W.E.B
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2022

EnergyMarkets

WEB Windenergie AG
Integrated Sustainability and Annual Report 2022

Front cover flap

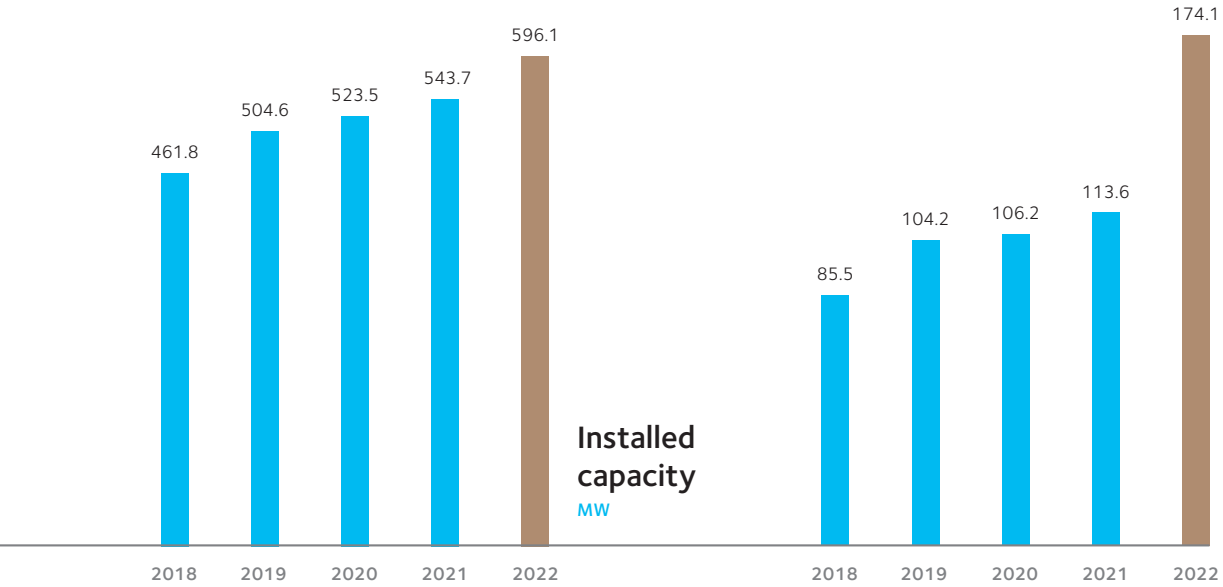
W.E.B Group KPIs

Financial KPIs	2018	2019	2020	2021	2022
EUR million					
Revenue	85.5	104.2	106.2	113.6	174.1
Operating profit	24.0	32.2	28.6	31.4	49.6
Net financial result	–10.1	–10.4	–8.6	–9.3	–8.6
Profit before tax	13.8	21.8	20.0	22.2	41.0
Profit after tax	10.6	16.5	15.5	17.1	29.7
Earnings per share (EUR)	2.8	4.6	4.1	4.7	8.4
Balance sheet total	550.2	627.5	610.3	672.9	740.3
Equity	140.7	150.3	150.0	182.2	209.1
Equity ratio (%)	25.6	24.0	24.6	27.1	28.2
Cash flow from operating activities	50.5	64.1	68.5	69.0	73.8
Investments	70.0	78.5	44.1	53.0	103.0
Return on equity (%)	8.0	11.4	10.3	10.3	15.2

Electricity generation	2018	2019	2020	2021	2022
MWh					
Wind power	949,253	1,186,684	1,272,488	1,207,399	1,271,762
Solar power	19,046	21,833	22,450	23,302	33,730
Hydropower	6,138	6,739	7,196	6,627	6,684
Total electricity generation	**974,437**	**1,215,256**	**1,302,135**	**1,237,329**	**1,312,176**

Installed capacity	2018	2019	2020	2021	2022
MW as of 12/31					
Austria	228.4	230.1	230.9	243.6	275.8
France	84.8	84.8	102.8	102.8	102.8
Germany	96.3	99.7	99.7	99.7	99.7
Canada	21.8	39.8	39.8	39.8	39.8
USA	9.1	9.1	9.1	16.6	36.6
Italy	12.3	32.1	32.1	32.1	32.3
Czech Republic	9.1	9.1	9.1	9.1	9.1
Total generating capacity	**461.8**	**504.6**	**523.5**	**543.7**	**596.1**

Power plants	2018	2019	2020	2021	2022
Number as of 12/31					
Austria	137	138	142	147	162
Germany	53	48	48	48	48
France	39	39	44	44	44
Canada	20	25	25	25	25
USA	5	5	5	7	12
Italy	4	10	10	10	11
Czech Republic	8	8	8	8	8
Total power plants	**266**	**273**	**282**	**289**	**310**

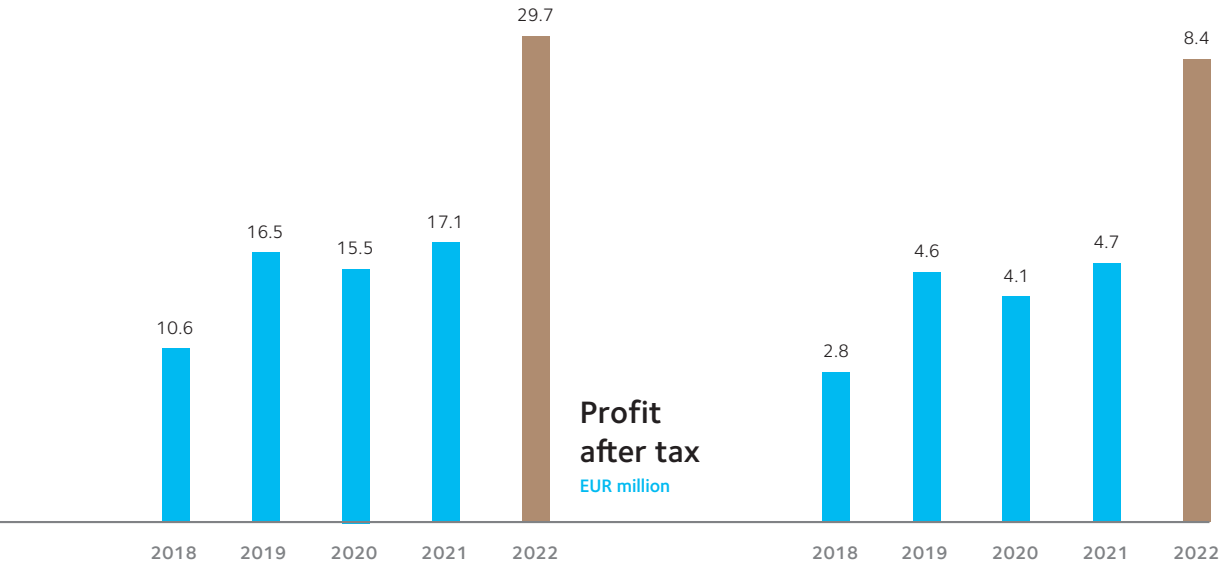


Installed capacity

MW

Revenue

EUR million

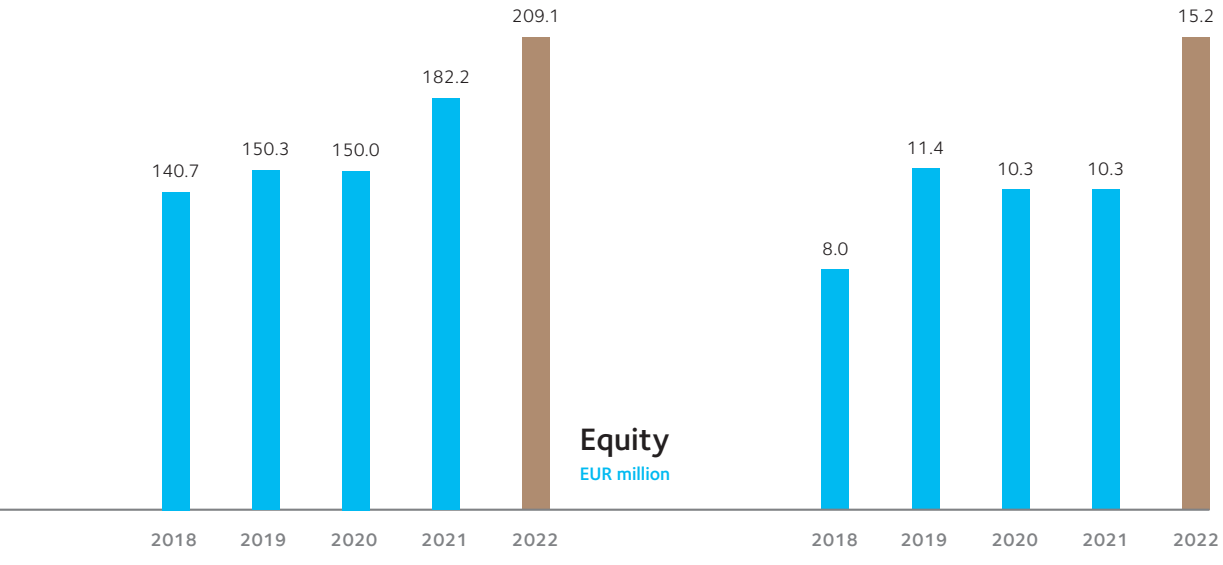


Profit after tax

EUR million

Earnings per share

EUR



Equity

EUR million

Return on equity

%

Energy & markets

In light of rising energy prices, we had already chosen the theme "Decarbonization pays off" for last year's annual report. Yet the upward trajectory had not even reached its full extent. Turbulence is probably a mild description of what happened on the energy markets in 2022.

The frantic search for alternatives to fossil fuels has indeed triggered a fundamental change in many policymakers' and business leaders' attitudes towards renewable energy. There has been a growing focus on using energy efficiently, and the importance of expanding renewable energy has finally risen to the top of the agenda.

As a society, we need renewables. Both from an ecological and an economic standpoint. Now more than ever before.

Interview with the W.E.B Management Board

"In 2022, there was a fundamental positive shift in people's mindset towards renewables ...." 06

Interview with Hans Brantner, HB Brantner Fahrzeugbau GmbH

A strong partnership in times of energy crisis 12

Interview with Felix Diwok, Inercomp

"Renewables are our best option" 16

2022

Key performance indicators »

The energy transition: more urgent (and realistic) than ever

The year 2022 began with a profound shock: the brutal war of aggression in Europe and the resulting energy crisis. Like every shock, this has also served to clarify a number of very important areas: We urgently need to phase out our use of gas–and not just Russian gas–and invest heavily in the widespread expansion of renewables. This is the only available course for the future. And it has always been the core vision for us at W.E.B, one that we have fully embraced in all that we do. In 2022, this vision was finally adopted by a broader public.

Rising energy prices had already prompted some industrial sectors to acknowledge the economic potential of wind and solar energy and to start investing in creating their own supply. This development intensified in 2022, particularly in the solar power sector, and is now also gaining support from policymakers. Because it is now clear to all of us that we can no longer afford to take any other path, neither ecologically nor economically.

For W.E.B, this pioneering spirit is having a turbocharging effect—as is amply demonstrated by the dynamic development of our current energy projects and our dramatically expanded pipeline. As pioneers in sustainable development, we welcome the backing provided by this new momentum. For while achieving national and international climate targets may still be an ambitious goal, it is becoming increasingly realistic. Emboldened by this new mindset, we are continuing to be part of the solution and are forging ahead with the energy transition.

Frank Dumeier
Chief Executive Officer

Michael Trcka
Chief Financial Officer

Contents

2022 IN REVIEW 04

OVERVIEW OF W.E.B 20

PROJECTS & ACHIEVEMENTS 28

2022 in review

2022 at a glance 04

Interview with the Management Board 06

Interview with Hans Brantner 12

Interview with Felix Diwok 16

Overview of W.E.B

W.E.B at a glance 20

W.E.B's strategy 22

Profile of W.E.B 24

Projects & achievements

Project development 28

Power plant operations 32

Electricity marketing 36

Community participation 40

STAKEHOLDERS & GOVERNANCE

44

GROUP MANAGEMENT REPORT

70

CONSOLIDATED FINANCIAL STATEMENTS

102

Stakeholders & governance

Sustainability 44

Employees 46

Investor relations 50

Governing bodies of the Company 56

Corporate governance 58

Report of the Supervisory Board 62

Group management report for the fiscal year 2022

Consolidated financial statements

Consolidated income statement 102

Consolidated statement of comprehensive income 103

Consolidated balance sheet 104

Consolidated statement of cash flows 106

Consolidated statement of changes in equity 108

Notes to the consolidated financial statements 110

Auditor's report 168

Separate financial statements

Income statement of WEB Windenergie AG 174

WEB Windenergie AG balance sheet 176

2022 at a glance

REVENUE

EUR **174.1** million

PROFIT AFTER TAX

EUR **29.7** million

ELECTRICITY GENERATION

1.3 TWh

INCREASE IN CAPACITY

over **50** MW

of newly installed capacity

3 Wind farms

9 Solar projects

Silver Maple
Second W.E.B wind farm commissioned in the U.S.

In 2022 ...

... we celebrated many new commissionings.

New plants were being commissioned all year round, so there was constant cause for celebration over the past year. The first was the tenth solar power plant in Laa an der Thaya. The Weinviertel wind projects Matzen Klein Harras II and Spannberg III were commissioned soon after. In March, a solar power plant was hooked up to the grid in Waidhofen an der Thaya as part of an energy transition partnership. The solar power project at Schoeller-Bleckmann Oilfield Equipment (SBO) was commissioned in two stages in October and December. W.E.B's second wind farm in the United States, the Silver Maple project, was completed in October 2022. The commissioning of further solar power plants in Laa an der Thaya and Pfaffenschlag over Christmas brought the year 2022 to a memorable close.

INVESTOR RELATIONS

6,305
shareholders

733 new shareholders

196.5 EUR
annual average price[1]
of the share in Traderoom

about **20%**
increase in share price[1]
in Traderoom
from January to December 2022

W.E.B GREEN ELECTRICITY

For the sixth time in a row

Driver of the Electricity Future

in the Austrian **Energy Provider Ranking**

about
2,000
newly supplied metering points

93 new charging points *ella*

360 charging points in total

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

... many people once again placed their trust in us!

We are particularly pleased to note that the W.E.B family is growing larger by the year. More and more people are joining us on the path toward a sustainable, energy-independent future. More than 730 new shareholders embarked on this journey with us—without any capital increase at all. This enormous interest in W.E.B shares was also reflected in the development of the share price. But this is not the only cause for celebration: At EUR 29.7 million, our profit after tax is significantly higher than in the previous year. W.E.B's green electricity was voted "Driver of the Future of Electricity" by WWF and GLOBAL 2000 for the sixth time in a row. There is also positive news from the field of electromobility—ella commissioned 93 new charging points in the reporting period, bringing the total number of charging points in the ella network to 360 at the end of the year.

INTERVIEW WITH THE W.E.B MANAGEMENT BOARD

Frank Dumeier and Michael Trcka

“ In 2022, there was a funda-mental positive shift in people's mindset towards renewables ...”

The two members of the Management Board of WEB Windenergie AG, Frank Dumeier and Michael Trcka, talk about the exceptionally eventful year 2022, which brought not only price rallies and exploding costs, but also a strong commitment to the expansion of renewable energies and a corresponding basis for W.E.B's growth.

Expectations for 2022 were high. After two difficult years marked by the global pandemic, we were all eager to return to a less stressful normality. But instead, we were faced with a war in Europe, energy shortages, and record inflation. The year 2022 saw the collapse of the old world order. What did the year hold for W.E.B?

Dumeier: 2022 was an exceptional year for W.E.B as well. To begin, it was the worst year for wind in the history of our company—with the exception of January, February and April, wind levels remained well below the long-term average. Despite this, the expansion of our capacity by around 52 MW enabled us to set a new production record of 1,312 GWh and significantly increase both sales and earnings. We also expanded our pipeline in 2022 more than ever before, reaching a total of 111 projects and over 3,000 MW. This was possible thanks to the strong impetus for the expansion of renewable energy in the past year. The energy transition is gaining momentum, and we are forging ahead at full speed.

Trcka: We also saw unprecedented momentum in the marketing of our green electricity in 2022. Despite rapidly rising prices, we were literally inundated with new customers in the first half of the year. We stopped signing new contracts after our available quantities were used up in September, and we were not the only ones to take a step back from the price rally. As soon as the situation gets back to normal, we intend to reopen at least part of our tariffs in order to supply our electricity to interested stakeholders.

In addition to the protracted lack of wind you mentioned earlier, 2022 also saw numerous extreme weather events that are most likely associated with global warming. How much did these affect you?

Dumeier: The overall technical availability of our plants in 2022 was over 98%, so it was another very good operating year for us. We were, however, hit by a number of weather-related failures, including lightning strikes on rotor blades in Austria and Italy. Then, in September, Hurricane Fiona swept across Nova Scotia, where some of the W.E.B wind farms are located, at speeds of more than 140 kilometers per hour. This caused severe damage to the distribution network, causing it to fail in some areas. Our plants, however, remained intact, thus proving that they are “hurricane-proof”.

Let's stick to the topic of new installations for a moment. Can you give us a breakdown of the 52 MW that were newly installed in 2022, and what projects your impressive pipeline includes?

Dumeier: In addition to our core business wind energy, solar energy is also becoming an increasingly important growth sector for W.E.B. We are embracing the boom in photovoltaics and have commissioned nine solar power plants in 2022, which we built at the sites of our industrial partners in order to increase their self-sufficiency. The biggest increases in capacity, however, came from three new wind farms: One of these is the 20 MW Silver Maple wind farm in Maine, USA, which we commissioned in October. The other two exciting projects were the two Austrian wind farms Matzen Klein Harras II generating 12.6 MW and Spannberg III generating 16.8 MW, which we connected to the grid in the spring of 2022. Looking to the near future, we currently have more than 140 MW under construction with an investment volume of almost EUR 200 million, which we plan to commission this year and in 2024. We will also be pushing ahead with further projects through to plant orders over the course of the year.

> ... political and community support for the expansion of renewables is stronger than ever before ...
>
> Michael Trcka

Trcka: Where conditions permit, we will also be adding large-scale wind and solar projects to our pipeline. At present, this applies in particular to Canada, the USA and Italy. In Ariano, for example, an 84 MW wind farm is scheduled for commissioning as early as 2024. Since there is more political and public support for the expansion of renewables than ever before, and we obviously need the funds for this growth offensive, we intend to adjust our dividend policy in the future and reduce the payout ratio to around one-third.

The topic of energy took on a completely new significance in 2022. Both private individuals and companies have suddenly taken a keen interest in sustainable energy supply with an unprecedented sense of urgency. At the same time, the public has realized that security goes hand in hand with self-sufficiency.

Dumeier: One of the immediate consequences of the Russian war of aggression against Ukraine is the realization—which in principle was already evident—that we are highly dependent on Russian gas. The frantic search for alternatives has indeed triggered a fundamental change in attitudes towards renewable energy. Originally, the industrial sector would have liked to see a time limit placed on the sanctions against Russia. But then there was a big shift towards saving energy—and towards generating our own electricity from renewable sources.

Trcka: If a European company is to remain competitive, it will definitely need both—more energy efficiency and more renewables—as quickly as possible. European manufacturers will no longer *be able to sell their products on the global market if energy prices remain this high. If we want to forestall the migration of production companies to the USA or Asia, we will need to focus on renewable energies in Europe. One in two to three

companies has already realized this. This is reflected in the high demand for in-house solar power plants. By the end of the year, policymakers also realized that Europe's future as a business location is at stake. We cannot remain competitive on an international level unless we expand our use of renewable energies.

So is the energy crisis de facto fueling the energy transition?

Trcka: The energy crisis triggered by the Russian invasion of Ukraine is not the only determining factor, but it certainly is reinforcing and accelerating a pre-existing phenomenon; the economy was already waking up to the fact that decarbonization pays off. The installed capacity of solar power plants had already increased massively in the preceding years, more than doubling in Austria from 2020 to 2021 alone.

For us at W.E.B, this increased demand from the industrial sector is creating a new entrepreneurial setting with new challenges. Up to now, we would quote a price in a public tender and were able to rely on state guarantees, so to speak, for the entire operating period. Recently, it has become increasingly profitable to carry out projects for private companies which—for all their creditworthiness—are of course a completely different type of partner. So we are going to have to adapt.

Dumeier: Expediting environmental impact assessments could have a very positive impact on project implementation. Germany has led the way here with an emergency law that, with the consent of the respective municipalities and property owners, allows solar power plants to be installed 200 meters from either side of a federal highway or railroad without a building permit. We would also like to see practical solutions like this or permission to erect an equally powerful solar power plant at every wind site in Austria. In Lower Austria, easements for solar power plants at industrial facilities have already been approved, and the new Austrian EIA law holds out the prospect of making them easier and faster to build. This is because it is now possible to erect wind power plants even in Austrian provinces that do not have the relevant regional planning and at sites that were not previously designated for this purpose in the zoning scheme. This can take us a giant step closer to achieving our national climate targets.

2022 saw unprecedented distortions in the energy market. Preparations for gas shortages and fears of a cold winter drove gas and electricity prices to an all-time high, and there were calls for government intervention.

Trcka: Yes, the fact that both private individuals and the industrial sector—which had explicitly opposed this for decades—were calling for prices to be cushioned was a completely new development. The call was heeded and met with coordinated interventions across the EU. In this context, the cap on renewable electricity revenues also affected us in 2022 and will continue to do so in 2023. We nonetheless benefited from higher selling prices and were able to significantly increase our earnings despite the poor wind harvest.

