market, in particular the high short-term price and volume risk, led to a significant shakeout of new suppliers with an affinity for risk in the reporting period. With its eyes firmly fixed on the future, Energie Steiermark has competitively developed its sales as a modern energy service provider on an ongoing basis while maintaining traditional energy distribution work. For example, the areas of renewable energies, mobility solutions and energy efficiency services are being systematically developed further. The opportunities arising from digitalisation and disruptive technological developments are considered in order to be able to operate in a customer and market-oriented, economic and competitive manner at all times in the future.

Market shares in the Business to Consumer (B2C) segment for electricity and gas

Due to the successful purchasing strategy and the greatly smoothed purchase prices for energy, Energie Steiermark can continue to offer attractive tariffs for existing customers in the B2C area on the customer market. By continuously monitoring the retail market and maintaining the successful purchasing strategy, market share is maintained at a high level and expanded through modern sales with attractive, customer- oriented and competitive energy products and services as well as increased digital sales.

Default risks insured

In the B2C area, known payment default risks are taken into account by means of individual value adjustments in a low and stable amount. Default risk in relation to business customers is managed on a risk-averse basis by means of credit default insurance for the largest B2B customers and is monitored and adjusted on an ongoing basis in relation to sales volume and creditworthiness. The residual risks of customer payment defaults are to be assessed as self-acceptable in relation to Sales' customer portfolio.

Financial Risks

Liquidity, foreign exchange and interest rate change risks are combined in the central treasury and controlled based on the Group's targets and requirements and promptly reported. The most important proven elements of the financial risk management framework are limit systems, liquidity monitoring, sensitivity analyses and value-at-risk models. Derivative interest rate instruments are used only in combination with underlying transactions to fix the desired interest rates and financing structure. Counterparty risk in the field of cash investment at banks is managed to minimise risk within a strict limit system differentiated according to rating or balance sheet criteria. Through a counterparty diversification which is as wide as possible with investment grade ratings and through a conservative and risk-averse investment policy, the non-payment risk of financial counterparties Energie Steiermark is minimised, even under the more difficult framework conditions in the tense energy markets.

Liquidity risk covered to a high degree
Due to the distortions in the energy market and the extreme price fluctuations on the energy exchanges, the liquidity requirements for hedging transactions on the energy exchanges must be guaranteed to a high degree. This liquidity requirement is managed consistently and in a risk-averse way within a robust liquidity framework including a multi-stage early warning system with a high level of security.

Regulatory Risks
A significant risk for Energie Steiermark is the regulatory planning uncertainty in connection with long-term regulatory system of electricity and gas as well as the shape of the energy market and grid design. In the regulated business area of energy networks, the most significant risk is a change in the regulatory system, including cost control and recognition by Energie-Control Austria (ECA). A regulatory change in the recognised costs for the operation of energy networks (OPEX) and the approved capitalisation of fixed assets (CAPEX) has a direct impact on the profit margin of the grid segment under Austrian commercial law, including the regularisation account. The active and creative participation of the managers and experts of the energy networks in the discussion and negotiation process with the ECA regarding the definition of the regulatory system minimises the uncertainties and effects here and ensures an acceptable return, as well as fair returns for network operations.

Plant and operating risks minimised
As regards the company's grids and plants, risks from the operation of the electricity and gas grid infrastructure and generation plants are minimised by means of economically efficient investment, maintenance and operational management programmes. Following needs analyses based on cost-benefit criteria, significant outage risks are covered by insurance. Crisis management is activated in the event of particularly serious major incidents. The central grid control system is protected against technical faults and intentional damage by 100% redundancy of the high-security grid control room. The network control room is fully integrated and certified in the information security management system (ISMS) in accordance with ISO 27001, ensuring state-of-the-art IT security.

Event risks insured
Appropriate adjustments to insurance were made for the grid and plant segment on the basis of quantitative risk analyses for serious event risks with significant negative effects according to cost/benefit criteria. Optimum business continuity management of unavoidable event risks, from damage limitation to the return to regular operations, is ensured by an established Group-wide crisis management system.

Valuation risks
A significant risk and opportunity position for Energie Steiermark AG is the valuation or potential valuation measures, e.g. due to impairment tests, for the major subsidiaries Energienetze Steiermark GmbH, Energie Steiermark Kunden GmbH, Energie Steiermark Service GmbH, Energie Steiermark Green Power GmbH, Energie Steiermark Wärme GmbH, STEFE SK a.s., and la bellenergie SAS. Due to adverse developments in forward-looking planning assumptions in both the regulated grid sector and the liberalised energy market, there is a risk that the carrying amounts of investments will have to be written down accordingly, with an effect on profit or loss or on equity. The effects of the multiple crises

(coronavirus, war on Ukraine, upheavals on the energy market,) have triggered high fluctuations and changes in energy prices on the wholesale markets, which have severely tested the company's resilience in the energy business and presented it with major challenges.
In the 2024 financial year, a package of risk management measures was implemented to safeguard the earnings level and the intrinsic value of Energie Steiermark AG in the short and medium term. The entire sales volume was managed in order to achieve the goal of a customer portfolio of a risk-adequate size with appropriate risk/earnings ratios in all customer segments. Another important measure is the strict reinsurance of all customer portfolios in line with sales planning, which has enabled the price risk to be hedged in a risk-averse manner. The sales strategy saw the necessary price adjustments to a level in line with the market implemented promptly to secure the planned contribution margins in the electricity, gas and district heating segments.
Another measure to safeguard the value of the subsidiaries is the structured strategy process, which ensures a modern, market-appropriate corporate structure and orientation as a modern energy service provider on the basis of an economic sustainability strategy. Significant valuation risks also apply to the large affiliated companies, such as Energie Graz GmbH & Co KG, as well as to the large minority shareholdings, such as in VERBUND Hydro Power GmbH. These are minimised through timely and stringent investment management and monitoring. As a further measure, a risk-oriented review of triggering events is carried out regularly for all potential impairments.

Shared services risks
Energie Steiermark AG provides shared services for its subsidiaries in the areas of strategy, corporate development, communication, innovation management, internal auditing, controlling, accounting, legal and human resources within the framework of service contracts. The operational process risks of these centralised support processes or shared services are reduced to a minimum through a high degree of organisation, qualitative further development, digitalisation and standardisation of business processes, integrated systems and uniform procedures. Working from home has become established and a permanent fixture. Thanks to the IT infrastructure base being successfully expanded, the operational requirements of working from home are covered at a high service level.

Risks in the Business Environment
In the grid company, the risk or fluctuations in grid sales volumes are fully taken into account by the regularisation account and fully offset. For ensuring optimal supply security for our customers, grid companies actively co-design the medium-term development of the grid tariffs as well as new strategic topics, like the introduction of Smart Meter and Smart Grid, thanks to constructive collaboration with the regulatory authorities as well as active cooperation in the trade associations. The economic recovery following the COVID-19 pandemic is generally having a positive impact on grid volumes. The risk of potential payment defaults on the part of industrial and commercial customers remains elevated. This external risk is calculated for by adjusting the provisions to the maximum extent possible. The proper operation of the electricity and gas grids was maintained without restriction during the historic upheavals on the energy market.

Security of supply guaranteed
The risk of grid outages cannot be ruled out due to external environmental influences such as freezing rain, storms, floods, force majeure events or the failure of the upstream grid. In the event of a risk become reality, the effects range from the non-supply of certain grid areas or grid customers to increased costs for the repair of major damage and the endangerment of operational safety for personnel and systems. One of the core tasks of operations is to handle small and medium-sized network outages. Residual risks stemming from natural events such as large-scale storm and ice damage are adequately covered by all-risk and liability insurance on the basis of risk-oriented cost-benefit analyses. A crisis management system has been set up to deal with particularly serious damage to grid systems, enabling

a quick and correct response to emergencies and crises in the event of damage. The immediate restoration of lost operational functions (recovery and business continuity management) is also part of crisis management to restore the company's ability to create value in a timely manner. The long-term effects of climate change in terms of an increase in severe weather events and the impact on grid operation are being addressed as a sustainability issue and countered with a package of measures.

Mandatory Project Risk Management for Investment Projects
As part of its corporate and sustainability strategy, Energie Steiermark implements major investment projects, which are, naturally, associated with serious entrepreneurial risks. At Energie Steiermark, these are accompanied by proven project risk management. The objectives are to reliably recognise the decisive and significant project-specific opportunities and risks and/or to evaluate along strategic Group criteria, to determine a balanced and binding basis for planning investment decisions, taking risk and opportunity aspects into consideration, and to proactively control the project by specifying early measures.

Sustainability and risk management
Global sustainability challenges, customer wishes and demanding requirements on the part of the EU and national legislation are key drivers for reporting our own performance in the area of sustainability in a structured manner.
Energie Steiermark's sustainability strategy includes the overarching goal of climate neutrality by 2040, to which all business area strategies are geared. This includes ambitious expansion targets for renewable energy generation from hydropower, wind power and photovoltaics as well as the necessary expansion of the grid infrastructure to integrate renewables by 2030.
A clear focus on sustainability criteria requires consistent integration of sustainability issues into company-wide risk management. In accordance with the CSRD, sustainability opportunities and risks represent uncertain future developments with potential impacts on both the environment and people as well as corporate objectives and are integrated into the company-wide risk management system as ESG impacts or ESG opportunities and risks. In terms of sustainable corporate development, it is emphasised that taking into account the positive and negative aspects of sustainability issues makes it easier to identify sustainability trends at an early stage that can lead to new, promising, sustainable business opportunities.

Overall Risk Position and Assessment
In order to present reliable quantitative assessments of circumstances carrying some degree of risk and prioritise measures from the perspective of a cost/benefit analysis risk data must be correctly quantified and subsequently collected in a risk management system. On this basis of an objective assessment of the key opportunity and risk positions, strategic opportunities can be seized from the current drivers of sustainable, value-creating corporate development with acceptable risk.
The risk environment of Energie Steiermark continues to be characterised by significant uncertainties and change trends that are difficult to assess. The European and Austrian policies on climate, decarbonisation and energy form the framework for the corporate strategy in which Energie Steiermark strives for the rapid expansion of renewable energies and the grids, supported by meaningful subsidies and in line with the financial goal of achieving an appropriate return on all grid systems in the regulated area.
Due to increasing energy consumption as a result of e-mobility, digitalisation and electrification, higher energy prices and greater market fluctuations are to be expected in the medium term. The changing role of customers, producers and distributors, the increasingly decentralised feed-in of subsidised renewable energies and digitalisation are creating a dynamic environment in which decisions about future valuable business models must be made after weighing up the associated opportunities and risks as best as possible.

The development of the energy market, combined with the commitment to sustainability, offers Energie Steiermark a tangible opportunity for development. In all segments, there is considerable potential to be exploited and trendsetting new business models to be implemented that meet the demand for sustainable automation, electrification, digitalisation and decentralised energy generation on the basis of energy efficiency and renewable energies.

By developing and presenting relevant risk and opportunity information in a structured manner, Risk Management supports Energie Steiermark in its objective by improving its decision-making ability to assert itself from a sustainable overall risk position as a customer-oriented provider of sustainable energy and services, economically and sustainably within the framework of the energy transition.

The risk management system of Energie Steiermark did not identify any significant risks and threats in the year under review that could have a lasting effect on the future of subsequent financial years for Energie Steiermark. With respect to the company's equity, the occurrence of the total value-at-risk value would have only a minor effect on the equity ratio, which means that the total risk position of Energie Steiermark is to be considered as acceptable in any case.

According to the Corporate Governance Code of Energie Steiermark, the functionality of the risk management system was confirmed by the group auditor.

6 RESEARCH, DEVELOPMENT AND INNOVATION

R&D coordination

The Group-wide R&D portfolio for 2024 comprises around 50 R&D undertakings (including 35 funded R&D projects) with a total cost of € 1.79 million. In addition, central R&D services such as representation on R&D committees, process management and statistics/reports as well as the management and coordination of selected R&D projects in the holding company are also handled by the Innovation department.

- Living Labs on 100% renewable energy Collaborative work with Living Labs (a) Weiz+, (b) Murau and (c) Stegersbach "act4energy next level".
- E-mobility / digitalisation Charging infrastructure as a smart interface between energy grids and mobility (R&D projects "friendlyCharge", "Divergent", "DiPS4EV@work", "O-CEI" and "Car2Flex" (bidirectional charging)).
- Energy storage: "Battery storage study" (brownfield project), "Flexmodul" (seasonal heat storage)
- Sustainability: "Doughnut Check" (Doughnut Economics tool, in cooperation with Joanneum Research)

Green Energy Lab (GEL) research initiative

The Green Energy Lab (www.greenenergylab.at) is Austria's largest innovation laboratory for green energy technologies and forms an important bridge from R&D to innovation and supports the market launch of new products and services from research projects.
The following projects from the GEL portfolio are taking place with the participation of Energie Steiermark AG as a consortium partner or were completed in 2024:

- Car2Flex – smart optimisation of tomorrow's e-mobility
  https://greenenergylab.at/projects/car2flex
- FlexModul – sorption storage for solar energy
  https://greenenergylab.at/projects/flexmodul
- SEP2 – Spatial energy planning part 2
  https://greenenergylab.at/projects/spatial-energy-planning-ii
- UserGRIDs – digital energy services to reduce CO_2 emissions on a university campus
  https://greenenergylab.at/projects/nutzungszentrierte-planung-und-regelung-komplexer-nachhaltiger-quartiers-energiesysteme

In addition, GEL has established itself as a relevant player in the R&D community and at the interface to public organisations by means of customer-oriented service packages, In 2024, extensive preparations were also made for what is being called the "heating transition", including the start of the application process to become an innovation lab for the heating transition.

Fig.: "Green Energy Lab" – the phases in the open innovation process

	Recognising trends at an early stage
	Develop innovation projects
	Preparing solutions for market launch

R&D partnerships / collaborations

- The innovation division offers the "Next Incubator" (www.next-incubator.com) for interested individuals and organisations on the topic of sustainability – from the R&D sector, these include Joanneum Research / LIFE Institute, University of Graz / Wegener Center, Fraunhofer ISI (DE), Green-Tech-Cluster and Climate-KIC (EU).
- Energie Steiermark AG is a member of the Association for the Promotion of Research and Development in the Field of Hydrogen and Renewable Gases – WIVA P&G (www.wiva.at).

Innovative technology and grid projects

A new energy management system is being tested in the Gasen and Heimschuh local grids as part of the European **PARMENIDES** research project, the focus being on the interaction between battery storage systems, customer behaviour and grid technology measures. A newly developed control algorithm is intended to optimise voltage levels and power flows in the grid and enable the dynamic use of storage capacities. The project helps to better understand and overcome the challenges of the energy transition and decentralised energy generation. In the long term, the algorithm should enable a high level of integration of PV systems and battery storage systems into the grid, avoid grid overloads and enable efficient grid expansion.

The **WEIZ+ Living Lab** aims to develop an integrated, regional energy system that can be transferred to many other regions in Austria. Region-specific challenges in the areas of electricity, heating and mobility are being examined. Energienetze Steiermark GmbH is a project partner in the WEIZ+ Living Lab and in the Fossilfree4Industry flagship project and provides data from various sources. It also develops and verifies simulation algorithms. The Passail (large-scale storage) and St. Margarethen a. d. Raab (P2G system and battery storage) sites are being developed and integrated into the living lab. All sites are managed centrally. From Energienetze Steiermark's perspective, the focus of and reason for participating in the these is to determine how they can be used to improve grid operations.

The **Cells4.Energy** project proposes a cell approach as a solution to current challenges in the energy transition and aims to achieve nine innovation goals in the context of researching and prototypically realising an energy-cell-based energy system. Austria is already very advanced in the development of energy communities. Cells4.Energy develops cross-sector, system energy cells that provide grid services in technical, regulatory, economic and social ways. Energienetze Steiermark GmbH will support the development of the Neudau energy cell, in which the newly developed grid-forming algorithms will be used in connection with grid serviceability.

In recent years, the consequences of climate change have had an increasing impact on everyday life. One important aspect of this is ensuring a reliable and sustainable energy supply despite looming extreme events. The **iKlimEt** research project is developing innovative open-source simulation tools for integrated energy system planning that take climate change impacts and extreme events into account. These long-term simulations are intended to identify cost-effective infrastructure models for the future and pave the way for a sustainable energy supply.

In the **Fronius Solar.Web** interface project, a data connection between Energienetze Steiermark (EN) and its customers is being developed and implemented via the Fronius Solar.WEB platform. This interface makes it possible to read data from customers and their inverters and to send specifications to the customers' inverters. This enables remote control of the inverters via a cloud interface. The interface can be used to specify dynamic power specifications at the grid connection point. The concept is being tested in two field test areas with several grid-neutral PV systems. Due to limited grid capacity, customers in these areas are currently only allowed to operate their PV systems in a grid-neutral manner.

The **H2REAL** project aims to develop an integrated H2 network (a "Hydrogen Valley") as the key to hydrogen technology and applications in eastern Austria. To achieve this goal, both existing and new technologies are being integrated along the entire hydrogen value chain and an innovative and holistic solution is being developed. This will lead to significant emission reductions, decarbonisation of all sectors and cost reductions for green hydrogen. Part of Styria's energy networks will be the optimised grid integration of green hydrogen.

The **INNOnet** project is investigating the effects of load-dependent grid tariffs on customer load behaviour in a regulatory sandbox with more than 1,000 households and is developing optimised tariff structures to effectively meet the challenges of the energy transition for the electricity grids. The results of the project will enable decision-makers in the energy system to evaluate the suitability of different options for future grid types in order to both mitigate future grid-related problems and ensure customer acceptance.

Work is also carried out on further R&D projects. Examples included the multimodal use of battery storage systems, bidirectional charging e-cars for grid and market applications and the development of different variations of a digital customer interfaces to effectively meet the challenges of the energy transition for electricity grids.

7 PROJECTIONS AND FUTURE OUTLOOK

In the 2025 financial year, Energie Steiermark will work resolutely to realise its goals and plans. Despite the challenges posed by economic and geopolitical developments as well as changes in the energy industry, the company has laid the foundations in recent years to position itself as a pioneer of a climate-neutral energy future.

As regards grids, Energie Steiermark will continue to provide high-performance, efficient and secure grids to enable the green transformation in Styria. This includes the expansion of high-performance electricity grids, the decarbonisation of gas grids, digital system management and customer-centric services. Investments in the electricity grid, such as the reinforcement of the 110 kV grid and the expansion of new substations, will continue.

The decarbonisation of the heating supply is also being driven forward in the district heating sector, requiring considerable investment in advanced technologies and modern infrastructure. Ensuring cost efficiency and the sustainable procurement of resources, in particular the stable supply of biomass, remain key concerns.

The work on expanding renewable energies will continue. Despite economic challenges, the goal of expanding the portfolio of renewable generation plants by around 600 MW by 2030 remains in place. The availability of low-cost energy is seen as the key to the competitiveness of Austria and the EU.

Overall, Energie Steiermark is optimistic about the future and is focusing on a combination of renewable energy, innovation, sustainability and customer orientation in order to successfully meet the challenges of the energy market.

Graz, 21 February 2025

The Management Board

Dipl.-Ing. Christian Purrer

Dipl.-Ing. (FH) Mag. (FH) Martin Graf, MBA

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 DEZEMBER 2024
ACCORDING TO IFRS

CONTENTS

Consolidated Profit and Loss Statement

	Notes	2024 K€	2023 K€
Sales revenues	**(1)**	**2,191,935**	**2,786,871**
Changes in inventories and own work capitalised	**(2)**	43,481	36,639
Other operating income	**(3)**	21,362	33,281
Cost of material and other purchased manufacturing services	**(4)**	-1,613,764	-2,225,069
Personnel costs	**(5)**	-239,015	-219,492
Amortisation and expenses from impairments of intangible assets and depreciation of tangible assets	**(6)**	-142,915	-131,149
Other operating expenses	**(7)**	-147,464	-130,711
Operating result		**113,621**	**150,371**
Other results from shareholdings	**(8)**	109,482	74,507
Financial income	**(9)**	11,926	9,361
Financial expenses	**(9)**	-37,906	-22,749
Financial result		**83,501**	**61,120**
Result from shares held in associated companies	**(10)**	12,563	-12,965
Earnings before taxes		**209,685**	**198,526**
Income taxes	**(11)**	-17,196	-37,724
Consolidated net income		**192,489**	**160,802**
Of which:			
shareholders of the parent company		191,082	157,416
non-controlling interests		1,406	3,386
		192,489	**160,802**

TOTAL CONSOLIDATED NET INCOME

	Notes	2024 K€	2023 K€
Consolidated net income		**192,489**	**160,802**
Items that will not be reclassified ("recycled") subsequently to the Profit and Loss Statement			
Revaluation of net debt from defined benefit obligations	**(26)**	7,057	-14,173
Net change in the fair value of investments measured at fair value through equity	**(15)**	-276,249	-260,635
Other results from investments accounted for using the equity method (revaluation of net debt from defined benefit obligations)	**(14)**	1,890	-2,916
Sum of items that will not be subsequently reclassified (“recycled”) to the Profit and Loss Statement		**-267,302**	**-277,724**
Items that will be reclassified (“recycled”) subsequently to the Profit and Loss Statement			
Market valuation of hedging instruments (cash flow hedges)			
Change not affecting the result	**(23)**	407,124	-728,902
Realisation affecting income	**(23)**	45,681	-430,575
Exchange rate differences resulting from the conversion of foreign businesses			
Change not affecting the result	**(23)**	-115	-167
Sum of items that will be reclassified (“recycled”) subsequently to the Profit and Loss Statement		**452,690**	**-1,159,644**
Other earnings before taxes		**185,388**	**-1,437,368**
Income taxes on other comprehensive income	**(11)**	-42,231	329,886
Other earnings after taxes		**143,157**	**-1,107,483**
Total consolidated net income		**335,646**	**-946,681**
Of which:			
Shareholders of the parent company		334,296	-949,984
Non-controlling interests		1,350	3,304
		335,646	**-946,681**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

K€	Share capital	Capital reserves	Accumulated results	Accumulated changes not affecting earnings	Capital attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Status as at 1/1/2024	**100,000**	**612,779**	**565,920**	**330,469**	**1,609,168**	**18,976**	**1,628,144**
Total of transactions with owners, recognised directly in equity	0	0	-60,000	0	-60,000	-2,604	-62,604
Dividends paid out	0	0	-60,000	0	-60,000	-2,604	-62,604
Total result	0	0	191,082	143,213	334,296	1,350	335,646
Net income for the year	0	0	191,082	0	191,082	1,406	192,489
Other result	0	0	0	143,213	143,213	-57	143,157
Status as at 31/12/2024	**100,000**	**612,779**	**697,003**	**473,683**	**1,883,464**	**17,721**	**1,901,185**

K€	Share capital	Capital reserves	Accumulated results	Accumulated changes not affecting earnings	Capital attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Status as at 1/1/2023	**100,000**	**613,178**	**463,396**	**1,437,869**	**2,614,443**	**17,070**	**2,631,514**
Total of transactions with owners, recognised directly in equity	0	-399	-54,891	0	-55,291	-1,398	-56,689
Changes in the scope of consolidation	0	0	-291	0	-291	-462	-753
Capital increase	0	0	0	0	0	480	480
Dividends paid out	0	0	-55,000	0	-55,000	-1,416	-56,416
Other changes not affecting earnings	0	-399	399	0	0	0	0
Total result	0	0	157,416	-1,107,400	-949,984	3,304	-946,681
Net income for the year	0	0	157,416	0	157,416	3,386	160,802
Other result	0	0	0	-1,107,400	-1,107,400	-82	-1,107,483
Status as at 31/12/2023	**100,000**	**612,779**	**565,920**	**330,469**	**1,609,168**	**18,976**	**1,628,144**

CONSOLIDATED BALANCE SHEET

	Notes	31/12/2024 K€	31/12/2023 K€
ASSETS			
Non-current assets			
Intangible assets	**(12)**	116,331	114,908
Property, plant and equipment	**(13)**	1,949,164	1,805,574
Financial investments recognised at equity	**(14)**	115,978	108,275
Financial assets	**(15)(32)**	1,057,320	1,295,739
Receivables and other assets	**(17)(32)**	26,541	2,725
Deferred tax assets	**(11)**	15,799	129,134
		3,281,132	**3,456,355**
Current assets			
Inventories	**(18)**	67,211	93,720
Contract assets	**(1)**	3,087	5,828
Financial assets	**(16)(32)**	110,459	40,151
Receivables and other assets	**(17)(32)**	798,110	706,176
Cash and cash equivalents	**(19)(32)**	201,638	133,283
		1,180,504	**979,159**
Total assets		**4,461,636**	**4,435,514**

	Notes	31/12/2024 K€	31/12/2023 K€
EQUITY			
Capital and reserves attributable to the shareholders of the parent company			
Share capital	**(20)**	100,000	100,000
Capital reserves	**(21)**	612,779	612,779
Accumulated results	**(22)**	697,003	565,920
Accumulated changes not affecting earnings	**(23)**	473,683	330,469
		1,883,464	**1,609,168**
Non-controlling interests	**(24)**	**17,721**	**18,976**
Total equity		**1,901,185**	**1,628,144**
LIABILITIES			
Non-current liabilities			
Financial liabilities	**(25)(32)**	803,028	625,451
Provisions and accruals	**(26)**	219,248	233,740
Deferred tax liabilities	**(11)**	181,864	238,540
Construction subsidies	**(28)**	245,248	238,457
Other liabilities and accruals/deferrals	**(30)(32)**	151,092	105,258
		1,600,480	**1,441,445**
Current liabilities			
Financial liabilities	**(25)(32)**	34,579	262,988
Provisions and accruals	**(27)**	110,913	86,357
Trade accounts payable	**(29)(32)**	468,205	350,675
Income tax liabilities		3,267	23,933
Contract liabilities	**(1)**	1,785	1,515
Construction subsidies	**(28)**	18,138	17,371
Other liabilities and accruals/deferrals	**(31)(32)**	323,084	623,087
		959,971	**1,365,926**
Total liabilities		**2,560,451**	**2,807,370**
Total equity and liabilities		**4,461,636**	**4,435,514**