At this point, we have to consider whether we want the market to be regulated or not. Because it is clear that short-term interventions are never completely accurate and often lead to uncertainty. Besides, skewing the price signal is potentially problematic, as it removes the incentive to save energy. As a rule, the market regulates itself; subsidies and levies on excess profits do not change it. The situation in 2022 was so extreme, however, that it became apparent that natural pricing was politically untenable and therefore had to be mitigated as part of a crisis intervention

measure. Prices for private individuals should now return to a tolerable level anyway, although inflation alone means that they will definitely remain higher than before 2022.

Dumeier: The levies imposed on our revenues mean that we, as W.E.B, are paying the price for something that isn't our fault. After all, we never viewed gas as a transitional technology because it causes carbon emissions. On the contrary: we have been working on a genuine solution for a sustainable energy future for almost three decades, and now we are effectively being penalized for it.
At the same time, however, I would like to acknowledge that, unlike in other countries, the Austrian Federal Law on the Energy Crisis Electricity Contribution is relatively well designed because it includes incentives for investment in renewable energies. It is becoming increasingly clear that we cannot progress with fossil fuels. The public's expectations of an expedited expansion of renewables to stabilize energy prices—which is now being supported by policymakers—are correspondingly high.

Trcka: The maximum prices for tenders in Germany and Austria have recently been raised, but this is also due to inflation and higher interest rates. After all, prices for new plants have risen sharply—by up to 50%. We will all be paying for this in the form of higher electricity bills over the long term.

I'm guessing your growth strategy also includes a proportionate increase in the number of employees. How do you find suitable candidates and convince them of the benefits of the Waldviertel location, which you are currently expanding?

Dumeier: Of course, the expansion of our headquarters will be reflected in our personnel requirements, especially in those functions that we want to centralize—such as purchasing, operations management, and engineering & customer service. The current expansion of our Pfaffenschlag site comprises office space, large meeting areas for sessions that cannot be held online, and shared offices for employees from the regional offices. The construction work is scheduled for completion before the summer of 2024. We will also continue to expand our regional offices in 2023.

Trcka: In order to implement our growth, we expanded our workforce by 24 employees in 2022, an increase of slightly more than 10%. In view of our project pipeline, we aim to hire 50 to 60 more across the Group in 2023. Our growth is not limited to our headquarters in Pfaffenschlag, but also includes Vienna and our international sites, some of which are already in operation and some of which are currently being developed. Paris, Hamburg, La Spezia, Brno, Bratislava, Boston and Halifax will soon be joined by new regional office locations. We want to be present where our projects are being developed—a strategy that has proven very successful and will therefore be continued in the coming years. Given the current boom in our sector, recruiting is not easy, but as an experienced pioneer with strong international growth, W.E.B has a lot to offer.

W.E.B is also making attractive offers on the capital market. There was another significant increase in both the share price and the shareholder base in 2022, and the offering period for a new wind power bond ran from early March to mid-April 2023. Can you give us an idea of how demand for this bond is shaping up?

Trcka: Like the general market in 2022, the price of the W.E.B share recorded upward and downward movements, but in contrast to the ATX and the most important international indices, there was a strong overall increase of around 20% over the course of the year. The number of our shareholders also increased by a good 13% in 2022, which is all the more remarkable as we did not undertake any capital measures in 2022. Following the capital increase two years ago, we have now issued another bond in order to raise the funds required for our current investments and planned further growth. We are proud to report that we were able to attract more than EUR 30 million in subscriptions, which confirms that we are on the right track.

Your ambitious growth course suggests that you are optimistic about the future.

Dumeier: The many strong, fundamentally positive impetuses for renewables in 2022 have fueled our optimism and give us the strength and confirmation we need to keep growing. I am more confident than ever that the energy transition will be successful—and that we will make a significant contribution to the solution with the expertise we have gained over decades, our strength in implementation, and our pioneering spirit.

Trcka: In light of our capacity expansion, we anticipate further significant production increases in 2023 and the years thereafter. The commissioning of the plants in Götzendorf, Dürnkrut, Gols, and Sigless in Austria, Kuhs in Germany, and Ariano and Apricena in Italy will be on an unprecedented scale. At the same time, we are working on a host of new wind power and solar power projects, some of which are extremely large. This does indeed present us with a very bright outlook on our future.

> The many strong incentives for renewables give us the strength and assurance we need for further years of growth.

Frank Dumeier

INTERVIEW

Hans Brantner, Managing Director of HB Brantner Fahrzeugbau GmbH

A strong partnership in times of energy crisis

Hans Brantner, Managing Director of HB Brantner Fahrzeugbau GmbH, on working with W.E.B, addressing rising energy prices, and the importance of implementing measures to increase energy efficiency.

The partnership between Brantner GmbH and W.E.B has been going strong since 2016. How did it all begin?

It all began with a close acquaintance of our company, who also worked for W.E.B. W.E.B and this partner approached us to ask whether we would be interested in using our roof area to install a solar power plant.

What was the original motivation for equipping the Brantner company with its own solar power supply?

As a family business, we think in longer timeframes. The promise of long-term energy provision was the deciding factor. Efficiency was another criterion. Efficiency is producing something yourself and having full control over it. This will become increasingly important in the future, especially when it comes to energy.

Which models did you agree on with W.E.B?

The solar power plants were installed in several stages and under different user contracts. The first plant was built under a lease agreement, i.e. the Brantner company allows W.E.B to use its roof space for a solar power plant. Once the lease expires, the power will then be purchased at a fixed price. We have a power purchase agreement (PPA) for the next stage, which means that the electricity is consumed directly by us.

What proportion of the electricity generated by the solar power plant do you use for your production operations?

We use 80% of the generated electricity on average to operate our plants; the remaining 20% is fed into the grid. The solar power plants currently cover a total of around 35% of our requirements at a fixed price. In the summer, when there is plenty of sunshine, we even have enough electricity for our entire production operations during the day.

Which of your production facilities require the most electricity?

Our electricity requirements are very high throughout the production process. Take the laser cutting systems, for example, which we use to cut steel parts to size. Welding processes and the blasting system for coating are also very energy-intensive, as is cathodic dip painting and powder coating. Then you have the pumps working around the clock, not to mention the fans. We have to purchase electricity at night and in the winter, of course. But despite the rise in electricity prices, we were able to work with W.E.B to find solutions that made the situation tolerable. In the current scenario, the solar panels are of course a boon, and today we are doubly happy that we started so early.

What are your thoughts on electricity storage?

With the amount of electricity we generate, this is not yet a consideration. The capacities that our facility would need are simply too large.

How have you been coping with the rise in gas prices over the past year?

This is a sore point. Our drying plants require a lot of energy and are heated with gas. Back in 2021, our gas bill was around EUR 100,000. In 2022, it rose to almost EUR 1 million. There are currently no alternatives. Wood chips would not allow us to reach the required temperature of 200 degrees. Of course, we breathed a sigh of relief when gas prices fell again at the end of the year. That was an enormous source of uncertainty. Luckily, we had so many orders that we were able to absorb this cost increase.

How are your gas and electricity costs distributed proportionally?

For a long time, we had a cost distribution of 80% electricity costs and 20% gas. At the moment, however, this is changing. I don't know yet what my electricity costs will be this year, because I buy electricity on the spot market through W.E.B as my partner. My guess is that this year the distribution will be 65% electricity and 35% gas.

Has the higher cost of energy had an impact on the pricing of your products?

Of course. But there is an even bigger issue than the rise in energy costs: the higher prices of raw materials. We have had to raise our sales prices by an unprecedented 30% in total over the last two and a half years. Our products are mainly made of steel, where raw material prices have tripled. This has led to uncertainty as to whether our customers will even be able to afford our products. Thankfully, our fears were not borne out. The rise in inflation doubtless played a role in this. As our customers almost always use equity to finance their investments, they prefer to invest in fixed assets.

Can you switch the energy supply in your production to other forms of energy?

Only in the long term, if at all. We could switch the heating system in our production halls from gas to wood chips, for example. But the margins are relatively small.

How high are your overall energy costs in relation to your production costs?

For many years, our energy costs were 1.5% of our total costs; today, they're around 6% to 7%.

> In the current scenario, the solar panels are of course a boon, and today we are doubly happy that we started so early.

How important is energy efficiency in your company?

It has always been a key issue for us, and now of course its importance has grown even more. In my opinion, the most promising opportunities are in production machinery and technology. There are modern laser cutting machines that consume 50% less electricity than the older ones. Since production with the new lasers is also much faster, such investments pay for themselves after only five years. There is also potential for optimizing the start-up times of the blasting machines and drying systems. Another factor was converting all the hall lighting to LED. Energy saving was certainly a much more important issue in the past than it is today, until the current price explosion. We literally need to relearn how to save energy.

Have you increased your investments in your business over the past few years?

We have invested more in the past few years than ever before in the history of the company. Otherwise, we would no longer be able to compete in the market. We have grown by around 40% to 50% over the past decade.

When you look ahead one or two years, is it possible for you to do any kind of detailed planning? Or are you simply preparing to react flexibly?

Of course you have to plan, but you also have to know that there are some things you can't influence. After the last two years, I don't really feel comfortable planning ahead. Our strategic cornerstones have always been: quality, stability and flexibility. Embodied flexibility has helped us get through the recent crisis. As for the energy question, I am confident that the situation will stabilize again. One goal we definitely must aim for is to achieve carbon neutrality at some point.

You took over the management of the company from your father seven years ago, at the comparatively young age of 34. Was that challenging?

It was a huge challenge that involved some issues I hadn't anticipated. But since I'm basically a positive thinker and like to take on new challenges, I really enjoy my work.

The solar power plants at Brantner

The first solar power plants were installed on the roofs of the Brantner company in 2016 and 2017, followed by the first ground-mounted solar power project on the company's premises in 2020. After a final expansion phase at the end of 2022, W.E.B now operates a total of 13 solar power plants with an output of more than 3 MW_p at the Brantner site.

Hans Brantner

Hans Brantner took over the management of Brantner & Sohn Fahrzeugbau GmbH from his father in late 2015. The company, which has around 300 employees and is based in Laa an der Thaya, is the largest Western European manufacturer of trailers for agricultural vehicles. The company has also been active in the hall construction segment since 1979 and in contract coating for XXL parts since 2021.

INTERVIEW

Felix Diwok, Managing Director of the energy services provider Inercomp

“ Renewables are our best option”

Felix Diwok, Managing Director of the energy services company Inercomp, on the current situation in the energy markets, the opportunities created by the energy transition, and the need to rethink our consumption and mobility habits.

What is your view of what happened in the energy markets in 2022?

Changes in gas supply caused a sharp rise in market prices for electricity in 2022. The restrictions on Russian deliveries, which had in fact begun a year earlier, brought about the realization that we in the EU were running into difficulties with our conventional power plants and the standard supply of gas and coal. At the same time, we saw the emergence of new major players in energy trading who were not operating according to market principles. The accumulation of strategic reserves by national governments in the summer months created an unprecedented demand for gas and drove prices to record highs. That said, it's important not to overestimate the impact of this, as the volumes that traded at the peak prices in August were fairly small. It became clear that we are far too reliant on fossil energy.

What lessons can we learn from these distortions?

The share of renewable energy in Europe is still less than 40% for electricity and less than 20% for total energy. We need to change our energy system from the ground up.

Moreover, far too little thought is put into how we can drastically reduce energy consumption. But that's the only way we're going to be able to meet these restructuring targets and bring emissions down to the target levels.

The high prices on the spot market derive from the merit order principle: The most expensive power plant that is still required to meet current demand determines the price of electricity for all suppliers. Would you say that this principle is still appropriate and relevant to the present day?

The point of the merit order principle has always been to use the best power plant in both ecological and economic terms. High prices on the spot market are creating the right incentive, i.e. saving energy. If the price is determined by an expensive gas-fired power plant, then the merit order principle shifts the gas-fired power plant to the periphery, which means that the least amount of gas is used. The merit order principle ensures that environmentally friendly power plants whose marginal costs are low are used. At the same time, a high price signal creates the incentive to invest in renewables and in technologies that do not produce carbon emissions.

What is your assessment of carbon trading?

That was an utter shambles. The relevant laws were passed 20 years ago. When prices rose in the early years of the system, legislators created lots of exemptions to ensure that carbon trading prices went back down. Nothing happened until 2018, because the price was far too low to have a steering effect. We lost more than 15 years in the process.

What effect have the market distortions had on your day-to-day work in energy consulting?

For large energy consumers, for example, energy costs that were previously 10% of their total costs suddenly shot up to 30%. For some companies, we're talking about hundreds of millions of euros. The same thing happened on the marketing side: all of a sudden the market was paying several times more for the energy on offer. Then governments responded with cushioning laws, from levies on excess profits to electricity price caps. This made the situation even more confusing, resulting in extreme distortions in energy use as well. Our services were suddenly needed to calculate legal requirements in many EU countries.

Do you think that there are more opportunities for expanding renewable energy?

Definitely! The long-term projections indicate that renewables are our best option in terms of cost and security of supply. But if we really want to accomplish the energy transition, we also need change on the demand side. Otherwise, there will not be a sufficient supply of renewable energy quickly enough. We need to significantly reduce our consumption. Our current global consumption is about 103 million barrels of oil per day and we need about 8 billion tons of coal per year. We won't be able to even come close to replacing that with electricity to bring the climate crisis under control.

What is the first thing we need to reduce specifically?

If we want to meet the climate targets we have set ourselves, we need to systematically change our behavior. We can only do that if we have mandatory requirements. After last year, I've come to really appreciate the complexity of this task. For example, we would need to see a drastic reduction in private transport. And we would need to consume far fewer things that use energy. I don't want to tell people how to live their lives, but if we are going to achieve the goals we have set ourselves, i.e. climate neutrality by 2050, the measures we have taken so far are simply not enough.

> The share of renewable energy in Europe is still less than 40% for electricity and less than 20% for total energy. We need to change our energy system from the ground up.

What do you think: Is the energy transition at all compatible with the principle of sustained economic growth?

I believe that growth will have to happen in the areas where we don't consume energy. We need strong growth in renewables to replace fossil fuels. However, the speed at which this substitution can take place is so slow that the "other growth" would have to produce fewer emissions than in the past. I have no idea how that would be controlled.

Renewable energies are volatile forms of energy, which means they are dependent on the weather. People who oppose renewables like to predict scenarios such as blackouts and energy shortages. Will energy storage become more important in the future?

Weather dependence has always been a factor, especially for gas, which shows the highest correlation between temperature and consumption. It's less of an issue for electricity. The advantage of renewables is that they are very predictable, maybe not in terms of the next week, but certainly in terms of the next hour and the hour after that. If a coal-fired power plant with a net capacity of 1,200 MW fails, that is more of a problem than if a wind farm generates slightly less power than was projected. Seasonal differences in demand and supply are the real challenge. How do we keep the energy going from summer to winter? Electricity storage can only bridge short-term bottlenecks. We need a shift in the consumption of products and services. In the case of electricity, we need standardized smart meters that provide incentives for saving electricity instead of "opt-out" regulations for consumers that result in zero "smart" control options. Power-to-heat (converting electricity into thermal energy) is another topic that is sure to be key in the future.

For my final question, I'm going to have to ask you to consult your crystal ball. What do you think developments on the energy markets will look like this year?

The adverse effects of the Russian war of aggression in Ukraine will keep volatility high. At the same time, there will be further legislative interventions. Both mean uncertainty, and that equates to high volatility. We will face an energy shortage, even if we do get off lightly this winter. If we greatly expand renewables and the grids, then we will stand a chance of regaining the kind of volatility we had a few years ago. However, carbon costs will remain key to setting electricity prices until most of the CO_2 has been eliminated from the electricity system.

Felix Diwok

Felix Diwok has roughly 25 years of experience in the energy sector. He established Inercomp in Vienna in 2008 and has been head of the consulting company since then. The company's focus is on providing support and consulting services to large industrial customers in Europe, energy trading (exchanges, OTC), portfolio management (electricity, gas, CO_2 and renewable energy certificates) and qualitative research.

www.inercomp.com | www.powerbot-trading.com

W.E.B at a glance

As of: 12/31/2022

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

596 MW
installed capacity

265
wind power plants

42
solar power plants

3
hydropower plants

W.E.B ...

... is building a sustainable future ...

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

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

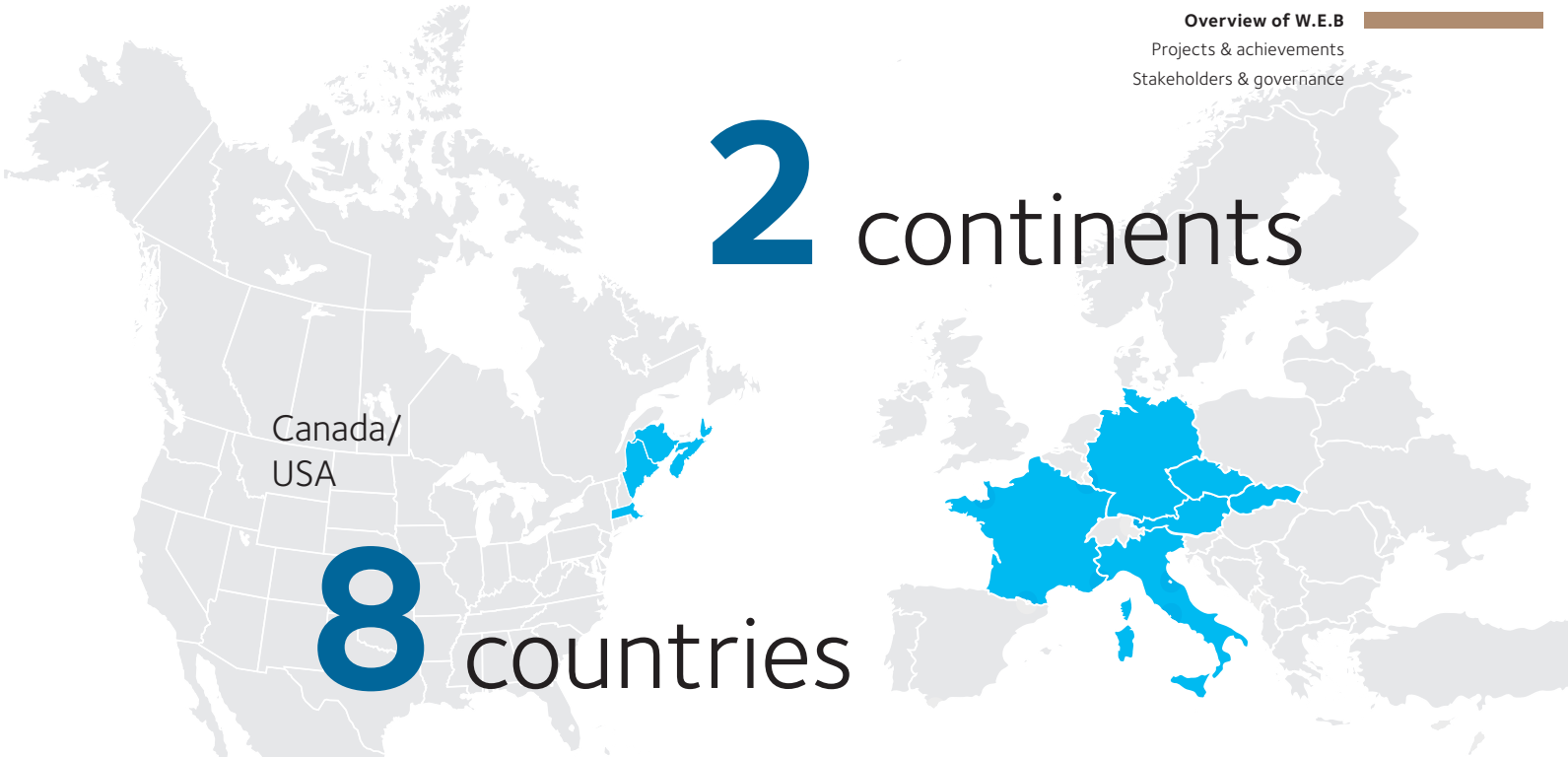
Climate action takes a major collaborative effort. This is why we want to engage as many people as possible in this project in all of the countries in which we do business. More than 7,800 investors are currently on board for W.E.B's journey into a sustainable future.

7,800
investors

of which **6,300** are shareholders

Sustainable energy generation

for over **25** years



2 continents

Canada/
USA

8 countries

Office locations

- Pfaffenschlag (headquarters; AUT)
- Boston/Natick (USA)
- Bratislava (SVK)
- Brno (CZE)
- Halifax (CAN)
- Hamburg (GER)
- La Spezia (ITA)
- Paris (FRA)

210 employees

39% women

38 average employee age in years

We stand for ...

... energy transition and innovation, ...

Whenever possible, energy should be generated and stored where it will also be used. And we are continually working on innovative ideas to reach this goal.

... stability and growth.

Renewable energy sources are the best option for the energy supply not only for environmental reasons. Their economic profile is clearly positive as well. The market is growing, and we want to grow with it, reinforce what we have achieved, and turn our experience into improvements.

We work ...

... regionally and internationally, ...

We have regional roots thanks to our employees and business partners. Together, they form an international network of experts that can react flexibly to changing requirements.

... in an environmentally and economically sustainable way.

We are confident that the energy needs of the world's population can be met from renewable sources – and it can already be done more cost efficiently than with fossil fuels or nuclear energy.

The vision of W.E.B

We are leading the way in the local and regional energy transition.

For W.E.B, the energy transition represents a complete shift away from fossil fuels and toward renewable energy sources. Our leadership is based on three pillars: project development, power plant operations, and electricity marketing. Broad community participation is the foundation on which these pillars stand.

Project development

Efficient project development helps us ensure that projects are profitable over the long term, even in competitive markets.

- Our focus is on wind energy—W.E.B's core competence for many years—and on solar power as our second high-growth division.
- We develop new markets after we have identified a promising volume that justifies entry and sufficient potential for growth.
- Repowering also allows us to continue using existing facilities sustainably.

Power plant operations

Our operating model sets benchmarks in terms of costs and plant availability.

- Resource-efficient, long-term use of our facilities is a core element of our operating strategy.
- State-of-the-art remote monitoring and data mining permit early identification of defects and unlock potential for continual improvement.
- We achieve high plant availability levels through fast, thorough servicing of our most important plant types.

Electricity marketing

We are implementing new marketing models to decentralize the energy transition by following the path from electricity generation to use.

- The direct sale of our green electricity and accompanying services is aimed at our stakeholders among both residential customers and business customers.
- The integration of electricity marketing and project development will be key elements in the energy markets of the future.
- We are investigating the potential for new business models, developing and rapidly implementing them in the market.

Community participation

Community participation allows many people to take part in the energy transition directly.

- W.E.B shares are unlisted shares broadly held in free float. They are the foundation of W.E.B's community participation effort.
- Bonds are another option for green investment that broadens our base of investors without requiring capital increases.
- We also promote community participation in our international markets with investment opportunities targeted at local investors.

PROFILE OF W.E.B

Overview

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

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

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

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

The stakeholders of W.E.B are (in alphabetical order):

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

The key issues related to sustainability are:

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

Three core activities: project development—operations—sales

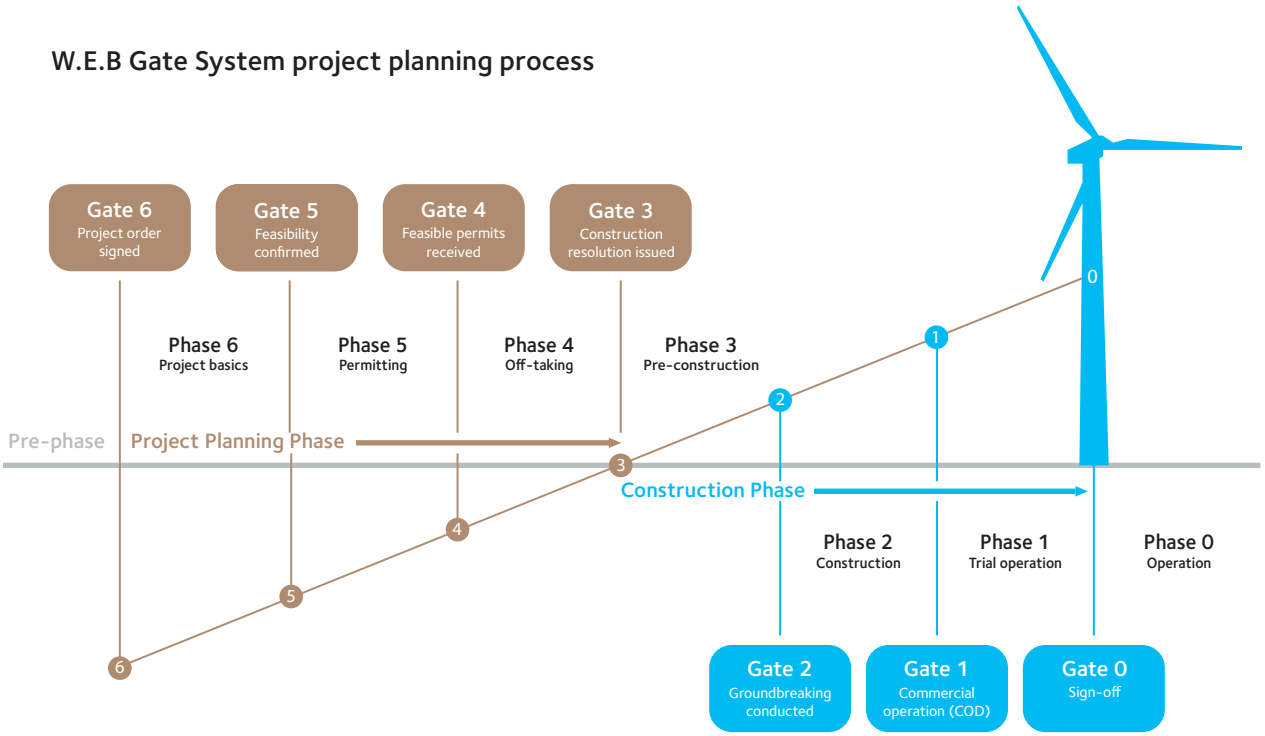
Project development

In the countries in which it operates, W.E.B coordinates all steps of project development, as represented in W.E.B's Gate System.

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

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

W.E.B Gate System project planning process



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

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

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

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

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

Power plant operations

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

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

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

Electricity marketing

For electricity generated from wind and solar power, we receive government-specified feed-in tariffs in many countries in which W.E.B operates. The terms of these tariffs range from 13 to 25 years, depending on the country. Increasingly, fixed tariffs for new power plants are being replaced by more flexible models, which depend on the regulatory framework in the respective country or region. The following are examples of possible alternatives: fixed prices determined by tender, tariffs composed of a fixed base price and a variable premium, and certain mandatory percentages of renewable energy sources defined for the energy mix with prices set freely but agreed for long periods.

The sale of the electricity generated was exclusively indirect in the early years due to the availability of subsidies. However, direct sales to business and residential customers under the W.E.B Green Energy brand, which W.E.B started to offer in Austria in 2013 and in Germany in 2020, are becoming steadily more important. W.E.B is also active in the field of charging infrastructure in Austria under the ella brand. In the green energy business customer segment, in particular, W.E.B not only focuses on supplying electricity, but also on comprehensive energy solutions that contribute positively to the energy transition, and therefore works toward businesses' own electricity generation and storage, as well as combining electricity, heating, and transportation.

The foundation

Community participation

W.E.B was founded by people who were so convinced of the opportunities offered by renewable energy sources that they financed their first plants almost entirely with their own funds. WEB Windenergie AG was formed in 1999 from the merger of community-based companies like this and, as it has grown, it has remained committed to the idea of encouraging the broad economic participation of the public in electricity production.

The company grew in the following decade based on an expansion of its equity resources achieved with share issues and, since 2010, by issuing corporate bonds. Through bonds, W.E.B provides an opportunity to invest for investors with a lower risk appetite as well.

As far as possible and economically feasible, W.E.B offers additional regional investment options at project levels in the countries in which it operates.

Second US wind farm

In 2022, the North American W.E.B team reported two successes: The Silver Maple wind farm—W.E.B's second U.S. wind farm—was commissioned, and in Canada the company was awarded the largest project in W.E.B's history.

Renewable sources are already an integral part of the energy supply in the U.S., and this will intensify even more in the future, thanks to a variety of expansion programs. W.E.B and its North American team are ready for this future, as the latest U.S. project shows.

Let's take a step back in time to the year 2020: In the state of Maine, the Maine Public Utilities Commission (MPUC) awarded the 20 MW Silver Maple project to W.E.B.. A total of 15 new projects generating around 500 MW were successful in the tender—of which 14 were solar power projects; W.E.B's was the only wind power project to secure a contract. Working together with its U.S. subsidiary SWEB Development USA, W.E.B once again demonstrated its competitiveness in this market.

Commissioned by the end of the year

Back to the year 2022: After about one and a half years of construction, December brought us the welcome news from North America that the five wind turbines of the Silver Maple wind farm were supplying sustainable energy.

The new wind farm was equipped with an on-demand night-time marking system. This replaces the constant flashing of red lights on the turbines all night long with a system that is activated when an aircraft approaches the wind turbines. And the wind farm remains dark during most nights. Since the Pisgah Mountain wind farm is located in the immediate vicinity, W.E.B retrofitted the turbines there as well.

The new W.E.B wind farm Silver Maple is located close to the existing wind farm Pisgah Mountain.

Successful bidding in Canada

Canadian Prime Minister Justin Trudeau promised funding for wind projects in the Canadian province of Nova Scotia at W.E.B's Hartwood Lands wind farm. Also present: W.E.B employee Sarah Rosenblat.

The completion of Silver Maple was not the only good news from overseas: In Canada, W.E.B was awarded the contract for a large new wind farm project last summer. This was announced by none other than Canadian Prime Minister Justin Trudeau. He had paid a visit to W.E.B's subsidiary SWEB in Nova Scotia and presented a government expansion program in which W.E.B projects would play an important role. Shortly afterwards, W.E.B was awarded a power supply contract for the up to 94.4 MW Weavers Mountain project in the Canadian province of Nova Scotia. The project is thus part of the promised expansion of renewables combined with the swift shutdown of coal-fired power plants in the province, and will also represent a milestone for W.E.B: When it goes into operation, it will be the largest wind farm in W.E.B's history to date.

The project was developed jointly with our local project partner, the Glooscap First Nation, and will also be operated in cooperation with them in the future. The generated electricity will be marketed for the next 25 years from the date of commissioning under a power purchase agreement with the energy provider Nova Scotia Power.

After this encouraging news, work on the implementation of the Weavers Mountain wind farm should start relatively quickly. The first steps have already been scheduled for 2023. If everything goes according to plan, up to 16 wind turbines will supply clean energy in 2025, making an important contribution to Canada's sustainable future.

High praise for female W.E.B employee

We have long known that our female employees have a great deal of expertise and thus contribute enormously to creating a liveable future. This makes it all the more gratifying that this is now also being publicly recognized and acknowledged by external experts. Because in the fall of 2022, the Canadian think tank Pembina Institute, the NGO Women in Renewable Energy, and the green event organizer Globe Series joined forces to find the 100 most influential and inspiring women in the Canadian energy transition industry. Their search led them to the Canadian W.E.B subsidiary SWEB Development, where they found project manager Sarah Rosenblat, whom they recognized for her outstanding commitment. A young woman with determination and drive: every day, she demonstrates what it takes to make the energy transition a success. We are proud to have her in our ranks.

Two wind farms and a lot of solar power in Austria

With the exception of the Silver Maple project in the USA, all of the plants commissioned in 2022 were in Austria. In the first quarter, the Weinviertel wind farms in Matzen Klein Harras and Spannberg were successfully connected to the grid. The Spannberg III project comprises four turbines, while the Matzen Klein Harras wind farm has three wind turbines. Between them, the new wind turbines have a capacity of 29.4 MW and generate clean electricity for more than 50,000 people each year.

But wind energy projects were not the only source of good news—W.E.B also successfully implemented several solar power projects in 2022. In January and December, systems X to XIII with a total capacity of 1,160 kW_p were erected on the Brantner company site in Laa an der Thaya. Two solar power plants were commissioned in the immediate vicinity of the W.E.B headquarters: one of them on the turkey coop of the Hetzendorfer company in Pfaffenschlag (316 kW_p) and the other on the roofs of the VTW company in Waidhofen an der Thaya (230 kW_p).

In the south of Lower Austria, two ground-mounted systems with a total output of 1,421 kW_p were erected on the premises of Schoeller Bleckmann Oilfield Equipment AG (SBO) in Ternitz as part of a power purchase agreement (PPA)—one of the plants went into operation in October, followed by the second in December. The PPA concluded between W.E.B and SBO is for 25 years: 100% of the electricity is used by the company itself, which is why the project could be realized entirely without subsidy.

Wind farm festival in the Waldviertel region

More than 1,500 visitors flocked to the W.E.B wind farm opening in the municipality of Grafenschlag on September 10, 2022, where there was plenty on offer for everyone with an interest in wind energy. Many visitors seized the opportunity to be lifted 100 meters into the air in a basket by a crane standing next to a wind turbine. This not only took them very close to a wind turbine, it also offered a magnificent view of the Waldviertel landscape.

Three-year comparison of installed capacity

MW as of 12/31

	2020	2021	2022
Austria	230.9	243.6	275.8
France	102.8	102.8	102.8
Germany	99.7	99.7	99.7
Canada	39.8	39.8	39.8
USA	9.1	16.6	36.6
Italy	32.1	32.1	32.3
Czech Republic	9.1	9.1	9.1
Total	**523.5**	**543.7**	**596.1**

Provinces are organizing energy themselves

In a country as vast as Canada, the electricity market is not uniformly structured. Each territory and province controls the generation, transmission, and distribution of its electricity, as well as the market structure within its region. Wind energy plays a key role in power generation—producers like W.E.B can sell their power directly to government providers in almost all provinces and territories via power purchase agreements, such as will be concluded for W.E.B's newest project, Weavers Mountain. However, it is also possible to sell directly via the electricity market.

Besides the energy supply, the provinces also have sovereignty over the price of electricity. Consumer prices vary according to the composition of the electricity supply mix and competition in the regional markets.

When wind turbines meet hurricanes

In September 2022, W.E.B wind turbines in Nova Scotia, Canada, were exposed to a powerful hurricane. The good news is that all the systems survived the ordeal without sustaining any damage.

There are two ways in which wind turbines are linked to climate change. First, their ability to generate energy without producing emissions makes them effective tools for curbing temperature rises. Secondly, they must also guarantee safe operations under changing climatic conditions. As there has been a significant increase in extreme weather events in recent years, wind turbines are facing increasingly severe stresses.

The W.E.B wind turbines in Nova Scotia survived the hurricane undamaged.

For example, the W.E.B wind turbines in Nova Scotia, Canada, which provide the inhabitants of the peninsula with direct and decentralized electricity, were subjected to an extreme endurance test in September 2022. Hurricane Fiona, a category 4 hurricane, swept across the country, causing immense devastation. When it hit Nova Scotia, the hurricane was still reaching speeds of over 170 km/h, causing heavy rain and waves up to twelve meters high. Countless houses were destroyed, trees toppled onto power lines—resulting in more than 300,000 people at times being left without electricity.

The control center steps in

Under ordinary storm conditions, wind turbines will manage the situation themselves: The turbine turns into the wind, and if the storm becomes too strong, it automatically shuts down and pauses until the wind conditions are back within normal range.

"We were especially prepared for this extreme event," reports Martin Jahn, head of the control center in Pfaffenschlag: "We were confident that our turbines would be able to withstand the hurricane. However, we also knew that a storm of this magnitude would cause extreme damage to the infrastructure. In our case, this meant that we anticipated that a high number of trees would be blown down and would destroy the overhead power lines we feed into. In order to spare the plants the mechanical stress of being forced to stop under full operation due to problems with the grid, the control center kept a close eye on the weather situation and put at-risk plants on pause manually just before the storm peaked."

The plants passed the endurance test and proved reliable even in such an extreme situation. None of the wind turbines suffered any damage. Despite this, it took ten days for the infrastructure to be restored sufficiently to allow the last plant to be reconnected to the grid.

"Down-tower" repairs in Neuhof

Not a storm, but a lightning strike made repairs at the Neuhof wind farm in Austria necessary. In this case, it was possible to repair the individual blade, "down-tower", i.e. not directly on the tower. This is because grinding off the damaged laminate coating would have jeopardized the stability of the blade due to the dead weight of the rotor. The possibility of breakage could not have been ruled out. The rotor blade thus had to be removed with a crane and repaired on the ground. The actual repairs were completed in a few days, but the downtime of the plant totaled two and a half months.

Lightning damage in Piombino

Hurricanes are not the only stress test for wind turbines: thunderstorms are another. And 2022 saw quite a few events in this stress category as well. W.E.B operates six plants on the coast of the Italian port city of Piombino. Its maritime climate means that the average occurrence of thunderstorms is higher throughout the year than in Central Europe. During a thunderstorm, a rotor blade was damaged beyond repair by a powerful bolt of lightning. From the outside, the damage did not look terribly dramatic, with only spalling and charring visible. But the bigger problem was inside the blade, where the lightning bolt had damaged the supporting structure. In order to eliminate the risk of the blade breaking during operation, the wind turbine in Piombino was therefore shut down.

It was not possible to replace the individual blade on this turbine (type Vestas V136), as this would have jeopardized the balance of the rotors. So the entire set of rotor blades had to be replaced.

In Piombino, an entire set of rotor blades had to be replaced after sustaining lightning damage.

Electricity generation

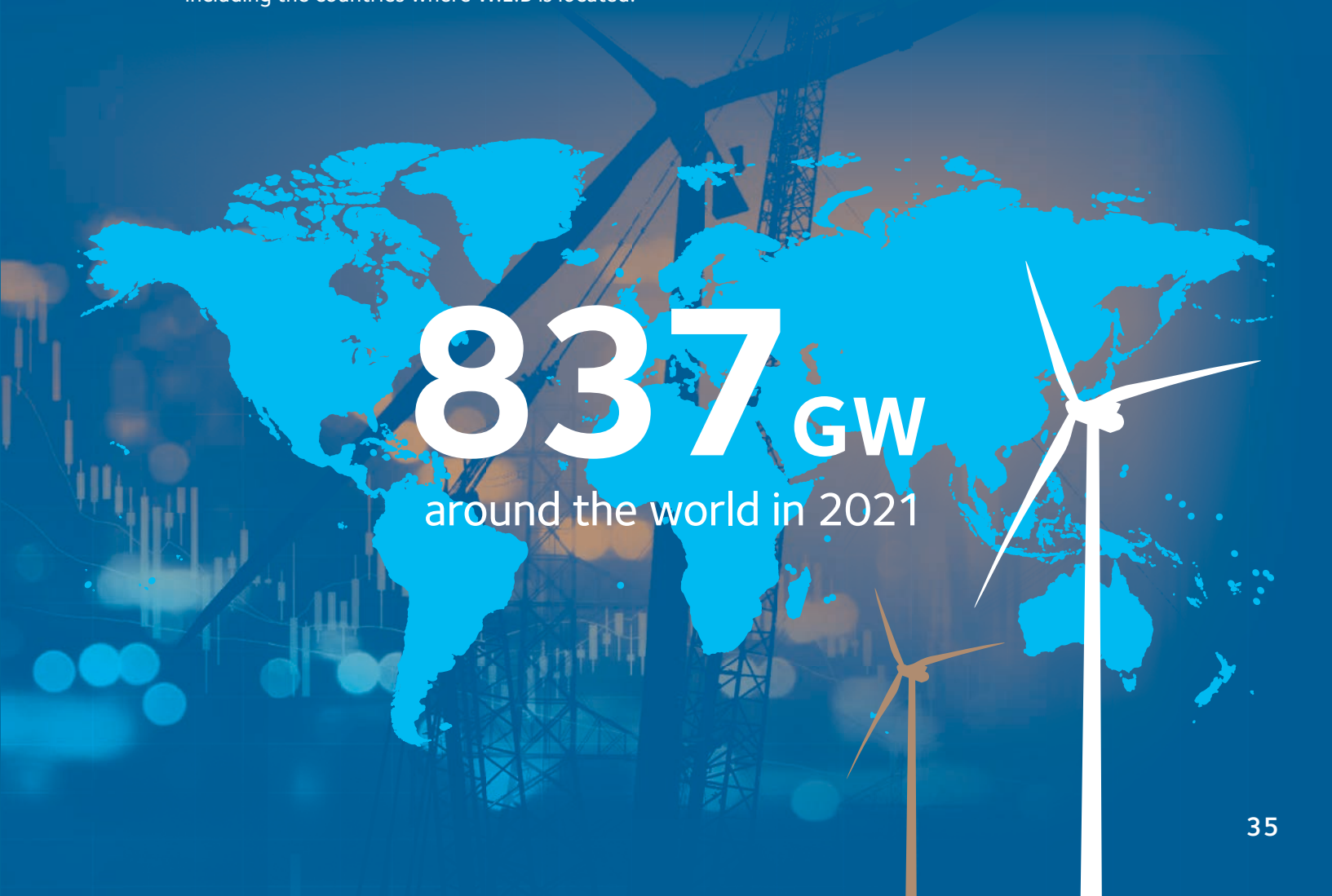
in MWh

	2018	2019	2020	2021	2022
Austria	450,743	560,335	495,615	485,747	558,015
France	160,374	214,679	262,108	230,146	220,835
Canada	145,685	158,070	223,892	224,552	215,429
Germany	157,229	195,929	218,521	190,979	199,077
USA	31,310	31,180	30,727	30,266	53,350
Italy	13,409	38,360	56,692	61,404	50,650
Czech Republic	15,687	16,180	14,579	14,235	14,820
Total	**974,437**	**1,215,256**	**1,302,135**	**1,237,329**	**1,312,176**

The global market for wind turbines

Renewable energy from wind power is on the rise across the globe. It is a key component of every strategy for achieving climate goals. In 2021, all of the installed wind turbines reached a total rated capacity of approximately 837 gigawatts (GW).

Over the past few decades, a number of wind turbine manufacturers have become established on the world market. According to the GeVestor Financial Publishing Group, the world market leader in onshore wind turbines, in terms of the number of wind farms added around the world, is GE Wind Energy GmbH—a German subsidiary of the American energy giant General Electric. In 2020, the company had an installed capacity of 13.5 GW. Second place goes to the Chinese company Goldwind, founded in 1982 and headquartered in Beijing (13 GW). The Danish manufacturer Vestas (12 GW) occupies third place. At present, there are wind turbines produced by Vestas in 80 countries, including the countries where W.E.B is located.



Green hydrogen from wind energy

A new W.E.B wind turbine in Götzendorf will supply electricity to OMV for the production of green hydrogen. The two companies have agreed on a long-term collaboration for this purpose. The groundbreaking ceremony was held in the Weinviertel region in late May 2022.