CONSOLIDATED CASH FLOW STATEMENT

		Notes	2024 K€	2023 K€
	Net cash flow from ongoing operating activities			
	Earnings before taxes		209,685	198,526
+	Depreciation, amortisation, impairment and (- appreciation) of intangible assets and tangible assets	**(3)(6)**	142,860	127,625
-	Unrealised gains (+ losses) from financial assets and liabilities	**(8)(9)**	388	-279
-	Reversal of building cost and investment subsidies	**(1)(3)**	-26,238	-21,051
-	Gains (+ losses) from the disposal of non-current assets	**(3)(7)**	381	154
±	Proportionate at-equity results (including impairments)	**(10)**	-12,563	15,806
-	Change in non-current provisions and accruals		-7,435	2,112
±	Interest result recognised in profit or loss	**(9)**	15,011	8,254
-	Income from financial investments recognised in profit or loss	**(8)**	-110,114	-78,606
±	Other non-cash expenses/income		-5	36
	Net cash flow from the result		**211,972**	**252,576**
-	Increase (+ decrease) from inventories incl. payments made on account		26,390	136,398
+	Increase (- decrease) from payments received on account		3,260	-1,176
-	Increase (+ decrease) from receivables and other assets		-189,720	-87,947
+	Increase (- decrease) from current provisions and accrued liabilities		24,557	19,700
+	Increase (- decrease) from trade accounts payable and other liabilities		280,428	-433,637
	Cash flow from ongoing operating activities		**356,886**	**-114,086**
-	Interest paid		-25,135	-8,855
-	Income taxes paid		-20,842	-31,186
	Net cash flow from ongoing operating activities		**310,910**	**-154,127**

		2024 K€	2023 K€
	Net cash flow resulting from investment activities		
+	Payments received from the disposal of intangible assets and tangible assets	1,804	1,958
+	Payments received from the disposal of financial assets	4	0
+	Payments from building cost and investment subsidies	31,773	32,107
-	Payments made for investments in intangible assets and tangible assets	-288,715	-225,452
-	Payments made for investments in financial assets	-1,698	-960
-	Payments made for the acquisition of business units less liquid assets acquired	0	-6,753
+	Interest received	10,877	5,584
+	Dividends received	117,564	78,606
	Net cash flow resulting from investment activities	**-128,391**	**-114,910**
	Net cash flow resulting from financing activities		
+	Payments received from shareholder grants	0	480
-	Distribution to shareholders (profit distribution)	-60,000	-55,000
-	Distribution to non-controlling interests	-2,604	-1,416
+	Raising of loans and credits	304,490	371,025
-	Repayment of loans and credits	-352,911	-20,797
-	Repayment of lease liabilities	-3,089	-2,979
	Net cash flow resulting from financing activities	**-114,114**	**291,313**
	Cash flow		
±	Net cash flow from ongoing operating activities	310,910	-154,127
±	Net cash flow resulting from investment activities	-128,391	-114,910
±	Net cash flow resulting from financing activities	-114,114	291,313
	Cash-effective net change in cash and cash equivalents	**68,405**	**22,276**
±	Exchange rate related and other value changes to cash and cash equivalents	-51	-49
+	Cash and cash equivalents at the start of the period	133,283	111,057
	Cash and cash equivalents at the end of the period	**201,638**	**133,283**

NOTESTO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL NOTES

Energie Steiermark AG ("Energie Steiermark" or "the company") – a stock corporation – is headquartered in Graz and registered at the Graz Commercial Court for Civil Matters under company registration number FN 148124 f. Energie Steiermark AG is located at Leonhardgürtel 10, 8010 Graz, Austria. The corporate purpose of Energie Steiermark mainly comprises the acquisition, management and sale of shareholdings in companies in the energy industry which are active in the fields of generation, distribution and sale of energy and energy-related services. As the Group's ultimate parent company, Energie Steiermark is obliged to prepare the Consolidated Financial Statements. On the balance sheet date, the Federal State of Styria holds all Energie Steiermark shares. The financial year of Energie Steiermark coincides with the calendar year.

At present, the Energie Steiermark Group mainly operates in the following segments:
generation of renewable energy; distribution of electricity, gas and heating; sale of and trade in electricity, gas, heat and energy-related certificates; design, set-up, operation and maintenance of energy installations as well as innovative energy services.

2 FUNDAMENTALS OF FINANCIAL STATEMENT PREPARATION

The consolidated financial statements of Energie Steiermark for the year ending 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the additional requirements of Section 245a of the Austrian Business Code (UGB).

For more clarity, some report items in the Consolidated Balance Sheet, the Consolidated Profit and Loss Statement, the Consolidated Cash Flow Statement and the Statement of Changes in Consolidated Equity have been combined in conformity with the materiality principle; these items are discussed in the Notes. Moreover, all amounts are stated in thousand euro (K€) for the purpose of clarity. This also applies to the amounts of the previous year. Commercial rounding of individual items and percentage figures may result in minor calculation differences.

The Group's accounting and valuation meet uniform criteria. As a rule, the principle of historical cost is used, restricted by the measurement in profit or loss of financial assets and liabilities (including derivative financial instruments) at fair value. These Consolidated Financial Statements have been prepared based on the going concern principle.

The Energie Steiermark Group does not disclose segment information in accordance with IFRS 8.

As a principle, all financial statements are prepared as of the Group's balance sheet date. Differently to the Group's balance sheet date, Feistritzwerke-STEWEAG GmbH, which is included in the Consolidated Financial Statements under the equity method, uses a balance sheet date of 30 June. The proportionate result is included in the Consolidated Financial Statements on the basis of the interim financial statements prepared as of 31 December 2024.

Apart from the amendments described below, these Consolidated Financial Statements are subject to the same accounting and valuation methods which were applied in the preparation of the Consolidated Financial Statements for the 2023 financial year (see Note 9 "Material accounting methods").

CHANGES TO MATERIAL ACCOUNTING METHODS

a) Classification of liabilities as current or non-current and non-current liabilities with covenants

On 1 January 2024, the Group applied the *amendments to IAS 1 "Presentation of Financial Statements"* for the first time. The purpose of the amendments is to clarify that the classification of liabilities as current or non-current is to be based on existing rights of the undertaking as of the balance sheet date. Accordingly, a liability is classified as non-current if, at the balance sheet date, the undertaking has the right to defer settlement of the liability for at least 12 months after the balance sheet date. The mere existence of a right is sufficient; the undertaking does not need to have any intention of exercising it. In the case of rights that are dependent on the existence of certain conditions, the key factor here is whether the conditions are met on the balance sheet date. If a liability is subject to conditions under which it can be settled by issuing equity instruments based on an option being exercised by the counterparty, this does not affect the classification of the liability as current or non-current if the option is presented separately as an equity component of a compound financial instrument under IAS 32.

The amendments also relate to the classification of liabilities that are subject to covenants. Covenants that must be met before or on the balance sheet date may have an impact on classification as current or non-current. By contrast, covenants that only have to be complied with after the balance sheet date have no influence on classification. Instead of being included in the classification, such covenants must be disclosed in the notes. This is intended to enable users of the financial statements to assess the extent to which non-current liabilities could become repayable within twelve months.

The *amendments to IAS 1 "Presentation of Financial Statements*" did not result in any change in the classification of liabilities as current or non-current as of the reporting date. There were also no retroactive effects on the comparative amounts in the balance sheet.

b) Disclosure obligations in connection with supplier financing agreements

The Group also applied the *amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures*" for the first time as of 1 January 2024. The amendments relate to disclosure obligations in connection with supplier financing agreements (also known as supply chain financing, financing of trade payables or reverse factoring agreements). The amendments did not result in any additional disclosure requirements in the consolidated financial statements.

c) Subsequent measurement of a lease liability in the case of a sale and leaseback transaction

The *amendments to IFRS 16 "Leases"* include regulations on the subsequent measurement of a lease liability in the event of a sale and leaseback in the standard. The amendments to IFRS 16 require the lease liability to be measured in such a way that no gain or loss arises in relation to the retained right-of-use asset on subsequent measurement. For this purpose, the lessee must determine an accounting method for determining the lease payments that meets this requirement. There were no sale and leaseback transactions in accordance with IFRS 16 in the Group as of the reporting date. The *amendments to IFRS 16 "Leases*" therefore did not lead to any changes in accounting policies.

3 SCOPE OF CONSOLIDATION

The Consolidated Financial Statements include all domestic and foreign entities in which Energie Steiermark holds, directly or indirectly, the majority of the voting rights or which are controlled by the company. Control exists when the company is exposed to variable returns from its investment and has the ability to affect those returns through its power.

The scope of consolidation is determined pursuant to the principles of IFRS 10, which includes a uniform definition of "control", thus governing the prerequisites under which companies are to be included in the consolidated financial statements by way of full consolidation. Besides Energie Steiermark AG as the parent company, the Consolidated Financial Statements include a total of 17 domestic (previous year: 17) and 13 foreign subsidiaries (previous year: 13) as fully consolidated companies. Nine (previous year: eleven) associated companies were shown in the balance sheet using the equity method.

The financial statements of domestic and foreign subsidiaries included in the consolidation have been prepared according to uniform accounting and valuation methods (see Note (8) "Group companies").

According to the materiality principle, shares in an affiliated or associated entity are not included if such company is of subordinate significance. The balance sheet total, the sum of the pro rata equity capital as well as the sales revenues and the operating result of the subsidiary in relation to the consolidated total are used for the assessment thereof. Companies included in the scope of consolidation based on these criteria represent over 99 percent of the respective total. One (previous year: one) associated company was not consolidated because of its minor significance for the asset, financial and earnings position of the Group.

An overview of the companies included in the Consolidated Financial Statements is given in the table "Other disclosures" in Note (7).

CHANGES IN THE SCOPE OF CONSOLIDATION

During the financial year, the scope of consolidation changed as follows:

Changes in the scope of consolidation

	Full consolidation	Equity measurement
As at 31/12/2023	30	11
Merger/contribution	0	-2
As at 31/12/2024	30	9
Of which foreign companies	13	3

Merger/contribution

Energie Graz GmbH & Co KG (EGG KG) was merged into Energie Graz GmbH at the end of the civil-law reporting date of 31 December 2023 and EGG KG was subsequently deleted from the commercial register.

Stromnetz Graz GmbH & Co KG (EGG KG) was merged into Stromnetz Graz GmbH at the end of the civil law reporting date of 31 December 2023 and SGG KG was subsequently deleted from the commercial register.

The contributions did not result in changes in the Group's asset situation, since all the companies in question were already included in the Consolidated Financial Statements using the equity method.

4 NOTES ON THE CONSOLIDATED PROFIT AND LOSS STATEMENT

(1) Sales revenues

Sales revenues		**K€**
	2024	2023
Energy revenue	1,746,060	2,353,337
thereof electricity	*1,151,443*	*1,714,926*
thereof gas	*318,020*	*358,652*
thereof heat	*251,514*	*252,056*
thereof other	*25,083*	*27,659*
Network revenue	357,146	354,124
thereof electricity grid	*310,024*	*300,995*
thereof gas grid	*47,122*	*53,128*
Other sales revenue	88,729	79,411
Total	**2,191,935**	**2,786,871**

Sales revenues include K€ 188,854 thousand (previous year: K€ 2,188,854 (previous year: K€ 2,810,950 thousand) from contracts with customers.

Sales revenues are K€ 594,936 below the value of the previous year. This change results mainly from lower energy income in the electricity segment.

With regard to grid revenues, please refer to the explanations on the regulatory system for electricity and gas grids in Note 9 “Significant Accounting Methods”.

Electricity trading activities (“trading”) are presented on a net basis, taking into account the net gains/losses from derivative financial instruments held for trading purposes with these electricity trading activities within energy income in the electricity segment.

Electricity trading activities (“Trading”)		**K€**
	2024	2023
Revenue from electricity trading activities	157,273	223,298
Expenses from electricity trading activities	-143,655	-194,831
Net result from electricity trading	**13,618**	**28,467**
Realised gains/losses from futures, electricity	20,718	-39,075
Realised gains/losses from forwards, electricity	-12,777	-4,103
Unrealised gains/losses from the market valuation of electricity futures	37,652	-827
Unrealised gains/losses from the market valuation of electricity forwards	-58,096	15,566
Net gain/loss from derivative financial instruments, electricity trading	**-12,503**	**-28,439**
Total result	**1,115**	**28**

Gas trading activities (“trading”) are presented net in the same way as electricity trading activities, taking into account the net gains/losses from derivative financial instruments held for trading purposes with these gas trading activities within energy income in the gas segment.

Gas trading activities (“Trading”)		**K€**
	2024	2023
Revenue from gas trading activities	321	24,485
Expenses from gas trading activities	-320	-24,477
Net result from gas trading	**0**	**8**
Realised gains/losses from futures, gas	52	-1,132
Realised gains/losses from forwards, gas	0	-1
Unrealised gains/losses from the market valuation of gas futures	0	225
Net gain/loss from derivative financial instruments, gas trading	**52**	**-908**
Total result	**53**	**-900**

The table below shows the development of the consolidated sales quantities of the Group companies:

Gross sales quantities		
	2024	2023
Electricity sales in GWh *)	9,841	12,607
Sales of electricity in the grid segment in GWh	7,622	7,639
Gas sales in GWh **)	6,717	7,437
Sales of gas in the grid segment in GWh	11,905	10,737
Heating sales in GWh		
Domestic market	1,305	1,329
Abroad	516	522

*) The item “Sales of electricity in GWh” includes electricity trading activities (“trading”) in the amount of 1,665 GWh (previous year: GWh 1,211) which are disclosed as net figures in sales revenue.

**) The item "Sales of gas in GWh includes gas trading activities (“trading”) in the amount of GWh 11 (previous year: GWh 451) which are disclosed as net figures in sales revenue.

Other sales revenue is as follows:

Other sales revenue		**K€**
	2024	2023
Management fees and revenue for other services	20,900	21,826
Sales revenue from the reversal of building cost contributions	17,808	16,863
Sales revenue from emission certificates and guarantees of origin	11,648	5,268
Sales revenue from deliveries and services other than energy deliveries	11,147	8,157
Sales revenue from the implementation of energy measures in buildings and technical plants	8,963	6,319
Sales revenue from the provision of telecommunication infrastructure	6,330	5,701
Sales revenue from the installation of house connections	3,553	3,124
Rental and leasing revenue	2,193	2,106
Other	6,188	10,047
Total	**88,729**	**79,411**

Trading activities in connection with certificates (“trading”) are presented on a net basis to provide an economic view:

Trading activities in connection with certificates (“trading”)		**K€**
	2024	2023
Revenue from trading in certificates	172,765	56,030
Expenses from trading with certificates	-179,057	-66,983
Net result from trading with certificates	**-6,291**	**-10,952**
Realised gains/losses from futures	8,205	12,790
Realised gains/losses from forwards	0	-283
Unrealised gains/losses from the market valuation of futures	0	-906
Unrealised gains/losses from the market valuation of forwards	0	282
Net gain/loss from derivative financial instruments, trading certificates	**8,205**	**11,883**
Total result	**1,913**	**931**

The following table provides information on receivables, contract assets and contract liabilities from contracts with customers:

Contract balances		K€
	2024	2023
Trade accounts receivable	626,736	530,918
Contract assets	3,087	5,828
Contract liabilities	-1,785	-1,515
Total	**628,038**	**535,231**

Contract assets relate to claims from services which are not yet billable. These are measured at the actual manufacturing costs incurred. The contract costs are recognised in proportion to the stage of completion on the balance sheet date. Contract assets are reclassified to receivables when an invoice is issued to the customer.

Contract liabilities include deferred revenues for the Customer Club. The amount of K€ 1,515 reported as contract liabilities at the beginning of the period was already recognised as revenue in previous years.

(2) Changes in inventories and own work capitalised

This item includes decreases in inventories of K€ 977 (previous year: increases in inventories amounting to K€ 71) and own work capitalised amounting to K€ 44,458 (previous year: K€ 36,569).

(3) Other operating income

Other operating income		K€
	2024	2023
Income from the reversal of investment subsidies	8,430	4,188
Income from termination benefits	5,271	0
Income from damage compensation	2,619	2,931
Income from the disposal of fixed assets	1,245	1,150
Subsidies from third parties	994	17,894
Income from payments on account	892	1,641
Income from the appreciation of receivables	861	1,009
Income from reversals of impairment losses on property, plant and equipment	54	3,524
Other	996	942
Total	**21,362**	**33,281**

The subsidies from third parties in the previous year related to compensation payments in accordance with the French energy price umbrella from energy deliveries to end customers.

Income from the appreciation of property, plant and equipment in the previous year mainly includes the appreciation of the Mur power plant in Graz in the amount of K€ 1,835 and the Gratkorn power plant in the amount of K€ 1,468.

(4) Cost of material and other purchased manufacturing services

Cost of material and other purchased manufacturing services		**K€**
	2024	2023
Energy procurement from third parties	1,533,625	2,106,362
thereof electricity	*1,064,755*	*1,613,461*
thereof gas	*398,960*	*424,244*
thereof heat	*59,083*	*57,195*
thereof other	*10,827*	*11,461*
Grid utilisation by third parties	53,184	92,595
thereof electricity grid	*41,723*	*73,101*
thereof gas grid	*11,461*	*19,494*
Other expenses for materials	26,954	26,112
Total	**1,613,764**	**2,225,069**

The expenses for materials and other purchased production services are K€ 611,306 below the expenses of the previous year. This decrease is mainly due to lower electricity purchases.

(5) Personnel costs

Personnel costs		**K€**
	2024	2023
Wages and salaries	185,063	170,293
Expenses for severance payments	1,964	1,703
Expenses for the pension scheme	5,652	6,535
Expenses for legally defined social security contributions as well as contributions and obligatory contributions dependent on remuneration	43,690	38,689
Other social expenses	2,647	2,271
Total	**239,015**	**219,492**

With regard to expenses from interest on personnel provisions in the amount of K€ 6,887 (previous year: K€ 7,197), please refer to Note (9) "Financial Income and Expenses".

In the financial year, payments in the scope of defined contribution pension plans amounted to K€ 7,265 (previous year: K€ 6,779).

(6) Amortisation and expenses from impairments of intangible assets and depreciation of tangible assets

Amortisation and expenses from impairments of intangible assets and depreciation of tangible assets — **K€**

	2024	2023
Depreciation of tangible assets	127,879	118,667
Impairments of tangible assets	8,499	5,846
Amortisation of intangible assets	6,537	6,636
Total	**142,915**	**131,149**

Depreciation of property, plant and equipment includes depreciation of rights-of-use assets recognized in accordance with IFRS 16 in the amount of K€ 3,220 (previous year: K€ 3,140).

Impairments of property, plant and equipment in the current financial year mainly include impairments in accordance with IAS 36 on the Gratkorn hydro power plant in the amount of K€ 7,839 and the Mad stein hydro power plant in the amount of K€ 508. The fair value of the cash-generating unit was used as its recoverable amount. In the previous year, this item mainly included the impairment of the P2G plant in Reversionary in the amount of K€ 3,752. This item also includes, both in the current financial year and in the previous year, required adaptations due to technological innovations and preliminary project costs for projects with long pre-planning phases and uncertain outcomes.

For information on the important aspects for impairments of assets, please refer to Note 8 "Group Companies".

(7) Other operating expenses

Other operating expenses K€	2024	2023
Service and maintenance expense as well as various necessary operating expenses	61,808	56,072
Advertising	12,315	14,177
Expenses arising from the value adjustment of receivables	10,342	5,355
Commission payments	9,127	3,419
Expense allowances to employees and for training and further education	7,272	6,506
Security, cleaning and waste disposal expenses	4,324	3,784
Insurance policies	4,049	3,815
Postage and telephone costs	4,043	3,935
Legal, audit and consultancy costs	3,722	3,148
Taxes which are not dependent on income as well as contributions, fees and dues	3,399	2,837
Car expenses	3,388	3,089
Losses from the disposal of assets	1,627	1,304
Expenses arising from the derecognition of receivables less value adjustments used	1,427	1,546
Miscellaneous other operating expenses	20,620	21,724
Total	**147,464**	**130,711**

Research and development costs incurred in the research phase were K€ 564 (previous year: K€ 380) and were immediately recognised in profit or loss.

Other operating expenses in the current financial year include expenses for short-term leases in the amount of K€ 18 (previous year: K€ 52) and expenses for low-value leases in the amount of K€ 12.

(8) Other results from shareholdings

Other results from shareholdings K€	2024	2023
Income from shareholdings recognised at fair value through equity	109,771	75,454
Market value changes from shareholdings measured at fair value through profit or loss	0	2
Income from shareholdings recognised at fair value through profit or loss	343	311
Total other income from shareholdings	**110,114**	**75,767**
Market value changes from shareholdings measured at fair value through profit or loss	-632	-1,260
Total other expenses from shareholdings	**-632**	**-1,260**
Balance of other income and expenses arising from shareholdings	**109,482**	**74,507**

Dividend income from shareholdings measured at fair value through equity mainly comprises income from shares held in VERBUND Hydro Power GmbH and RAG-Risikobewertung-Verlassenschaft.

Net profits or net losses from shareholdings recognised at fair value through profit or loss include the changes in the fair value recognised impacting income and the results from the disposal of shareholdings allocated to this category. Net profits or net losses from financial assets are calculated from the results of the disposal and the recorded impairments of these financial instruments.

Net profits/losses K€	2024	2023
Net gains/losses from shareholding recognised at fair value through profit or loss	-632	-1,258
Net gains/losses from shareholding recognised at fair value through equity	0	0
Total net profits/losses	**-632**	**-1,258**

(9) Financial income and expenses

Financial result		K€
	2024	2023
Interest income from:		
- loans and receivables	2,158	2,417
Total interest income from financial assets not measured at fair value through profit or loss	2,158	2,417
Income from securities measured at fair value through profit or loss	591	505
Other income from financial assets measured at amortised cost	8,933	4,903
Market value changes from securities measured at fair value through profit or loss	244	1,536
Total financial income	**11,926**	**9,361**
Interest expenses from:		
- from loans and liabilities	-26,692	-13,647
- other accrued interest and expenses	-11,214	-9,101
Total interest expense from financial liabilities not measured at fair value through profit or loss	-37,906	-22,749
Total financial expenses	**-37,906**	**-22,749**
Financial income and expenses balance	**-25,980**	**-13,387**

Interest income from loans and receivables consist mainly of interest income from loans granted by the company.

Other income from financial assets measured at amortised cost consists mainly of interest income from banks.

The effect from the discounting of leases in accordance with IFRS 16 in the amount of K€ 590 (previous year: K€ 550) is included in the interest expenses from liabilities measured at amortized cost.

Other interest and similar expenses contain primarily expenses arising from interest on personnel provisions in the amount of K€ 6,887 (previous year: K€ 7,197).

The amount of transaction costs of financial liabilities not forming part of the effective interest rate is of subordinate importance.

Net profits or net losses from financial instruments recognised at fair value through profit or loss include the changes in the fair value recognised impacting income and the results from the disposal of financial assets allocated to this category. Net profits or net losses from loans and receivables and liabilities recognised at amortised cost of acquisition include recognised impairments and appreciation. As to net gains or net losses of loans and receivables, please refer to Note (17) "Receivables and Other Assets".

Net profits/losses		**K€**
	2024	2023
Net profits/losses from assets recognised at fair value through profit or loss	244	1,536
of which are from financial instruments measured at fair value	*244*	*1,536*
Net profits/losses from financial liabilities valued at amortised cost	-38	-4
Total net profits/losses	**206**	**1,532**

(10) Result from shares held in associated companies

Result from shares held in associated companies		**K€**
	2024	2023
Income from associated companies	13,263	4,067
Expenses from associated companies	-700	-17,032
Total	**12,563**	**-12,965**

Income from associated companies mainly includes income from Energie Graz GmbH and Stromnetz Graz GmbH.

Expenses from associated companies include expenses resulting from the consolidation of the current results of home GmbH.

(11) Income taxes

Tax expenses on the result before income taxes are as follows:

Income taxes		K€
	2024	2023
Current income taxes:		
Expenses for current income taxes	-4,641	-30,186
Income/expense from previous periods	1,896	-405
Total current income taxes	**-2,745**	**-30,591**
Deferred taxes:		
Entry and reversal of temporary differences	-13,866	-7,132
Effect of the tax rate change abroad	-585	0
Total deferred taxes	**-14,451**	**-7,132**
Income tax expenses	**-17,196**	**-37,724**

The effect of the tax rate change in the current financial year is mainly due to the increase in the corporation tax rate in Slovakia with effect from 1 January 2025. The increase in the corporation tax rate from 21 percent to 24 percent was already taken into account when calculating the deferred tax assets and liabilities of the Slovakian Group companies.

The table below shows the allocation of the income taxes in the Consolidated Financial Statements:

Allocation of income taxes in the consolidated financial statements		K€
	2024	2023
Ongoing operating activities	-17,196	-37,724
Taxes included in other comprehensive income (OCI) of the year	-42,231	329,886
Income taxes - total	**-59,427**	**292,162**

The taxes recognised in other comprehensive income (OCI) for the year are shown in the table below.