In concrete terms, the first power purchase agreement (PPA) between OMV and W.E.B means that W.E.B will build and operate a wind power plant in the Weinviertel region on the basis of a long-term supply contract; OMV will use this electricity to generate green hydrogen by means of an electrolyzer. What at first glance appears to be a simple collaboration between two companies is in fact quite new in many respects.

OMV and Kommunalkredit Austria AG are jointly investing in the electrolyzer. The wind power supplied by W.E.B covers around 20% of the electrolyzer's renewable power requirements and meets all the requirements of the EU Renewable Energy Directive II (RED II).

The wind turbine that generates electricity for this purpose was commissioned in April 2023, and the contract with OMV will come into effect in June. This is W.E.B.'s first wind power plant in Austria to be implemented on the basis of a long-term private-sector agreement, known in the industry as a PPA. With its installed capacity of 5.6 MW, the plant located in the municipality of Velm-Götzendorf in

Collective groundbreaking ceremony in Götzendorf, Lower Austria, for the new wind turbine, which will generate electricity for green hydrogen (from left to right): Christoph Glanner, Grant Thompson (W.E.B), Karl Starnberger (Deputy Mayor of Velm-Götzendorf), Frank Dumeier (W.E.B), Markus Schestamber (OMV), Antonietta di Chio, Roman Prager and Clemens Weiss (W.E.B).

Lower Austria is one of the most modern W.E.B plants in Austria to date. The plant is expected to generate 13.7 GWh of electricity per year, which represents the electricity consumption of almost 4,000 households.

"This project makes us happy for two reasons: we are one of the first companies in Austria to erect a wind power plant on the basis of a PPA. Furthermore, the electricity is used by OMV to produce green hydrogen," says Frank Dumeier, CEO of W.E.B, who is delighted with this collaboration.

What is green hydrogen?

In chemical terms, there is no difference: Hydrogen is hydrogen. Or if you prefer to use its chemical formula: H_2. However, there are significant differences in how it is produced, and this plays a key role in the energy transition. Because in addition to green, hydrogen can also be gray, blue, or turquoise. The most significant difference is between green and gray hydrogen. Gray hydrogen is generally obtained by steam reforming fossil fuels such as natural gas. In this process, ten tons of CO_2 are produced for each ton of hydrogen and released into the atmosphere. The problems are evident: first, it does not solve our reliance on natural gas, and second, it releases CO_2, which is harmful to the climate.

Hydrogen can also be produced entirely without CO_2 by using renewable energy sources. Hydrogen is obtained by splitting water (H_2O) into oxygen (O_2) and hydrogen (H_2). If electricity is used for this purpose—as OMV does—it is referred to as electrolysis.

And this is exactly where it all comes full circle: if this electricity is produced from renewable sources, the hydrogen can be labeled "green". Furthermore, the necessary energy is quite simply produced regionally, and thus independently. This shows that collaborations like the one between W.E.B and OMV in 2022 will play a key role in the energy transition in the future, because this is just the first step on the path we have chosen.

Schoeller-Bleckmann Oilfield Equipment supplied with solar power

Schoeller-Bleckmann Oilfield Equipment AG (SBO) is taking the next step towards implementing its crisis-proof energy concept: production at the SBO plant in Ternitz will be powered by solar electricity generated on the company's own premises. The work on the SBO company site in Ternitz started in the late summer of 2022 and was completed at the end of the year, thanks to enormous efforts from W.E.B employees. One of the two plants was already in operation in October, the second followed shortly before Christmas. The ground-mounted systems with a total output of 1,421 kW_p will produce around 1,400 MWh of regional solar energy per year. The power purchase agreement between W.E.B and SBO was concluded for 25 years—100% of the electricity is used by the company itself, which is why the project was realized entirely without subsidy.

W.E.B once again “Driver of the Electricity Future”

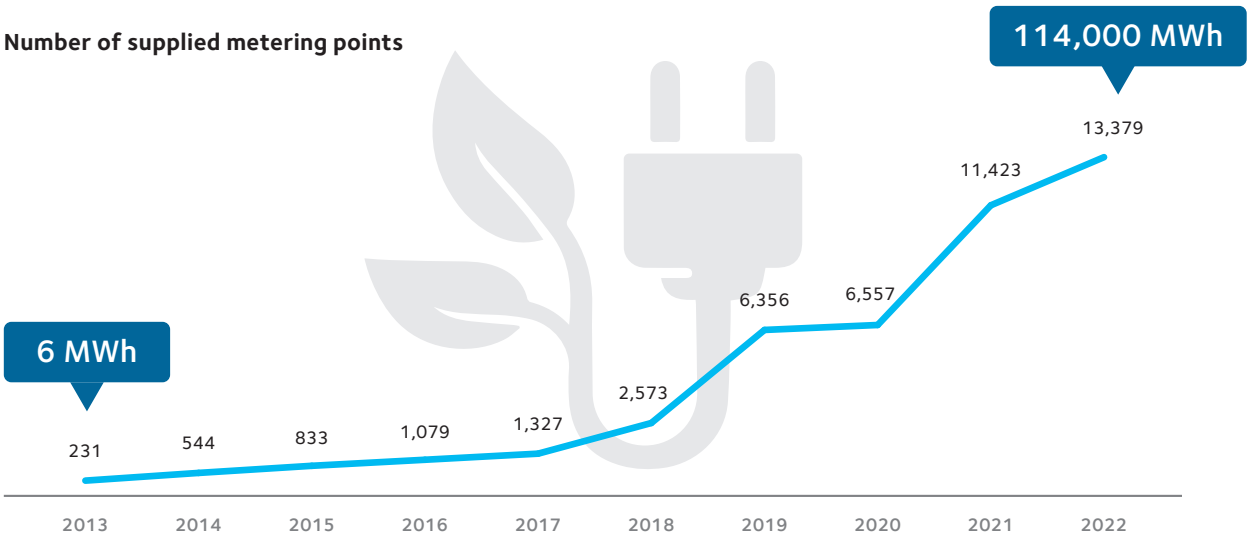
This year's electricity provider check by WWF and GLOBAL2000 once again ranks W.E.B and its green electricity among the “Drivers of the Electricity Future”. One look at the results reveals just how outstanding this success is. In fact, only four out of 145 electricity providers made it into the top group, where W.E.B has been a fixture since 2017.

Every year, WWF and GLOBAL 2000 conduct an electricity supplier check in which they assess the company's strategy, ownership structure, and the environmental compatibility of its power plants. The goal is to create transparency in the electricity system with a view to stimulating the energy transition. The result is a ranking of all the electricity providers under review—from Drivers of the Electricity Future to Fossil Fuel Latecomers.

W.E.B green electricity sold out

2022 proved once and for all that W.E.B green electricity means sustainability and reliability to its customers. In times of energy crisis, more and more people opted for green electricity supplied directly from W.E.B power plants last year. In fact, demand was so high that W.E.B had to close its green power offer for new customers in the fall in order to be able to guarantee security of supply at affordable prices for its existing customers.

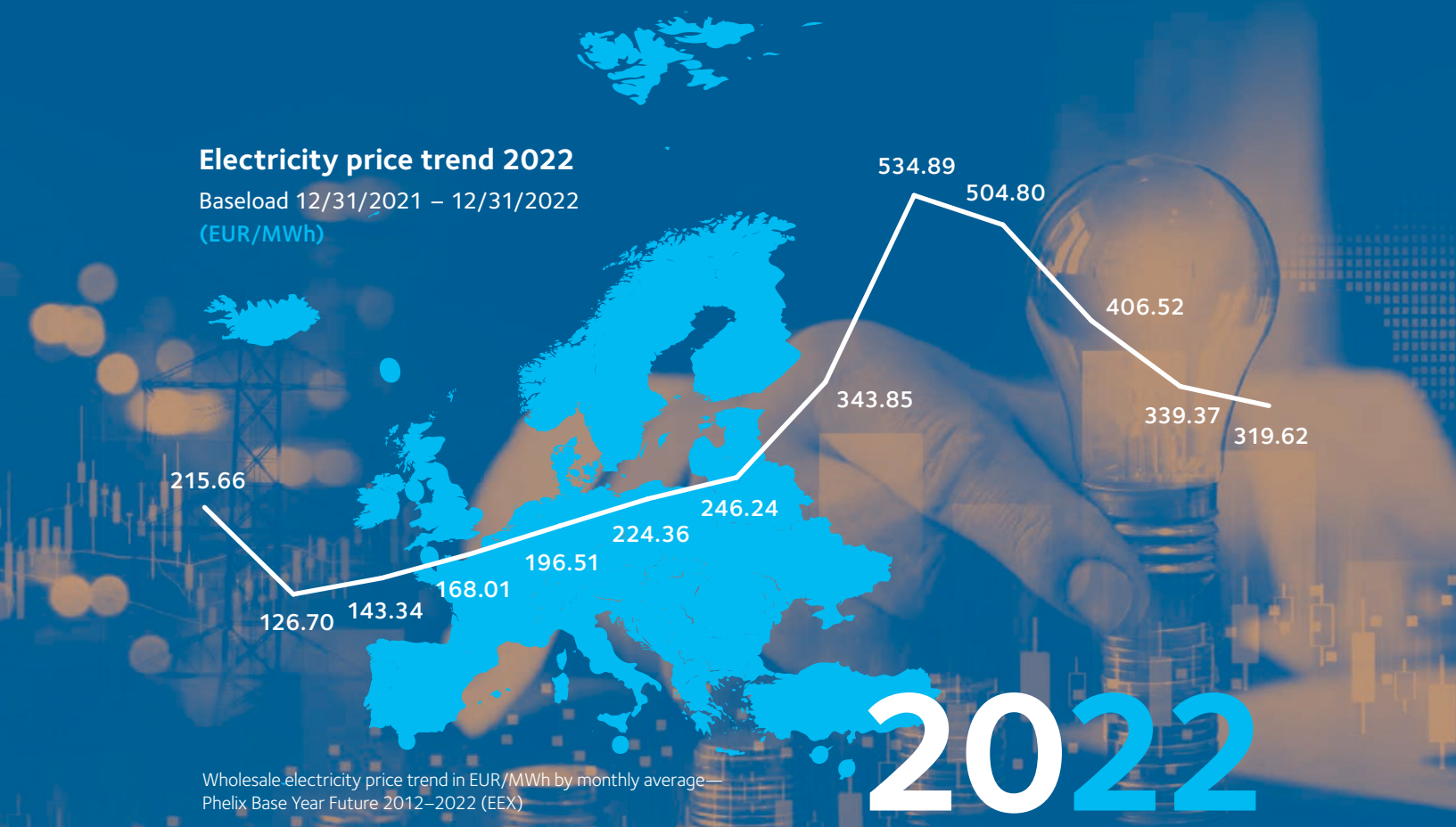
Number of supplied metering points



Electricity price trend in Europe

European electricity prices continued to climb in 2022, with no appreciable easing until the very end of the year. This development is largely related to gas prices, which have risen dramatically in the wake of the Ukraine war. According to the merit order principle, the electricity price on the wholesale market is determined by the power plant with the highest marginal costs. And as a rule, the most expensive power plants are the gas-fired ones. Conversely, this means that every megawatt of renewable energy produced replaces the more expensive gas and thus lowers the price of electricity.

The EU responded by introducing an agreed electricity price cap, the concrete terms of which differed somewhat from country to country. The states recover the money spent by imposing levies on energy producers' profits; these arrangements, too, have been implemented differently in the various EU member states.



Wholesale electricity price trend in EUR/MWh by monthly average—
Phelix Base Year Future 2012–2022 (EEX)

Source: finanzen.net

The 6,000th W.E.B shareholder

The number of W.E.B shareholders is growing steadily. We are gradually being joined by more and more younger investors. Joachim Geer, the 6,000th W.E.B shareholder, is one of them. Introducing Mr. Geer:

The past few years have made one thing clear to the responsible parties: The only way to achieve the EU's current climate targets and a high degree of autonomy in energy supply is to expedite the expansion of wind and solar power. To achieve this, we need the support of the local communities where the plants will be built. The approval processes, which are often difficult enough, will be stymied unless these people are involved and won over.

From the beginning of its corporate history, WEB Windenergie AG has therefore been committed to ensuring maximum community involvement. "W.E.B began as a group of enthusiasts who pooled their money to build wind turbines," is how CFO Michael Trcka describes the company.

Many of the original shareholders have remained loyal to the company to this day. They have been joined by a number of younger investors since the last capital measures. This also applies to W.E.B's 6,000th shareholder, whom we would like to briefly introduce here. His name is Joachim Geer from Spannberg in Lower Austria. Born in 1996, Geer is a student at the University College for Agricultural and Environmental Education in Vienna. He is currently planning his master's degree thesis on the topic: "The work-life balance and well-being of farm managers of agricultural businesses as a main source of income in the Weinviertel region". He is familiar with the topic from practical experience, as he comes from a farm in Spannberg, where he helps out from time to time. His father is still the farm manager, but the young Mr. Geer is already involved in many decisions. He has also begun working as a teacher on an hourly basis and is pursuing a second degree at the University of Natural Resources and Life Sciences.

He came up with the idea of investing in W.E.B shares after attending information events organized by W.E.B. The company has been operating wind turbines in Geer's hometown of Spannberg since 2005 and, as in all communities where the turbines are located, maintains a lively exchange with local residents. Since the Geer family is also active in the community, this led them to establish contacts with W.E.B, which ultimately prompted the purchase of W.E.B shares.

"Rather than putting my money in savings, I wanted to do something useful with it," says Geer. "Then I heard that W.E.B had issued new shares as part of a capital increase in 2021. Unfortunately, I hesitated a little too long. By the time I finally bought my shares, they had already gone up in price quite a bit."

Geer sees his share purchase as more of a long-term investment for a period of 10 or 15 years. When asked whether the ecological aspect played a greater role in his investment decision, or the financial one, Geer says: "Both. I wouldn't invest in a company that I thought was going to destroy our future. It goes without saying that I have a positive view of energy transition companies such as W.E.B and of wind energy in general. But at the same time, I wouldn't invest in a company that I expected to make a loss. I also like the fact that it's an Austrian company."

Geer is also open to the idea of having a wind turbine erected on his farmland. A focus on the future and receptiveness to new ideas are also key characteristics of Geer's farming operations. He was the first farmer in Austria to plant a crop of Szechuan pepper on his land. The name comes from the Chinese province of Sichuan, where the pepper is native and commonly used in cooking. After years of work, Geer has discovered how, with the right care and choice of location, this pepper can also thrive splendidly in the Weinviertel region. The 2022 harvest was good—sales are starting now.

Focus on Eastern Austria

The number of shareholders has grown tremendously over the past five years, from 3,821 at the end of 2017 to 6,305 at the end of the 2022 reporting year. However, this surge has made less of a difference to the regional distribution than one might expect. Five years ago, roughly 53% of our shareholders were from Lower Austria, W.E.B's home province; last year, the figure was around 51%. The percentage of non-Austrian shareholders remained almost constant at around 3%.

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

This is a question that W.E.B's investor relations team hears very often. The following calculation illustrates how large a contribution investors make by owning a share:

The annual production of W.E.B green electricity for 2022 is 1,312 GWh. W.E.B has issued a total of 3,172,983 shares to date. This means that each issued share represents a production volume of around 410 kWh. This quantity of green electricity is enough to power an electric car with an average consumption rate over a distance of around 2,500 kilometers.

Share prices soar[1]

The prices of shares in Traderoom had already risen significantly in 2021, and this trend continued in 2022. In 2022, the average annual price reached EUR 196.52, up from EUR 112.97 in the previous year.
The average monthly price rose from EUR 160.30 in January 2022 to EUR 190.81 in December 2022.

New website—new IR section

The new W.E.B website went online in late April 2022, and the investor relations section was also redesigned to make it easier to navigate. You can now access these pages directly via web.energy/en/investor.

Annual General Meeting: back offline in 2022

After two years of holding the Annual General Meetings online due to COVID-19, the 2022 Annual General Meeting was once again held in person. There was a strong turnout, and the hall was filled to capacity, just like before the pandemic.

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

Energy prices have an impact on the stock markets

As is so often the case, the stock markets served as a seismograph for global political crises. Rising energy prices have had a powerful impact on the capital markets, as was clearly evident on the ATX in 2022—with a strong downturn during the summer months when energy prices reached unimaginable heights.

ATX performance in 2022

Benefits for nature

Everything we build—no matter if it is a road, a building or a railroad track—represents a human intervention into the natural environment. This obviously also applies to wind turbines. Wind energy projects, however, are a prime example of how these interventions can benefit the ecosystem.

The development of wind energy projects has become increasingly complex over the past few years. This requires a correspondingly high level of expertise. Developers must possess two qualities in particular: patience and precision. After all, projects do not materialize overnight; a lot of work goes into planning a wind farm and submitting it to the authorities for approval. Environmental protection plays a key role here.

Putting environmental compatibility to the test

Unremarkable at first glance, but teeming with life: Creating new habitats to offset the impact of wind farms represents a clear added value for the environment.

If you want to erect a wind turbine, you will need to obtain a large number of permits. This is not a disadvantage; if your project receives a positive response at the end of the time-consuming procedure, it will have a high degree of legitimacy—including, and especially, with regard to environmental protection. This is because the project's environmental compatibility plays a central role right from the planning stage and is evaluated continuously over the entire life cycle of the wind farm. It is important to assess what changes the project will cause at the site and how to address them—in short, how to compensate for the planned intervention. W.E.B collaborates with independent biologists to develop a concept with a variety of compensatory measures. In the project approval process, the proposed measures are closely scrutinized by another group of independent experts appointed by the public authorities—generally as part of a comprehensive environmental impact assessment (EIA). Additionally, accredited conservation NGOs have party status in this procedure and can file an objection to the project or parts of the project at any time. This means that environmental protection interests are safeguarded at all times in the EIA—this is confirmed when the project is awarded a positive rating. But we aim to go beyond that: We wish to create real added value for the ecosystem.

Land improvements

With their abundance of flowers, the compensatory areas in Dürnkrut-Götzendorf are home to a wide variety of insects—here, for example, a thistle butterfly *Vanessa cardui* **is taking a break.**

Compensatory measures are therefore much more than just compensating for the land used by wind turbines. Land that is under high stress due to agricultural use is usually taken out of intensive utilization and turned into areas where plants and wildlife can flourish. In many cases, these measures not only preserve endangered animal and plant species, they also help increase their numbers. In addition to improving the land, the measures also aim to enhance or create attractive foraging habitats for birds of prey. All these measures are continuously monitored and evaluated by our biologists.

An evaluation of this kind was also carried out in 2022 for the Dürnkrut-Götzendorf wind farm. In 2012, approximately 25 hectares of new habitat were created here to compensate for ten wind turbines. The results of the implemented measures show that it was possible to achieve measurable improvements to the natural environment. The birds of prey have responded extremely well to the newly created foraging habitats. A total of eleven different raptor species were detected around the upgraded areas. The compensatory areas are also home to other protected and endangered animal and plant species that are native to farmlands and wet meadows. Some 30 species of red-listed vascular plants and 25 species of grasshoppers and mantis have been sighted.

The land improvements carried out as part of the Dürnkrut-Götzendorf project exemplify many other measures that have already been implemented. In a sense, the benefits to nature from wind energy projects are twofold: land improvements create valuable natural habitats, and the production of renewable energy protects native habitats that are under severe threat from the climate crisis.

Carbon footprint

In 2022, the carbon footprint of WEB Windenergie AG was determined in accordance with the requirements of the Greenhouse Gas Protocol Corporate Standard (GHG Protocol) for the fifth time in a row. W.E.B's carbon footprint last year was 249.2t CO_2e*.

2022 greenhouse gas emissions	tCO_2e	Proportion
Scope 1	229.0	91.9%
Scope 2 (market-based)	20.1	8.1%
Scope 2 (location-based)	290.6	
Corporate Carbon Footprint	**249.2**	**100%**

Carbon Footprint 2022

249 t CO_2e

The carbon footprint of W.E.B in Austria was also compared to the carbon handprint in 2022, i.e. the electricity from renewable sources fed into the Austrian grid. The handprint was 252,476 t CO_2e.

Carbon Handprint 2022

252,476 t CO_2e

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

New staff for increased growth

W.E.B experienced strong growth in the past year. A range of new projects has been initiated, necessitating a significant increase in the number of employees. Although the labor market in this sector is highly competitive, W.E.B has succeeded in recruiting new staff for the projected positions who meet consistently high standards. In order to be well equipped for the future, we are also focusing on targeted measures to foster young talent and provide training for managers. At the same time, parts of the company have been restructured.

In 2022, all the signs were pointing to growth for W.E.B. The energy transition had reached the level of concrete project planning. W.E.B has for a long time been ready to become part of the solution to the climate crisis. Last year, the company was once again able to reap the rewards of its pioneering work by means of committed and consistent project development. For although 2022 was a comparatively poor year for wind, we nevertheless recorded a new production record of 1,312 GWh. This is because W.E.B commissioned new plants in Austria and the USA with a capacity of 52.4 MW.

Of course, this vigorous growth is only possible and feasible if sufficient qualified personnel can be recruited. A dynamic company like W.E.B can only grow if its employees are part of that growth.

But our competitors are also looking for qualified personnel, and the labor market for skilled workers is more competitive today than it has been for years. W.E.B nonetheless succeeded in hiring staff for the positions budgeted for 2022—and did so at the desired and required level of quality across the board.

We were able to recruit a total of 23 new employees around the world for the development of new power plant projects:

France: 7 | **Austria:** 5 | **Germany:** 3 | **Italy:** 3 | **USA:** 3 | **Canada** 1 | **Slovakia:** 1

A further 22 employees were recruited for operations, marketing and administration. In addition, the ella team was set up with four new employees.

Efficient, professional human resources management naturally also includes developing the next generation of employees. Internships are often a good stepping stone towards a future career in the company. The relevant department then has the invaluable advantage of the new recruit already having familiarized themselves with a number of work processes. In 2022, there were 18 interns working at W.E.B across the globe. Five working students were given marginal employment contracts with the company with a view to a possible future career. After recruitment, new employees are systematically integrated into the company in a thorough onboarding and induction process so that they can quickly familiarize themselves with their future tasks and get to know the company structure and the important work processes. This also gives them the opportunity to establish contacts with colleagues and various information channels and to gain practical experience in W.E.B's corporate culture.

Outlook for 2023

In view of W.E.B's growth trajectory, human resources management will continue to face major challenges in the coming year. The company is currently seeking an additional 50 to 60 employees, which is no easy task in some of the countries in which it operates. However, last year's recruiting achievements are cause for optimism.

Changes in the national organizations and at ella

A change has taken place in the management of the French W.E.B subsidiary. Nicolas Blais, long-standing project expert for W.E.B and former Managing Director, will team up with Emeline Beck to form the Country Management unit in France. In addition, W.E.B has stable management structures in all of its foreign subsidiaries.

The charging infrastructure pioneer ella is also under new management. It is now headed by an experienced team of two: long-standing W.E.B employee Marianna Jelinek, who is responsible for setting up and operating the sites, and newcomer Lukas Haider, who is in charge of growing the ella charging network, especially the fast chargers.

Human resources development and leadership

The age of anti-COVID restrictions in seminars and events is over. All planned external training courses for the departments were conducted either online or in person.

2022 was a year of solid conceptualization with a focus on the future of the company: A twelve-month W.E.B internal training course for junior managers and young executives is set to begin in the first quarter of 2023. The Leadership Cafés will be reinstated as a tried-and-tested tool.

We also professionalized project development at the personnel level: Project management training courses for all project planning staff and potential project managers were held worldwide as part of an internal project.

Internal appointments to management positions

In preparation for W.E.B's continuing growth course, an internal restructuring project was carried out to create the necessary space and flexibility for a sharp increase in the volume of work. Two new department heads were nominated in this context: Martin Jahn, previously head of the Monitoring Center, and Roman Prager, head of Operations. Promising internal candidates were appointed to fill the vacancies in these two departments and in the three newly created departments. To everyone's delight, this means that all appointments to management positions in 2022 were filled with internal candidates.

Internationalization—implementation in human resources

The HR teams were realigned to reflect the company's strong growth, particularly abroad, and associated internationalization. Each country has its own HR Business Partner (HRBP), the contact person for the core HR processes, with a focus on supporting the recruitment and integration of new employees.

Moreover, an employee with the appropriate language skills was recruited from the region for the Eastern European countries.

Core KPIs

		2021	2022
Employees (Group)	people	188	210
	full-time equivalents	170.1	191.4
Percentage of women	%	37.2	38.6
Average age	years	38.2	37.6
New hires	people	58	72
of which interns		21	18
Left company	people	47	49
of which interns		20	18
of which on parental leave		6	5
Recruiting throughput time	months	3.2	3.2
Average tenure	years	6.1	5.8
Ratio of total annual compensation of the person with the highest salary to the median total annual compensation of all salaried employees (Group)		8.0	7.6
Salaried employees subject to collective bargaining (Group)	%	80	80

Additional information and key performance indicators are provided in the management report on pages 89 to 91 of this annual report.

Strong interest in W.E.B shares

An essential foundation of W.E.B's success is the fact that it is rooted in community participation and remains faithful to this principle to this day. W.E.B's economic and ecological sustainability makes it a green investment. A large number of investors continued to back W.E.B shares in 2022, which was clearly reflected in the share price and the number of shareholders.

After the capital increase in 2021, investor interest in W.E.B shares remained unabated. More than 700 people were so impressed by W.E.B that they became new shareholders—a new record outside of capital increases. Unsurprisingly, this interest was also reflected in the share price, which reached an annual average value of EUR 196.52.

W.E.B shares

W.E.B shares are a green investment option for anyone who wishes to participate directly in the energy transition. Ever since the stock corporation was founded, the shares have proved stable and offered our shareholders impressive performance to date. This is due in no small part to W.E.B.'s sustainable dividend policy. In the company's first ten years, corporate profits were funneled entirely into further expansion, but since 2010, W.E.B has been distributing dividends to shareholders regularly. W.E.B plans to distribute around one third of the Group's profit as dividends, both to give shareholders an appropriate share of the profit and to provide sufficient equity for future growth.

Dividend

EUR

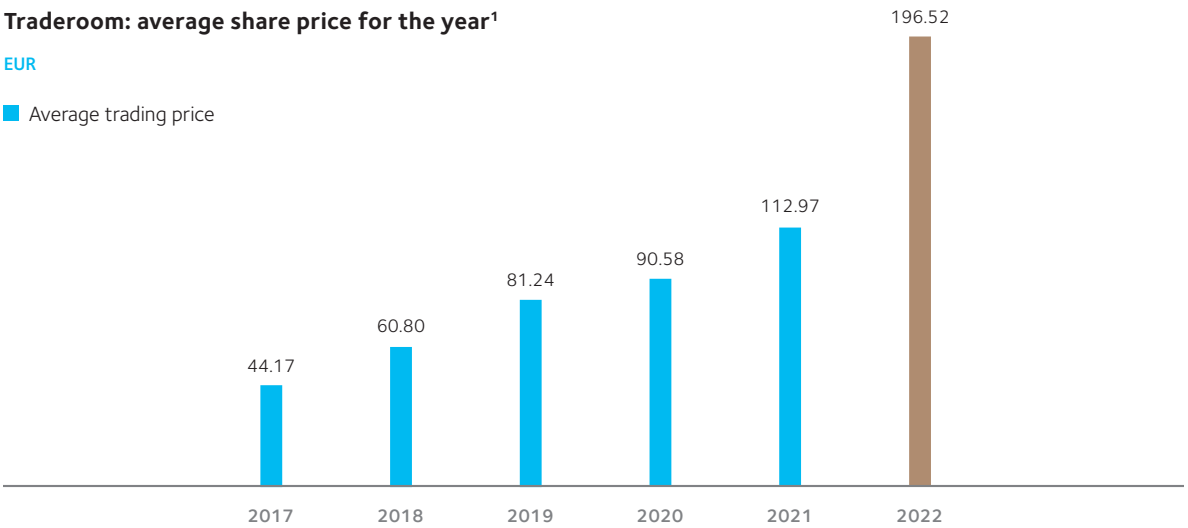
2018	2019	2020	2021	2022
1.80	1.00	2.60	2.10	2.90[1]

[1] Proposal to the 2023 Annual General Meeting

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

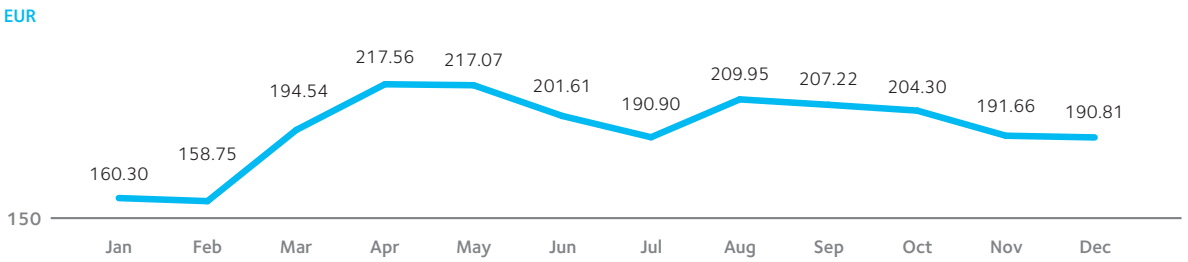
A total of 76,110 shares valued at approximately EUR 15 million changed hands in 2022 with the support of Traderoom. The highest trading price of the share averaged EUR 217.56 in April 2022.

Traderoom: average share price for the year[1]



The average annual price of the shares in Traderoom rose significantly in 2022, from around EUR 112.97 to EUR 196.52, which represents the largest price surge in W.E.B's history to date.

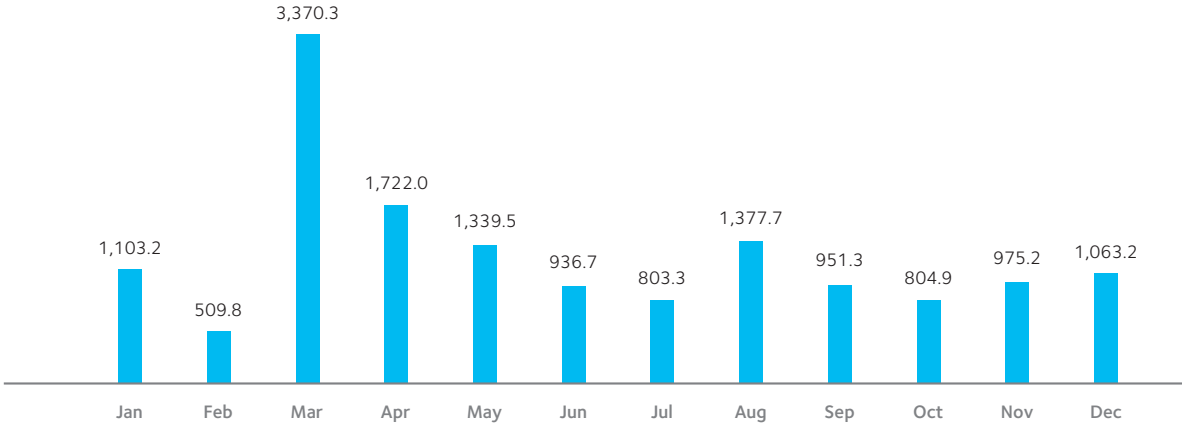
Traderoom: average share price over the course of 2022[1]



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

Traderoom: transactions in 2022

Transaction amount, EUR k



In the reporting period, 53,266 shares were transferred outside of Traderoom. Of these, W.E.B knows the transaction price for 28,512 shares, which averaged EUR 176.53.

As of December 31, 2022, the number of ordinary shares issued totaled 3,172,983. The number of shareholders increased from 5,573 at the end of 2021 to 6,305 as of December 31, 2022.

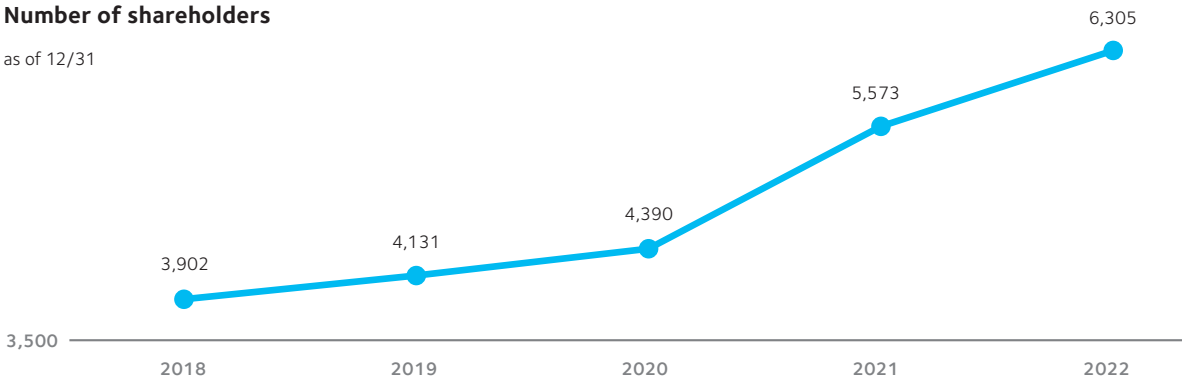
Shareholders by ownership interest

as of 12/31/2022

Groups	Lower threshold	Upper threshold	Shares (number)	Shares (%)	Shareholders (number)	Shareholders (%)
Up to 0.1%	1	3,172	1,841,268	58.03%	6,135	97.30%
More than 0.1% up to 0.5%	3,173	15,864	924,683	29.14%	156	2.47%
More than 0.5% up to 1%	15,865	31,729	208,162	6.56%	10	0.16%
More than 1% up to 2%	31,730	63,459	118,000	3.72%	3	0.05%
More than 2% up to 3%	63,460	95,189	80,870	2.55%	1	0.02%
Total			**3,172,983**	**100.00%**	**6,305**	**100.00%**

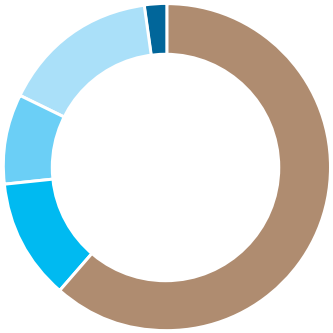
Number of shareholders

as of 12/31



Regional distribution of shares

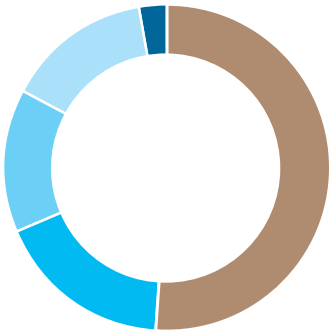
as of 12/31/2022



Number	Proportion	Region
1,950,215	61.46%	Lower Austria
377,288	11.89%	Vienna
285,073	8.98%	Upper Austria
496,830	15.66%	Austria excluding Lower A., Upper A., and Vienna
3,109,406	**98.00%**	**Total Austria**
63,577	2.00%	Other countries
3,172,983	**100.00%**	**All shares**

Regional distribution of shareholders

as of 12/31/2022



Number	Proportion	Region
3,233	51.28%	Lower Austria
1,104	17.51%	Vienna
892	14.15%	Upper Austria
912	14.46%	Austria excluding Lower A., Upper A., and Vienna
6,141	**97.40%**	**Total Austria**
164	2.60%	Other countries
6,305	**100.00%**	**All shareholders**

W.E.B bonds

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

All told, W.E.B has therefore issued bonds totaling EUR 128.6 million since 2010 that have provided considerable momentum for implementing the extensive investment program. A total of EUR 90.9 million had already been redeemed by the end of 2022. This amount includes both the bonds redeemed in full and those partially redeemed as stipulated by annual partial redemption models and by the hybrid bond. The interest paid out for this was EUR 25.2 million (before deduction of capital gains tax) at the end of 2022.

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

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

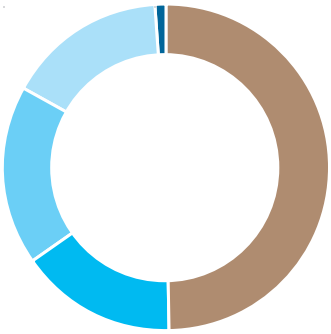
W.E.B bonds since 2010

Year	Maturity	Interest	Repayment	Volume (EUR million)
2010[1]	5 years	5.00%	final maturity	10.2
2011[1]	5 years	5.00%	final maturity	6.5
2013[1]	5 years	4.00%	final maturity	8.0
2013	10 years	5.25%	annual partial redemption	10.2
2013	10 years	5.50%	final maturity	6.4
2014[1]	5 years	3.50%	final maturity	10.6
2014	no maturity date	6.50%	hybrid	4.4
2015[1]	5 years	2.75%	final maturity	7.1
2015	10 years	4.00%	annual partial redemption	8.5
2015	no maturity date	6.50%	hybrid	6.7
2016[1]	5 years	2.50%	final maturity	7.0
2016	10 years	3.75%	annual partial redemption	6.9
2016	no maturity date	6.25%	hybrid	6.3
2018	10 years	2.25%	annual partial redemption	5.1
2018	no maturity date	4.50%	hybrid	10.0
2019	10 years	2.25%	annual partial redemption	5.0
2019	no maturity date	4.50%	hybrid	9.7
				128.6

[1] Already redeemed (as of 12/31/2022)

Regional distribution of bonds

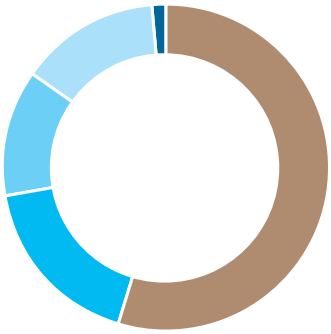
as of the reporting date on 12/31/2022



Number	Proportion		Region
36,253	49.85%		Lower Austria
11,303	15.54%		Vienna
12,894	17.73%		Upper Austria
11,480	15.79%		Austria excluding Lower A., Upper A., and Vienna
71,930	**98.92%**		**Total Austria**
787	1.08%		Other countries
72,717	**100.00%**		**All bonds**

Regional distribution of bond buyers

as of the reporting date on 12/31/2022



Number	Proportion		Region
1,287	54.77%		Lower Austria
416	17.70%		Vienna
292	12.43%		Upper Austria
326	13.87%		Austria excluding Lower A., Upper A., and Vienna
2,321	**98.77%**		**Total Austria**
29	1.23%		Other countries
2,350	**100.00%**		**All bond buyers**

Governing bodies of the Company

Our Supervisory Board

Josef Schweighofer
Chairman of the Supervisory Board
Born 1964

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

Reinhard Schanda
Deputy Chairman of the Supervisory Board
Born 1965

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

Stefan Bauer
Member of the Supervisory Board
Born 1977

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

Brigitte Ederer
Member of the Supervisory Board
Born 1956

- Member of the Supervisory Board since 5/25/2018
- Current Supervisory Board appointment ending at the 2023 Annual General Meeting
- Spokeswoman of Forum Versorgungssicherheit, an Austrian association with the goal of strengthening public understanding for the security of the Austrian energy and water supply

Martin Zimmermann
Member of the Supervisory Board

Born 1968

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

Mathias Dangl
Member of the Supervisory Board

Born 1987

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

Management Board

Frank Dumeier
Chief Executive Officer (CEO)

Born 1962

- Member of the Management Board since April 2010
- Current Management Board appointment: 4/1/2020 to 3/31/2025
- Member of the Management Board of IG Windkraft

Michael Trcka
Chief Financial Officer (CFO)

Born 1970

- Member of the Management Board since May 2009
- Current Management Board appointment: 5/1/2019 to 4/30/2024

Corporate governance

W.E.B's commitment to corporate governance

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

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

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

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

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

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

- **L-rules (legal requirements):** These rules refer to mandatory legal requirements
- **C-rules (comply or explain):** These rules must be followed; any deviation must be declared and the reasons stated
- **R-rules (recommendations):** These rules are recommended, and non-compliance requires neither disclosure nor explanation

Implementation of the Code of Corporate Governance by WEB Windenergie AG in the fiscal year 2022

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

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

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

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

C-Rule 18:

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

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

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

First, both of these provisions apply only to listed companies and are therefore not mandatory for WEB Windenergie AG; second, according to Sections 78a and 78b of the Austrian Stock Corporation Act (AktG), the Annual General Meeting is, for the first time, required to consider the remuneration policy for fiscal years beginning after June 10, 2019. Apart from the fact that this rule is not mandatory for unlisted companies, this would mean that WEB Windenergie AG would present its first remuneration report for fiscal year 2020.

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

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

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

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

In accordance with Article 12 of the Articles of Association, WEB Windenergie AG's Supervisory Board can have a maximum of nine members, but currently has only six members. Due to the small number of members and the specific circumstances of the Company, only one committee was set up: the Audit Committee. No other committees were formed, as this is not considered effective. The Supervisory Board conducts all of its business as a single unit. The ÖCGK also stipulates formation of a nomination committee in accordance with C-Rule 41 and a remuneration committee in accordance with C-Rule 43 only when a supervisory board has reached a "critical mass" of at least seven members. WEB Windenergie AG does not meet this criterion because it has only six Supervisory Board members. However, the Supervisory Board's rules of procedure generally provide for setting up committees other than the Audit Committee, so this could simply be done as needed. In Supervisory Board elections, attention is paid to filling the positions with candidates who have the necessary expertise (finance, law, technology, social skills).

C-Rule 49:

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

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

L-Rule 60:

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

[...]

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

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

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

C-Rule 68:

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

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

C-Rule 83:

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

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

Report of the Supervisory Board

in accordance with Section 96 AktG

Dear shareholders
and readers of this report,

Organization and activities of the Supervisory Board

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

Supervisory Board members Josef Schweighofer, DI (FH) Stefan Bauer, and Martin Zimmermann were elected for a further five years at the 22nd Annual General Meeting on May 28, 2021. Reinhard Schanda's appointment to the Supervisory Board is until the ordinary Annual General Meeting in 2024.

Brigitte Ederer's term of office expires at the end of the 24th Annual General Meeting on May 12, 2023. Brigitte Ederer is available for a further term of office on the Supervisory Board, and the Supervisory Board has therefore nominated her for re-election in accordance with its duty to propose candidates as set out in Section 198 (1) AktG. The candidate has issued a declaration pursuant to Section 87 (2) AktG confirming her professional qualifications and impartiality. The Supervisory Board is confident that, given the different educational backgrounds and professional experience of its members, its current composition has the required balance.

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

Furthermore, they discussed the future strategic direction of the Company and the significant Group companies. The Supervisory Board also considered the Company's engagement in new countries and scaling up project activities in existing countries, as well as the extent to which the Company should get involved in the hydrogen and battery storage sector.

The controls implemented in the open and constructive dialogue between the Management Board and Supervisory Board did not give rise to any objections. In addition, the chairman of the Supervisory Board was in constant contact with the Management Board to regularly receive information about the latest developments at the Company. In the course of its deliberations and decisions, the Supervisory Board considered environmental and social issues in addition to the economic aspects of the Company's business and reviewed the associated effects, risks, and opportunities.