Income taxes on other comprehensive income						**K€**
	2024 Before taxes	**2024** Taxes	**2024** After taxes	**2023** Before taxes	**2023** Taxes	**2023** After taxes
Revaluation of net debt from defined benefit obligations	7,057	-1,628	5,430	-14,173	3,260	-10,913
Net change in the fair value of investments measured at fair value through equity	-276,249	63,542	-212,707	-260,635	59,946	-200,689
Other results from investments accounted for using the equity method (revaluation of net debt from defined benefit obligations)	1,890	0	1,890	-2,916	0	-2,916
Sum of items that will not be subsequently reclassified ("recycled") to the Profit and Loss Statement	-267,302	61,914	-205,388	-277,724	63,206	-214,518
Market valuation of hedging instruments (cash flow hedges)	452,805	-104,145	348,660	-1,159,477	266,680	-892,797
Exchange rate differences resulting from the conversion of foreign businesses	-115	0	-115	-167	0	-167
Sum of items that will be reclassified ("recycled") subsequently to the Profit and Loss Statement	452,690	-104,145	348,545	-1,159,644	266,680	-892,965
Other result	**185,388**	**-42,231**	**143,157**	**-1,437,368**	**329,886**	**-1,107,483**

Income tax expenses in the financial year are K€ 31,032 lower (previous year: K€ 9,922 lower) than the computed income tax expenses which would result by applying a tax rate of 23 percent to the profit before income tax.

Causes for the differences between the computed and the disclosed income tax expenses in the Group are as follows:

Tax rate reconciliation		**K€**
	2024	2023
Calculated tax expense	-48,227	-47,646
Differences resulting from deviating rates of taxation abroad	91	491
Tax-free dividend income	27,040	18,865
Pro rata at equity results which cannot be recognised for tax purposes	2,889	-3,793
Profit and loss shares in partnerships	0	-919
Utilisation of non-capitalised loss carry forwards from previous years	884	2,104
Non-capitalised loss carry forwards of the current financial year	-570	-263
Other tax-free income and non-deductible expenses	-1,082	1,256
Non-period tax expense/income	1,896	-7,538
Other	-116	-281
Reported income tax income/expenses	**-17,196**	**-37,724**
Effective corporation tax rate	**8.20%**	**19.79%**

The difference between the effective tax rate and the statutory tax rate is mainly due to tax-free investment income received as well as the only partial utilisation of loss carry forwards and effects from the interest barrier in accordance with the medium-term planning. In addition, there are positive effects from the unwinding of the following restriction of our complaints in connection with the write-downs to going concern value made in 2015 and 2016 on the investment in Energie Steiermark Judgment GmbH.

As of the 2022 assessment date, the write-downs to the value of the investment in Energie Steiermark Czechia GmbH carried out in 2011 to 2013 and to the investment in Energie Steiermark Service GmbH in 2019 were not recognised as being tax deductible by the tax authorities in the amount of the distribution made in the respective year ("distribution-related write-down to going concern value"). Tax law stipulates here that the write-down of a shareholding to its going concern value is spread over seven years for tax purposes ("one-seventh of the write-down each year"). The taxes officially assessed and paid that were not due in the company's opinion were recognised as claims at the expected value. The company has taken legal recourse by way of a complaint against the respective notifications, but a decision has not yet been reached this matter. The entire potential threat relating to the write-down to going concern value of Energie Steiermark Czechia GmbH was fully taken into account.

The appeals were restricted and corrected with regard to the partial write-downs on the investment in Energie Steiermark Judgment GmbH in 2015 and 2016. The appeals were directed against the tax assessments of the group owner for the years 2015 and 2016. The facts of the case related to the tax recognition of the respective sevenths of the partial write-downs on the same investment made the company's favour.

Moreover, Energie Steiermark AG formed a group of companies in the 2005 financial year in accordance with Section 9 KStG (Corporation Tax Act). A group and tax equalisation agreement was concluded on 24 November 2005, which was revised on 19 December 2024. The founding of the group of companies, under the terms of the notification, took place on 2 February 2006. The tax balancing agreement was concluded for an indefinite period of time and is dependent on the tax load method.

Three Austrian companies (previous year: three) participated in this group of companies as group members as at 31 December 2024 and have concluded a relevant group agreement with the main company, Energie Steiermark AG.

Deferred tax assets and liabilities resulting from different valuations in the tax balance sheet and the IFRS Balance Sheet as well as from loss carry-forwards existing at the balance sheet date are as follows:

Deferred tax K€

	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Intangible assets	4,962	278	5,558	288
Property, plant and equipment	0	73,257	0	57,301
Derivatives	102,878	72,808	140,639	40,885
Other financial assets	438	170,554	4	234,049
Inventories	34	218	31	446
Receivables and other assets	14,146	106	29,454	1
Financial liabilities	4,341	0	4,660	0
Provisions and accruals	23,373	308	24,983	0
Liabilities and accruals/deferrals	7,922	23,866	7,244	5,686
Tax losses carried forward	7,584	0	2,408	0
Write-down to going concern value of shareholdings	9,652	0	12,572	0
Total deferred tax assets/liabilities	175,331	341,396	227,553	338,656
Add-on of supplementary tax balance sheets	0	0	6,291	4,593
Deferred tax assets/liabilities 31/12	**175,331**	**341,396**	**233,843**	**343,249**
Offsetting of deferred tax assets and liabilities vis-à-vis the same tax authority	-159,532	-159,532	-104,710	-104,710
Offset deferred tax assets/liabilities	**15,799**	**181,864**	**129,134**	**238,540**

The following deferred tax assets and liabilities are disclosed in the Balance Sheet:

Net position from deferred taxes		K€
	31/12/2024	31/12/2023
Deferred tax assets	15,799	129,134
Deferred tax assets	181,864	238,540
Net position	**-166,065**	**-109,406**

The net position of the Group's deferred taxes developed as follows in the financial year:

Change in net position from deferred taxes		K€
	31/12/2024	31/12/2023
Status at the start of the year	-109,406	-432,187
Currency changes	23	28
Recognised through profit or loss in the financial year	-14,451	-7,132
Changes not affecting the result	-42,231	329,886
Status at the end of the year	**-166,065**	**-109,406**

The corporation tax rate of each country in which the company is liable to pay its taxes is used to determine the deferred taxes.

Deferred tax assets of K€ 41,967 (previous year: K€ 54,659) were recognized for the partial write-downs outstanding as of 31 December from the tax distribution over seven years .

No deferred tax assets were recognised for tax losses carried forward amounting to K€ 22,749 (previous year: K€ 34,141), since it is not probable that there will be taxable results in the future which can be offset by the Group against deferred tax liabilities.

Non-capitalised loss carry-forwards relate mainly to loss carry-forwards of Austrian and German companies, which may be carried forward without restrictions.

The changes in deferred tax assets and liabilities recognised in the balance sheet in the current year are calculated as follows:

Changes in deferred tax assets and liabilities **K€**

	2024	2023
DEFERRED TAX ASSETS		
Differences between depreciation for accounting and for tax purposes	-597	113
Other non-deductible provisions	-1,609	2,961
Losses from the valuation of derivatives	-37,761	-27,458
Losses from the measurement at fair value of other financial assets	434	3
Tax losses carried forward and unused tax credits	5,175	-3,234
Write-down to going concern value of shareholdings	-2,919	1,653
Add-on of supplementary tax balance sheets	-6,291	-17
Other deductible temporary differences	-14,946	3,392
Offsetting of deferred tax assets and liabilities vis-à-vis the same tax authority	-54,822	127,122
Change in deferred tax assets	**-113,335**	**105,741**
DEFERRED TAX LIABILITIES		
Differences between depreciation for accounting and for tax purposes	-15,947	-14,729
Other non-deductible provisions	-308	62
Gains from the valuation of derivatives	-31,923	296,959
Gains from the measurement at fair value of other financial assets	63,496	60,205
Other deductible temporary differences	-18,058	1,787
Add-on of supplementary tax balance sheets	4,593	-121
Offsetting of deferred tax assets and liabilities vis-à-vis the same tax authority	54,822	-127,122
Change in deferred tax liabilities	**56,676**	**217,040**
Change in the net position	**-56,659**	**322,781**

GLOBAL MINIMUM TOP-UP TAX

On 30 December 2023, the Minimum Taxation Reform Act (MinBestRefG, BGBI I No. 187/2023) was issued in Austria, which implements EU Directive 2022/2523 based on the OECD model regulations ("Pillar II") to ensure global minimum taxation for multinational groups of companies and large domestic groups in the Union with revenues of more than EUR 750 million. The Energie Steiermark Group falls within the scope of this legal provision because the turnover threshold is exceeded. Energie Steiermark AG is considered the ultimate parent company and is therefore fundamentally responsible for determining any surtax for the group of companies.

The Energie Steiermark Group is affected by Pillar II regulations in the following jurisdictions: Austria, Germany, Slovakia, Czech Republic, France.

For the 2024 financial year, no national surtax under Section 6 MinBestG was calculated for the entities located in Austria, as both the effective tax rate is above the required minimum of 15% and the exemption of the net profit tax under Section 48 MinBestG exceeds the minimum net profit tax. Safe harbour rules were in place for business units in foreign jurisdictions (NES safe harbour, CbCR safe harbour). The analyses are based on the latest available data from the country-by-country reporting and the respective company reports and are subject to ongoing review. For the 2024 financial year, no surtaxes have been recognised as a result of the application of the Minimum Taxation Act or a comparable foreign law.

5 NOTES ON THE CONSOLIDATED BALANCE SHEET

NON-CURRENT AND CURRENT ASSETS

(12) Intangible assets

Intangible assets include electricity, gas and heat purchase rights, natural gas pipeline transportation rights, software and goodwill.

Goodwill consists of the following:

Goodwill		**K€**
	31/12/2024	31/12/2023
Energie Steiermark Kunden GmbH	48,756	48,756
Energie Steiermark Green Power GmbH	7,288	7,288
Windpark Stubalm GmbH	4,719	4,719
la bellenergie SaS	3,744	3,744
Elektrizitätswerke Bad Radkersburg GmbH	1,121	1,121
E1 Energiemanagement GmbH	937	937
Energie Steiermark Wärme GmbH	890	890
STEFE ECB, s.r.o.	137	137
Total	**67,593**	**67,593**

Assets having undetermined useful lives are disclosed under "Other non-amortisable intangible assets".

The carrying amount of intangible assets developed as follows:

Changes in intangible assets K€

	Usage rights, electricity, gas and heating purchase rights, supply rights	Advance payments	Goodwill	Other non-amortisable intangible assets	Total
Acquisition/manufacturing costs 1/1/2023	131,393	0	76,624	1,976	209,994
Currency changes	-9	0	0	0	-9
Additions	4,099	48	4,719	0	8,866
Disposals	-159	-48	0	-1	-208
Reclassifications	1,115	0	0	0	1,115
Acquisition/manufacturing costs 31/12/2023	136,439	0	81,344	1,976	219,758
Accumulated amortisation/depreciation 1/1/2023	84,648	0	13,751	0	98,399
Currency changes	-4	0	0	0	-4
Scheduled amortisation/depreciation	6,589	48	0	0	6,636
Disposals	-133	-48	0	0	-181
Accumulated amortisation/depreciation 31/12/2023	91,099	0	13,751	0	104,851
Carrying amount at 1/1/2023	46,745	0	62,873	1,976	111,595
Carrying amount at 31/12/2023	**45,339**	**0**	**67,593**	**1,976**	**114,908**
Acquisition/manufacturing costs 1/1/2024	136,439	0	81,344	1,976	219,758
Currency changes	-7	0	0	0	-7
Additions	7,244	7	0	0	7,251
Disposals	-3,868	0	0	0	-3,868
Reclassifications	715	0	0	0	715
Acquisition/manufacturing costs 31/12/2024	140,522	7	81,344	1,976	223,849
Accumulated amortisation/depreciation 1/1/2024	91,099	0	13,751	0	104,851
Currency changes	-3	0	0	0	-3
Scheduled amortisation/depreciation	6,537	0	0	0	6,537
Disposals	-3,867	0	0	0	-3,867
Accumulated amortisation/depreciation 31/12/2024	93,767	0	13,751	0	107,518
Carrying amount at 1/1/2024	45,339	0	67,593	1,976	114,908
Carrying amount at 31/12/2024	**46,755**	**7**	**67,593**	**1,976**	**116,331**

(13) Property, plant and equipment

The carrying amount of tangible assets changed as follows:

Changes in tangible assets K€

	Properties and buildings on other plots	Undeveloped plots	Technical plant and machinery	Other equipment, technical and office equipment	Properties under construction	Total
Acquisition/manufacturing costs 1/1/2023	514,627	26,396	3,033,084	76,915	123,374	3,774,396
Additions from the acquisition of shares	0	0	0	0	3,356	3,356
Currency changes	-106	0	-428	-7	-4	-545
Additions	8,496	628	99,569	14,889	99,614	223,195
Disposals	-3,110	-121	-29,051	-9,013	-17	-41,312
Contract amendments	4,852	0	-1	1,465	0	6,316
Reclassifications	11,150	5	93,660	960	-106,891	-1,115
Acquisition/manufacturing costs 31/12/2023	535,908	26,907	3,196,833	85,210	119,431	3,964,289
Accumulated amortisation/depreciation 1/1/2023	187,081	475	1,830,114	52,199	7,433	2,077,302
Currency changes	-68	0	-274	-6	0	-348
Scheduled amortisation/depreciation	12,131	0	95,918	10,617	0	118,667
Impairments (Note (6))	2,422	0	2,716	160	548	5,846
Reversals of impairment losses	-1,525	0	-530	0	-1,468	-3,524
Disposals	-2,736	0	-27,519	-8,972	0	-39,227
Reclassifications	-1	0	1	0	0	0
Accumulated amortisation/depreciation 31/12/2023	197,303	475	1,900,426	53,999	6,512	2,158,715
Carrying amount at 1/1/2023	327,546	25,921	1,202,970	24,716	115,941	1,697,094
Carrying amount at 31/12/2023	**338,605**	**26,432**	**1,296,406**	**31,211**	**112,919**	**1,805,574**
Acquisition/manufacturing costs 1/1/2024	535,908	26,907	3,196,833	85,210	119,431	3,964,289
Currency changes	-90	0	-375	-6	-4	-475
Additions	14,821	1,005	98,886	13,538	154,923	283,173
Disposals	-1,302	-20	-23,325	-12,789	-239	-37,675
Contract amendments	-107	0	2	-70	0	-175
Reclassifications	31,749	52	69,727	568	-102,811	-715
Acquisition/manufacturing costs 31/12/2024	580,980	27,944	3,341,748	86,450	171,301	4,208,423
Accumulated amortisation/depreciation 1/1/2024	197,303	475	1,900,426	53,999	6,512	2,158,715
Currency changes	-57	0	-230	-4	0	-291
Scheduled amortisation/depreciation	12,853	0	102,746	12,280	0	127,879
Impairments (Note (6))	6,134	0	2,345	0	20	8,499
Reversals of impairment losses	-6	0	-2	0	-46	-54
Disposals	-1,144	-9	-21,671	-12,666	0	-35,489
Reclassifications	3,467	0	456	0	-3,923	0
Accumulated amortisation/depreciation 31/12/2024	218,550	467	1,984,071	53,608	2,563	2,259,259
Carrying amount at 1/1/2024	338,605	26,432	1,296,406	31,211	112,919	1,805,574
Carrying amount at 31/12/2024	**362,430**	**27,478**	**1,357,677**	**32,842**	**168,737**	**1,949,164**

Investments in property, plant and equipment amounted to K€ 281,464 in the past financial year (previous year: K€ 221,306), where K€ 126,541 were invested in finished plants and K€ 154,923 in plants under construction. The finished plants mainly relate to the construction and modernisation of transformer and electricity distribution systems, telecontrol technology and transmission systems, the roll-out of smart meters, the expansion of gas and fibre optic networks, increasing the coverage of heating networks and the construction of new office buildings along with hydro power and photovoltaic plants. The plants under construction consist primarily of investments in transformer and electricity distribution systems, smart meter technology, the expansion of gas and heating supply networks, fibre optic cables, wind turbines and district heating generation plants as well as office and operations buildings. Carrying amounts increased by 8 percent in the year under review.

The decreases of the carrying amount of K€ 2,186 (previous year: K€ 2,085) relate mainly to technical plants and machinery.

Rights-of-use assets from leases pursuant to IFRS 16 are reported under property, plant and equipment, where they are then divided into three categories: land and buildings, technical plants and machinery and office and business equipment.

The development of rights-of-use assets from leases is presented as follows:

Development of rights-of-use assets from leases K€

	Land and buildings	Technical plants and machinery	Office and business equipment
Carrying amount at 01/01/2023	**8,750**	**174**	**5,579**
Currency changes	-2	0	0
Additions	228	45	1,616
Contract amendments	4,852	-1	1,465
Amortisation	-1,023	-36	-2,081
Carrying amount at 01/01/2024	**12,806**	**182**	**6,579**
Currency changes	-2	0	0
Additions	1,322	11	375
Disposals	0	-2	0
Contract amendments	-107	2	-70
Amortisation	-1,155	-40	-2,025
Carrying amount at 31/12/2024	**12,864**	**154**	**4,859**

The category office and business equipment includes vehicles leases amounting to K€ 3,457 (previous year: K€ 4,957). We refer to Note (25) “Non-current and current financial liabilities” as regards lease liabilities.

Contract adjustments refer to adjustments to the underlying contracts, such as prolongations of their validity, which are recognised directly in equity against the lease liability.

(14) Financial investments recognised at equity

Investments in associated companies are at-equity recognised participations in companies with a participation quota of between 20 percent and 50 percent, if significant control can be exercised.

The carrying amount of entities recognised at equity developed as follows:

Change in companies included at equity K€

	2024	2023
Status as at 1/1	108,275	128,327
Additions	700	0
Disposals	0	-1,330
Other changes not affecting income	1,890	-2,916
Pro rata results	12,563	-12,965
Distributions	-7,450	-2,841
Status as at 31/12	**115,978**	**108,275**

The proportion contributing to results here mainly include income from Energie Graz GmbH and Stromnetz Graz GmbH. Dividends result mainly from Energie Graz GmbH.

Other changes not affecting earnings relate to gains and losses from the revaluation of the net debt from defined-benefit obligations, the net change in the fair value of investments measured at fair value through equity, from assets held for sale recognised as not affecting earnings and cash flow hedges in the associated company.

Additions in the current financial year include shareholder contributions to home GmbH.

Goodwill included in the carrying amount of companies recognised at equity consists of:

Goodwill K€

	31/12/2024	31/12/2023
Energie Graz GmbH	57,279	57,279
Stadtwerke Bruck an der Mur GmbH	3,013	3,013
Feistritzwerke-STEWEAG GmbH	2,569	2,569
STEFE Trnava, s.r.o.	2,558	2,558
Stadtwerke Hartberg Energieversorgungs GmbH	992	992
Total	**66,411**	**66,411**

Summarised financial information in respect of the individually material entities included in the Consolidated Financial Statements at equity is presented in the tables below:

Financial information about material associated companies K€

	31/12/2024				31/12/2023			
associated company	**Energie Graz**	**Stromnetz Graz**	**Feistritz-werke[1]**	**Adriaplin[2]**	**Energie Graz**	**Stromnetz Graz**	**Feistritz-werke[1]**	**Adriaplin[2]**
Balance sheet								
Non-current assets	473,161	32,228	192,256	55,027	475,567	32,379	156,372	55,101
Current assets	65,418	21,528	16,299	11,576	70,717	16,081	16,645	9,998
Non-current liabilities	-210,849	-37,338	-132,811	-1,789	-229,503	-43,526	-102,912	-5,593
Current liabilities	-129,428	-8,647	-21,830	-11,210	-123,658	-3,756	-17,747	-9,630
Reconciliation to the carrying amount of the interest in the associated company								
Net assets	198,302	7,771	53,913	53,604	193,123	1,179	52,358	49,876
Share in the net assets in %	49%	49%	27%	38%	49%	49%	27%	38%
Share in the net assets	97,168	3,808	14,557	20,370	94,630	578	14,137	18,953
+/- Revaluations	-87,033	-2,108	-167	-2,867	-87,043	-2,105	-184	-2,361
Carrying amount of the interest in the associated company (excl. goodwill)	10,135	1,700	14,390	17,503	7,588	-1,527	13,953	16,592

	2024				2023			
associated company	**Energie Graz**	**Stromnetz Graz**	**Feistritz-werke[1]**	**Adriaplin[2]**	**Energie Graz**	**Stromnetz Graz**	**Feistritz-werke[1]**	**Adriaplin[2]**
Profit and loss statement								
Sales revenues	367,238	59,869	38,487	51,900	404,265	55,620	32,938	68,651
Result after income taxes	12,659	6,138	4,056	4,747	-37,679	3,912	3,685	4,903
Other result	3,514	356	0	-18	-5,223	-772	0	57
Total result	16,174	6,494	4,056	4,728	-42,903	3,140	3,685	4,960
Dividend paid to Energie Steiermark	5,440	-	675	760	2,647	-	675	380

[1] The balance sheet date of Feistritzwerke-STEWEAG - GmbH is 30 June. The proportionate result is included in the Consolidated Financial Statements on the basis of the interim financial statements prepared as at 31 December.

[2] The figures of ADRIAPLIN, Podjetje za distribucijo zemeljskega plina d.o.o. relate to the 2023 financial year and, in the previous year, to the 2022 financial year.

Summarised financial information in respect of individually immaterial associated companies is presented in the table below:

Summarised financial information of other associated companies		**K€**
	2024	2023
Result after income taxes	2,033	-1,775
Other result	0	0
Total result	2,033	-1,775
Carrying amount of the interest in the associated companies (excl. goodwill)	5,839	5,259

(15) Non-current financial assets

Non-current financial assets consist of the following:

Non-current financial assets		**K€**
	2024	2023
Loans granted by the company	20,000	20,000
Assets at fair value through equity	945,309	1,220,564
of which are shareholdings valued at fair value not affecting profit and loss (Level 2)	945,309	1,220,564
Assets at fair value through profit and loss	92,011	55,176
of which are securities valued at fair value through profit and loss (Level 1)	36,024	35,780
of which are shareholdings valued at fair value through profit and loss (Level 1)	6,311	6,943
of which derivative financial instruments (level 2)	49,676	12,452
Total	**1,057,320**	**1,295,739**

The following investments are designated as equity instruments at fair value through equity, as the Group intends to hold these investments for strategic purposes in the long term.

Investments held at fair value through equity include both immaterial shareholdings in associated companies not recognised at equity and other shareholdings with a percentage interest of less than 20 percent.

Shareholdings valued at fair value through equity (Level 2) **K€**

	31/12/2024			31/12/2023		
	Shareholding % rate	Fair value	Dividend income recognised	*Shareholding % rate*	Fair value	Dividend income recognised
VERBUND Hydro Power GmbH	*5.31%*	881,599	100,890	*5.31%*	1,155,246	69,030
RAG-Beteiligungs- Aktiengesellschaft	*10.00%*	51,451	7,032	*10.00%*	52,862	5,000
ARGONET GmbH	*34.00%*	5,016	0	*34.00%*	5,016	0
E 1 Wärme und Energie GmbH	*100.00%*	2,740	587	*100.00%*	2,740	447
Enery Green Power GmbH	*50.00%*	1,364	0	*50.00%*	576	0
ES SN Green Power GmbH	*50.00%*	1,143	299	*50.00%*	1,143	0
AQUASYSTEMS Gospodarjenje z vodami d.o.o.	*20.87%*	735	734	*20.87%*	1,028	727
E-VO eMobility GmbH	*12.00%*	459	0	*12.00%*	421	0
AGGM Austrian Gas Grid Management AG	*15.00%*	282	131	*15.00%*	1,065	162
APCS Power Clearing and Settlement AG	*3.81%*	162	14	*3.81%*	131	14
AGCS Gas Clearing and Settlement AG	*2.81%*	116	10	*2.81%*	103	1
CISMO Clearing Integrated Services and Market Operations GmbH	*3.31%*	101	74	*3.31%*	101	74
EXAA Abwicklungsstelle für Energieprodukte AG	*3.04%*	57	0	*3.04%*	54	0
Grazer Energieagentur Ges.m.b.H.	*5.00%*	50	0	*5.00%*	46	0
EDA Energiewirtschaftlicher Datenaustausch GmbH	*6.67%*	34	0	*6.67%*	28	0
Zentral-Wasserversorgung Hochschwab Süd, Gesellschaft m.b.H.	-	0	0	*5.00%*	5	0
Total		**945,309**	**109,771**		**1,220,564**	**75,454**

Long-term loans granted by the company are as follows:

Long-term loans granted by the company **K€**

	2024	2023
Energie Graz GmbH	20,000	20,000
Other	0	0
Total	**20,000**	**20,000**

As at 31 October 2013, Energie Graz GmbH & Co KG was granted a subordinated, long-term loan of K€ 40,000 at a fixed interest rate of 7.5 percent until 31 October 2023. In December 2022, it was agreed to extend the existing subordinated shareholder loan with a final maturity in 2035 and a credit risk premium of 4.56 percent to 5.08 percent.

The market value of the long- and short-term loans which results from discounting of expected cash flows using current market interest rates amounts to K€ 22,490 (previous year: K€ 25,406). Short-term loans granted by the company are explained under Note (16) “Current Financial Assets”.

The loans granted were examined on the basis of the future-oriented model of “expected loan defaults” in accordance with IFRS 9. External ratings could be allocated for the material amounts. No impairment requirement was determined based on published default rates.

Securities recognised at fair value through profit and loss in the amount of K€ 36,024 (previous year: K€ 35,780) consist of fund shares and equities and are recognised at market value on the balance sheet date. The market value is the price published on the reporting date.

Fund shares to the amount of K€ 36,006 (previous year: K€ 35,762) had an average stock market price of € 96.44 on the balance sheet date (previous year: € 91.09).

Shareholdings recognised at fair value through profit and loss in the amount of K€ 6,311 (previous year: K€ 6,943) contain mainly shares in Burgenland Holding Aktiengesellschaft, whose fair value is K€ 6,300 as at 31 December 2024 (previous year: K€ 6,930). The fair value was determined using the share price published on the reporting date.

Derivative financial instruments recognised at fair value through profit or loss include derivative financial instruments in the energy segment with positive market values. For a detailed explanation on derivative financial instruments, refer to Note (7) “Other Disclosures”.

For information on net profits and losses from assets recognised at fair value through profit and loss and derivative financial instruments held for trading, please refer to Note (1) “Sales Revenues” and Note (9) “Financial Income and Expenses”.

The change in non-current financial assets is as follows:

Change in non-current financial assets K€

	Loans granted by the company	Financial assets valued at fair value through equity	Assets at fair value through profit and loss
As at 01/01/2023	**20,000**	**1,480,239**	**201,842**
Additions	0	960	40,470
Disposals	0	0	-187,415
Unrealised profits/losses	0	-260,635	279
As at 31/12/2023	**20,000**	**1,220,564**	**55,176**
Additions	0	998	71,307
Disposals	0	-4	-34,513
Unrealised profits/losses	0	-276,249	42
As at 31/12/2024	**20,000**	**945,309**	**92,011**

(16) Current financial assets

Current financial assets consist of the following:

Current financial assets		K€
	2024	2023
Loans granted by the company	1,129	4,242
Assets at fair value through profit and loss	109,330	35,910
of which derivative financial instruments (level 2)	109,330	35,910
Total	**110,459**	**40,151**

Loans granted are loans to associated companies and other shareholdings.

Short-term loans granted by the company are as follows:

Short-term loans granted by the company		K€
	2024	2023
Energie Graz GmbH	285	285
E 1 Wärme und Energie GmbH	843	3,957
Total	**1,129**	**4,242**

The market values of short-term and long-term loans, and the loans extended by the company are shown in note (15) "Non-Current Financial Assets”.

Derivative financial instruments recognised at fair value through profit or loss include derivative financial instruments in the energy segment with positive market values. For a detailed explanation on derivative financial instruments, refer to Note (7) “Other Disclosures”.

For information on net profits and losses from assets recognised at fair value through profit and loss and derivative financial instruments, disclosed in the previous year, please refer to Note (1) “Sales Revenues” and Note (9) “Financial Income and Expenses”.

(17) Receivables and other assets

Receivables and other assets consist of the following:

Receivables and other assets	Residual term as at 31/12/2024			Residual term as at 31/12/2023		K€
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
Trade accounts receivable	626,200	536	626,736	530,606	312	530,918
Receivables from companies with which a shareholding relationship exists	3,237	20,994	24,231	6,750	0	6,750
Other receivables and assets	168,673	5,011	173,683	168,820	2,413	171,233
Total	**798,110**	**26,541**	**824,650**	**706,176**	**2,725**	**708,902**

Current trade accounts receivable include receivables due from associated companies amounting to K€ 45,454 (previous year: K€ 12 331).

In the 2024 financial year, current trade accounts receivable were netted with trade accounts payable arising from electricity trading activities (“Portfolio”) in the amount of K€ 25,401 (previous year: K€ 56,825) based on agreements with the respective counterparties, which provide for financial clearing of trading positions on a standardised key date once a month, and the net amount was reported in the balance sheet.

In addition, receivables for futures hedging services (variation margin) included in other receivables and assets totalling K€ 4,011 (previous year: K€ 72,617) were offset against the fair value measurement of futures in the current financial year. See here also Note 7 “Other disclosures”.

The table below shows the effects on the balance sheet:

Offsetting information	31/12/2024		K€
Class	Gross amount before offsetting	Gross amount offset	Net amount disclosed in the balance sheet
Trade accounts receivable	652,137	-25,401	626,736
Other receivables and assets	177,695	-4,011	173,683

Offsetting information **K€**

Class	31/12/2023 Gross amount before offsetting	Gross amount offset	Net amount disclosed in the balance sheet
Trade accounts receivable	587,743	-56,825	530,918
Other receivables and assets	243,850	-72,617	171,233

Other receivables and assets consist of the following:

Other receivables and assets **K€**

	Residual term as at 31/12/2024			Residual term as at 31/12/2023		
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
Receivables from the hedging of derivative financial instruments	87,294	0	87,294	95,380	0	95,380
Tax and duty refund claims	51,096	0	51,096	37,006	0	37,006
Deposits	8,420	3,142	11,562	10,861	155	11,015
Receivables from allowances granted not yet received	3,137	0	3,137	10,060	0	10,060
Advance payments for expenses affecting the subsequent periods	3,732	619	4,351	2,026	825	2,851
Receivables from payroll	45	1,127	1,172	488	1,266	1,754
Other receivables and assets	14,948	124	15,071	13,000	168	13,168
Total	**168,673**	**5,011**	**173,683**	**168,820**	**2,413**	**171,233**

Receivables from the hedging of derivative financial instruments result from granted financial securities for forward transactions in electricity trade. There were no pledges of trade accounts receivable as collateral.

Depending on the respective business model and customer segment, the Group uses individual impairment models to determine the expected credit losses on trade receivables from individuals that comprise a very large number of small balances. The loss rates here are determined either on the basis of arrears or dunning levels. In addition, a general allowance of 0.6 percent is recognised in the Group for trade receivables that are not overdue or have not been (previous year: 0.6 percent). Collateral received for past-due receivables on the balance sheet date was of subordinate significance.

In addition, individual value adjustments are made to financial assets for which there is a specific need for impairment. Value adjustments made result mainly from uncollectible payments and delays in payment. Impairments of receivables are recognised using value adjustment accounts. Actual losses result in the derecognition of the respective receivables.

The value adjustments on trade receivables in the course of the year developed as follows:

Impairments, trade accounts receivable K€

	Level 1 Expected 12-month credit loss	Level 2 Expected credit loss over the term – no impaired credit rating	Level 3 Expected credit loss over the term – impaired credit rating	Total
As at 01/01/2023	**3,724**	**1,250**	**3,197**	**8,171**
Expenses for value adjustments	1,464	684	3,954	6,102
Use of value adjustments	-4	-60	-682	-746
Reversal of value adjustments	-690	-119	-183	-992
As at 31/12/2023	**4,494**	**1,755**	**6,286**	**12,535**
Expenses for value adjustments	1,813	1,138	8,114	11,065
Use of value adjustments	-255	-44	-419	-718
Reversal of value adjustments	-523	-139	-195	-857
As at 31/12/2024	**5,528**	**2,710**	**13,786**	**22,025**

The value adjustments in respect of other receivables in the course of the year developed as follows:

Impairments, other receivables and assets K€

	Level 1 Expected 12-month credit loss	Level 2 Expected credit loss over the term – no impaired credit rating	Level 3 Expected credit loss over the term – impaired credit rating	Total
As at 01/01/2023	**0**	**0**	**208**	**208**
Use of value adjustments	0	0	-1	-1
Reversal of value adjustments	0	0	-17	-17
As at 31/12/2023	**0**	**0**	**189**	**189**
Expenses for value adjustments	0	10	0	10
Use of value adjustments	0	0	-16	-16
Reversal of value adjustments	0	0	-4	-4
As at 31/12/2024	**0**	**10**	**170**	**181**

Expenses for derecognition amount to K€ 1,288 (previous year: K€ 1,474) for trade accounts receivable and to K€ 139 (previous year: K€ 73) for other receivables and assets.

(18) Inventories

Inventories consist of the following items:

Inventories		K€
	31/12/2024	31/12/2023
Primary energy inventories	31,069	58,948
CO_2 emission certificates	21,089	21,402
Raw materials and supplies	13,832	11,566
Finished and unfinished goods	1,221	1,804
Total	**67,211**	**93,720**

Primary energy inventories include mainly natural gas inventories amounting to K€ 25,910 (previous year: K€ 51,828).

The majority of CO_2 emission certificates are valued in accordance with the broker-trader exception, as they are held exclusively for trading. They are measured at fair value (Level 1) less costs to sell. In total, the fair value of inventories held for trading amounted to K€ 949 as at the reporting date of 31 December 2024 (previous year: K€ 2,111).

In addition, the CO_2 emission certificates include certificates that have not yet been redeemed to fulfil the requirements of the Emission Allowance Act. In the current financial year, certificates assigned, free of charge, were valued at a fair value of K€ 10,383 (previous year: K€ 10,766).

In the current financial year, value adjustments of raw materials and supplies amounting to K€ 1,635 (previous year: K€ 571) were made to the lower net selling value.

The impairments are recognised in cost of materials and other purchased services in other expenses of material (please refer to Note (4)).

No inventories were pledged or used as a security for liabilities in any other way or manner.

(19) Cash and cash equivalents

A list of cash and cash equivalents is shown below:

Cash and cash equivalents		K€
	31/12/2024	31/12/2023
Cash in hand	115	100
Bank balances	201,522	133,183
Total	**201,638**	**133,283**

Cash in hand and bank balances include short-term liquid funds in foreign currency in the amount of K€ 2,670 (previous year: K€ 2,713).

The average interest rate for bank balances available as at 31 December 2024 is approx. 3.3 percent (previous year: around 2.0 percent).

Cash and cash equivalents are deposited with banks or financial institutions. Based on the external ratings of banks and financial institutions and based on published default rates per rating category, an impairment of K€ 21 (previous year: K€ 8) was determined, which was not recognised for reasons of materiality.

EQUITY

The individual components and the development of equity are shown in a separate table (“Statement of Changes in Consolidated Equity”, p. 5).

(20) Share capital

The share capital amounts to K€ 100,000 and consists of 100,000,200 no-par value shares (previous year: 100,000,200 no-par value shares). Two interim certificates for 75,000,000 no-par value shares registered in the federal state of Styria and 25,000,200 no-par value shares registered in the name of S.E.U. Holdings S.à r.l. The share capital was fully paid up.

(21) Capital reserves

Capital reserves include that part of reserves not formed from previous years’ period results. Of which K€ 611,152 (previous year: K€ 611,152) is not available for distribution to shareholders.

(22) Accumulated results

Accumulated results come from accumulated earnings within the Group. Any amount of these accumulated results might be distributed to the shareholders of the parent company which is disclosed as “Balance sheet profit” in the parent company’s separate financial statements as at 31 December 2024, which are prepared according to the accounting principles applicable in Austria.

The dividend per share amounts to € 0.60 (previous year: € 0.55).

(23) Accumulated changes not affecting earnings

Other reserves developed as follows:

Other reserves						K€
	Profits and losses from					
	Currency conversion	Revaluations in accordance with IAS 19	Cash flow hedges	Changes in the fair value of shareholdings	Shareholdings recognised at equity	Total
As at 01/01/2023	**5,656**	**-55,456**	**515,363**	**982,817**	**-10,511**	**1,437,869**
Change not affecting the result	-85	-14,173	-728,902	-260,635	-2,916	-1,006,711
Realisation affecting income	0	0	-430,575	0	0	-430,575
Taxes offset directly against equity	0	3,260	266,680	59,946	0	329,886
As at 31/12/2023	**5,571**	**-66,369**	**-377,434**	**782,128**	**-13,426**	**330,469**
Change not affecting the result	-59	7,057	407,124	-276,249	1,890	139,763
Realisation affecting income	0	0	45,681	0	0	45,681
Taxes offset directly against equity	0	-1,628	-104,145	63,542	0	-42,231
As at 31/12/2024	**5,512**	**-60,940**	**-28,774**	**569,421**	**-11,537**	**473,683**

The currency translation reserve comprises all foreign currency differences due to the translation of financial statements of foreign operations.

The revaluations pursuant to IAS 19 consist of actuarial gains and losses from the revaluation of net debt from defined-benefit obligations.

Profits and losses from cash flow hedges are reserves for hedging transactions in connection with cash flow hedging (see Note (9) “Significant Accounting Methods” and Note (7) “Other Disclosures”). The reserve comprises the effective portion of the cumulative net changes in the fair value of hedging instruments used to hedge cash flows until the future recognition of the hedged cash flows or hedged items in profit or loss.

Profits and losses from changes in fair value include the cumulative net changes in the fair value of financial assets at fair value through equity.

Profits and losses from at equity recognised shareholdings reflect gains and losses from the revaluation of the net debt from defined-benefit obligations, value changes of assets held for sale recognised as not affecting earnings at associates, and cash flow hedges.

(24) Non-controlling interests

The development of non-controlling interests is reported in the Statement of Changes in Consolidated Equity.

Non-controlling interests include the minority interests in the equity capital of fully consolidated subsidiaries shown in the table below. All other fully consolidated companies are directly or indirectly 100 percent shareholder property of Energie Steiermark AG (see Note (3) “Scope of Consolidation”).

Non-controlling interests

%	31/12/2024	31/12/2023
Jihlavske Kotelny s.r.o. (Czech Republic)	49.16%	49.16%
STEFE Rimavska Sobota, s.r.o. (Slovakia)	41.34%	41.34%
ENWA GmbH (Austria)	40.00%	40.00%
Murkraftwerk Graz Errichtungs- und BetriebsgmbH (Austria)	37.60%	37.60%
STEFE Martin, a.s. (Slovakia)	34.07%	34.07%
STEFE Banska Bystrica, a.s. (Slovakia)	34.00%	34.00%
STEFE Zvolen, s.r.o. (Slovakia)	34.00%	34.00%

The following table provides information on fully consolidated subsidiaries with non-controlling interests before intra-group eliminations. For reasons of materiality, they are summarised per country.

Significant items of subsidiaries with non-controlling interests K€

	31/12/2024						
	Slovakia				Czech	Austria	
Subsidiaries	**STEFE Rimavska Sobota**	**STEFE Zvolen**	**STEFE Martin**	**STEFE Banska Bystrica**	**Jihlavske Kotelny**	**ENWA**	**MKG**
Non-controlling interests in %	41.34%	34.00%	34.07%	34.00%	49.16%	40.00%	37.60%
Profit and loss statement							
Sales revenues	7,837	14,965	18,585	26,639	9,307	0	2,672
Result after income taxes	287	416	428	1,515	874	-53	204
Result after income taxes attributable to the non-controlling interests	119	141	146	515	430	-21	77
Balance sheet							
Non-current assets	3,748	6,501	8,304	21,725	9,618	5,173	83,736
Current assets	3,865	4,528	3,441	7,462	3,127	692	1,619
Non-current liabilities	-1,037	-3,027	-4,563	-8,847	-3,389	0	-75,321
Current liabilities	-2,196	-3,523	-3,356	-7,844	-2,683	-132	-1,353
Net assets attributable to the non-controlling interests	1,811	1,523	1,303	4,248	3,278	2,293	3,264
Cash flow statement							
Cash flow resulting from ongoing operating activities	1,111	2,211	1,816	2,973	1,663	-30	847
Cash flow resulting from investment activities	144	-342	-889	-1,247	-445	-349	20
Cash flow resulting from financing activities	-1,606	-1,377	-491	-3,123	-1,211	379	-1,313
Dividends paid to non-controlling interests during the year [1]	91	114	69	1,868	365	0	96

[1] Included in cash flows from financing activities

Significant items of subsidiaries with non-controlling interests K€

	31/12/2023						
	Slovakia				Czech	Austria	
Subsidiaries	**STEFE Rimavska Sobota**	**STEFE Zvolen**	**STEFE Martin**	**STEFE Banska Bystrica**	**Jihlavske Kotelny**	**ENWA**	**MKG**
Non-controlling interests in %	41.34%	34.00%	34.07%	34.00%	49.16%	40.00%	37.60%
Profit and loss statement							
Sales revenues	8,406	14,448	21,449	33,370	11,653	0	2,674
Result after income taxes	286	335	398	5,490	759	-58	2,133
Result after income taxes attributable to the non-controlling interests	118	114	136	1,867	373	-23	802
Balance sheet							
Non-current assets	4,152	6,879	8,331	22,367	10,211	4,790	84,387
Current assets	3,018	3,283	2,891	11,185	3,358	1,194	1,021
Non-current liabilities	-1,201	-2,814	-4,782	-8,935	-4,047	0	-75,972
Current liabilities	-1,654	-2,950	-2,840	-8,140	-2,870	-198	-702
Net assets attributable to the non-controlling interests	1,784	1,495	1,227	5,602	3,270	2,314	3,284
Cash flow statement							
Cash flow resulting from ongoing operating activities	731	1,265	1,177	8,941	2,487	-332	868
Cash flow resulting from investment activities	60	-665	-559	-2,146	-628	-677	21
Cash flow resulting from financing activities	-356	-620	-692	-4,652	-1,341	1,010	-1,200
Dividends paid to non-controlling interests during the year [1]	79	138	125	623	397	0	54

[1] Included in cash flows from financing activities

NON-CURRENT AND CURRENT LIABILITIES

(25) Non-current and current financial liabilities

Non-current and current financial liabilities are composed of:

non-current and current financial liabilities recognised at amortised cost of acquisition	Residual term as at 31/12/2024			Residual term as at 31/12/2023		K€
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
Liabilities due to banks	31,613	786,883	818,495	260,159	607,620	867,779
Lease liabilities	2,931	15,709	18,641	2,796	17,404	20,200
Liabilities to others	35	436	471	34	427	461
Total	**34,579**	**803,028**	**837,607**	**262,988**	**625,451**	**888,439**

Non-current financial liabilities include liabilities Liabilities with a remaining term of more than five years amounting to K€ 523,848 (previous year: K€ 411,162).

The maturity analysis of lease liabilities is presented as follows:

Maturity analysis of lease liabilities K€

2024	up to 1 year	1 to 5 years	over five years
Land and buildings	1,145	2,814	9,448
Technical plants and machinery	31	111	25
Office and business equipment	1,756	3,292	20
Total	**2,931**	**6,216**	**9,493**

2023	up to 1 year	1 to 5 years	over five years
Land and buildings	793	2,262	10,173
Technical plants and machinery	39	107	48
Office and business equipment	1,964	4,626	188
Total	**2,796**	**6,995**	**10,410**

The category office and business equipment includes vehicles leases amounting to K€ 3,457 (previous year: K€ 4,957). Please refer to Note (13) “Property, plant and equipment” for information on rights-of-use assets in accordance with IFRS 16.

In the year under review, the average interest rate for financing in local and foreign currency is as follows:

Average interest

	2024	2023
in EUR	2.67%	2.45%
in CZK	2.84%	2.76%

In detail, non-current and current financial liabilities are composed of:

non-current and current financial liabilities recognised at amortised cost of acquisition K€

2024	Maturity	Emission volumes	Outstanding amount 31/12/2024		Residual term	
			in FW	In €	up to 1 year	more than 1 year
Liabilities due to banks					**31,613**	**786,883**
In foreign currencies					**434**	**1,597**
Fixed interest rate	2013-2032	119,200	51,115	2,031	434	1,597
Interest accrued					0	
In euro currencies					**31,178**	**785,286**
Fixed interest rate	2009-2041	930,000	0	784,656	19,469	765,187
Variable interest rate	2005-2100	59,915	0	25,219	5,120	20,099
Interest accrued					6,589	
Lease liabilities					**2,931**	**15,709**
In foreign currencies					**20**	**102**
Fixed interest rate	2019-2045	3,087	3,087	123	20	102
Interest accrued					0	
In euro currencies					**2,911**	**15,607**
Fixed interest rate	2017-2100	18,518	0	18,518	2,911	15,607
Interest accrued					0	
Financial liabilities to others					**35**	**436**
In euro currencies					**35**	**436**
Variable interest rate	2016-2042	471	0	471	35	436
Interest accrued					0	
Total financial liabilities					**34,579**	**803,028**

non-current and current financial liabilities recognised at amortised cost of acquisition K€

2023	Maturity	Emission volumes	Outstanding amount 31/12/2023		Residual term	
			in FW	In €	up to 1 year	more than 1 year
Liabilities due to banks					**260,159**	**607,620**
In foreign currencies					**469**	**2,069**
Fixed interest rate	2011-2032	119,200	62,693	2,538	469	2,069
Interest accrued					0	
In euro currencies					**259,690**	**605,550**
Fixed interest rate	2009-2041	930,000	0	811,632	226,682	584,949
Variable interest rate	2005-2100	52,388	0	46,215	25,614	20,601
Interest accrued					7,394	
Lease liabilities					**2,796**	**17,404**
In foreign currencies					**20**	**94**
Fixed interest rate	2019-2045	2,804	2,804	114	20	94
Interest accrued					0	
In euro currencies					**2,776**	**17,311**
Fixed interest rate	2017-2100	20,086	0	20,086	2,776	17,311
Interest accrued					0	
Financial liabilities to others					**34**	**427**
In euro currencies					**34**	**427**
Variable interest rate	2016-2042	461	0	461	34	427
Interest accrued					0	
Total financial liabilities					**262,988**	**625,451**

The market value of financial liabilities is determined as the present value of expected future cash flows. Current market interest rates are used for discounting. The market value of financial liabilities is as follows:

Market value of financial liabilities K€

	2024		2023	
	Market value	**Carrying**	**Market value**	**Carrying**
Liabilities to banks in foreign currencies	1,907	2,031	2,341	2,538
Liabilities to banks in euro	805,996	809,875	818,431	857,847

(26) Non-current provisions and accruals

Non-current provisions and accruals are as follows:

Non-current provisions and accruals		K€
	31/12/2024	31/12/2023
Provisions for pensions and similar obligations	105,422	117,671
Provisions for severance payments	74,922	77,758
Provisions for service anniversary bonuses	20,104	20,310
Provisions for part-time retirement	15,468	13,894
Accrued liabilities for severance pay	534	1,185
Accruals for other personnel expenses	712	734
Total personnel-related provisions and accruals	**217,162**	**231,552**
Provisions for imminent losses from pending transactions	101	116
Provisions for damages and process risks	1,986	1,921
Other accrued liabilities	0	151
Total other provisions and accrued liabilities	**2,087**	**2,188**
Aggregate total	**219,248**	**233,740**

Provisions for pensions and similar obligations

Provisions for pensions and similar obligations are composed of the following items:

Changes in liabilities for defined benefit pension obligations and other obligations similar to pensions					K€
	2024	**2023**	**2022**	**2021**	**2020**
Present value (DBO) of obligations covered by fund assets	17,436	18,652	17,113	20,396	21,137
Fair value of plan assets	-12,022	-10,745	-11,204	-10,916	-10,066
Provision recognised for obligations covered by fund assets	5,414	7,907	5,909	9,480	11,070
Provision recognised for obligations not covered by fund assets	100,008	109,764	110,916	140,599	148,873
Experience adjustments of plan liabilities	-8.9%	-8.9%	-2.5%	0.9%	-0.1%
Provision recognised as at 31/12	**105,422**	**117,671**	**116,825**	**150,079**	**159,943**

Experience adjustments of plan liabilities are relative divergences between the predicted value of previous years' obligations and the real amount of the obligation calculated in the following year.

The adjustments required for defined benefit pension commitments based on experience consist of actuarial gains and losses from changes in financial assumptions of K€ 469 (previous year: K€ 2,255) and actuarial profits and losses from the change of demographic assumptions in the amount of K€ -101 (previous year: K€ -101).

The following table shows the components of the plan assets of the funds:

Composition of plan assets

	2024	2023
Shares in euro	7.3%	8.2%
Shares in foreign currencies	29.1%	25.6%
Government bonds	18.1%	16.1%
Corporate bonds	22.5%	23.7%
Other bonds	15.1%	14.5%
Bank/finance market	3.3%	6.7%
Real estate	4.6%	5.4%

Plan assets changed as follows:

Change in plan assets K€

		2024	2023
	Fair value of the plan assets on 1/1	10,745	11,204
+	Expected income from the plan assets	327	376
+	Actuarial gains/losses	1,079	-1,848
+	Employer contributions	921	1,972
-	Benefits paid	-1,050	-958
	Fair value of the plan assets on 31/12	**12,022**	**10,745**

Value fluctuations occurring from plan assets were K€ 1,406 (previous year: K€ -1,472).

Pension obligations are covered by pension provisions or pension funds. In the event that claims transferred to the pension fund require additional payments, they are recognised in the Balance Sheet if the assets of the pension fund fall below the projected benefit obligation.

Provisions for pensions developed as follows in the 2024 and 2023 financial years:

Change in provision for pensions and similar obligations K€

		2024	2023
	Present value of defined benefit obligations (DBO) on 1/1	117,671	116,825
+	Current service cost	217	180
+	Interest expense	3,749	4,057
-	Pension payments	-10,262	-10,693
-	Actuarial gains/losses	-5,954	7,303
	Present value of defined benefit obligations (DBO) on 31/12	**105,422**	**117,671**

Expected pension payments in 2025 are K€ 9,714 (previous year: K€ 9,963).

<u>Change in parameters</u>
The change in the interest rate and salary trend in the financial year (see table p. 102 for actuarial assumptions) led to an allocation of K€ 2,608. The change in interest rate and salary trend in the previous year resulted in an allocation in the amount of K€ 17,898. The parameter changes are contained in the "Actuarial gain/loss" item.

As at 31 December 2024, the weighted average residual term of pension and similar obligations is 9.6 years.