Audit Committee

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

The Audit Committee held two meetings in the year under review, discussed specific issues in detail, and subsequently reported on these to the full Supervisory Board. In April 2022, the Committee deliberated on all issues concerning the annual and consolidated financial statements for 2021 and the proposal for appointing the auditor for 2022. At the meeting in November 2022, the auditor provided an overview of the planned course and areas of focus of the audit for the fiscal year 2022. In addition, the Audit Committee also discussed the corporate governance report and the monitoring of the accounting process, reviewed the effectiveness of the internal control system (ICS), including the risk management system, and monitored the auditor's independence. The Audit Committee also had the opportunity to consult and exchange information with the auditor without the presence of the Management Board.

Management Board

In the past fiscal year, the Company was managed by Management Board members Frank Dumeier (CEO) and Michael Trcka (CFO). The Management Board contract of Frank Dumeier runs until March 31, 2025 and that of Michael Trcka until April 30, 2024.

Result

The Supervisory Board assessed the annual result for fiscal year 2022 to be very good. Although existing long-term supply contracts prevented us from taking full advantage of the high electricity price, cost optimization and efficiency enhancements in all areas enabled us to achieve good results in 2022 despite the poor wind situation.

Operations in review

In 2022, wind output was -10.4%, well below the long-term average, and the W.E.B turbines only succeeded in exceeding their production target in three months.

Despite this, the Company was able to achieve a new production record of 1,312 GWh. A comparison of the absolute production of the total portfolios in 2022 and 2021 shows a 6.0% increase in production volume. This was attributable both to stable power plant operations and to the commissioning of new wind farms and a number of medium-sized solar power plants.

On the operations level, generation was very stable, with a high level of power plant availability. The only prolonged power plant shutdowns were caused by extreme weather events in Italy, Austria and Canada.

Project development in review

2022 was a good year for the commissioning of new plants, with our total portfolio increasing by 52.4 MW. The absolute power plant capacity currently in operation thus rose from 543.7 MW to 596.1 MW in 2022. 46.2% of the installed capacity is located in our home market of Austria.

The international project pipeline in all eight W.E.B markets has grown to a considerable volume: more than 111 wind and solar power projects have a total potential of approximately 3,000 MW.

Highlights include over 140 MW of projects in Italy, Austria and Germany at an advanced stage of development: turbines and components have already been ordered and intensive construction activities are scheduled to begin in 2023.

Electricity marketing in review

The electricity marketing segment was impacted by volatile energy markets in the 2022 financial year, particularly in Europe. Higher market prices meant that in some countries it was more attractive at times to market electricity directly to industrial or commercial customers rather than take advantage of subsidies. As a result, the long-standing political goal of ensuring that electricity from renewable energy sources can be sold at market prices without subsidies has been achieved.

In addition, we had to stop taking on new customers and concluding new contracts temporarily in the 2nd half of 2022 because the available volumes of self-produced electricity had already been fully marketed. About 13,300 metering points in the residential, business and corporate customer segments were supplied by the end of 2022.

Essentially, the high electricity prices jeopardize the competitiveness of industrial production in Europe and thus also Austria as a business location. Rapid and massive expansion of renewables is the only way to escape the price trap and supply the required amount of electricity at competitive prices.

Strategy

The November 2022 strategy retreat fundamentally affirmed the goal of increasing international growth.

The ambitious 2030 targets for expanding renewables, which have now been defined by policymakers in all the countries in which W.E.B operates, support our strategy of prioritizing increasing the critical mass of our core business in these markets.

The Management Board was also tasked with developing W.E.B's positioning for the medium to long term in a Strategy Project 2030+. Initial results are anticipated in the course of 2023, after which they will be implemented.

Annual financial statements for 2022 and proposal for the appropriation of profits

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Strasse 19, IZD-Tower, 1220 Vienna, which was appointed auditor of the financial statements for the fiscal year 2022, audited the annual financial statements for the fiscal year 2022, including the management report and consolidated financial statements for the fiscal year 2022, along with the group management report, and issued an unqualified audit opinion on each.

All documents for the financial statements, the proposal for the appropriation of the profits, and all audit reports by the auditor of the financial statements were discussed extensively and in detail by the Audit Committee with the auditor in a meeting on March 30, 2023. Furthermore, the auditor presented a separate report to the Audit Committee pursuant to Article 11 of Regulation (EU) No 537/2014 in conjunction with Section 92 (4a) No. 2 AktG regarding the audit of the separate financial statements and the consolidated financial statements for the fiscal year 2022. The results of this Audit Committee meeting were reported to the full Supervisory Board, and the proposals required by law were distributed.

The report on the annual financial statements and the consolidated financial statements including the group management report were discussed at the Supervisory Board meeting on March 30, 2023, held in conjunction with the Management Board and the auditor.

The Supervisory Board concurred with the results of the audits by the auditor and the Audit Committee; approved the annual financial statements for the period ending on December 31, 2022, submitted by the Management Board; approved the related management report by the Management Board; and endorsed the proposal for the appropriation of profits. The annual financial statements are therefore adopted in accordance with Section 96 (4) AktG. The Supervisory Board noted and endorsed the consolidated financial statements including the group management report.

The Supervisory Board therefore agrees with the Management Board's proposal to distribute EUR 9,201,650.70 (EUR 2.90 per share) of the total net retained profit of EUR 13,001,854.48 and to carry forward the remaining amount of EUR 3,800,203.78.

Audit of the annual financial statements for 2023

A proposal by the Audit Committee proposing the election of the auditor of the separate and consolidated financial statements for the fiscal year 2023 was prepared for the 24th Annual General Meeting. Ernst & Young Wirtschaftsprüfungsgesellschaft m. b. H., Wagramer Strasse 19, IZD-Tower (P.O. 89), 1220 Vienna, is proposed as auditor of the separate and consolidated financial statements for the fiscal year 2023 (January 1 to December 31, 2023).

Thanks

Finally, on behalf of the Supervisory Board, I would like to express my gratitude to all of our employees, the managing directors of the Group companies, and the Management Board, and to recognize their successful efforts in the past fiscal year 2022. My gratitude also goes out to our loyal customers, our joint venture and business partners in Austria and abroad, and our shareholders and bond buyers for the confidence they have demonstrated in W.E.B.

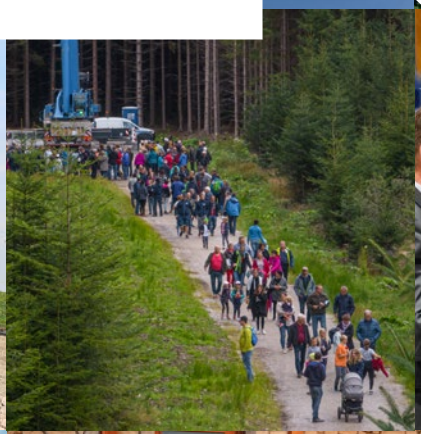
On behalf of the Supervisory Board

Josef Schweighofer
Chairman of the Supervisory Board
Pfaffenschlag, March 2023



in pictures
20





22 in figures

Group management report 70

Consolidated financial statements 102

Consolidated income statement 102

Consolidated statement of comprehensive income 103

Consolidated statement of financial position 104

Consolidated statement of cash flows 106

Consolidated statement of changes in equity 108

Notes to the consolidated financial statements 110

Auditor's Report 168

Separate financial statements 174

Income statement of WEB Windenergie AG 174

WEB Windenergie AG balance sheet 176

Group management report
for the fiscal year 2022

Content

1. General information 71

1.1 Branch offices 71

2. Political and regulatory framework 71

2.1 General regulatory framework in the EU and in Austria 71

2.2 Regulatory framework for pricing 75

2.3 Country-specific conditions 75

3. Energy market and economic environment 79

3.1 Climate impacts on generation conditions 79

3.2 Energy price performance 79

3.3 Financial markets—interest rate level 80

3.4 Exchange rate trend 81

4. Business performance 82

4.1 Electricity generation 82

4.2 Generation conditions, availability, and maintenance 82

4.3 Electricity sales 84

4.4 Financial performance 84

4.5 Assets and liabilities 86

4.6 Financial position 87

4.7 Financing 88

5. Non-financial report 89

5.1 Employees 89

5.2 Social responsibility 91

6. Innovation, research, and development 91

6.1 Technology innovations in generating electricity from wind and solar power 91

6.2 Hybrid projects—using the power grid twice 92

6.3 Dark Sky—needs-based nighttime marking 92

6.4 W.E.B headquarters as a lighthouse project for Austria's energy market in 2040 92

6.5 Innovation in battery-backed electricity storage 93

7. Opportunity and risk management 94

7.1 Introduction 94

7.2 Opportunity and risk profile 94

7.3 Significant opportunities, risks, and measures 95

7.4 Internal control and risk management system for the financial reporting process 98

8. Shareholder structure and capital information 99

9. Outlook 100

1. Overview

WEB Windenergie AG (W.E.B) headquartered at Davidstrasse 1, 3834 Pfaffenschlag, Lower Austria, jurisdiction: Krems an der Donau Regional Court (CR 184649v) is the parent company of the W.E.B Group. It is not listed on the stock exchange. W.E.B develops projects and operates power plants based on renewable energies. This includes projects and installations in the wind power, solar power, and hydropower sectors. W.E.B operates in eight countries in Europe and North America: Austria, Germany, France, Italy, the Czech Republic, Slovakia, Canada, and the United States. W.E.B has installed local teams in these countries that primarily develop new projects or acquire projects in various stages of development. Power plant operation in all the countries is coordinated centrally from Austria. We mainly sell the electricity we generate indirectly—through electricity traders, electric utilities, and, if the legal conditions are in place for green electricity, via national exchanges—but also directly to businesses and residential customers.

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

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

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

1.1 Branch offices

WEB Windenergie AG does not have any branch offices.

2. Political and regulatory framework

Global investments related to the energy transition amounted to a total of USD 1.1 trillion in 2022. This new record is due to the energy crisis and the resulting political measures for the faster expansion of renewable energies. Renewable energy, which includes wind and solar power, was the largest investment sector globally at USD 495 billion in 2022—an increase of 17% on the previous year. At USD 466 billion, spending on electric vehicles and related infrastructure has nearly overtaken spending on renewable energy. This represents an increase of 54% on the previous year. Hydrogen is the sector that saw the lowest financial commitment in 2022, at just USD 1.1 billion, despite growing political support. However, investments in this sector have more than tripled since the previous year. (Source: Bloomberg—Energy Transition Investment Trends)

2.1 General regulatory framework

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

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

The Green Deal currently includes the following initiatives:

Fit for 55

The Fit for 55 package presented in July 2021 is designed to translate the goals of the Green Deal into legal acts. More specifically, it is a set of proposals intended to update existing legislation relating to climate, energy, and transport, and introduce new legislative initiatives. It aims to adapt EU legislation to the EU's climate targets. Along with many other areas (emissions trading, carbon emissions and standards, energy efficiency), the Fit for 55 initiative also includes revisions to the Renewable Energy Directive. Accordingly, the EU target for the share of energy from renewable sources in the overall energy mix is to be raised from the current "at least 32%" to "at least 40%" by 2030.

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

On June 27, 2022, the EU energy ministers agreed on a common position on the proposal for a revised Renewable Energy Directive. The next step is negotiations with the European Parliament.

REPowerEU

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

Fiscal and legal measures are intended to enable the necessary energy infrastructure to be built, markedly accelerate the transition to clean energy and make Europe less dependent on unreliable energy suppliers and volatile fossil fuels.

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

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

European Climate Law

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

EU strategy for adapting to climate change

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

EU Biodiversity Strategy for 2030

The EU Biodiversity Strategy for 2030 aims to help restore Europe's biodiversity by 2030. This would benefit people, the climate, and the planet alike.

Farm to Fork Strategy

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

European Industrial Strategy

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

Circular Economy Action Plan

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

Batteries and waste batteries

The Commission has proposed updating the existing regulations and setting new, mandatory requirements for all batteries placed on the EU market, across all sectors (industrial, cars, electric vehicles, appliances). The aim is to take the entire life cycle of batteries into account, from the production process and design requirements to a new lease of life through recycling or the use of recycled materials in new batteries. The Council adopted a general approach on this proposal on March 17, 2022. The Council's position maintains and strengthens the fundamental features of the original Commission proposal, including the "battery passport", strict restrictions on hazardous substances, a carbon footprint for batteries and extended responsibility on the part of manufacturers.

A just transition

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

Clean, affordable, and secure energy

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

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

The target is to increase the share of renewable energies in total energy consumption in the EU to 40% (instead of 32%) and to increase energy efficiency by 36% for final energy consumption and 39% for primary energy consumption compared to the 2007 projections for the consumption level, excluding energy efficiency measures (the previous target was 32.5%). This would mean exceeding the 2020 projections by 9%.

EU Chemicals Strategy for Sustainability

Chemicals are essential to modern living standards and the economy. However, chemical substances can be harmful to people and the environment. In its March 2021 conclusions, the Council endorsed the EU Chemicals Strategy for Sustainability presented by the Commission.

Forest Strategy and deforestation-free imports

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

The USA returns to the Climate Agreement

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

Social movement organizations such as the international movement "Fridays for Future" are also contributing to a rethinking of policy. Following the COVID-19 crisis, however, the Russian war of aggression against Ukraine began in 2022 and shifted the focus to other topics.

2.2 Regulatory framework for pricing

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

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

The common electricity market between Austria and Germany was separated in October 2018 in a move driven by German energy regulator Bundesnetzagentur and European regulatory agency ACER. This change was targeted at the bottleneck caused by physical line capacities. This was intended to restrict the trade of primarily German wind power to the south; previously, it had flowed mainly via the Czech Republic and Poland and had put a massive strain on the grids there.

The electricity price had already risen massively at the end of 2021 due to different market developments, and 2022 began with the electricity price remaining high. As a result, the levy on excess profits of over EUR 180.00/MWh was regulated by the regulation on emergency measures in response to high energy prices in the EU (Council Regulation (EU) 2022/1854).

2.3 Country-specific conditions

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

For Austria, the current EU Effort-Sharing Regulation provides for a 36% reduction in greenhouse gas emissions (outside emissions trading) by 2030 compared to 2005. However, this target is not compatible with the updated 2030 target of at least a 55% net reduction in greenhouse gas emissions across the EU. According to the current proposal, the target for Austria should therefore be increased to –48%.

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

Legislative projects are also underway to make the tax system greener and reduce climate-damaging subsidies and incentive systems. A climate protection law has been under negotiation for some time. The EAG marks a structural change to subsidies for electricity from renewable sources.

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

The aim is to increase wind power by 400 MW per year, thus doubling the previous power expansion; in the PV sector, 1,000 MW are to be connected to the grid every year, corresponding to a six-fold increase in the previous power expansion.

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

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

The Austrian Federal Law on Energy Crisis Contribution (EKBSG) has been in force in Austria since December 1, 2022. It was adopted in response to high energy prices and Council Regulation (EU) 2022/1854. The EKBSG concerns electricity generators and the electricity they generate domestically. The revenue per MWh for the period December 1, 2022 to December 31, 2023, which exceeds the upper limit of EUR 140.00 or EUR 180.00 with proof of climate-friendly investments, is to be levied at 90%.

With its Renewable Energy Sources Act (EEG), **Germany** offers predictable framework conditions for the expansion of wind projects. The reference yield model also ensures the profitability of plants at less attractive locations because the auction process creates comparable competitive conditions for different locations, thus avoiding over-subsidization of wind turbines at good locations.

The EEG of July 21, 2014, last amended in December 2022, currently applies. The purpose of the EEG is "transformation to a sustainable and greenhouse gas-neutral power supply that is based entirely on renewable energies, in the interests of climate and environmental protection" (Section 1, (1) EEG). The aim of the legislation is to increase the share of electricity generated from renewable energies in gross electricity consumption within Germany, including the German exclusive economic zone (federal territory), to at least 80% by 2030.

The current expansion path for onshore wind power envisages an increase in installed capacity to 69 GW in 2024, 84 GW in 2026, 99 GW in 2028, 115 GW in 2030, 157 GW in 2035, and 160 GW in 2040. Since the expansion pathway is based on installed capacity, all wind turbines in operation (i.e., existing and new turbines) are added together. The reimbursement period remains roughly 20 years from the start of operation. For onshore wind energy, the tender volume for 2023 totals 12,840 MW, divided over three

dates. For solar power plants, the tender volume in 2023 is 5,850 MW for ground-mounted systems and systems on or in a physical structure, and 650 MW for solar systems on or in a building or noise barrier, again divided over three dates.

The Electricity Price Brake Act of December 20, 2022 regulates the levy on excess profits generated in Germany for the period from November 30, 2022 to July 1, 2023. This period can be extended to no later than April 30, 2024. According to the Electricity Price Brake Act, operators of power generation plants must generally pay 90% of the excess revenue to the grid operator. Excess revenue is considered to exist if the spot market revenue exceeds statutory thresholds (including a safety margin) in a given calendar month.

In the **Czech Republic** there is currently a feed-in tariff for new projects in the form of a bidding process. The first bidding process took place from October 5 to December 7, 2022. The auction applied to projects of 6–12 MW or 6–12 wind turbines. The first tender was for an installed capacity of 30 MW, on the condition that the plant must be commissioned by December 2025. The reference price was CZK 2.376/kWh. In the first call for tenders, no projects applied for a tariff. We assume that the main reason for this was the mandatory commission deadline in December 2025. In the Czech Republic, no wind project is likely to be sufficiently developed to be able to meet this date. As yet, there has been no indication as to whether there will be any further auctions. In addition to the bidding process, smaller projects (up to 6 MW) can apply for investment funding from the European Modernization Fund. This is currently mainly used for photovoltaic projects, but is open to applications for wind power projects. Existing systems will continue to be subsidized via a bonus system, whereby a fixed "green bonus" is granted in addition to the electricity revenue achieved on the market, depending on the technology and the year of commissioning.

Following Council Regulation (EU) 2022/1854, the Czech Republic has decided to implement a 90% levy on profits that exceed EUR 180.00/MWh.

In **Italy**, the tendering procedure (DM FER 1) was newly regulated by decree in June 2019 for subsequent years. This included a technology-neutral tender of 5,500 MW for new onshore wind farms and solar power plants that are not installed on agricultural land in a total of seven auctions that ran until the fall of 2021. Prices ranged from EUR 68.60/MWh (in the first four rounds) to EUR 21/MWh. The contracts put out to tender each have a term of 20 years and are not indexed.

The capacities advertised in Italy have not been fully achieved in the last two years, with the result that prices in past tendering procedures have been in the upper realms of the planned range.

Since the entire volume advertised did not come close to being used in 2021 either, it was decided in December 2021 to accelerate the construction of wind farms and photovoltaic parks with an eighth and, if necessary, ninth round of tenders for over 2,000 MW in February and May 2022. Since these tendered quantities were not fully used in 2022 either, we are assuming that the decree's period of validity will be extended and that there will be a further tranche for 2023. The enactment of a new funding scheme was originally expected for 2022, but this did not happen. We now anticipate a follow-up regulation based on the current decree in the course of 2023.

Italy has introduced a retrospective reduction in subsidized tariffs for certain legislative periods, effective February 1, 2022. For W.E.B, this regulation affected the existing solar power plants, but not the existing wind farm.

A partial levy will be applied on profits of over EUR 180.00/MWh from January 1, 2023 in comparison with the average profits of previous years via an increased tax rate on income.

Although **France** is already one of the largest wind energy nations in Europe, there is still considerable potential for further projects here due to the size of the country. Renewable energies are promoted through tariffs and tax benefits. An auction process was also introduced in France in 2017. Until 2017, power supply companies had to buy the electricity produced from wind power from operators of wind turbines who had submitted a corresponding application at an input tariff set by decree. Since 2017, only offshore power plants can receive an input tariff. New onshore wind farms must sell the electricity on the daily energy market through the services of a balance perimeter or aggregator.

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

In several **Canadian** provinces, input regulations with fixed tariffs similar to the European subsidy regimes apply to existing systems. However, all provinces are gradually switching to tendering procedures, some of which are similar to the models chosen in the EU. The resulting predictability and profitability of new projects ensure that this market remains attractive for us.

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

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

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

In **Slovakia**, the long-standing moratorium on the construction and grid connection of new renewable energy resources (RES) projects ended in 2020. It is now once again possible to set up solar power and wind projects (besides hydropower, biogas, and biomass, which are not as pertinent to W.E.B) and to feed electricity into the grid. There is currently no input tariff and there are no plans to introduce one. In the year under review, however, the Ministry of Economics began to carry out annual public procedures for awarding one-off grants. However, the process takes a long time: At the time this management report was prepared, there was still no final decision on the funding application for the first call in July 2022, for which W.E.B proposed a photovoltaic project.

3. Energy market and economic environment

3.1 Climate impacts on generation conditions

In 2022, temperatures in Austria were 1.0 degrees above the mean of the last 30 years and 2.3 degrees above that of the climate period between 1961 and 1990 (cf. ZAMG). This puts 2022 (tied with 2019) in third place behind 2018 and 2014. The effects of global warming are clearly being felt in Europe. Extreme weather phenomena are increasing and occurring at ever shorter intervals. There have been devastating forest fires, extreme heat waves, unprecedented droughts, and catastrophic floods in many regions of the EU.