Sensitivity analysis of the provision for pensions and similar obligations K€

		31/12/2024	
Calculation bases/assumptions	Change in assumption	Decrease in parameter/change in DBO	Increase in parameter/change in DBO
Interest rate	0.10%	0.9%	-0.9%
Salary increase	0.10%	0.0%	0.0%
Pension increase	0.10%	-1.0%	1.0%
Remaining life expectancy	1 year	-6.7%	6.3%

		31/12/2023	
Calculation bases/assumptions	Change in assumption	Decrease in parameter/change in DBO	Increase in parameter/change in DBO
Interest rate	0.10%	1.0%	-0.9%
Salary increase	0.10%	0.0%	0.0%
Pension increase	0.10%	-1.0%	1.0%
Remaining life expectancy	1 year	-6.7%	6.3%

The sensitivity analysis was performed separately for each actuarial key parameter. Only one key parameter was changed in the analysis, all other variables being held constant (ceteris paribus). The changed pension obligation was determined in the same manner as the actual obligation. Interdependencies between the individual actuarial parameters were not taken into account.

Provisions for Severance Pay

Provisions for severance pay developed as follows in the 2024 and 2023 financial years:

Change in severance pay provisions		K€
	2024	2023
Present value of defined benefit obligations (DBO) on 1/1/	77,758	71,196
+ Current service cost	420	454
+ Interest expense	2,488	2,491
- Severance payments	-4,642	-3,253
- Actuarial gains/losses	-1,103	6,870
Present value of defined benefit obligations (DBO) on 31/12	**74,922**	**77,758**

Expected severance payments in 2025 are K€ 4,620 (previous year: K€ 2,800).

As at 31 December 2024, the weighted average residual term of severance pay obligations is 7.9 years.

The following table shows the experience adjustments of the plan obligations showing the relative divergences between the predicted value of previous years' obligations and the actual amount of the obligations calculated in the following year:

Change in provisions for defined benefit obligations					K€
	2024	2023	2022	2021	2020
Balance sheet provision for defined benefit obligations	74,922	77,758	71,196	84,461	85,610
Experience adjustments of plan liabilities	-6.6%	-3.1%	-2.2%	1.3%	0.6%
Provision recognised as at 31/12	**74,922**	**77,758**	**71,196**	**84,461**	**85,610**

Change in parameters
The change in the interest rate and salary trend in the financial year (see table p. 102 for actuarial assumptions) led to an allocation of K€ 2,234. The change in interest rate and salary trend in the previous year resulted in an allocation in the amount of K€ 9,145. The parameter changes are contained in the "Actuarial gain/loss" item.

Sensitivity analysis of the severance pay provision K€

Calculation bases/assumptions	Change in assumption	31/12/2024 Decrease in parameter/change in DBO	31/12/2024 Increase in parameter/change in DBO
Interest rate	0.10%	1.0%	-0.6%
Salary increase	0.10%	-0.6%	1.0%

Calculation bases/assumptions	Change in assumption	31/12/2023 Decrease in parameter/change in DBO	31/12/2023 Increase in parameter/change in DBO
Interest rate	0.10%	0.8%	-0.8%
Salary increase	0.10%	-0.8%	0.8%

The sensitivity analysis was performed separately for each actuarial key parameter. Only one key parameter was changed in the analysis, all other variables being held constant (ceteris paribus). The changed pension obligation was determined in the same manner as the actual obligation. Interdependencies between the individual actuarial parameters were not taken into account.

As regards severance pay obligations, sensitivity of the remaining life expectancy was not taken into account due its minor significance.

Other Personnel-related Provisions and Accruals

Provisions for service anniversary bonuses have been determined by using the other personnel provisions calculation factors (see Note (9), “Significant Accounting Methods”). The change in the interest rate and salary trend in the financial year (see table p. 104 for actuarial assumptions) led to an allocation of K€ 578. The change in interest rate and salary trend in the previous year resulted in an allocation in the amount of K€ 2,342.

Eight Group companies form the provision for part-time retirement based on a “Betriebsvereinbarung betreffend Altersteilzeitmodell” (corporate agreement on part-time retirement model) or based on individual part-time retirement agreements.

Accrued liabilities for severance pay are related to restructuring measures based on corporate agreements.

Other Non-Current Provisions

Other non-current provisions changed as follows:

Change in other non-current provisions			K€
	Provisions for imminent losses from pending transactions	Provisions for damages and other risks	Total
As at 01/01/2023	**148**	**1,805**	**1,952**
Allocation	36	140	176
Transfer	-30	0	-30
Utilisation	-32	-17	-49
Reversal	-5	-7	-12
As at 31/12/2023	**116**	**1,921**	**2,037**
Allocation	23	100	123
Transfer	-27	0	-27
Utilisation	0	-35	-35
Reversal	-11	0	-11
As at 31/12/2024	**101**	**1,986**	**2,087**

Provisions for imminent losses from pending transactions comprise provisions for contractual obligations arising from supply agreements for electricity and natural gas.

Provisions for damages and other risks contain provisions for damage compensation payments and litigation risks and are calculated based on estimates in the amount of the outflow of funds expected in the future.

Non-current provisions are discounted at the EUR-swap rate commensurate with the projected residual term.

Furthermore, there are contingent liabilities from lawsuits arising from contractual agreements, which according to IAS 37.26 did not require provisions. In view of the subordinate significance to the Group's assets, financial and earning position, more detailed information is not provided according to IAS 37.86.

(27) Current provisions and accruals

Current provisions and accruals are as follows:

Current provisions and accruals		K€
	31/12/2024	31/12/2023
Provisions for part-time retirement	8,158	5,343
Accrued liabilities for severance pay	851	1,472
Deferred holiday which has not yet been taken	21,896	19,356
Accruals for other personnel expenses	16,594	14,347
Total personnel-related provisions and accruals	**47,499**	**40,518**
Provisions for imminent losses from pending transactions	15,904	14,039
Provisions for damages and process risks	1,135	990
Other accrued liabilities	46,374	30,810
Total other provisions and accrued liabilities	**63,414**	**45,839**
Aggregate total	**110,913**	**86,357**

Personnel-related Provisions and Accruals

Provisions for part-time retirement refer to the current portion that is due for disbursement next year.

Accrued liabilities for severance pay are related to restructuring measures based on corporate agreements.

Accruals for other personnel expenses primarily include accruals for credit hours and bonuses not yet applied.

Other accrued liabilities include accruals for auditing and maintenance costs; legal, audit and consulting costs; and costs for preparing expert opinions.

Other current provisions

Provisions for imminent losses from pending transactions comprise provisions for contractual obligations.

Provisions for damages and litigation risks means compensation for damage, mandatory restoration, litigation and evaluation costs as well as litigation risks.

Current provisions developed as follows:

Development of other current provisions			K€
	Provisions for imminent losses from pending transactions	Provisions for damages and process risks	Total
As at 01/01/2023	**17,184**	**1,196**	**18,379**
Allocation	4,695	270	4,965
Transfer	30	0	30
Utilisation	-7,802	-354	-8,157
Reversal	-67	-121	-189
As at 31/12/2023	**14,039**	**990**	**15,029**
Allocation	12,831	1,021	13,852
Transfer	27	0	27
Utilisation	-7,800	-875	-8,676
Reversal	-3,193	0	-3,193
As at 31/12/2024	**15,904**	**1,135**	**17,040**

(28) Construction subsidies

Building cost contributions received from customers or project partners in the amount of K€ 263,386 (previous year: K€ 255,827) are one-off contributions to be made for the output-specific granting of grid access and power supply rights. Building cost contributions are reversed analogously to the useful life of the affected plants and are disclosed under other sales revenues. If the term in the contract with the customer is shorter than the useful life of the asset, the building cost contribution is reversed over the contract term.

The current portion in the amount of K€ 18,138 (previous year: K€ 17,371) includes the amount to be reversed in the next financial year.

(29) Trade accounts payable

In the current financial year, current liabilities were offset against trade accounts receivable from electricity trading activities (“Portfolio”), based on agreements with the respective counterparties, which provide for financial clearing of trading positions on a standardised key date once a month, and the net amount was reported in the Balance Sheet.

The table below shows the effects on the balance sheet:

Offsetting information K€

Class	31/12/2024 Gross amount before offsetting	 Gross amount offset	 Net amount disclosed in the balance sheet
Trade accounts payable *)	497,273	-25,401	471,872

*) including non-current trade accounts payable amounting to K€ 3,667

Class	31/12/2023 Gross amount before offsetting	 Gross amount offset	 Net amount disclosed in the balance sheet
Trade accounts payable *)	409,446	-56,825	352,621

*) including non-current trade accounts payable amounting to K€ 1,947.

(30) Other non-current liabilities and accruals/deferrals

Other non-current liabilities and accruals/deferrals are as follows:

Other non-current liabilities K€

	31/12/2024	31/12/2023
Investment grants	44,670	45,876
Liabilities due to companies in which a participating interest is held	26,652	0
Trade accounts payable	3,667	1,947
Advance payments received on account of orders	1,500	0
Citizen participation in renewable energy projects	858	868
Taxes and social security	51	44
Other financial liabilities	594	987
Liabilities recognised at amortised cost of acquisition	**77,992**	**49,117**
Derivative financial instruments recognised at fair value through profit or loss	73,100	56,140
of which derivative financial instruments (level 2)	73,100	56,140
Derivative financial instruments	**73,100**	**56,140**
Aggregate total	**151,092**	**105,258**

Investment grants are mainly grants and contributions made and provided for wind power plants, high and medium-voltage lines, gas lines and expanding the broadband network, which are reversed through profit or loss according to the useful life of the associated tangible asset.

Derivative financial instruments recognised at fair value through profit or loss comprise derivative financial instruments in the energy segment with negative market values. For a detailed explanation on derivative financial instruments, refer to Note (7) "Other Disclosures".

For information on net profits and losses from derivative financial instruments held for trading, please refer to Note (1) "Sales Revenues" and Note (9) "Financial Income and Expenses".

(31) Other current liabilities and accruals/deferrals

Other current liabilities as well as deferrals and accruals are as follows:

Other current liabilities and accruals/deferrals		**K€**
	31/12/2024	31/12/2023
Taxes and social security	79,098	86,151
Liabilities from overpayments and customer energy vouchers	69,368	57,134
Investment grants	11,538	12,483
Advance payments received on account of orders	8,791	7,032
Liabilities due to companies in which a participating interest is held	1,532	32,070
Other financial liabilities	59,476	78,283
Liabilities recognised at amortised cost of acquisition	**229,804**	**273,152**
Derivative financial instruments recognised at fair value through profit or loss	93,280	349,935
of which derivative financial instruments (level 2)	93,280	349,935
Derivative financial instruments	**93,280**	**349,935**
Aggregate total	**323,084**	**623,087**

In the current financial year, there was a netting of liabilities for hedging futures (variation margin) in the amount of K€ 74,505 (previous year: K€ 21,082) with the fair value measurement of futures. See here also Note 7 "Other disclosures".

Current building cost subsidies are shown separately in the balance sheet. The previous year's disclosure of current liabilities and accruals/deferrals was adjusted accordingly.

The table below shows the effects on the balance sheet:

Offsetting information			**K€**
	31/12/2024		
Class	Gross amount before offsetting	Gross amount offset	Net amount disclosed in the balance sheet
Liabilities recognised at amortised cost of acquisition	304,309	-74,505	229,804

	31/12/2023		
Class	Gross amount before offsetting	Gross amount offset	Net amount disclosed in the balance sheet
Liabilities recognised at amortised cost of acquisition	294,234	-21,082	273,152

The derivative financial instruments measured at fair value through profit or loss include financial instruments with negative market values to hedge against unexpected price developments in the energy trading business. Moreover,, electricity derivatives not designated for trading and derivative financial instruments in this item which, economically, serve as hedging instruments for risks but which are not qualified as hedging instruments the Balance Sheet are disclosed under this item if their fair value is negative on the balance sheet date. For a detailed explanation on derivative financial instruments, refer to Note (8) "Other Disclosures".

For information on net profits and losses from derivative financial instruments held for trading, please refer to Note (1) "Sales Revenues" and Note (9) "Financial Income and Expenses".

(32) Information on Classes and Categories of Financial Instruments

Assets - balance sheet items				**K€**
			31/12/2024	
Classes	**Measurement category acc. to IFRS 9**	**Level**	**Carrying amount**	**Fair value**
Shareholdings measured at fair value	@FVOCI *)	2	945,309	945,309
Shareholdings measured at fair value	@FVTPL	1	6,311	6,311
Securities measured at fair value	@FVTPL	1	36,024	36,024
Loans granted by the company	FAAC	2	20,000	21,361
Derivative financial instruments	@FVTPL/ @FVOCI **)	2	49,676	49,676
Non-current financial assets			**1,057,320**	**-**
Trade accounts receivable	FAAC	2	536	536
Receivables from companies with which a shareholding relationship exists	FAAC		20,994	20,994
Other receivables	FAAC	2	4,392	4,392
Non-financial assets	-		619	-
Non-current receivables and other assets			**26,541**	**-**
Loans granted by the company	FAAC	2	1,129	1,129
Derivative financial instruments	@FVTPL/ @FVOCI **)	2	109,330	109,330
Current financial assets			**110,459**	**-**
Contract assets	**FAAC**	**2**	**3,087**	**3,087**
Trade accounts receivable	FAAC	2	626,200	626,200
Receivables from companies with which a shareholding relationship exists	FAAC	2	3,237	3,237
Other receivables	FAAC	2	109,799	109,799
Non-financial assets	-		58,874	-
Current receivables and other assets			**798,110**	**-**
Cash and cash equivalents			**201,638**	**201,638**

*) Recognised at cost of acquisition if fair values cannot be determined reliably.

**) Cash flow hedges are no longer separable due to offsetting based on netting agreements

Summarised by measurement categories			
Financial assets at acquisition costs	FAAC	991,011	992,372
Financial assets valued at fair value through equity	@FVOCI	945,309	945,309
Financial assets valued at fair value through profit or loss	@FVTPL	42,335	42,335
Derivative financial instruments	@FVTPL/ @FVOCI **)	159,006	159,006

Assets - balance sheet items K€

Classes	Measurement category acc. to IFRS 9	Level	31/12/2023 Carrying amount	Fair value
Shareholdings measured at fair value	@FVOCI *)	2	1,220,564	1,220,564
Shareholdings measured at fair value	@FVTPL	1	6,943	6,943
Securities measured at fair value	@FVTPL	1	35,780	35,780
Loans granted by the company	FAAC	2	20,000	21,449
Derivative financial instruments	@FVTPL/ @FVOCI **)	2	12,452	12,452
Non-current financial assets			**1,295,739**	**-**
Trade accounts receivable	FAAC	2	312	312
Other receivables	FAAC	2	1,644	1,644
Non-financial assets	-		769	-
Non-current receivables and other assets			**2,725**	**-**
Loans granted by the company	FAAC	2	4,242	4,242
Derivative financial instruments	@FVTPL/ @FVOCI **)	2	35,910	35,910
Current financial assets			**40,151**	**-**
Contract assets	**FAAC**	**2**	**5,828**	**5,828**
Trade accounts receivable	FAAC	2	530,606	530,606
Receivables from companies with which a shareholding relationship exists	FAAC	2	6,750	6,750
Other receivables	FAAC	2	165,193	165,193
Non-financial assets	-		3,628	-
Current receivables and other assets			**706,176**	**-**
Cash and cash equivalents			**133,283**	**133,283**

*) Recognised at cost of acquisition if fair values cannot be determined reliably.

**) Cash flow hedges are no longer separable due to offsetting based on netting agreements

Summarised by measurement categories				
Financial assets at acquisition costs	FAAC		867,858	869,307
Financial assets valued at fair value through equity	@FVOCI		1,220,564	1,220,564
Financial assets valued at fair value through profit or loss	@FVTPL		42,723	42,723
Derivative financial instruments	@FVTPL/ @FVOCI **)		48,362	48,362

Liabilities - balance sheet items K€

Classes	Measurement category acc. to IFRS 9	Level	31/12/2024 Carrying amount	31/12/2024 Fair value
Liabilities due to banks	FLAC	2	786,883	811,997
Liabilities to others	FLAC		16,145	-
Non-current financial liabilities	**FLAC**		**803,028**	**811,997**
Liabilities recognised at amortised cost of acquisition	FLAC		27,557	27,557
Non-financial liabilities	-		46,768	-
Derivative financial instruments	@FVTPL/ @FVOCI *)	2	73,100	73,100
Other non-current liabilities			**147,425**	**-**
Liabilities due to banks	FLAC	2	31,613	32,659
Liabilities to others	FLAC		2,966	-
Current financial liabilities			**34,579**	**32,659**
Trade accounts payable	**FLAC**		**471,872**	**471,872**
Contract liabilities	**FAAC**		**1,785**	**1,785**
Liabilities recognised at amortised cost of acquisition	FLAC		121,221	121,221
Non-financial liabilities	-		108,583	-
Derivative financial instruments	@FVTPL/ @FVOCI *)	2	93,280	93,280
Other current liabilities			**323,084**	**-**

**) Cash flow hedges are no longer separable due to offsetting based on netting agreements

Summarised by measurement categories			
Financial liabilities at amortised cost of acquisition	FLAC	1,460,042	1,467,091
Derivative financial instruments	@FVTPL/ @FVOCI *)	166,380	166,380

Liabilities - balance sheet items K€

Classes	Measurement category acc. to IFRS 9	Level	31/12/2023 Carrying amount	Fair value
Liabilities due to banks	FLAC	2	607,620	577,806
Liabilities to others	FLAC		17,831	-
Non-current financial liabilities	**FLAC**		**625,451**	**577,806**
Liabilities recognised at amortised cost of acquisition	FLAC		1,031	1,031
Non-financial liabilities	-		46,140	-
Derivative financial instruments	@FVTPL/ @FVOCI *)	2	56,140	56,140
Other non-current liabilities			**103,311**	**-**
Liabilities due to banks	FLAC	2	260,159	238,309
Liabilities to others	FLAC		2,829	-
Current financial liabilities			**262,988**	**238,309**
Trade accounts payable	**FLAC**		**352,621**	**352,621**
Contract liabilities	**FAAC**		**1,515**	**1,515**
Liabilities recognised at amortised cost of acquisition	FLAC		257,484	257,484
Non-financial liabilities	-		33,038	-
Derivative financial instruments	@FVTPL/ @FVOCI *)	2	349,935	349,935
Other current liabilities			**640,457**	**-**

**) Cash flow hedges are no longer separable due to offsetting based on netting agreements

Summarised by measurement categories				
Financial liabilities at amortised cost of acquisition	FLAC		1,501,091	1,428,767
Derivative financial instruments	@FVTPL/ @FVOCI *)		406,075	406,075

@FVOCI at fair value through other comprehensive income
@FVTPL at fair value through profit or loss
FAAC financial assets at cost
FLAC financial liabilities at cost

6 NOTES ON THE CONSOLIDATED CASH FLOW STATEMENT

The Consolidated Cash Flow Statement is presented using the indirect method. The composition of cash and cash equivalents is shown in the table below. Effects of changes in exchange rates are disclosed separately.

Composition of cash and cash equivalents		**K€**
	31/12/2024	31/12/2023
Cash in hand, cheques, cash in banks (required retention period of less than three months)	201,638	133,283
Other current borrowing (required retention period of less than three months)	0	0
Cash and cash equivalents at the end of the period	**201,638**	**133,283**

Income tax payments and interest payments are reported separately under operating activities. Dividends and interest received are allocated to investment activities. Dividends paid are disclosed as part of the financing activity.

Cash flow arising from the acquisition and sale of consolidated companies are contained in the net cash flow from investment activities. For information on company acquisitions and disposals, reference is made to Note 3 "Scope of Consolidation".

The table below shows a summary of the assets and liabilities acquired as well as the amount of cash of the acquired subsidiaries in the previous year:

Payments made for the acquisition of business units less liquid assets acquired			**K€**
2023	EBR *)	SWP *)	Total
Successive acquisition of shares in %	25.10%	51.00%	-
Non-current assets	0	3,356	3,356
Current assets	0	11	11
Current liabilities	0	-756	-756
Equity	-1,842	-2,611	-4,453
Successive acquisition of shares in %	25.10%	51.00%	-
Share in equity capital acquired	462	1,332	1,794
Goodwill			4,959
Total purchase price paid in cash			6,753
Cash and cash equivalents			0
			6,753

The reconciliation of debt movements to net cash flow from financing activities is shown below:

Reconciliation of movements in liabilities to cash flows from financing activities K€

	Notes	Liabilities			Total
		Liabilities due to banks	Liabilities due to other parties	Liabilities from financing leases	
Balance sheet as at 01/01/2023		**512,232**	**425**	**14,977**	**527,633**
Changes in net cash flow from financing activities					
Raising of bonds, loans and credits	(25)	370,988	36	0	371,025
Repayment of bonds, loans and credits	(25)	-20,797	0	0	-20,797
Repayment of lease liabilities	(25)	0	0	-2,979	-2,979
Total change in net cash flow from financing activities		**350,192**	**36**	**-2,979**	**347,249**
Change in scope of consolidation		**600**	**0**	**0**	**600**
Currency changes		**-65**	**0**	**-3**	**-68**
Other changes related to liabilities					
New leases	(13)	0	0	8,205	8,205
Interest expenses	(9)	13,125	0	550	13,675
Interest paid		-8,305	0	-550	-8,855
Total other changes related to liabilities		**4,820**	**0**	**8,205**	**13,025**
Balance sheet as at 31/12/2023		**867,779**	**461**	**20,200**	**888,439**
Changes in net cash flow from financing activities					
Raising of bonds, loans and credits	(25)	304,447	44	0	304,490
Repayment of bonds, loans and credits	(25)	-352,877	-34	0	-352,911
Repayment of lease liabilities	(25)	0	0	-3,089	-3,089
Total change in net cash flow from financing activities		**-48,431**	**10**	**-3,089**	**-51,510**
Currency changes		**-48**	**0**	**-2**	**-50**
Other changes related to liabilities					
New leases	(13)	0	0	1,534	1,534
Termination of leases	(13)	0	0	-2	-2
Interest expenses	(9)	23,664	0	590	24,254
Interest paid		-24,469	0	-590	-25,059
Total other changes related to liabilities		**-805**	**0**	**1,532**	**727**
Balance sheet as at 31/12/2024		**818,495**	**471**	**18,641**	**837,607**

7 OTHER DISCLOSURES

FINANCIAL RISK MANAGEMENT

The Energie Steiermark Group is exposed to various financial risks, particularly to credit risks, liquidity risks, currency exchange risks, interest rate risks and price risks.

Financial risk management is performed centrally by corporate treasury and is based on a corporate guideline provided by the management. Central treasury identifies and assesses the financial risks in close cooperation with the operative business units and hedges them, if necessary.

For several years, Energie Steiermark AG has employed a company-wide risk and opportunity management system as an integrated component of corporate decision-making processes. The risk management system ensures that all legal requirements and regulations of the Energie Steiermark AG Corporate Governance Code with regard to risk management are fully complied with.

Risk Factors

Credit Risk

Credit risk means the risk arising when business partners are in non-compliance with contractual obligations, which might result in a loss of assets. Risk concentrations might result from financial instruments having the same or similar characteristics. Counterparty risks arising in the fields of financing and investment as well as in energy trading are minimised and excessive risk concentration is avoided by a strict limit system, continuing credit rating monitoring, guarantee commitments and the conclusion of accepted, standardised master agreements. In the operating business, outstanding accounts are continuously monitored in each business unit. As a reaction to the crisis on the international financial markets, the limits for bank investments were reduced to further limit the counterparty risk.

The maximum default risk is reflected by the going concern values of the financial assets reported in the balance sheet and the receivables resulting from settled financial assets as at the measurement date, with contractual netting agreements being explicitly taken into account in the disclosure. For exchange-traded derivatives in the electricity, gas and certificates business that have a positive fair value on the balance sheet date, collateral is provided on an ongoing basis that practically eliminates the default risk. At the same time, financial securities are provided by the contract partners if certain limits are exceeded for derivatives with a positive fair value in gas trading, to abate the default risk. Securities included in the non-current and current financial instruments as well as invested funds are subject to the general market risk. Individual credit risk is minimised by investing in partners with excellent credit rating. The maximum default risk for guarantee commitments provided to third parties corresponds to the amount disclosed under "Contingent Liabilities".

The maximum default risk for financial assets on the balance sheet date is presented below:

Maximum default risk		**K€**
	Carrying amount at 31/12/2024	**Carrying amount at 31/12/2023**
Loans granted by the company	21,129	24,242
Securities at fair value through profit or loss	36,024	35,780
Derivative financial instruments	84,013	48,362
Trade accounts receivable	626,736	530,918
Other receivables and assets	51,127	79,752
Cash and cash equivalents	201,638	133,283
Total default risk pursuant to balance sheet	**1,020,666**	**852,338**
Guarantees	36,646	34,313
Other contractual liability obligations	27	27
Total default risk	**1,057,339**	**886,678**

Derivatives (exchange-traded and/or OTC futures and forwards) carry default risks if the counterparty fails to meet payment obligations under the derivative contract.

In order to limit this credit risk arising from derivative financial instruments, transactions are concluded exclusively with such counterparties who meet the current corporate credit requirements. All counterparties are categorised in credit-rating categories by external rating and scoring methods. The credit rating category determines the allowable transaction scopes to prevent risk concentrations.

Master agreements are concluded with all counterparties in order to further reduce the default risk. A significant component of these master agreements are offsetting arrangements so that the respective risk towards a business partner is considerably lower than the actual open receivables due from this business partner. Due to the existing legal claim and the intention to settle on a net basis, the fair value measurements of forwards are netted for the respective settlement month, in each case separately for the corresponding counterparties with whom such agreements were concluded.

In addition, receivables and liabilities for futures hedging services and the fair value measurement of futures across different maturities and exchanges or clearing houses are netted. However, only the variation margin for offsetting changes in the market value of the derivatives is included in the netting, not the initial margin, as this is general basic collateral for opening transactions.

Liquidity Risk

Liquidity risk refers to the potential inability to produce the financial means to meet contracted liability requirements in a timely manner. The corporate financing policy is tailored to long-term financial planning and is controlled and monitored centrally. Liquidity development is controlled and documented by continuous liquidity representations in the form of a rolling liquidity planning, including comparisons between target and actual situation.

Energie Steiermark AG's rating enables a diversification of the financing sources, which ensures sufficient liquidity. Moreover, the liquidity risk is limited by a defined reserve policy, defined limit values and the opportunity of using credit lines.

The liquidity analysis to be prepared according to IFRS 7.39, including contractually agreed (undiscounted) interest rate payments and repayments of financial liabilities, is shown in the table below.

Variable interest payments are taken into account based on the conditions prevailing as of the balance sheet date. Financial liabilities that can be repaid at any time are allocated to the earliest period. Liabilities arising from derivative financial instruments are recognised at fair value as of the balance sheet date, unless changes of the derivatives' fair value were compensated by additional payment obligations or unless certain payments were contractually agreed. Cash flows from guarantees and other contractual contingencies constitute fictitious outflow of funds which might occur if all obligations arising therefrom are claimed. These are allocated to the earliest period in which the obligation can be claimed.

Items disclosed under financial liabilities which will not result in an outflow of funds are not included in the liquidity analysis. These are derivative financial instruments whose change in value has already been offset by margin calls.

Liquidity analysis K€

2024	Carrying 31/12/2024	Cash flows 2025	2026 - 2029	from 2030
Liabilities due to banks	818,495	48,523	432,756	498,803
Other financial liabilities	19,111	2,966	6,338	9,807
Trade accounts payable	471,872	468,205	3,012	655
Other liabilities	150,563	123,006	905	36,663
Guarantees	36,646	36,646	0	0
Other contractual liability obligations	27	27	0	0
Financial liabilities arising from purchase commitments	1,869,245	1,373,567	495,678	0
Financial obligations from other contracts	13,462	467	1,889	11,107

Liquidity analysis				K€
2023	Carrying	Cash flows		
	31/12/2023	2024	2025 - 2028	from 2029
Liabilities due to banks	867,779	272,619	343,774	344,220
Other financial liabilities	20,661	2,829	14,446	3,385
Trade accounts payable	352,621	350,675	1,924	22
Other liabilities	164,094	163,108	67	920
Guarantees	34,313	34,313	0	0
Other contractual liability obligations	27	27	0	0
Financial liabilities arising from purchase commitments	1,491,501	1,155,038	336,463	0
Financial obligations from other contracts	7,316	244	976	6,097

Currency Exchange Risk

The risk arising from value fluctuations of financial instruments, other Balance Sheet items (e.g. receivables and liabilities) and/or cash flows due to currency exchange variations is called the currency exchange risk. This risk is predominant where a currency different from the corporation's local currency (in the following referred to as "foreign currency") is involved in business transactions or may be involved during business operations.

There is almost no currency exchange risk as deliveries and investments as well as liabilities and loans are performed primarily in the local currency of the respective Group company.

Interest rate risk

Interest rate risk means the possibility that the value of financial instruments, other Balance Sheet items and/or interest-related cash flows might change due to movements in the market interest rates. Interest rate risk includes the present value risk for fixed-rate Balance Sheet items and the cash flow risk for Balance Sheet items with variable interest rates. The interest rate risk relevant for Energie Steiermark is primarily the Euro zone risk.

For financial instruments with a fixed interest rate, a stipulated market interest rate is agreed upon for the entire term. The risk results from the fact that the quoted value of the financial instruments changes in case of fluctuations of the interest rate. The interest rate-related risk results in loss or gain when the fixed-rate financial instrument is disposed of prior to maturity. For variable-rate financial instruments, the interest rate is continually adapted, usually in line with the prevailing market interest rate. Here, the risk exists in market interest rate fluctuations resulting in varied interest payments.

For financial assets, an interest rate risk basically exists only for fixed-rate securities in non-current financial instruments. As regards financial liabilities, essential interest rate risks might exist in financial liabilities with a maturity of more than one year. The residual term for 95.9 percent of financial liabilities is more than one year, 2.6 percent of which has a variable interest rate.

No interest rate hedging by means of derivative financial instruments existed due to the current market estimates and a long-term secured financing structure.

IFRS 7 requires sensitivity analyses showing the effects of hypothetical changes of relevant risk variables in order to represent interest rate risks. Such an analysis shows the effects of changes in market interest rates on interest paid, income from interest and interest expenses as well as on valuation results of interest rate-induced market value changes. Effects are determined by relating the hypothetical changes in the risk variables to the inventory of financial instruments as of the balance sheet date. It is assumed that such an inventory is representative for the entire financial year.

Interest rate sensitivity analyses are based on the following assumptions: Market interest rate changes in fixed-rate original financial instruments will only have an impact on the result if such are recognised at fair value in the Balance Sheet. Market interest rate changes have an impact on the interest result of variable-rate original financial instruments and are, thus, included in the calculation of result-related sensitivities.

If the market interest rate level had been higher (lower) by 100 base points on 31 December 2024, the interest income would have been higher (lower) by K€ 1,010 (previous year: K€ 1,183).

If the market interest rate level had been higher (lower) by 100 base points on 31 December 2024, the result from the change in the market values of financial assets recognised at fair value through profit or loss would have been lower (higher) by K€ 1,950 (previous year: K€ 1,872).

Use of Derivative Financial Instruments to Minimise Commodity Price Risks

In energy trading, derivative financial instruments are used as hedging instruments against undesirable price developments on the relevant wholesale markets for electricity, gas and certificates (CO_2 emission certificates and guarantees of origin). In the event of hedging transactions, fluctuations of future cash flows based on expected purchases and sales are hedged by derivatives (cash flow hedges).

If the criteria are met, these hedges are subject to hedge accounting and the hedging relationship's effectiveness is assessed by means of an analysis.

As a matter of principle, derivative financial instruments are not used as instruments of speculation, but serve to protect against risks in connection with operating activities. In addition, derivatives are used in proprietary trading within the narrow limits provided for this purpose. These limits are defined and monitored by independent organisational units.

Changes in the prices of the commodities on which the derivative financial instruments are based have an impact on the fair values. It needs to be noted here that the market value changes of derivative financial instruments used for hedging are paired with underlying transactions with compensating effect.

In order to assess the effectiveness of the hedging relationship, an economic relationship between the hedged item and the hedging instrument must be demonstrated and the default risk must not have a dominant influence on the changes in value. The prospective effectiveness assessment is generally carried out on a qualitative basis using the critical terms match method, in which the main terms of the hedging instruments are compared with those of the underlying transaction.

The reasons for the ineffectiveness are that the structure of the underlying transactions does not fully match the structure of the hedging instruments available on the market.

Ineffective portions of hedges are determined by comparing the fair values of the hedges and the underlying transactions. The hypothetical derivative method is used to determine the fair value of the underlying transactions. In the current financial year, ineffectiveness of K€ 1,816 resulting from hedging relationships qualifying as cash flow hedges as at the reporting date was recognised in profit and loss under cost of materials. The ineffectiveness of K€ 3,954 in the previous year was not to be recognised.

Hedged items have potential future volume uncertainties with regard to the actual amount of future fulfilment of these hedged items. If the underlying items to be hedged change during the term of the corresponding underlying items after the original hedge with corresponding forward products to such an extent that the hedging transactions established for the hedge no longer appear fully suitable for adequately hedging the risk to be hedged, the corresponding forward items are adjusted and recognised in profit and loss.

As at 31 December 2024, derivative financial instruments in the energy sector (electricity and gas futures as well as electricity and gas forwards, CO_2 futures and forwards for guarantees of origin) were composed as follows

Cash flow hedges — K€

2024	Positive market value 31/12/2024	Negative market value 31/12/2024	Net
Electricity futures and forwards	204,479	142,573	61,905
Gas futures and forwards	37,163	7,964	29,199
CO_2 certificates futures	1,051	5,062	-4,011
Guarantees of origin forwards	116	5,208	-5,092
Total before netting	**242,809**	**160,807**	**82,001**
thereof short-term	190,151	126,166	63,984
thereof long-term	52,658	34,641	18,017
thereof in other comprehensive income	0	0	82,001

2023	Positive market value 31/12/2023	Negative market value 31/12/2023	Net
Electricity futures and forwards	136,815	491,105	-354,290
Gas futures and forwards	23,632	84,959	-61,327
CO_2 certificates futures	744	3,257	-2,513
Guarantees of origin forwards	1,297	953	344
Total before netting	**162,488**	**580,274**	**-417,786**
thereof short-term	117,113	459,272	-342,159
thereof long-term	45,375	121,002	-75,627
thereof in other comprehensive income	0	0	-417,786

Trading	K€

2024	Positive market value 31/12/2024	Negative market value 31/12/2024	Net
Electricity futures and forwards	78,946	97,828	-18,881
Gas futures and forwards	0	0	0
Total before netting	**78,946**	**97,828**	**-18,881**
thereof short-term	29,460	48,219	-18,759
thereof long-term	49,486	49,608	-122

2023	Positive market value 31/12/2023	Negative market value 31/12/2023	Net
Electricity futures and forwards	22,392	14,078	8,314
Gas futures and forwards	262	37	225
Total before netting	**22,654**	**14,115**	**8,539**
thereof short-term	19,146	10,856	8,290
thereof long-term	3,508	3,259	249

Total	K€

2024	Positive market value 31/12/2024	Negative market value 31/12/2024	Net
Electricity futures and forwards	283,425	240,401	43,024
Gas futures and forwards	37,163	7,964	29,199
CO_2 certificates futures	1,051	5,062	-4,011
Guarantees of origin forwards	116	5,208	-5,092
Total before netting	**321,755**	**258,635**	**63,120**
Consideration of netting agreements	-162,749	-92,255	-70,494
Total after netting	**159,006**	**166,380**	**-7,374**

2023	Positive market value 31/12/2023	Negative market value 31/12/2023	Net
Electricity futures and forwards	159,207	505,184	-345,976
Gas futures and forwards	23,894	84,996	-61,102
CO_2 certificates futures	744	3,257	-2,513
Guarantees of origin forwards	1,297	953	344
Total before netting	**185,142**	**594,390**	**-409,247**
Consideration of netting agreements	-136,780	-188,315	51,534
Total after netting	**48,362**	**406,075**	**-357,713**

Suitable bank or parent company guarantees may help to improve the credit rating of smaller business partners.

Transactions with commodity exchanges are considered counterparty risk-free due to their high credit standing and the mandatory security system.

The potential financial loss upon the default of a business partner results from outstanding net receivables (receivables less liabilities due to existing offsetting agreements) as well as market value differences of the underlying derivative contracts not yet completely fulfilled.

The counterparty risk (current exposure = potential financial loss upon the default on the part of a business partner on the balance sheet date) from energy trade is as follows on the balance sheet date:

Counterparty risk

K€	Current exposure, total [1]				Current exposure, previous year			
Rating category*	Maximum	Minimum	Σ	Σ positive	Max. previous year	Min. previous year	Σ Previous year	Σ positive previous year
iAAA	0	0	0	0	0	0	0	0
iAA	4,847	-5,741	-659	933	1,334	-5,806	-5,005	2,639
iA	16,766	-55,421	-105,647	39,172	11,408	-166,116	-347,905	56,106
iBBB	27,555	-45,046	-29,932	22,473	112	-39,833	-131,411	1,070
iBB	5,496	-11,389	-5,449	28,691	0	-26	-26	0
iB	3,199	-7,332	-4,132	505	0	-348	-348	0
iC	0	0	0	0	0	0	0	0
iD	0	0	0	0	0	0	0	0
Total			-145,820	91,774			-484,696	59,815

* internal rating category by creditworthiness - depending on their creditworthiness, business partners are assigned to an internal rating category from iAAA (best credit rating) to iCCC, by analogy to the rating scales used by recognised, external rating agencies

K€	Current exposure[1]			Counterparty risk from outstanding net receivables[2]			Counterparty risk from market value differences[1,3]			
Internal rating category	Maximum	Minimum	Σ	Maximum	Minimum	Σ	Maximum	Minimum	Σ	Σ positive
iAAA	0	0	0	0	0	0	0	0	0	0
iAA	4,847	-5,741	-659	0	-6,514	-8,502	6,835	234	7,842	7,842
iA	16,766	-55,421	-105,647	8,773	-35,864	-79,645	7,993	-26,848	-26,002	29,994
iBBB	27,555	-45,046	-29,932	4,782	-31,831	-45,940	27,096	-13,216	16,008	35,457
iBB	5,496	-11,389	-5,449	4,049	-13,909	-12,969	3,496	56	7,519	7,519
iB	3,199	-7,332	-4,132	0	-6,138	-6,138	3,199	-1,194	2,006	3,199
iC	0	0	0	0	0	0	0	0	0	0
iD	0	0	0	0	0	0	0	0	0	0
Total			-145,820			-153,194			7,374	84,013

1 Risk taking into account contractual offsetting agreements

2 Negative values correspond to net liabilities on the balance sheet date

3 Negative values correspond to net market value losses; in the event of default of a business partner and net market value losses, the business partner receives financial compensation from Energie Steiermark so there is no credit risk for net market value losses

The counterparty risk from market value differences is as follows in the balance sheet:

K€	Counterparty risk from market value differences recognised in the balance sheet, residual term < 1 year			Counterparty risk from market value differences recognised in the balance sheet, residual term > 1 year			Counterparty risk from market value differences recognised in the balance sheet, total		
Internal rating class	Market value gains	Market value losses	Σ	Market value gains	Market value losses	Σ	Market value gains	Market value losses	Σ
iAAA	0	0	0	0	0	0	0	0	0
iAA	1,743	-97	1,646	8,828	-2,632	6,196	10,571	-2,729	7,842
iA	54,209	-78,027	-23,818	39,186	-41,370	-2,184	93,394	-119,396	-26,002
iBBB	28,677	-27,945	733	20,272	-4,998	15,275	48,950	-32,942	16,008
iBB	6,282	-1,620	4,661	3,474	-616	2,858	9,756	-2,237	7,519
iB	2,369	-1,642	728	1,339	-61	1,278	3,709	-1,703	2,006
iC	0	0	0	0	0	0	0	0	0
iD	0	0	0	0	0	0	0	0	0
Total	93,280	-109,330	-16,050	73,100	-49,676	23,424	166,380	-159,006	7,374

To represent market risks, IFRS 7 requires sensitivity analyses showing the effects of hypothetical changes of relevant risk variables on result and equity. Effects are determined by relating the hypothetical changes in the risk variables to the inventory of financial instruments as of the balance sheet date. It is assumed that such an inventory is representative for the entire financial year.

In the electricity and gas business, including the associated certificate markets (certificates for guarantees of origin and certificates in connection with the EU CO_2 certificate scheme), derivative financial instruments are used to hedge against price change risks. If these derivatives are included in a cash flow hedge relationship, hypothetical price changes in the commodity prices underlying these transactions have effects on the security reserves in equity and on the fair value of the hedging transactions. It needs to be noted here that the market value changes of derivative financial instruments used for hedging are paired with underlying transactions with compensating effect.

In the event of a 10 percent product price increase (product price decrease) in the electricity segment as at 31 December 2024, the hedging reserve in equity and the fair value of the hedging transactions would have been higher (lower) by K€ 80,133 (previous year: K€ 75,266).

In the event of a 10 percent product price increase (product price decrease) in the gas segment as at 31 December 2024, the hedging reserve in equity and the fair value of the hedging transactions would have been higher (lower) by K€ 23,855 (previous year: K€ 19,684).

Fair value changes in derivative financial instruments used for trading in the electricity and gas segment are recognised under sales revenue affecting income. Value-at-risk models are used to control the resulting financial risks. For this purpose, the value-at-risk is determined using a variance/covariance analysis with a confidence level of 99 percent and a holding period of one trading day.

In the event of a 10 percent product price increase (product price decrease) in the certificates segment as at 31 December 2024, the hedging reserve in equity and the fair value of the hedging transactions would have been higher (lower) by K€ 3,059.

No open positions were held in the electricity and gas trading business, or in certificates, as at 31 December 2024.

The derivative financial instruments for hedging cash flows are composed as follows:

Derivative financial instruments to hedge cash flows K€

31/12/2024	Nominal volume	Nominal value [1]	Fair value [2]	Residual term < 1 year	Residual term > 1 year
Electricity futures and forwards	8,548,168 MWh	853,362	61,905	47,507	14,398
Gas futures and forwards	5,126,330 MWh	217,515	29,199	21,538	7,661
CO_2 certificates futures	367,000 t	31,376	-4,011	-1,921	-2,090
Guarantees of origin forwards	3,714,821 MWh	8,319	-5,092	-3,140	-1,952
Total			**82,001**	**63,984**	**18,017**

31/12/2023	Nominal volume	Nominal value [1]	Fair value [2]	Residual term < 1 year	Residual term > 1 year
Electricity futures and forwards	7,927,873 MWh	1,140,769	-354,290	-304,556	-49,734
Gas futures and forwards	5,637,293 MWh	299,971	-61,327	-38,368	-22,959
CO2 certificates futures	299,000 t	27,437	-2,513	328	-2,841
Guarantees of origin forwards	1,914,821 MWh	2,194	344	437	-93
Total			**-417,786**	**-342,159**	**-75,627**

[1] Cost price of derivative financial instruments
[2] Change in market value at cost price: Basis for recording potential ineffectiveness

positive market value (+) / negative market value (-)

The composition of the hedging reserve in equity is shown below:

Hedge reserve K€

2024	Residual term > 1 year	Residual term < 1 year	Cash flow hedges total	OCI total	Deferred taxes	OCI after taxes
Electricity futures and forwards	14,398	47,507	61,905	-39,639	2,733	-36,906
Gas futures and forwards	7,661	21,538	29,199	19,665	-4,523	15,142
CO2 certificates futures	-2,090	-1,921	-4,011	-4,011	923	-3,089
Guarantees of origin forwards	-1,952	-3,140	-5,092	-5,092	1,171	-3,921
As at 31/12/2024	**18,017**	**63,984**	**82,001**	**-29,078**	**304**	**-28,774**
of which derivatives with a positive market value	52,658	190,151	242,809			
of which derivatives with a negative market value	-34,641	-126,166	-160,807			

Hedge reserve						**K€**
2023	Residual term > 1 year	Residual term < 1 year	Cash flow hedges total	OCI total	Deferred taxes	OCI after taxes
Electricity futures and forwards	-49,734	-304,556	-354,290	-382,141	87,773	-294,368
Gas futures and forwards	-22,959	-38,368	-61,327	-105,709	24,313	-81,396
CO2 certificates futures	-2,841	328	-2,513	-2,513	578	-1,935
Guarantees of origin forwards	-93	437	344	344	-79	265
As at 31/12/2023	**-75,627**	**-342,159**	**-417,786**	**-490,019**	**112,585**	**-377,434**
of which derivatives with a positive market value	45,375	117,113	162,488			
of which derivatives with a negative market value	-121,002	-459,272	-580,274			

Market value

The market value is derived from market information available on the balance sheet date and the following methods and assumptions:

Determination of market value of financial liabilities and borrowings is based on current market data. Open cash flows are discounted at the market interest rate corresponding to the remaining term on the valuation date. The current market interest rate is calculated with the appropriate EURIBOR or the EUR swap rate plus a credit spread. For financial liabilities in non-euro currencies, future cash flows are discounted in the respective currency at the interest rate of that same currency. The resulting market value in foreign currency is then converted into euro using the exchange rate prevailing on the reporting date. The market values determined in this way correspond to Level 2 of the fair value hierarchy in accordance with IFRS 13.

The market value of current financial assets and current liabilities corresponds approximately to the carrying amounts based on their daily or short-term maturities.

Capital Management

The corporate aim of capital management is the continuation of the company's business as a going concern and the continuous increase in the company's value to meet the shareholders' interests and to generate value for other stakeholders. Control and adjustment, if required, of the capital structure are based on changes in the economic environment as well as changes in the risk characteristics of assets and liabilities.

Capital management is performed based on the quotient of equity and total capital. In addition, the level of indebtedness, which is calculated as the quotient of financial liabilities, liabilities held for trading purposes plus non-current provisions and equity, is used as a control factor. Equity comprises share capital, capital reserves, non-controlling interests, accumulated results and changes not affecting earnings recognised in equity.

	2024	2023
Equity ratio (equity/total capital)	42.6%	36.7%
Level of indebtedness ((capital employed 1 - equity)/equity)	64.2%	93.7%

The defined limit values are measures serving for early identification of developments. If these values are (expected to be) reached or exceeded, there is the possibility of presenting and/or initiating countermeasures.

The indicators comprise parameters for securing liquidity, commitment of capital, fixed interest rate periods and for controlling the counterparty risks, and are presented in the following table:

Capital Management

Key indicator	Supplementary note	Limit values
Liquidity	• Credit lines available at any time set up • Short-term needs-based adjustment of credit lines ensured	Adjustment process initiated when defined utilisation levels are reached
Commitment of capital	• Long-term capital commitment, at least in an amount sufficient to achieve a positive net working capital	Capital commitment > 1 year to achieve positive net working capital
Fixed interest rate period	• Interest sensitivity: Interest balance limit max. 10% of earnings before taxes • Minimum interest cover ratio for financial liabilities of 5	max. 10% of earnings before taxes Interest cover ratio > 5
Allocation of business	• Maximum investment per partner in the amount of the allocated limit	Allocated investment limit

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Such material events that must be recognised or disclosed in the Consolidated Financial Statements in accordance with IAS 10 (Contingencies and Events Occurring after the Balance Sheet Date) have been reported as far as they were of significance to valuations on the balance sheet date.

CONTINGENCIES, FINANCIAL OBLIGATIONS AND CONTINGENT LIABILITIES

Contingencies comprise the following obligations:

Contingencies		K€
	31/12/2024	31/12/2023
Guarantees	36,646	34,313
Other contractual liability obligations	27	27
Total	**36,673**	**34,340**

Furthermore, the following financial obligations exist:

Financial obligations		K€
	31/12/2024	31/12/2023
From purchase commitment	1,869,245	1,491,501
From other contracts	13,462	7,316
Total	**1,882,707**	**1,498,818**

Concluded electricity trading contracts account for the highest part of the obligations from purchase commitment of K€ 1,869,245 (previous year: K€ 1,491,501). In the following year, an amount of K€ 1,373,567 (previous year: K€ 1,155,038) will be due.

Apart from the contingencies and other obligations, the company has other obligations arising from long-term agreements, which were concluded to safeguard the procurement of electricity, natural gas and primary energy and which include arrangements for fixed quantities and prices. In addition, there are long-term natural gas transportation and storage contracts.

RELATED PARTY TRANSACTIONS

Related parties of Energie Steiermark AG are all companies included in the scope of consolidation, the sole shareholder, the Province of Styria, as well as the members of the Management Board and Supervisory Board of Energie Steiermark AG and their close relatives.

A list of consolidated companies is shown in Note (8).

The transactions with related parties of the federal state of Styria are of subordinate significance.

Apart from the remuneration for bodies of the company as mentioned below, no material transactions occurred with related natural persons during the financial year. Transactions approved according to Section 95 (5) no. 12 AktG are of subordinate importance and in line with the arm's length principle.

Balances with subsidiary companies, associated companies and other significant shareholdings are reported under the relating items in the Financial Statements and are summarised separately in the following tables:

Business relationships with associated companies K€

	2024	2023
Sales revenues	180,970	153,186
Other income	233	288
Expenses for purchased services	-11,190	-12,053
Other expenses	-957	-531
Interest income	1,712	1,558
Interest expenses	-1,532	0

	31/12/2024	31/12/2023
Receivables	69,680	19,081
Borrowings	20,285	20,285
Liabilities	-28,329	-32,218

Business relationships with non-consolidated affiliated companies K€

	2024	2023
Sales revenues	437	433
Other income	5	2
Expenses for purchased services	-195	-433
Other expenses	-1,859	-625
Interest income	117	293

	31/12/2024	31/12/2023
Receivables	74	36
Borrowings	843	3,957
Liabilities	-209	-609

Significant transactions with other shareholdings K€

	2024	2023
Sales revenues	27,368	27,372
Other income	170	-25
Expenses for purchased services	-27,596	-53,068
Other expenses	-4,619	-2,911

	31/12/2024	31/12/2023
Receivables	308	204
Liabilities	-315	0

The following business relationships existed with related companies under market compliant conditions:
- Heat procurement agreement
- Natural gas supply agreement
- Electricity supply agreement

A natural gas supply master agreement was signed with Energie Graz GmbH & Co KG and a power supply agreement was signed on the part of Energie Steiermark Business GmbH. Moreover, a heat supply agreement for the supply to the city of Graz exists between Energie Graz GmbH & Co KG and Energie Steiermark Wärme GmbH.

The business relationships are not different from the delivery and service relationships with companies that are not related to the Group of Energie Steiermark AG.

INFORMATION ON EXPENSES FOR THE GROUP'S AUDITOR

Expenses for services performed by the auditor of the Consolidated Financial Statements consist of the following:

Expenses for services performed by the Group's auditor **K€**

	2024	2023
Audit of the Consolidated Financial Statements	40	33
Other assurance work	286	198
Total	**326**	**231**

EMPLOYEES

The average number of employees during the year was:

Number of employees (average)

	2024	2023
Salaried employees	2,003	1,868
Workers	196	206
Total	**2,199**	**2,074**

DISCLOSURES ON THE SUPERVISORY BOARD AND MANAGEMENT BOARD

Disclosures on the Supervisory Board and Management K€

	2024	2023
Supervisory Board remuneration (Energie Steiermark and consolidated companies)	96	79
Remuneration paid to the Management Board members of Energie Steiermark (active time)	548	520
Payments to former Energie Steiermark Management Board members and their surviving relatives	426	415
Total	**1,069**	**1,013**

Management Board remuneration K€

	DI (FH) Mag. (FH) Martin Graf, MBA (since 1/4/2016)	DI Christian Purrer (since 1/4/2012)
Payments due in the short term		
Fixed remuneration	248	248
Variable remuneration	26	26

The variable remuneration of the Management Board relates to the 2023 financial year.