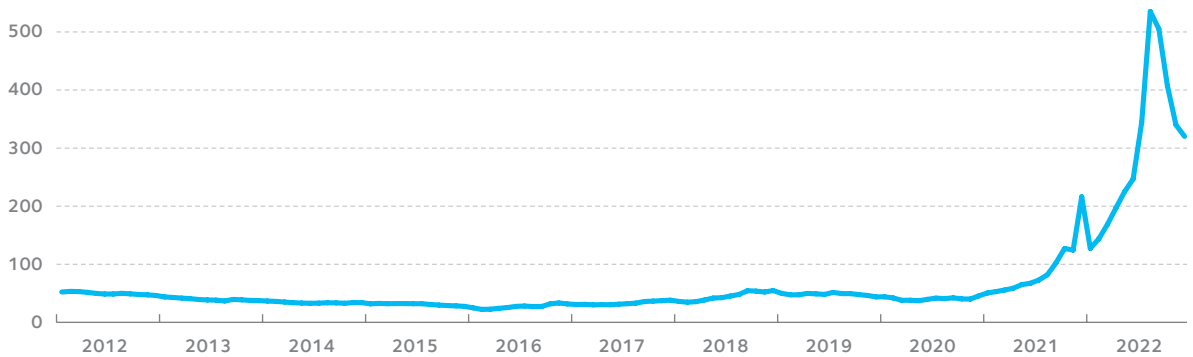
Of course, the long periods of heat have also had an impact on production results. Stable high-pressure systems repeatedly established themselves over Europe and blocked the offshoots of Atlantic low-pressure areas. Production results in North America could not make up for the deficit. The W.E.B portfolio saw surplus production in just three months out of twelve. Ultimately, the annual production of 1,312 GWh actually achieved fell well short of expectations at –10.4% (–153 GWh). Despite the mixed result, a new output high was reached in W.E.B's history thanks to the stable power plant operations and the newly commissioned solar power and wind farm projects.

3.2 Electricity price trend

The increase in electricity prices that began in 2021 continued in 2022. In the summer of 2022, the electricity price for the following year (Phelix Base 2023) rose to over EUR 500/MWh – an over tenfold increase compared to 2020 prices. This can probably be attributed to Russia's war of aggression in Ukraine, the resulting severe restrictions on the availability of Russian natural gas, uncertainties resulting from the war, and the limited availability of power plant capacity in Europe.

Electricity price trend 2012–2022

Baseload (EUR/MWh)



Wholesale electricity price trend in EUR/MWh by monthly average—Phelix Base Year Future 2012– 2022 (EEX) Source: finanzen.net

The massive price increases for end customers caused by the price increases in electricity trading prompted European politicians to intervene in the electricity market and subsidize electricity consumers.

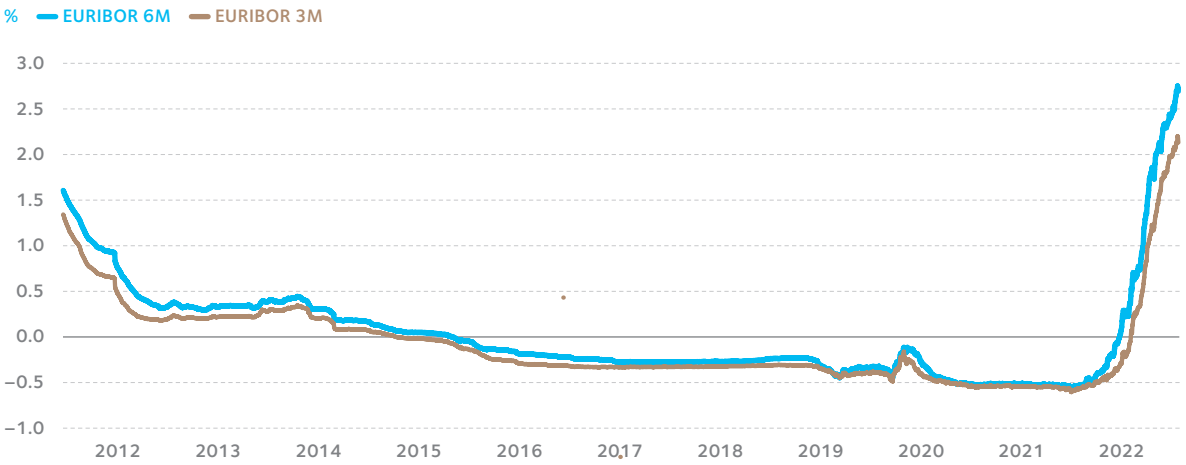
In October 2022, the EU member states decided on emergency measures in response to the high energy prices. These measures included a voluntary electricity price reduction in the member states and an upper limit of EUR 180/MWh for market revenues for infra-marginal producers (electricity producers whose production costs are below market prices).

This upper limit for market revenues also applies to electricity production by W.E.B and has been implemented differently in the various member states.

3.3 Financial markets—interest rate level

Due to high inflation in the euro area, the European Central Bank ended its low interest rate policy and gradually increased the key interest rate in 2022. The three-month and six-month EURIBOR rose by more than 2.5 and 3 percentage points respectively during the year, thus reaching the level seen before the financial crisis.

Development of reference interest rates



Development of 3M and 6M EURIBOR

Source: Graph based on data from Deutsche Bundesbank

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

3.4 Exchange rate trend

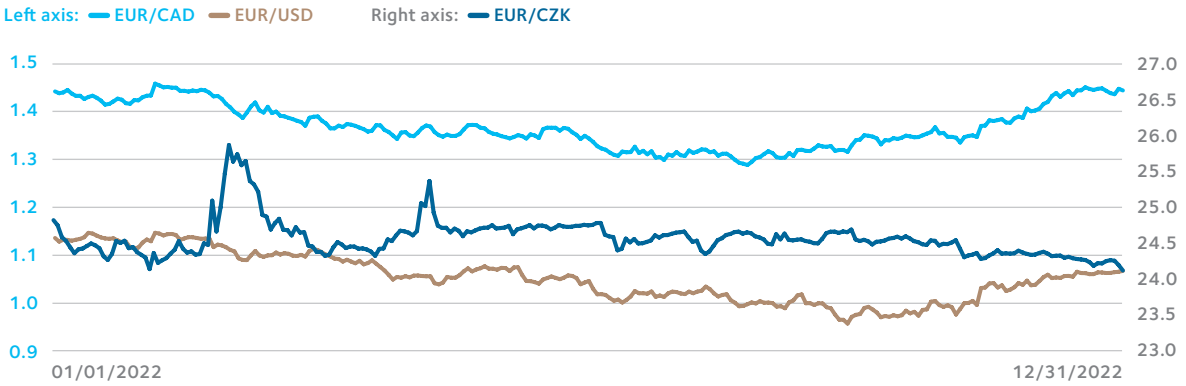
In 2022, the euro dropped almost 6% in value against the US dollar. At the beginning of the year, EUR 1 was still worth around USD 1.14, but the exchange rate fell to around USD 1.07 at the end of the year.

At the end of 2022, the Canadian dollar exchange rate was 1.44 CAD/EUR – similar to the beginning of the year.

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

The Czech koruna fell against the euro from CZK 24.82 at the beginning of 2022 to CZK 24.12 at the end of the year.

Exchange rate trend



Relevant currency exchange rates

Source: Graph based on data from the European Central Bank (ECB)

4. Business performance

4.1 Electricity generation

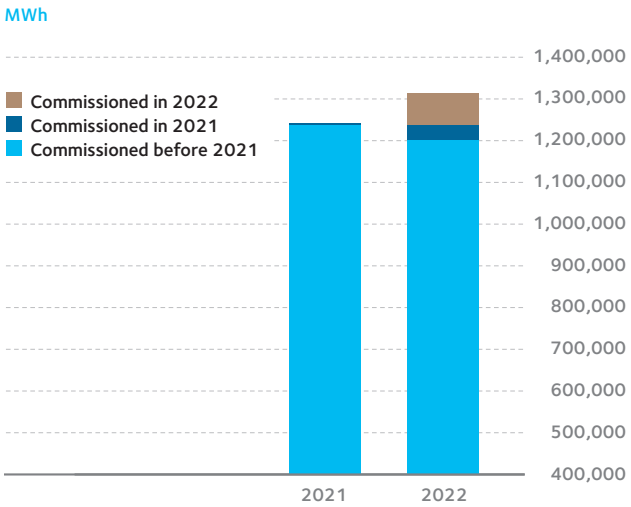
	2022		2021	
	Power	Production	Power	Production
	kW	MWh	kW	MWh
Austria	275,763	558,015	243,628	485,747
Germany	99,677	199,077	99,722	190,979
France	102,800	220,835	102,800	230,146
Czech Republic	9,080	14,820	9,080	14,235
Italy	32,315	50,650	32,064	61,404
Canada	39,831	215,429	39,831	224,552
USA	36,640	53,350	16,640	30,266
Total	**596,106**	**1,312,176**	**543,765**	**1,237,329**

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

Only production from interests of 50% or more is attributed 100% to the W.E.B Group. Interests that are not fully consolidated are not included in the production data. We report performance capacity on the basis of our holding, including investments in which we hold less than 50%.

To show the effects of production fluctuations at the existing plants on overall production, the diagram on the right distinguishes between existing power plants and those that have just been put into operation.

Annual output



4.2 Generation conditions, availability, and maintenance

As already mentioned, production conditions were less than optimal in Europe in 2022. The production target for W.E.B plants in Europe was only exceeded in three months. In addition to the lack of wind, rotor blade icing made production difficult.

If you compare absolute production across the entire portfolio in 2022 and 2021, the production volume increased by 6.0%. Besides stable power plant operation, the commissioning of new wind farms and some small to medium-sized solar power plants also contributed to this.

Viewed by country, the production of the Austrian power plant park was 11.3% below planned levels in 2022. Our portfolios in Germany, France, the Czech Republic, Italy, and the USA did not achieve the planned production level, either (–11.3%, –14.0%, –1.9%, –26.4% and –10.6%). Wind levels in Canada were slightly above average, so the budget values were exceeded (+2.2%).

Compared to the long-term average, production conditions for our wind turbines proved to be well below average in 2022 (–10.5%). Photovoltaic production also remained below target levels (–4.9%). Drought and low levels of precipitation had a negative impact on the production figures from hydroelectric power plants (–14.0%).

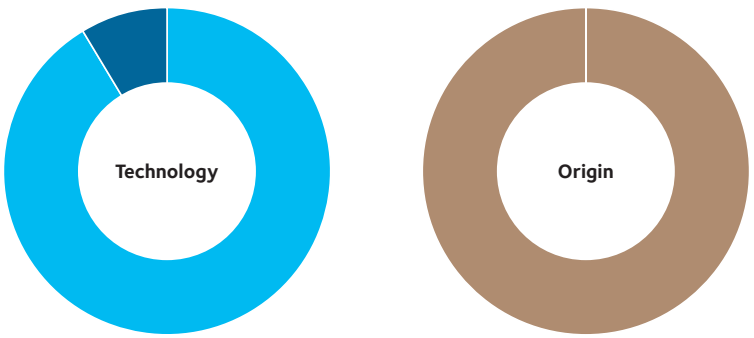
2022 was a good year in terms of new start-ups. In the wind power division, we commissioned two new wind farms in Austria (Matzen Klein-Harras II: 3 x V150, 4.2 MW each and Spannberg III: 4 x V150, 4.2 MW each), and a wind farm in the USA (Silver Maple: 5 x V136, 4.0 MW each). In the photovoltaic sector, a total of eight new systems were connected to the grid in Austria (Laa X: 70% share of 200 kW_p, Laa XI: 70% share of 446 kW_p, Laa XII: 70% share of 261 kW_p, Laa XIII: 70% share of 204 kW_p, Pfaffenschlag Hetzendorfer I: 314 kW_p, Ternitz I: 435 kW_p, Ternitz II: 974 kW_p, and Waidhofen VTW: 234 kW_p). The purchase of the Venafro solar power plant in Italy (252 kW_p) completed the strong increase in solar output. Overall, the portfolio increased by 52.4 MW. There was also a divestment, with part of the solar power park in Hagena, Germany (PV Wiefelstede 44.64 kW_p) sold on June 1, 2022.

4.2.1 Fuel mix disclosure

W.E.B's delivery volume of 114,201,945 kWh in 2022 comprised 91.37% from wind power, 4.42% from hydropower, and 4.21% from solar power.

Electricity labeling of W.E.B green electricity

WEB Windenergie AG supplier mix 01/2022–12/2022



A diagram showing all electricity labeling for your energy supply can be found at **web.energy**.

Checked by e-control

4.3 Electricity sales

The electricity generated by W.E.B is sold via electricity traders, electricity suppliers, and national processing agencies for renewable energies. Electricity that is no longer subsidized is also sold directly to business and private customers.

W.E.B's wind power and solar power systems are built on the basis of long-term power purchase agreements, including contracts with subsidy tariffs. For some of the systems, however, these fixed tariffs have already expired. Due to the electricity price trends in 2021 and 2022, the quantities of electricity produced by some power plants to which a subsidy tariff applies were marketed directly.

	2022		2021	
	MWh	%	MWh	%
Electricity generation	1,312,176	100	1,237,329	100
of which subsidized	1,082,743	83	1,016,441	82
of which not subsidized	229,433	17	220,888	18

Along with sales via the relevant exchanges, W.E.B began selling to electricity traders and energy suppliers in Germany in 2011, and to end customers in 2020. In Austria, W.E.B has been selling electricity directly to private and business customers since 2013.

W.E.B also offers its customers the opportunity to sell excess electricity from their private solar power systems to W.E.B as solar power suppliers in their own right. A small proportion of Austrian electricity is sold via the e-car charging network of subsidiary ella GmbH & Co KG.

In 2022, W.E.B sold a total of 114,202 MWh of electricity via direct sales in Austria.

4.4 Financial performance

W.E.B's profit after tax in 2022 was up 73.9% on the prior-year figure. This is primarily due to the increase in sales compared to the previous year.

Consolidated income statement	2022	2021
EUR k		
Revenue	**174,075.8**	**113,609.6**
Other operating income	3,711.5	2,444.3
Operating input	**177,787.3**	**116,054.0**
Cost of materials and purchased services	–31,975.6	–8,610.6
Personnel expenses	–17,495.4	–13,611.1
Depreciation	–44,649.9	–40,765.4
Other operating expenses	–34,033.0	–21,629.1
Subtotal	–128,153.9	–84,616.2
Operating result	**49,633.4**	**31,437.8**
Net financial result	**–8,636.7**	**–9,282.1**
Profit or loss before taxes on income	**40,996.7**	**22,155.6**
Tax on income	–11,307.9	–5,079.1
Profit after taxes on income	**29,688.9**	**17,076.5**

4.4.1 Revenue

Revenue in 2022 was 53.2% above the previous year (EUR 113.6 million). The main reason for this increase was the higher electricity prices for direct selling from power plants compared to the previous year.

Viewed by category, sales can be broken down as follows:

Sales breakdown by category	**2022**	**2021**	**+/– %**
EUR k			
Wind	140,064.1	98,462.1	42.3
Photovoltaics	8,723.2	6,135.2	42.2
Water	516.9	235.1	>100
Proceeds from the sale of electricity directly to consumers and from electricity distribution	13,257.4	5,531.4	>100
Spot credit	11,251.7	3,108.0	>100
Rental income	262.5	137.9	90.4
Total	**174,075.8**	**113,609.6**	**53.2**

Sales breakdown by country	**2022**	**2021**	**+/– %**
EUR k			
Austria	80,123.4	43,873.7	82.6
Germany	34,805.5	19,227.6	81.0
Italy	9,887.4	10,149.8	–2.6
Czech Republic	2,783.1	2,524.4	10.2
France	24,821.1	18,869.1	31.5
Canada	16,633.9	16,101.6	3.3
USA	5,021.4	2,863.4	75.4
Total	**174,075.8**	**113,609.6**	**53.2**

4.4.2 Other operating income

In 2022, other operating income increased by 51.8% to EUR 3,711.5 thousand. In particular, it includes revenue from onward charging, operational management and maintenance contracts, insurance compensation, and income from construction management.

4.4.3 Cost of materials and purchased services

This item includes expenses for electricity purchases, spot bills, balancing energy, network loss charges, and network usage fees (EUR 31,469.9 thousand, previous year: EUR 8,487.7 thousand) and the cost of materials. In total, the item increased by EUR 23,365.0 thousand due to the increase in electricity purchases for marketing, spot billing, and balancing energy. This represents a threefold increase on the previous year.

4.4.4 Personnel expenses

In 2022, personnel expenses increased by 28.5% on the 2021 figures to EUR 17,495.4 thousand. This increase is mainly due to the increase in the number of employees due to international expansion and the recognition of premium provisions for 2022.

4.4.5 Other operating expenses

In 2022, other operating expenses increased by 57.4% to EUR 34,033.0 thousand. This increase was primarily due to the recording of the levy on excess income, which amounted to EUR 7,720.6 thousand, along with higher income-related leases and increased maintenance and operating costs for our power plants.

4.4.6 Net financial result

Interest expenses in the reporting period were higher than in the previous year, mainly due to newly assumed financial liabilities. In total, the net financial result amounted to EUR –8,636.7 thousand (previous year: EUR –9,282.1 thousand). The result for companies accounted for using the equity method was significantly higher than in the previous year.

4.4.7 Dividend/hybrid bond

At the Annual General Meeting on May 20, 2022, the decision was made to distribute a dividend of EUR 2.10 per share for the 2021 financial year (a total of EUR 6,663.3 thousand). The payment was made on June 17, 2022. In accordance with the terms of the hybrid bonds issued in 2014, 2015, 2016, 2018, and 2019, partial repayments of EUR 443.8 thousand, EUR 672.7 thousand, EUR 634.9 thousand, EUR 999.9 thousand, and EUR 965.9 thousand, as well as interest payments of EUR 86.5 thousand, EUR 174.9 thousand, EUR 198.4 thousand, EUR 315.0 thousand, and EUR 347.7 thousand, were made as a result of this dividend distribution.

4.5 Financial position

	12/31/2022		12/31/2021	
	EUR k	%	EUR k	%
Noncurrent assets	619,243.4	84	567,294.9	84
Current assets	121,078.7	16	105,562.5	16
Total assets	**740,322.1**	**100**	**672,857.4**	**100**
Equity	209,129.1	28	182,227.5	27
Noncurrent liabilities	420,234.2	57	426,715.3	63
Current liabilities	110,958.8	15	63,914.6	10
Total liabilities	**740,322.1**	**100**	**672,857.4**	**100**

The increase in noncurrent assets is primarily due to investments in projects and plants under construction. Liabilities increased, in part due to new financial liabilities being assumed in the year under review.

Investments	2022	2021
EUR k		
Capital expenditure for intangible assets	3,586.3	3,215.8
Capital expenditure for property, plant, and equipment	99,425.6	49,757.2
Total	**103,011.9**	**52,973.0**

The main investments in the fiscal year 2022 concern power plants under construction in Austria, Italy, and Germany.

4.6 Financial position

4.6.1 Cash flow

EUR k	2022	2021
Cash flow from operating activities	73,798.4	69,007.2
Cash flow from investing activities	–74,692.2	–44,267.9
Cash flow from financing activities	–5,327.9	12,041.7
Total cash flow	**–6,221.7**	**36,780.9**

Cash flow from operating activities amounted to EUR 73,798.4 thousand in the 2022 reporting period, up 6.9% on the prior-year figure. This is due to increased sales.

Cash flow from investing activities amounted to EUR –74,692.2 thousand (previous year: EUR –44,267.9 thousand). The increase is mainly due to significantly higher payments for investments in intangible assets and property, plant and equipment compared to the previous year.

Cash flow from financing activities amounted to EUR –5,327.9 thousand in the reporting period (previous year: EUR 12,041.7 thousand). This amount includes dividend payments for the fiscal year 2021 made to the shareholders of WEB Windenergie AG, as well as scheduled repayments of financial liabilities. The change compared to the previous year can primarily be attributed to the capital increase of WEB Windenergie AG in the previous year.

4.6.2 Key performance indicators

	2022	2021
Revenue (EUR k)	174,075.8	113,609.6
Profit before interest and taxes (EUR k)	53,511.2	33,676.2
Return on sales	30.7%	29.6%
Return on equity	15.2%	10.3%
Return on investment	7.6%	5.2%
Net debt (EUR k)	410,968.1	382,818.3
Net gearing	196.5%	210.1%
Working capital (EUR k)	10,119.8	41,647.9
Repayment period (years)	4.4	5.3
Equity ratio	28.2%	27.1%

Return on sales represents the ratio of profit before interest and taxes, which is comprised of the profit before tax plus interest expenses, to revenue generated, and it shows a company's profitability from operations independent of interest expenses and taxes. The slight increase from 29.6% in 2021 to 30.7% in 2022 can be explained by the fact that sales increased more sharply in relation to profit before interest and taxes.

Return on equity represents the ratio of net income for the year to the capital employed. It indicates the interest yield on the capital provided by the equity investors after deducting the income tax within a given period. In 2022, we were able to generate a return on equity of 15.2% for our owners.

Return on investment represents the ratio of profit before interest and taxes to the average total capital employed, and it indicates the interest yield of the total capital employed within a given period. This indicator is high, at 7.2%.

Net gearing is the ratio of net debt, determined as interest-bearing debt less cash and cash equivalents, to a company's equity. This makes it a key indicator for assessing a company's ability to withstand a crisis. Since equity has increased more than net debt, the net debt ratio of 196.5% is slightly below the previous year's value.

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

The repayment period, which at 4.4 years is lower than in the previous year, is determined by the ratio of net debt to operating profit plus depreciation, amortization, and impairment losses.

The equity ratio, which expresses equity in relation to total capital, is 28.2% higher than the figure for 2021 (27.1%) due to the increase in income compared to the previous year.