Contracts with members of the Management Board are concluded in compliance with the provisions of the *Steiermärkisches Stellenbesetzungsgesetz* (Law Governing the Filling of Positions of Styria), *LGBl.* (Federal State Gazette) no. 120/2008 and the Steiermärkische Vertragsschablonenverordnung (Contract Scheme Decree of Styria), LGBl. no. 18/2009. In particular, the Group ensures compliance with the following principles:

The variable portions of remuneration are to be defined with orientation on performance and success, to be limited at a percentage of the fixed portion of remuneration and are primarily focused on the company's economic development. For this purpose, the objectives agreed by the Steering Committee with the Management Board for a financial year are compared retroactively with the measures initiated and resolutions passed by the Supervisory Board as well as the regular reports to the Supervisory Board in order to identify the degree of fulfilment of these performance and success criteria.

The total annual remuneration of each individual member of the Management Board must not exceed the maximum total annual remuneration specified in the *Steiermärkisches Landesbezügegesetz* (Federal Remuneration Law of Styria), LGBl. no. 72/1997.

The contractual relationships are principally subject to the provisions of the Betriebliche Mitarbeiter- und Selbständigenvorsorgegesetz BMSVG (Corporate Employee and Self-Employed Pension Act), BGBI I 2004/161 as amended. (Abfertigung NEU).

No loans or advance payments have been granted to the Management Board. No liabilities have been assumed.

The Management Board members are included in the group-wide D&O insurance policy for members of corporate bodies and executive employees.

Pension fund contributions in the amount of K€ 50 (previous year: K€ 47) were paid in the 2024 financial year for members of the Energie Steiermark AG's Management Board. These contributions paid for members of the Management Board to the company pension scheme are in line with the Steiermärkische Vertragsschablonenverordnung LGBl. 18/2009 in conjunction with section 13 Stmk. LBezG. (Remuneration Act of Styria) LGBl. 72/1997.

The corporate body members are individually listed in Note (11).

8 GROUP COMPANIES

The shareholdings of Energie Steiermark AG are disclosed below. The list contains values from the last available financial statements prepared in line with IFRS or according to the national commercial law as of the balance sheet dates of the individual companies. For financial statements prepared in foreign currencies, equity amounts were translated using the average exchange rate on the relevant balance sheet date, net profit/loss of the year was translated using the annual average exchange rates.

Shareholdings of Energie Steiermark AG ≥ 20 percent as of 31/12/2024 **K€**

	Parent company	Shareholdin	Headquarter s	Type of consolidatio	Financial year	Equity	Annual profit/loss
Energie Steiermark AG			Graz	FC	2024	1,834,487	115,575
AQUA.NET Wasser- und Freizeitanlagen Steiermark GmbH	Energie Steiermark	100.00%	Graz	FC	2024	2,596	792
E1 Energiemanagement GmbH	KD	100.00%	Nuremberg	FC	2024	2,358	470
Elektrizitätswerke Bad Radkersburg GmbH (EBR)	Energie Steiermark	100.00%	Bad Radkersburg	FC	2024	2,223	217
Energie Steiermark Breitband GmbH	Energie Steiermark	100.00%	Graz	FC	2024	14,565	-1,175
Energie Steiermark Business GmbH	KD	100.00%	Graz	FC	2024	76,787	5,605
Energie Steiermark Finanz-Service GmbH (EFG)	Energie Steiermark	100.00%	Graz	FC	2024	8,258	2,429
Energie Steiermark Green Power GmbH (GP)	Energie Steiermark, EFG	100.00%	Graz	FC	2024	137,596	22,651
Energie Steiermark Judgment GmbH (KD)	Energie Steiermark	100.00%	Graz	FC	2024	81,274	8,958
Energie Steiermark Service GmbH	Energie Steiermark	100.00%	Graz	FC	2024	4,914	1,220
Energie Steiermark Wärme GmbH	Energie Steiermark, GP	100.00%	Graz	FC	2024	72,770	10,751
Energienetze Steiermark GmbH	Energie Steiermark, EFG	100.00%	Graz	FC	2024	517,783	20,328
ENWA GesmbH	GP	60.00%	Graz	FC	2024	5,733	-53

	Parent company	Shareholding	Headquarters	Type of consolidation	Financial year	Equity	Annual profit/loss
go green energy GmbH	KD	100.00%	Vienna	FC	2024	127	4
go green energy GmbH & Co KG	KD	100.00%	Vienna	FC	2024	52,637	-214
IBIOLA Mobility Solutions GmbH	KD	100.00%	Vienna	FC	2024	577	-536
Jihlavské Kotelny, s.r.o.	Energie Steiermark	50.84%	Jihlava	FC	2024	6,673	874
la bellenergie SaS (LBE)	KD	100.00%	Toulon	FC	2024	19,961	1,796
LBE Business SaS	LBE	100.00%	Toulon	FC	2024	4,930	424
Murkraftwerk Graz Errichtungs- und BetriebsgmbH	GP EGG	62.40% 12.50%	Graz	FC	2024	8,681	204
Next Vertriebs- und Handels GmbH	Energie Steiermark	100.00%	Graz	FC	2024	866	-119
STEFE Banska Bystrica, a.s.	STEFE SK	66.00%	Banská Bystrica	FC	2024	12,497	1,515
STEFE ECB, s.r.o.	STEFE SK	100.00%	Banská Bystrica	FC	2024	5,460	1,461
STEFE Martin, a.s.	STEFE SK	65.93%	Martin	FC	2024	3,826	428
STEFE Rimavska Sobota, s.r.o.	STEFE SK	58.66%	Rimavská Sobota	FC	2024	4,380	287
STEFE Roznava, s.r.o.	STEFE SK	100.00%	Roznava	FC	2024	152	42
STEFE SK a.s.	Energie Steiermark	100.00%	Banská Bystrica	FC	2024	39,162	8,773
STEFE THS, s.r.o.	STEFE SK	100.00%	Revúca	FC	2024	5,994	559
STEFE Zvolen, s.r.o.	STEFE SK	66.00%	Zvolen	FC	2024	4,479	416
V.I.Trade s.r.o.	STEFE SK	100.00%	Nitra	FC	2024	304	26
Windpark Stubalm GmbH	GP	100.00%	Graz	FC	2023	4,369	-156
ADRIAPLIN, Podjetje za distribucijo zemeljskega plina d.o.o.	Energie Steiermark	38.00%	Ljubljana	EK	2023	53,604	4,747

	Parent company	Shareholdin g	Headquarter s	Type of consolidatio	Financial year	Equity	Annual profit/loss
Brucker Kraftwerks-, Bau-, und Betriebs GmbH [1)]	STB	100.00%	Bruck an der Mur	EK	2023	730	160
Energie Graz GmbH (EGG)	Energie Steiermark	49.00%	Graz	EK	2024	198,302	12,659
Feistritzwerke-STEWEAG-GmbH [1)]	Energie Steiermark	27.00%	Gleisdorf	EK	2024	53,913	4,056
home GmbH [1)]	KD	33.33%	Berlin	EK	2023	157	-1,535
Stadtwerke Bruck an der Mur GmbH (STB) [1)]	Energie Steiermark	34.00%	Bruck an der Mur	EK	2023	6,259	1,156
Stadtwerke Hartberg Energieversorgungs GmbH [1)]	Energie Steiermark	25.10%	Hartberg	EK	2023	3,534	1,576
STEFE Trnava, s.r.o.	STEFE SK	50.00%	Trnava	EK	2024	5,059	676
Stromnetz Graz GmbH	EGG	100.00%	Graz	EK	2024	7,771	6,138
AQUASYSTEMS Gospodarjenje z vodami d.o.o. [1)]	AQUA.NET	20.87%	Maribor	NC	2023	5,066	3,518
ARGONET GmbH [1)]	Energie Steiermark	34.00%	Gmunden	NC	2023	1,895	-1,120
E 1 Wärme und Energie GmbH [1)]	KD	100.00%	Seiersberg	NC	2024	2,782	587
Enery Green Power GmbH	GP	50.00%	Graz	NC	2023	808	-237
ES SN Green Power GmbH	GP	50.00%	Graz	NC	2023	2,884	684
Grazer Energieagentur Ges.m.b.H. 1)	Energie Steiermark, EGG	5.00% 47.50%	Graz	NC	2023	991	76
Solar Graz GmbH [1)]	EGG	100.00%	Graz	NC	2023	888	128
WDS Wärmedirektservice der Energie Graz GmbH [1)]	EGG	100.00%	Graz	NC	2023	5,693	758

[1] Financial statements prepared based on the national commercial code

FC Full consolidation
EC Equity consolidation
NC Non-consolidated shareholding due to insignificance

All value disclosures are, if available, in accordance with IFRS.

9 Significant Accounting Methods

The Group has consistently applied the following accounting methods to all periods presented in these Consolidated Financial Statements.

Principles of Consolidation

If subsidiaries are acquired, an assessment must be made as to whether they constitute a business within the meaning of IFRS 3. This assessment is discretionary and regularly requires a detailed analysis of the processes and structures taken over. If a business exists, the acquisition is accounted for using the purchase method. In accordance with IFRS 3, assets, liabilities and contingent liabilities of the respective subsidiaries are measured at full fair value at the date of acquisition, regardless of the amount of any existing non-controlling interests. The non-controlling interests are measured at their pro rata value in the net assets (excluding any pro rata goodwill). Intangible assets are recognised separately from goodwill if they are separable from the enterprise or arise from a legal, contractual or other right. In the context of purchase price allocation, no new restructuring provisions may be formed. Any remaining differences on the assets side, compensating the seller for unidentifiable market opportunities and development potentials, are capitalised as goodwill in national currency and, pursuant to IAS 36, subjected to a minimum of one annual impairment test. Any negative differences are immediately recognised in profit or loss in the period of acquisition, following a review of the measurement of identifiable assets, liabilities and contingent liabilities of the acquired company and the cost of acquisition. A change of the shareholding held in a still fully consolidated company is recognised as an equity transaction not affecting income.

If there is no business, the purchase method is not applicable. In this case, financial assets and liabilities received are measured at fair value. The sum of the assets and liabilities measured in this way is then deducted from the transaction price. The remaining transaction price is then allocated to the remaining identified assets and liabilities based on their relative fair values at the time of acquisition. No deferred taxes are recognised due to the initial recognition exemption. No goodwill can arise.

The results of subsidiaries acquired or sold during the year are included in the Group's Consolidated Profit and Loss Statement as of the effective date of acquisition or until the effective date of disposal.

Expenses and income as well as receivables and liabilities among the fully consolidated entities are eliminated. Intercompany results are separated, unless they are of subordinate significance.

FOREIGN CURRENCY TRANSLATION

The Financial Statements of the subsidiaries not belonging to the European Monetary Union are converted based on the concept of functional currencies. Assets and liabilities of those companies are converted using the average exchange rate on the balance sheet date, income and expenses are converted at the full year average rates. Equity capital is converted at the historical currency exchange rate. Resulting currency translation differences are not disclosed in the Profit and Loss Statement, but as a separate item under equity. When a foreign entity leaves the scope of consolidation, the currency differences are recognised in profit or loss.

Exchange rate gains and losses arising from the fluctuation of exchange rates for foreign currency transactions are disclosed under "Other operating income" or "Other operating expenses".

The following exchange rates are, among others, used for currency translation:

Exchange rates

	Average		Balance sheet date	
In €	2024	2023	31/12/2024	31/12/2023
100 Czech koruna	3.97	4.17	3.97	4.05

INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT, AND RIGHTS-OF-USE ASSETS

Intangible assets acquired against payment are recognised at cost of acquisition, less straight-line amortisation and impairment.

In accordance with IFRS 3, goodwill is not subject to scheduled depreciation, but annually and when there are indications of impairment subjected to an impairment test.

Depreciable tangible assets are recognised at cost of acquisition or production, less straight-line depreciation and impairment.

Besides costs of material and personnel expenses, production costs of self-produced tangible assets also include pro-rata overhead costs. Third party contributions (building cost contributions) as well as government grants are attributed to the assets concerned, disclosed on the liabilities side and reversed in line with the useful life of the corresponding asset.

Scheduled amortisation and depreciation of intangible assets and depreciable tangible assets is dependent on the estimated useful life, which is as follows:

Useful Life

	Depreciation rate in %	Useful life in years
Intangible assets	1.11 - 100	1 - 90
Residential buildings	2	50
Company buildings and other buildings	2 - 10	10 - 50
Thermal power plants	4 - 20	5 - 25
Hydraulic power plants	1.33 - 10	10 - 75
Wind turbines	5	20
Electrical plants	4 - 20	5 - 25
Lines	2.5 - 5.26	19 - 40
Office and business equipment	6.67 - 50	2 - 15

Maintenance and repairs are reported as expenses, while replacement and expansion investments as well as reinstatement and demolition obligations are reported on the assets side. Profits or losses from asset disposals are recognised under “Other operating income” or “Other operating expenses”.

For all leases to be recognised in accordance with IFRS 16, the lessee recognises a lease liability for the future lease payments and capitalises a right-of-use asset corresponding to the present value of the future lease payments plus directly attributable costs.

The Group takes advantage of the relief provided by IFRS 16 for lessees and therefore does not apply this standard to intangible assets, short-term leases with a term of no more than 12 months and low-value leased assets.

IMPAIRMENTS OF ASSETS

Assets with indefinite useful lives such as goodwill or assets not yet ready for use are not amortised on a systematic basis, but instead tested for impairment annually. Tangible and intangible assets that are subject to depreciation and amortisation are tested for impairment if corresponding events or changes in circumstances indicate an impairment.

Tangible or intangible assets are impaired when the carrying amount is higher than the fair value less costs to sell or the value in use. The fair value less costs to sell results from the realisable sales proceeds less costs directly attributable to the sale. The value in use results from the present value of the estimated future net cash flows arising from the use of the asset and its disposal value at the end of the useful life. Impairment losses are recognised in profit or loss under “Depreciation, amortisation and impairment losses on intangible and tangible assets” in the Consolidated Profit and Loss Statement.

Goodwill is subject to impairment tests on an annual basis and whenever indications for impairment exist. To perform an impairment test, goodwill is attributed to cash-generating units. An impairment requirement of the unit is determined by comparing the carrying amount to date recognised at amortised cost (including the attributed goodwill) with the recoverable amount.

The recoverable amount is determined by the net present value method based on the free cash flows planned by the Management and approved by the Supervisory Board. A perpetuity (terminal value) is recognised at the end of the detailed planning period of 5 years.

A medium-term company plan is used as a basis for data. In regulated areas, this is based on the regulatory system provided by the respective regulator (e.g. E-Control). For the terminal value, it is assumed that the regulator provides a corresponding return on the cost of capital. Distribution, generation and other areas account for the current and medium-term situation and development in the energy markets both on the purchase and the sales side.

Free cash flows are discounted at weighted average cost of capital (WACC). The capitalisation rate consists generally of a base rate and a risk surcharge. The base rate is equal to the rate of return of an alternative investment that is equivalent to the cash flow of the cash-generating unit (CGU) under valuation in terms of duration, risk and availability. For this purpose, the rates of return of corporate bonds listed in the capital market are used as the basis. The risk surcharge is calculated using the capital asset pricing model (CAPM), which is the product of the market risk premium and the company's beta factor.

A company- and market-specific growth rate of between 0.75 percent and 1.5 percent is assumed for the WACC of the terminal value.

The following table shows the WACC after taxes for the individual countries:

WACC

Country	2024	2023
Austria	5.99%	6.26%
Germany	5.85%	5.77%
France	6.07%	6.32%
Slovakia	6.47%	6.73%
Slovenia	6.88%	7.11%
Czech Republic	6.18%	7.38%

The present value of the free cash flows determined as described above corresponds to the fair value of the CGU from the investors' point of view. The working capital (inventories, trade accounts receivable and trade accounts payable) was taken into account in the cash flow.

The results are plausibilised with other computational models (for example flow to equity) and specific parameters.

If the computed amount falls below the carrying amount, an impairment loss in the amount of the difference is to be made on goodwill as a matter of priority. Impairment losses are recognised under "Depreciation, amortisation and impairment losses on intangible and tangible assets" in the Consolidated Profit and Loss Statement. Any additional need for impairment is to be distributed over the remaining assets of the cash-generating unit (CGU) in relation to the carrying amount.

A corresponding appreciation in value is recognised when the reasons for write-ups no longer exist. Goodwill that has already been amortised once due to impairment can no longer be appreciated.

Significant goodwill relates to the companies Energie Steiermark Judgment GmbH (KD) and Energie Steiermark Green Power GmbH (GP). The CGUs to be allocated to these goodwill were those legally separate entities which are understood to be the smallest identifiable groups of assets that generate cash inflows from the continued use of these assets and which are largely independent of the cash inflows of other assets or groups of assets.

The fair values less the costs of sale of these CGUs are generally calculated pursuant to the measurement hierarchy of IFRS 13. No market values can be inferred for these CGUs. Correspondingly, the fair values are calculated according to level 3 of the measurement hierarchy.

The fair value of Energie Steiermark Kunden GmbH was determined using the discounted cash flow method on the basis of free cash flows (gross method). A perpetuity (terminal value) is recognised at the end of the detailed planning period of 5 years. In the perpetuity phase, an annual growth of 0.75 percent in financial surpluses was assumed. In the terminal value, an accumulation of part of the financial surplus was taken into account. The fair value of Energie Steiermark Kunden GmbH exceeds its carrying amount by K€ 99,244 (previous year: K€ 101,755).

The fair value of Energie Steiermark Green Power GmbH was determined using the discounted cash flow method on the basis of free cash flows (gross method). At the end of the detailed planning period, the planning calculation was supplemented by a 17-year planning phase until reaching a steady state. After this rough planning phase, a perpetuity (terminal value) was recognised. In the pension phase, an annual growth of 1.5 percent in financial surpluses was assumed. In the terminal value, an accumulation of part of the financial surplus was taken into account. The fair value of Energie Steiermark Green Power GmbH exceeds its carrying amount by K€ 127,362 (previous year: K€ 115,138).

The financial surpluses that can be achieved in the future are basically derived from the internal medium-term planning. Proceeds to be expected in the future are taken into account in the determination of future values, considering past and future market developments as well as operating, maintenance and investment costs.

The table below shows the sensitivities for significant assumptions, which are used to calculate the fair values for the material goodwill:

Sensitivities

	2024		2023	
	GP	KD	GP	KD
WACC +1.0%	-22.94%	-22.40%	-16.25%	-101.93%
WACC -1.0%	32.49%	31.75%	22.57%	144.70%
Growth rate +0.1%	0.09%	0.19%	0.07%	0.64%
Growth rate -0.1%	-0.09%	-0.19%	-0.07%	-0.64%

If the WACC increased (decreased) by 1 percent in the 2024 financial year, the market value of the CGU at GP would have changed by -22.94 percent (change of +32.49 percent) and the market value of the CGU at KD would have changed by -22.40 percent (change of +31.75 percent).

If the growth factor increased (decreased) by 0.1 percent in the 2024 financial year, the market value of the CGU at GP would have changed by +0.09 percent (change of -0.09 percent) and the market value of the CGU and both KD would have changed by +0.19 percent (change of -0.19 percent).

FINANCIAL INVESTMENTS RECOGNISED USING THE EQUITY METHOD

Shareholdings in associated companies recognised using the equity method are included together with their prorated, revalued assets, liabilities and contingent liabilities. If the costs of acquisition for the Group's share exceed the fair values of the identifiable assets, liabilities and contingent liabilities of the associated company at the date of acquisition, the difference is recognised as goodwill. If the costs of acquisition for the share of the Group fall below the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition (i.e. an acquisition discount), the difference is recognised in profit or loss in the period of acquisition. Goodwill is recognised in the carrying amount of the shareholding.

Valuations of participations included at equity are increased or decreased on an annual basis by the respective change in equity and according to the capital share held by the Energie Steiermark Group. Losses exceeding the Group's share in associated companies are not recognised.

The investment accounted for using the equity method is tested for impairment in accordance with IAS 36 if there are indications of impairment. In subsequent periods, a full reversal of impairment losses up to the amortised historical cost of the shareholding in the associated company accounted for using the equity method must be recognised if the reasons for the impairment no longer apply. Necessary impairments and reversals of impairments are reported under "Result from shares held in associated companies".

FINANCIAL INSTRUMENTS

A financial instrument is an agreement that simultaneously gives rise to a financial asset at one company and to a financial liability or an equity instrument at another entity.

Original Financial Instruments

Original financial instruments disclosed in the Balance Sheet include the following items: cash and cash equivalents, financial assets, trade accounts receivable and trade accounts payable as well as obligations from financial liabilities and other financial debts.

Financial assets are classified in the following measurement categories:

- valued at fair value (at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVTPL))
- valued at amortised cost

The classification depends on the business model for managing the financial assets and on the contractual cash flows.

Equity instruments such as investments in unconsolidated subsidiaries, associated companies not accounted for using the equity method and other unlisted investments held for long-term strategic reasons are classified as “at fair value through other comprehensive income (FVOCI)” in accordance with IFRS 9 and measured at fair value as at the balance sheet date. In the event that the fair value cannot be reliably determined by means of quoted market prices or measurement models, recognition is made at cost of acquisition, or at cost of acquisition less required amortisation for impairment. All changes in fair value are recognised in other comprehensive income (OCI). Dividends are recognised as income in profit or loss unless the dividend is clearly covering part of the cost of the investment. Other net gains or losses are recognised in other comprehensive income and never reclassified to profit or loss.

Financial assets that are held within the framework of a business model with the objective to collect contractual cash flows representing only principal and interest payments are measured at amortised cost. As such, loans granted are recognised at their outstanding nominal value. Non-interest bearing loans or loans with an interest rate below the market interest rate are recognised at the present value. Amortised cost is reduced by impairment losses as required. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss. A gain or loss on derecognition is also recognised in profit or loss.

All financial assets that are not measured at amortised cost or at FVOCI are classified as at fair value through profit or loss (FVTPL). These include investment fund units and listed investments, provided they are not consolidated and are not accounted for using the equity method. Net profits or losses, including any interest or dividend income, are recognised in profit or loss.

Cash in hand, sight deposits and fixed-term deposits with initial terms of up to three months are treated as liquid funds.

Derivative financial instruments

Derivative financial instruments are recognised as assets or liabilities. All derivative financial instruments are recognised at fair value, regardless of their purpose.

Upon the signing of the contract, derivative financial instruments are recognised at their fair value and are carried at this fair value in subsequent periods. The fair value of derivative financial instruments is determined through their market prices or by using market prices of comparable products. If no market prices exist, the fair values must be calculated using recognised actuarial models. Treatment of unrealised valuation gains or losses depends on the relevant purpose of the transaction.

Certain derivatives are designated as hedging instruments to hedge fluctuations in cash flows associated with highly probable forecast transactions resulting from changes in market prices. At the beginning of the designated hedging relationship, the risk management objectives and strategies pursued with respect to the hedge are documented. Furthermore, the economic relationship between the hedged item and the hedging instrument is assessed, as well as the expectation whether changes in the cash flows of the hedged item and those of the hedging instrument will offset each other.

The relationship between the hedged item and the hedging instrument must comply with the requirements of the risk management strategy. If the effectiveness changes during a hedging relationship while the risk management objective remains the same, the amounts of the underlying transaction incorporated in the hedging relationship and the hedging instrument must be adjusted without allowing the hedging relationship to be discontinued. A hedging relationship must be retained for accounting purposes for as long as the documented risk management objective for this hedging transaction does not change and the other conditions for hedge accounting are met.

Companies must prove, without being tied to quantitative threshold values, that an economic relationship exists between the underlying transaction and the hedging instrument, which leads to contrasting changes in value due to a (shared) reference value or a hedged risk. However, the changes in value of the economic relationship may not be primarily attributable to the influence of credit risk.

If a derivative is designated as a cash flow hedge, the effective portion of the change in fair value is recognised in other comprehensive income. The amounts set aside in this way are released to income in the settlement period of the hedged item. Possibly ineffective shares are immediately credited to income in the net income for the period.

Derivative financial instruments not included in a hedging relationship according to IFRS 9 are to be categorised as “measured at fair value through profit or loss” and are therefore to be recognised at fair value through profit or loss. If this is positive, it is to be disclosed under “Financial assets”. Negative fair values are reported under financial liabilities and accruals/deferrals.

Derivative financial instruments in connection with energy trading activities are also recognised at fair value at the balance sheet date. Any changes in valuation are recognised in the Profit and Loss Statement as affecting income. Results from derivative energy trading activities are disclosed in net terms under sales revenues.

In accordance with IFRS 9, all commodity future contracts that are classified as derivatives (these include forwards and futures) are to be recognised in profit or loss as a rule. Transactions that are concluded by the company to meet expected purchase, sale or usage requirements and that are to be settled through delivery are exempt from the scope of IFRS 9 (so called own use exemption). These transactions are not derivative financial instruments as defined by IFRS 9, but they represent pending purchase and sale contracts, which are assessed for anticipated losses from pending transactions in accordance with the requirements of IAS 37. Such pending transactions are used to a minor extent in the Group, although no provisions for impending losses needed to be recognised in the current financial year.

If the prerequisites for the own use exemption are not fulfilled, for example, in the case of transactions for short-term optimisation, the transactions are recognised as derivatives in accordance with IFRS 9.

Transactions that are not settled through physical performance, but through cash settlement and, thus, not covered by the own use exemption fall under the scope of IFRS 9, regardless of their economic purpose.

Financial Instruments – Recognition and Measurement

Loans and receivables are recognised in the balance sheet from the date on which they accrue. All other financial assets and liabilities are recognised initially on the trading day.

Financial assets are derecognised when the contractual rights to the cash flows from an asset expire, or the rights to receive the cash flows from that asset are transferred in a transaction in which all major risks and rewards associated with ownership of the financial asset are also transferred.

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or have expired.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet if there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously.

In determining the fair value of an asset or a liability, the Group uses observable market data as far as possible. On the basis of the inputs used in the valuation techniques, the fair values are categorised into different levels of the fair value hierarchy in accordance with IFRS 13:

- Level 1: Quoted prices in active markets for identical assets and liabilities.

- Level 2: Valuation parameters other than quoted prices included within Level 1 that are observable for the asset or the liability either directly (i.e. as a price) or indirectly (i.e. derived from prices).

- Level 3: Valuation parameters for assets or liabilities, which are not based on observable market data.

If the input factors used to measure the fair value of an asset or a liability can be categorised into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the level of the lowest level input factor that is significant to the entire measurement.

Any transfers between different levels of the fair value hierarchy are recognised at the end of the reporting period in which the change has occurred.

The fair values of futures and forward contracts used in connection with energy trading activities can be determined reliably on each balance sheet date, since quoted prices are available for futures contracts and/or since the valuation of forward contracts is performed using a forward price curve derived from quoted prices, taking account of the credit risk inherent in the counterparties. Consequently, the measurements of electricity, gas and CO_2 futures contracts are Level 1 measurements pursuant to IFRS 13. As a rule, the measurements of electricity, gas and CO_2 forward contracts are Level 2 measurements.

IMPAIRMENTS OF FINANCIAL ASSETS

For financial assets measured at amortised cost and for contract assets, IFRS 9 requires that an expected credit loss (ECL) be recognised when the financial asset is recognised.

IFRS 9 provides for a general impairment model (three-level model) and a simplified method for determining the expected loss:

General impairment model (three-level model)

Level 1: Financial assets without a deterioration in credit rating

All financial instruments are always assigned to Level 1 in the first-time recognition (provided that there is no impairment of credit rating at the time of acquisition). The expected loss corresponds to the value that can arise from possible default events within the next 12 months after the balance sheet date.

Level 2: Financial assets with significant deterioration in credit rating
If there has been a significant increase in the default risk since first-time recognition, the financial instrument is transferred from Level 1 to Level 2. The impairment corresponds to the value that can arise from possible default events during the remaining term of the instrument.

Level 3: Impaired financial assets
If there is objective evidence that a financial asset is impaired, it must be transferred to Level 3.

Simplified method

IFRS 9 provides for simplifications for trade receivables. These receivables are generally of a short-term nature, i.e. due in less than 12 months, meaning that the expected loss for the next 12 months corresponds to the expected loss for the remaining term of the receivable and a transfer from Level 1 to Level 2 is therefore not relevant. Trade receivables are therefore covered by the lifelong expected credit loss.

The option of simplifying the measurement of trade receivables also applies to contract assets in accordance with IFRS 15 (if they do not contain any material financing components) and to lease receivables.

To simplify the calculation of impairment, IFRS 9 permits the use of a value adjustment matrix for trade receivables. On the balance sheet date, the expected loss over the remaining term is determined as a fixed-sum percentage based on empirical values depending on the dunning level or the duration of the overdue payment.

INVENTORIES

Inventories of primary energy, raw materials and supplies are recognised at cost of acquisition or the lower fair value. Gas inventories designated for sale to end consumers are depreciated if the cost of acquisition is not covered by the estimated sales prices obtainable within ordinary business activities, less estimated completion and selling costs. Other inventories are depreciated for insufficient turnover rate.

To determine the cost of sale, the weighted average cost method is used or the sequence of consumption method, if such is more suitable with regard to the actual circumstances.

CO_2 emission certificates are recognised at cost in accordance with IAS 2. Certificates received free of charge are measured at fair value at the time of allocation and, according to IAS 20, they are disclosed on the liabilities side under the "Government grants" item. A provision is created as of the balance sheet date for the obligation to use them; the amount of such provision depends on the value of the certificates declared to be used. Any obligation to grant emission rights regarding the existing certificates will be measured at the market value of the certificates to be subsequently procured.

The CO_2 emission certificates held for trading purposes are measured at fair value less costs to sell in accordance with IAS 2 on the basis of the exemption for commodity and commodity traders (brokerage exemption). The corresponding forward transactions are recognised as financial assets or financial liabilities and measured at fair value.

CONTRACT ASSETS AND LIABILITIES

A contract asset is an entity's right to consideration when it has rendered its service to a customer and settlement of the consideration is not dependent on its due date alone. A contract liability is an obligation of an entity to a customer to deliver goods or render services for which the entity has already received payments.

Services which are not yet billable are reported in the Group as contract assets in accordance with IFRS 15. These represent claims against customers, which, due the lack of a payment claim, do not yet meet the definition of a financial instrument. These are either tangible assets that are produced on behalf of a third party and are still in progress on the balance sheet date or service orders that have not yet been completed on the balance sheet date.

Customer orders not invoiced are recognised at cost of production. Cost of production includes direct material and production costs as well as material and production overheads allocated on a systematic basis. The contract costs are recognised in proportion to the stage of completion on the balance sheet date.

If the result from a production contract can be measured reliably and if it is probable that the contract will be profitable, the contract revenue is recognised based on the stage of completion over the term of the contract. When it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately.

If the outcome of a production contract cannot be determined reliably, contract revenue is only recognised to the extent that it is probable that incurred contract costs can be recovered.

RECEIVABLES AND OTHER ASSETS

Receivables are recognised at cost less value adjustments for expected uncollectible amounts. Value adjustments are determined in accordance with the impairment model prescribed by IFRS 9. Actual losses result in the derecognition of the respective receivables. In the framework of individual value adjustments, financial assets characterised by a potential need for impairment are categorised according to similar loss risk characteristics and tested for impairment losses together, as well as value adjusted, if necessary.

Other assets are valued at cost of acquisition less impairment losses. Non-interest bearing, long-term receivables are recognised at their present value.

Liabilities

Financial liabilities are stated at cost of acquisition. Financing costs and discounts are recognised as part of the cost of acquisition of the financial instrument by applying the effective interest method. Interest expenses and foreign currency translation differences are recognised in profit or loss. Gains or losses on derecognition are also recognised in profit or loss.

With the exception of derivative financial instruments, the Group has not designated any financial liabilities at fair value through profit or loss.

Building cost contributions are disclosed and reversed to income under "Other sales revenue", distributed over the useful life of the relevant asset. If the term in the contract with the customer is shorter than the useful life of the asset, the building cost contribution is reversed over the contract term. Amounts to be reversed in the next financial year are reported under "Current liabilities". Building cost contributions are customer contributions for investing in primary grids (electricity, gas and heat generation and distribution or production systems). These connection and supply charges are like liabilities due to the obligation to supply or deliver.

The reversal of building cost contributions is based on the useful life of the assets concerned or on the contract term and is as follows:

Useful life of building cost contributions

	Depreciation rate in %	Useful life in years
Contribution to building costs: GAS lines	3.33 / 2.5 / 4	20 / 30 / 40
Contribution to building costs: electricity/heating	5	20
Contribution to building costs: Energy Complete	6.67 / 5	15 / 20

Investment subsidies are government and third-party grants for the acquisition or production of certain assets and are reversed fundamentally over the useful life of the subsidised assets.

CO_2 emission certificates (see "Inventories, p. 45) assigned free of charge are recognised on the liabilities side as government grants at market value at the time of assignment. Valuation of this liability corresponds to the emission certificates provided free of charge for which government grants have been recognised in the balance sheet. Both upon the valuation of emission certificates and upon consumption or sale of emission certificates, income and expenses from emission certificates assigned free of charge are compensated for by the reversal or determination of the liability item.

PROVISIONS AND ACCRUALS

Provisions are made in the Balance Sheet when present obligations due to third parties arose from past events, the payment is likely to be made and the amount can be reliably estimated. Provisions are recognised at the value determined by the best estimate at the time of the preparation of the Financial Statements. If no reasonable estimate of the amount is feasible, no provision is formed. Long-term provisions are recognised in the Balance Sheet at their settlement value discounted at the balance sheet date, if the interest effect resulting from discounting is material.

The provisions for pensions and similar obligations are calculated according to the projected unit credit method. In accordance with IAS 19, revaluations are recognised in Other comprehensive income, not affecting the result. These comprise actuarial gains and losses, return on plan assets, if any, as well as changes in the effect of the asset ceiling, if any, in each case excluding any amounts that are included in net interest on net liabilities/assets.

Provision amounts are determined annually by an external expert's actuarial calculations.

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

Actuarial assumptions
Provisions for pensions and similar obligations as well as severance payment provisions

	2024	2023
Interest rate	3.20 % p.a.	3.20 % p.a.
Pension increases	2.60 % p.a.	2.75 % p.a.
Salary increases	2.60 % p.a.	2.75 % p.a.
Career trend	0.20 % p.a.	0.20 % p.a.
Expected investment result of the fund assets	3.20 % p.a.	3.20 % p.a.

By derogation from the long-term salary trends disclosed in the above table, a one-time increase of 4.10 percent as of the end of 2024 (previous year: 9.00 percent to the end of 2023) and a one-time increase of 3.20 percent to the end of 2025 (previous year: 5.00 percent to the end of 2024) and a one-time increase of 2.90 percent to the end of 2026 (previous year: 3.25% to the end of 2025) was recognised for pensions and salaries. Future salary increases by contractually determined two or three-year periods will be taken into account individually.

Valuation is based on the imputed pension age of 60 years for women and 65 years for men in compliance with the transitional regulations according to the Amendment of the ASVG (General Social Security Act) pursuant to Sec. 73, Budgetbegleitgesetz 2003 (BGBL. (Federal Gazette) I no. 71/2003 of 20 August 2003) and/or in line with the individual contract. Moreover, the pension age for women was determined using the "BVG Altersgrenzen" (Age Limits) (BGBl. 1992/832).

Calculations for salaried employees were based on "AVÖ 2018-P – Rechnungsgrundlagen für die Pensionsversicherung" (Actuarial Assumptions for Pension Insurance for Salaried Employees), published in August 2018. Education-specific mortality and specific probability of marriage were also taken into account individually.

Due to corporate agreements and contracts, the company is obligated to pay old age pension benefits to employees upon retiring under certain conditions. These performance-based payment obligations are partly backed by appropriated pension insurance funds with "APK-Pensionskasse Aktiengesellschaft" (Pension Insurance Company). As to obligations that are to be met by APK-Pensionskasse Aktiengesellschaft, the employer has to provide extra funds. The amount of the defined benefit pensions is based normally on the length of service with the company and benefit-related remuneration.

The outsourced defined pension claims are managed by an umbrella pension fund. The pension fund is a legally independent enterprise in the form of a stock corporation, which collects the contributions, invests the funds received and makes pension payments to the beneficiaries.

Pension fund assets are invested by the pension insurance carrier primarily in various investment funds, in accordance with the provisions of the Pensionskassengesetz (Pension Plans Act). The expected return results from the investment structure, the macro-economic conditions and the influences on the capital markets connected therewith.

Severance pay is a statutory one-time payment to be made in the event of termination of employment or at the commencement of old-age retirement. The amount depends on the number of years of employment and the salary paid at the time of separation. The calculation period ends after twenty-five years of employment with the achievement of an annual salary. Severance pay provisions are determined using actuarial calculations. The same calculation factors as for pension provisions and similar obligations are used for their measurement. In accordance with IAS 19, revaluations are recognised in Other comprehensive income, not affecting the result.

Based on legal amendments which took effect on 1 January 2003, no severance pay provisions are created for newly hired employees in the Austrian group companies. 1.53 percent of the salary sum are paid to an employee provisions scheme for these employees. The company does not have any further obligations.

Anniversary benefit obligations based on collective agreements have been made on the basis of the following assumptions. In accordance with IAS 19, actuarial gains and losses from anniversary benefit obligations are recognised in profit or loss.

Actuarial assumptions Other pension provisions	2024	2023
Interest rate	3.20 % p.a.	3.20 % p.a.
Salary increases	2.60 % p.a.	2.75 % p.a.
Career trend	0.20 % p.a.	0.20 % p.a.

By derogation from the long-term salary trends disclosed in the above table, a one-time increase of 4.10 percent as of the end of 2024 (previous year: 9.00 percent to the end of 2023) and a one-time increase of 3.20 percent to the end of 2025 (previous year: 5.00 percent to the end of 2024) and a one-time increase of 2.90 percent to the end of 2026 (previous year: 3.25% to the end of 2025) was recognised for salaries. Future salary increases by contractually determined two or three-year periods will be taken into account individually.

DEFERRED TAXES

Deferred taxes are recognised under the deferred liability method for all temporary differences between the tax value of assets and liabilities and the carrying amounts stated in the Consolidated Financial Statements. Significant temporary differences result from the recognition and the valuation of provisions, valuation differences of non-current and current assets and from tax loss carry-forwards. Deferred tax assets are disclosed only to the extent that it is probable that future taxable gains will be available for offsetting with the temporary differences.

For the determination of deferred income taxes, tax rates of the countries of the parent company and the respective subsidiaries bindingly released or in effect at the reference date are used.

In the 2024 and 2023 financial years, the following income tax rates were applied to the calculation of deferred taxes:

Income tax rates

Company headquarters	2024	2023
Austria	23.0%	23.0%
Germany	30.0%	30.0%
France	25.0%	25.0%
Slovakia	24.0%	21.0%
Czech Republic	21.0%	19.0%

USE OF DISCRETIONARY DECISIONS AND ESTIMATES

In accordance with the generally accepted accounting and valuation policies in accordance with IFRS, some items in the Consolidated Financial Statements require the use of estimates and assumptions that will have an impact on the amount and presentation of assets, liabilities and contingencies recognised on the balance sheet date, and income and expenses recognised during the reporting period. The estimates are naturally subject to uncertainties. Thus, actual amounts may differ from the estimated amounts.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are set out below:

For impairment testing, estimates are to be made, in particular in relation to the expected net cash inflows. Future changes in the general economic environment and the situation of the sector or the company may result in a reduction in net cash inflows and, hence, to impairment losses.

For the valuation of existing provisions for pension and similar obligations as well as severance payments, the company uses assumptions regarding discount rate, retirement age, life expectancy as well as future pension and salary increases, which may lead to changed valuations in future periods.

Given the rolling reading of meters at customers who have no load profile meter, no read data and consumption data are regularly available for the customer collective at the annual reporting date. Therefore, estimates need to be made on a regular basis to present and defer the annual consumption.

In addition, assumptions and estimates were used in determining the useful life of intangible assets and tangible assets, for the formation of provisions for legal disputes, for uncertainties over income tax treatments and for the valuation of receivables and inventories. These estimates are based on historical experience and other assumptions that are considered reasonable under given circumstances.

REVENUE RECOGNITION

Sales revenues result from payments received or receivables recognised in the Balance Sheet arising from the sale of products, goods and the rendering of services, less discounts, value added tax and the elimination of intra-group sales.

According to IFRS 15, sales revenues are realised when the customer acquires the power to dispose of the agreed goods and services and derive benefits therefrom. Sales revenues are measured with the amount of the consideration the company expects to receive. Any receivables from electricity, gas and heating supplies not yet billed on the balance sheet date are accrued and are shown in the item “Trade accounts receivable”.

The model applied by the Group from 1 January 2018 onwards in accordance with IFRS 15 provides for a five-level scheme according to which the customer contract and the separate performance obligations contained therein must first be identified. The transaction price of the customer contract is then to be determined and broken down for each of the individual performance obligations. Finally, revenue is to be realised for each performance obligation in the amount of the allocated pro rata transaction price as soon as the agreed service has been performed or the customer acquires control thereof. A distinction is to be made here between performance obligations for a point in time or a period of time on the basis of defined criteria.

When it comes to supplying electricity, gas and heat, control is transferred over the period during which the service is provided. Sales revenue is recognised at the amount at which the Group has fulfilled its obligations and a right to issue an invoice has arisen. There are no significant financing components as a result of business-specific payment terms.

Only free services were identified as separate performance obligations and discounts granted when new contracts were concluded as transactions relevant for IFRS 15 and which show special features as regards the realisation of income. Taking into account the materiality criteria, sales revenues are not currently subjected to any special treatment. However, both the identified transactions and future new products are subject to a review as of the respective balance sheet date and, as a result, a new materiality assessment.

Interest income is recognised pro rata temporis subject to the effective interest rate. Dividend income is recorded when the shareholders' right to receive payment is established.

REGULATION SYSTEM FOR ELECTRICITY AND GAS GRIDS ACCORDING TO SECTION 50 ELWOG AND SECTION 71 GWG

In Austria, the amendment to the 2010 Electricity Act (ElWOG 2010), which took effect on 3 March 2011, introduced a new ex-post regulation procedure for the grid operator revenue in the form of the regulatory account in Section 50 ElWOG. This system was also integrated into Section 71 of the Natural Gas Act 2011 (GWG). The purpose of the newly introduced regulatory account is to provide every grid operator with compensation for differences between actual revenue earned and the officially established revenue by means of a "virtual" account maintained for each grid operator. In accordance with Section 50 ElWOG and Section 71 GWG, these differences are to be taken into account in determining the cost base for the next payment periods.

The differences pursuant to Section 50 ElWOG and/or Section 71 GWG between actual revenue earned and the revenue assumption in the ordinance as well as the differences between the actual costs incurred and the cost assumption in the ordinance are recorded, on balance, under receivables and other assets or under other liabilities in the separate financial statements of Energienetze Steiermark GmbH prepared in line with corporate laws.

In January 2021, the IASB published an Exposure Draft ED/2021/1 "Regulatory Assets and Regulatory Liabilities" aimed at replacing IFRS 14 "Regulatory Deferral Accounts", which has not been adopted into EU law, and making it possible to recognise subsequent amounts in the future.

Regulatory Account [1]			K€
	Status as at 1/1	Allocation/reversal	Status as at 31/12 *)
2013	2,981	10,912	**13,893**
2014	13,893	16,341	**30,234**
2015	30,234	2,640	**32,874**
2016	32,874	-18,613	**14,261**
2017	14,261	-21,812	**-7,551**
2018	-7,551	-4,135	**-11,686**
2019	-11,686	2,778	**-8,907**
2020	-8,907	6,925	**-1,983**
2021	-1,983	11,315	**9,332**
2022	9,332	18,609	**27,941**
2023	27,941	13,708	**41,649**
2024	41,649	6,350	**47,999**

[1] pursuant to company law

*) receivable (+) / liability (-)

In view of the current developments regarding accounting for regulatory deferral account balances, the company refrained from recognising regulatory assets and regulatory liabilities pursuant to IFRS (see also Note 2 "Fundamentals of financial statement preparation").

If the regulatory account had been recognised, the Group's operating result would have been as follows:

Adjusted operating income

K€	2024	2023
Operating result	**113,621**	**150,371**
Regulatory account	6,350	13,708
Adjusted operating income	**119,970**	**164,078**

10 NEW STANDARDS WHICH HAVE NOT YET BEEN APPLIED

At the time the Consolidated Financial Statements were prepared, the IASB had adopted further standards and interpretations which were not yet obligatorily applicable to the 2024 financial year:

New standards and interpretations which are not yet applicable

New standards/interpretations		applicable from [1]
IFRS 18	"Presentation and Disclosure in Financial Statements"	1 January 2027
IFRS 19	"Subsidiaries without Public Accountability: Disclosures" [2]	1 January 2027

[1] *The standards which have not yet been adopted by the EU are, in accordance with IASB, applicable for each financial year beginning on or after the date the standard comes into force. This date might change for the European Union by application in the EU.*

[2] *Standard not yet adopted by the EU as of 31 December 2024.*

IFRS 18 "Presentation and Disclosure in Financial Statements" will replace IAS 1 "Presentation of Financial Statements". The new standard introduces the following key new requirements:

- Companies are required to classify all income and expenses in the income statement into five categories: operating, investing, financing, income tax and discontinued operations. Companies will also be required to present a newly defined subtotal "operating result". The companies' net income for the period will not change.

- Certain company-specific performance indicators (management-defined performance measures, MPMs) are disclosed in a separate note in the financial statements

- Improved guidelines for grouping information within the financial statements have been introduced.

Companies are also required to use the operating result as the starting point for the cash flow statement if they present the cash flow from operating activities using the indirect method.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures" allows certain subsidiaries to apply IFRS accounting standards with reduced disclosures in the notes if

- the subsidiary itself is not subject to public accountability and
- its parent company prepares IFRS consolidated financial statements.

A public accountability obligation exists in particular if the subsidiary has listed equity or debt instruments on a public market.

The Group is currently evaluating the potential impact of IFRS 18 "Presentation and Disclosure in Financial Statements", particularly with regard to the structure of the Consolidated Profit and Loss Statement, the Cash Flow Statement and the additional disclosure requirements for MPMs. The Group is also examining the effects on the way in which information is grouped in the financial statements. No voluntary early application has been planned yet.

In addition to the new standards and interpretations, the IASB has adopted a range of comprehensive amendments to existing standards which were not yet obligatorily applicable to the 2024 financial year:

Amended standards and interpretations which are not yet applicable

Amended standards/interpretations		**applicable from [1]**
IAS 21	Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Effects of Exchange Rate Changes - Lack of Exchangeability	1 January 2025
IFRS 9 and IFRS 7	Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Classification and measurement of financial instruments [2]	1 January 2026
IFRS 9 and IFRS 7	Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Nature-dependent electricity contracts [2]	1 January 2026
Improvements to IFRSs	Amendments as part of the Annual Improvements to IFRS Accounting Standards - Volume 11 – Improvements to International Financial Reporting Standards [2]	1 January 2026

[1] The standards which have not yet been adopted by the EU are, in accordance with IASB, applicable for each financial year beginning on or after the date the standard comes into force. This date might change for the European Union by application in the EU.

[2] Standard not yet adopted by the EU as of 31 December 2024.

The **amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates"** relates to the determination of the exchange rate in the event of long-term non-exchangeability, as IAS 21 did not previously contain any corresponding provisions. The amendment to the IAS 21 standard includes:
- guidelines for assessing whether a currency can be exchanged for another currency,
- explanations on the determination of the exchange rate if such an exchange is not possible; and
- additional corresponding disclosure requirements.

The **amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"** include a clarification of the classification of financial assets that are linked to environmental, social and governance (ESG) and similar characteristics and clarifies how the contractual cash flows of corresponding instruments are to be assessed during subsequent consolidation.
In addition, the amendment addresses the fulfilment of liabilities through electronic payment systems. The amendments clarify when a financial asset or financial liability is derecognised. An option is also introduced that allows a company to derecognise a financial liability before it delivers cash on the settlement date, provided certain criteria are met.
The amendments also introduced additional disclosure requirements with regard to investments in equity instruments measured at fair value through other comprehensive income and financial instruments with contingent features (e.g. ESG objectives).

Targeted **amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"** are intended to help companies to better account for the effects of nature-dependent electricity contracts, such as electricity from wind and solar energy, in their financial statements:
- Option to designate a variable volume of expected electricity transactions as a hedged item if certain criteria are met and amendment to the hedge accounting requirements in IFRS 9 to allow an entity to designate a contract for electricity from nature-based renewable energy with certain characteristics as a hedging instrument
- Option to measure the hedged item using the same quantity assumptions used for the hedging instrument.

As part of the annual improvement project (Improvements to IFRSs - Volume 11), amendments were made to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments" , IFRS 10 "Consolidated Financial Statements" and IAS 7 "Statement of Cash Flows".

No significant effects on the asset, financial and earnings position of the Energie Steiermark Group are expected as a result of the adoption of the amended standards and interpretations. No voluntary early application has been planned yet.

11 CORPORATE BODIES

MANAGEMENT BOARD

- Dipl.-Ing. Christian **PURRER** (Spokesman of the Management Board since 1/4/2012)
- Dipl.-Ing. (FH) Mag. (FH) Martin **GRAF**, MBA (since 1/4/2016)

SUPERVISORY BOARD

Shareholder Representatives:

- Univ.-Prof. Dipl.-Ing. Karl **ROSE**
  (Chairman since 05/12/2022, Deputy Chairman from 06/02/2014 to 05/12/2022, member since 17/01/2011)
- Dipl.WI (FH) Claudia **von der LINDEN**, MBA (IMD)
  (Vice Chairwoman since 05/12/2022, member since 25/01/2018)

- Mag. Dr Peter **EBNER** (member since 03/03/2023)
- Mag. Michaela **HUBER** (member since 05/12/2022)
- Dr. Kurt **KLEIN** (member since 15/12/2005)
- Univ.-Prof. Mag. Dr. Thomas **KRAUTZER** (member since 6/2/2014)
- Dr. Martin **WIEDENBAUER** (member since 03/03/2023)
- Dipl.-Ing. Christa **ZENGERER** (member since 3/6/2020)

Employee Representatives:

- Ing. Harald **KASPROWICZ** (member since 09/11/2023)
- Ing. Christoph **RATH** (member since 09/11/2023)
- Mag. Johann **SCHUPFER** (member since 09/11/2023)
- Petra **WEISSENSTEINER**, MBA (member since 14/12/2023)

The Consolidated Financial Statements were approved by the Management Board with the date of the signature and will be presented to the Supervisory Board. The Supervisory Board is responsible for checking the Consolidated Financial Statements and declaring whether it approves them.

Graz, 21 February 2025

The Management Board

Dipl.-Ing. Christian Purrer

Dipl.-Ing. (FH) Mag. (FH) Martin Graf, MBA