4.7 Financing

In the 2022 financial year, we took out long-term loans to finance investments in the Götzendorf and Dürnkrut III wind farms in Austria, the Ariano wind farm in Italy, and the Silver Maple wind farm in the USA.

4.7.1 Financing strategy

When making investment decisions, we always consider our current liquidity situation and our further liquidity planning. We finance our investments by means of long-term loans, as well as by issuing bonds and hybrid bonds. Both the bonds and the hybrid bonds carry fixed interest rates, while the loans to finance our power plants carry both fixed and variable interest rates. Interest rate swaps have been entered into for around 68% (previous year: 51%) of the existing variable rate financial liabilities. Accordingly, around 90% (previous year: 91%) of loan liabilities are hedged with a fixed interest rate as of December 31, 2022. An increase in the interest rate of 1 percentage point would cause a negative impact to profit of EUR 427.4 thousand per year (previous year: EUR 346.7 thousand).

4.7.2 Repayment structure

We repaid EUR 82,531.0 thousand of long-term loans in the fiscal year 2022. A total of EUR 44,646.4 thousand will become due in 2023. A total of EUR 149,302.5 thousand is scheduled to be repaid from 2024 to 2027.

5. Non-financial report

5.1 Employees

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

The number of employees increased once again in the reporting period. The proportion of women has increased by 1.3% compared to the previous year, resulting in a total of 38.6% women.

Employees by country and gender

	12/31/2022	12/31/2021
Austria (AG)	**152**	**141**
of which men	89	81
of which women	63	60
Germany	**12**	**10**
of which men	9	9
of which women	3	1
Canada	**10**	**10**
of which men	8	8
of which women	2	2
France	**17**	**14**
of which men	10	11
of which women	7	3
Italy	**10**	**8**
of which men	8	6
of which women	2	2
Czech Republic	**3**	**3**
of which men	2	2
of which women	1	1
USA	**5**	**2**
of which men	3	1
of which women	2	1
Slovakia	**1**	**0**
of which men	0	0
of which women	1	0
Total	**210**	**188**
of which men	129	118
of which women	81	70
Percentage of women	38.6%	37.2%

Employees by age

	12/31/2022	12/31/2021
under 20	3	1
21–30 years	58	47
31–40 years	70	69
41–50 years	49	43
51–60 years	28	26
over 60	2	2
Total	**210**	**188**
Average age	37.6	38.2

The number of part-time employees remains the same as in the previous year. The main reason for part-time employment is the return of employees previously on family leave, some of whom are taking advantage of flexible working hours, with others preparing to return to full-time work.

Employee numbers by employment type and gender

	12/31/2022	12/31/2021
Full-time	169	147
of which men	122	110
of which women	47	37
Part-time	41	41
of which men	7	8
of which women	34	33
Total	**210**	**188**

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

	12/31/2022	12/31/2021
Permanent	**205**	**184**
of which men	125	117
of which women	84	67
Temporary	**5**	**4**
of which men	4	1
of which women	1	3
Total	**210**	**188**

In keeping with the growth of our Company, we also invested continually in the training and continuing education of our employees throughout the reporting period. Per-capita direct training expenses amounted to EUR 1,185 in the reporting period (previous year: EUR 659).

A key element of our corporate culture is mutual feedback between managers and employees as part of annual employee appraisals. Goals are also set and options for further development discussed as part of

these appraisals. To achieve this, our managers continue to receive professional input at the Leadership Cafés introduced in 2019.

The employee survey has been part of our Company since 2012 and was conducted on the basis of the Great Place to Work® concept for the fourth time in 2022. Areas for action are set out based on the results and serve as an important tool for increasing employee satisfaction. The efforts undertaken by WEB Windenergie AG were rewarded with the Great Place to Work® certification for the second time in 2022.

The W.E.B Rose Program (W.E.B-Rosenprogramm) provides voluntary activities, programs such as Fruit for Employees, and organized luncheons, creating a pleasant work atmosphere.

5.2 Social responsibility

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

In all W.E.B markets we therefore support initiatives and activities in our site regions that contribute to a thriving life together and to the quality of life in the communities. In line with this, W.E.B has also increased its commitment to sponsoring local sports and cultural associations.

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

Every few years, we also hold an open day at our company headquarters, with the next one planned for 2024.

6. Innovation, research and development

6.1 Technology innovations in generating electricity from wind and solar power

The costs of generating electricity from wind and solar power are now clearly lower than those for fossil and nuclear electricity generation. And there is further potential for efficiency improvements in both of these renewable technologies. W.E.B continued to pursue two R&D priorities in the reporting period with a view to making progress in this area. The first priority is performance-enhanced photovoltaic systems; the second is the combination of wind and solar power at a common grid transfer point (hybrid systems).

6.2 Hybrid projects—using the power grid twice

Our second focus in innovation is the optimal design of hybrid systems combining wind and solar power generation at a single metering point. We sought to incorporate the first MW-scale plant into the construction planning process. Finally, the Grafenschlag II wind farm in Austria was selected for the implemen-

tation of the first hybrid system based on capacity utilization simulations. The photovoltaic park received the necessary permits in 2022. According to our plans, the photovoltaic element will be implemented in 2024.

6.3 Dark Sky—needs-based nighttime marking

Wind turbines need to be clearly marked with flashing lights for flight safety reasons. This is ensured by flashing lights. The current generation of turbines is built higher, so they require a large number of flashing lights. However, local residents can find large wind farms obtrusive at night as a result.

The option of needs-based or needs-controlled nighttime marking has existed for a number of years. Needs-based nighttime marking is a technical measure that ensures that the nocturnal red flashing light of the wind turbines is only switched on when there is an aircraft in the vicinity. This reduces light pollution from wind turbines by over 98%.

In an international project, W.E.B began tackling the conversion of its German and American fleet of wind turbines. After more than two years of preparation, our first wind farm in Weener, Lower Saxony, was equipped with needs-based nighttime marking in January 2022. The Silver Maple and Pisgah Mountain wind farms in the USA were equipped with the technology in late 2022.

In the wake of these successes, we are now taking active steps to expedite the legislative changes required to enable needs-based nighttime marking in Austria and implement it at our wind power sites. This could significantly improve conditions during darkness for residents near wind turbines.

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

Sector coupling involves the integration of different application areas with electricity generation from renewable energy sources, with the goal of using energy as efficiently as possible and, as far as possible, consuming energy when it is produced. The concept is a key factor for transitioning away from fossil fuels to 100% renewable energy sources.

Every sector (mobility, heating and cooling, industry, crafts and trades, etc.) has different consumption profiles and peaks and also has different means at its disposal for storing energy and for what is known as demand-side management. By combining these, energy consumption can be balanced between the sectors.

In order to verify the relevant elements of sector coupling, we modified our headquarters in Pfaffenschlag in recent years to become a model project for sector coupling. The following related research projects were carried out in the 2022 reporting year:

6.4.1 Madelaine

This FFG project is aimed at developing a flexible parking lot charging system with fast charging for electric vehicles.

In 2021, the project consortium concentrated on implementing the planning phase in interdisciplinary working groups and completing the development of the system architecture. The first critical system

components were purchased according to the calculated specifications, and tested in the laboratory. In 2022, essential parts of the charging infrastructure were installed at the company site. Test operation is scheduled for 2023.

6.4.2 SmartForecastTrade

The aim of the project, which is funded by the W.E.B innovation pool, is to use our information advantage in wind forecasting to avoid balancing energy risks. Automated intraday trading of our wind forecast updates can ensure that generation quantities are correctly recorded in our schedule against the day-ahead forecast given. Getting started in intraday trading marked an important milestone for future optimization of the energy industry. The project was completed at the end of 2022 and the system is now in real-world use.

6.5 Innovation in battery-based electricity storage

6.5.1 Battery optimization at the Pfaffenschlag site, Austria

The battery at the Pfaffenschlag site has been optimized in various operating modes as part of the Flex+ project. Essentially, the Flex+ algorithm always uses the battery in such a way as to achieve an economically optimal schedule for the entire site. This may also mean that solar power is fed into the grid even though battery capacity is still available, but conversely that it is taken from the grid although the batteries are charged in order to absorb a later and more expensive peak.

6.5.2 Upgrading the W.E.B campus with a mains isolator (blackout resistance)

The battery was also upgraded to ensure that the site could be operated in isolation, in conjunction with the photovoltaic systems. This means that even in the event of prolonged power failures, the W.E.B headquarters can continue to operate.

6.5.3 Using a large-scale battery to boost hybrid system performance

The possibility of installing a large-scale battery in the planned Grafenschlag II hybrid system is currently being analyzed. This would enable us to achieve an ideal production profile on the power plant side and to optimize the compatible utilization of the installed grid capacity. In addition, we expect further economic benefits to emerge once this is in operation.

7. Opportunity and risk management

7.1 Introduction

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

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

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

Last year, work focused on adjusting the opportunity and risk profile.

7.2 Opportunity and risk profile

Generating electricity from wind power plants and solar power installations depends heavily on weather conditions. Output is subject to strong seasonal and annual fluctuations. Management takes this risk into consideration when selecting project sites. System availability in the grid is another key factor for W.E.B's profitability. The technical availability of the power plants averaged 98.6% in 2022 (previous year: 98.5%).

Only early inclusion of all stakeholders, compliance with regulatory conditions, and effective project management can ensure the success of projects. Operation and maintenance of plants used over the course of many years—comprising the significant assets of W.E.B—requires highly qualified employees. In addition to these risks and uncertainties customary for the industry, our Company's risk profile is mainly characterized by political, legal, and regulatory challenges, and changes in the competitive environment.

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

There were no contingent liabilities as of December 31, 2022.

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

With the exception of the above-mentioned interest rate swaps (see notes to the financial statements, note (22) Derivative financial instruments), no special hedges/hedging transactions were entered into in the fiscal year 2022.

7.3 Significant opportunities and risks as well as measures

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

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

Category	Description	Actions	Effect on profit: Opportunity	Effect on profit: Risk
Counterparty risk—suppliers				
Dependence on turbine manufacturers	Operation of wind turbines of two main suppliers; if one of these manufacturers were to experience financial difficulties, this could have a negative impact on our claims	Buildup of expertise in trouble-shooting and corrective action; inspections; both companies are internationally operating manufacturers with significant shares of the global market; advance payments for new turbines; some existing turbines have guarantee/warranty claims and availability guarantees arising from maintenance agreements		x
Price risk				
Price risk and political risk	There are tariffs guaranteed for the medium and long term for some of the electricity generated; changes to laws that safeguard tariffs; threat to plant profitability	**Overview of tariff guarantee terms** Tariff guarantee terms / Percentage of planned generation 2022 / 2021 Expired 17.5% 17.8% <1 year 0.3% 0.3% 1–5 years 17.3% 13.6% >5 years 64.9% 68.3% Direct marketing contracts concluded in Germany where a switch to a subsidized tariff is possible; monitoring of the development of the electricity price for systems without a tariff and for any exit from the tariff		x
Organization				
Resource bottlenecks due to too many internal projects/tasks happening at the same time	Too many tasks/projects at the same time	Uniform approach in internal project management, introduction of project portfolio management		x
Inefficiencies in running processes	Inefficiencies due to lack of knowledge	Development of a specific process map		x
Physical access to W.E.B site	Access to site	Key and e-key management		x
Electricity marketing				
Electricity sales—spot marketing	Deviation between expected and actual sales prices	Pricing strategy, ongoing monitoring of development	x	x
Electricity marketing—balancing energy	Purchase of balancing energy required	Forecast improvement through feedback reporting of real values, remote controllability of the systems, intraday marketing	x	x

Category	Description	Actions	Effect on profit: Opportunity	Effect on profit: Risk
Improbable/serious				
Fire in office and storage area	Building destruction due to fire	Fire safety drills; fire detectors, fire alarms		x
Risk of personal injury from falling ice	Required protection not in place	Work instruction for ice control; ice concept (ice warning sign, danger areas, ice sensors)		x
Sabotage by former employees	Access data retained after leaving the company	Offboarding		x
Bank failure	Collapse of a bank	Critical selection of partners, bank rating monitoring		x
Damage/total loss	Total loss of assets	Full maintenance contracts, insurance		x

7.4 Internal control and risk management system for the financial reporting process

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

7.4.1 Organizational framework

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

7.4.2 Basic principles of the internal control and risk management system

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

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

7.4.3 Periodic monitoring

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

8. Shareholder structure and capital information

In accordance with Section 243a (1) UGB

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

The shares are restricted shares which are unlisted. In accordance with the Articles of Association, these shares can only be transferred with the Company's approval, which is granted by the Management Board in consultation with the Supervisory Board.

As of December 31, 2022, no shareholder held more than 10% of the Company. The Articles of Association limit the voting rights of shareholders holding more shares in that those rights can only be exercised for a maximum of 10% of the share capital.

Shareholders by ownership interest

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

There are no shares with special control rights.

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

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

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

There were no authorizations of the Management Board within the meaning of Section 243a (1) No. 7 UGB, particularly regarding the option to issue or buy back shares, in the fiscal year 2022.

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

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

9. Outlook

Based on the three main pillars of project development, power plant operations, and electricity marketing, W.E.B is consistently implementing its vision of playing a leading role in the decentralized energy transition. A foundation of broad community participation is of great importance to us and has been since beginning our activities. We give private individuals and companies an attractive opportunity to participate in the energy transition and consider this to be essential in implementing our vision.

From March 1, 2023 to April 11, 2023, WEB Windenergie AG will again publicly offer bonds for subscription in Austria and Germany. The projected value date is April 19, 2023. WEB AG reserves the right to shorten or extend the offer period. The partial repayment bond 2023–2033 will be issued with an interest rate of 4.5% and a denomination of EUR 1,000.00 per partial bond with a total nominal value of EUR 20,000,000.00 and the possibility of increasing to a total nominal value of up to EUR 48,000,000.00.

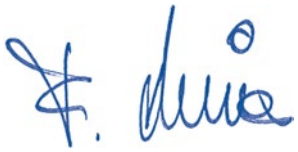
Our dividend policy aims to ensure that distributions are as stable as possible. One third of the consolidated profit is to be distributed.

In our growth process, we continue to rely on a mix of wind and solar energy as well as on expanding our national and international capacity. In the year under review, the Matzen Klein-Harras II and Spannberg III wind farms in Austria, the Silver Maple wind farm in the USA, and eight solar power plants in Austria went into operation. Construction progressed on other projects in Austria and Germany, and construction work began in Italy.

The development of W.E.B's earnings largely depends on the electricity generated by our power plants and electricity prices. Power generation is primarily determined by wind levels in the site regions. In January 2023, which was cloudy and mild, our wind turbines produced 7% and our solar power plants 31% below the planned production volume. These fluctuations will also be reflected in the profit of W.E.B.

As early as the summer of 2021, the electricity price had started to rise as a result of increasing gas prices, which was initially mainly reflected on the exchanges. Since then, prices have increased significantly, not least due to the war in Ukraine, and are now affecting energy consumers. Greater expansion of renewable energies and the provision of sufficient renewable electricity could reduce prices and dependence on gas. Currently, there are efforts and plans for a regulatory cap on electricity revenues in the European markets, partly on the basis of EU legal requirements.

The Management Board
Pfaffenschlag, March 23, 2023



Frank Dumeier

Michael Trcka

Consolidated financial statements (IFRS)

Consolidated income statement 01/01–12/31/2022

EUR k	Notes to the consolidated financial statements	2022	2021
Revenue	**1**	**174,075.8**	**113,609.6**
Other operating income	2	3,711.5	2,444.3
Cost of materials and purchased services	3	–31,975.6	–8,610.6
Personnel expenses	4	–17,495.4	–13,611.1
Depreciation	5	–44,649.9	–40,765.4
Other operating expenses	6	–34,033.0	–21,629.1
Operating result		**49,633.4**	**31,437.8**
Share of profit or loss of equity-accounted investments	13	2,472.5	1,190.3
Interest income	7	924.9	1,014.5
Interest expense	8	–12,514.5	–11,520.5
Other net financial result	9	480.4	33.6
Net financial result		**–8,636.7**	**–9,282.1**
Profit or loss before taxes on income		**40,996.7**	**22,155.6**
Tax on profits	24	–11,307.9	–5,079.1
Profit after taxes on income		**29,688.9**	**17,076.5**
of which intended to be attributable to hybrid capital investors		1,069.0	1,269.8
of which attributable to noncontrolling interests		1,932.3	2,115.3
of which attributable to shareholders of WEB AG		**26,687.6**	**13,691.5**
Earnings per share[1] (EUR)	10	**8.4**	**4.7**

[1] Diluted earnings per share are the same as basic earnings per share

Consolidated statement of comprehensive income

EUR k	2022	2021
Profit after taxes on income	**29,688.9**	**17,076.5**
Items that will subsequently be reclassified to profit or loss		
Currency translation differences	2,368.7	3,929.1
Changes in the fair value of cash flow hedges	12,662.7	2,335.8
Income taxes on other comprehensive income	–3,297.5	–636.4
Total other comprehensive income	**–11,733.9**	**5,628.5**
Total comprehensive income, net of tax	**41,422.8**	**22,705.0**
of which total comprehensive income attributable to hybrid capital investors	1,069.0	1,269.8
of which total comprehensive income attributable to noncontrolling interests	2,305.6	3,156.2
of which total comprehensive income attributable to shareholders of WEB AG	**38,048.1**	**18,279.1**

See note (19).

Consolidated balance sheet as of December 31, 2022

EUR k	Notes to the consolidated financial statements	12/31/2022	12/31/2021
Assets			
Intangible assets	11	29,917.3	29,184.2
Property, plant, and equipment	12	553,364.0	512,869.9
Investments in associates and joint ventures	13	5,639.6	4,190.9
Noncurrent financial assets	14	29,861.6	19,642.6
Deferred tax assets	24	460.9	1,407.3
Noncurrent assets		**619,243.4**	**567,294.9**
Inventories	15	6,702.9	4,328.0
Trade receivables	16	19,604.3	17,086.8
Other receivables and assets	17	34,011.6	17,357.8
Income tax receivables		1,173.4	2,141.8
Cash and cash equivalents	18	59,586.4	64,648.1
Current assets		**121,078.7**	**105,562.5**
Total assets		**740,322.1**	**672,857.4**

EUR k	Notes to the consolidated financial statements	12/31/2022	12/31/2021
Equity and liabilities			
Share capital	19	31,729.8	31,729.8
Capital reserves	19	45,286.6	45,286.6
Hybrid capital	19	18,022.4	21,699.1
Other reserves	19	7,052.0	-4,308.5
Retained earnings	19	94,558.9	74,738.7
Equity attributable to shareholders of WEB AG		**196,649.7**	**169,145.7**
Noncontrolling interests	20	12,479.4	13,081.8
Equity		**209,129.1**	**182,227.5**
Financial liabilities	21	374,204.3	368,918.0
Bonds	22	9,257.4	19,368.5
Deferred tax liabilities	24	24,180.7	18,999.4
Provisions	25	12,591.8	15,412.6
Other noncurrent liabilities	23	0.0	4,016.8
Noncurrent liabilities		**420,234.2**	**426,715.3**
Financial liabilities	21	64,285.5	39,904.4
Bonds	22	10,455.8	4,082.5
Income tax payables		4,180.0	4,059.6
Trade and other payables	26	32,037.6	15,868.0
Current liabilities		**110,958.8**	**63,914.6**
Total liabilities		**531,193.0**	**490,629.9**
Total equity and liabilities		**740,322.1**	**672,857.4**
Equity (excl. hybrid capital and noncontrolling interests) per share (EUR)		**56.2**	**46.4**

Consolidated statement of cash flows

		2022	2021
EUR k			
Profit or loss before taxes on income		**40,996.7**	**22,155.6**
+ –	Depreciation and amortization of, and impairment losses on/reversals of impairment losses on intangible assets and property, plant, and equipment	44,649.9	40,765.4
+	Net interest income	11,589.6	10,506.0
+/–	Non-cash share of profit or loss of equity-accounted investments	-1,472.5	-338.6
–	Dividends/distributions	-1,057.2	-873.9
+/–	Impairment losses on/reversals of impairment losses on financial assets	-855.1	-512.6
–/+	Gain/loss on fixed asset disposals	-237.3	583.0
+ –	Increase/ decrease in noncurrent provisions	19.4	-10.8
+/–	Other non-cash changes	-1,051.9	259.8
Operating cash flow before changes in working capital and income taxes		**92,581.6**	**72,534.0**
– +	Increase/ decrease in inventories and receivables	–4,874.7	–3,529.6
– +	Increase/ decrease in receivables from related parties	–16.4	–8.9
– +	Increase/ decrease in other receivables	–15,728.7	–1,667.8
+ –	Increase/ decrease in trade and other payables	9,245.4	5,544.0
–	Income taxes paid	–7,408.9	–3,864.4
Cash flow from operating activities		**73,798.4**	**69,007.2**
+	Proceeds from fixed asset disposals	370.7	294.1
+	Proceeds from disposals of financial assets and other noncurrent assets	40.0	96.3
+	Interest received	1,057.4	696.3
–	Net cash used to acquire consolidated subsidiaries	0.0	–2,100.0
+ –	Increase/ decrease in liabilities to affiliated companies	9.8	5.0
–	Payments to acquire intangible assets and property, plant, and equipment	–76,836.5	–43,899.3
–	Payments for additions to financial assets and other noncurrent assets	–390.9	–234.3
+	Dividends received	1,057.2	873.9
Cash flow from investing activities		**–74,692.2**	**–44,267.9**

EUR k		2022	2021
+	Proceeds from capital increase	0.0	24,847.3
+	Receipts from noncontrolling interests	0.0	175.3
–	Dividends/payments to noncontrolling interests	–2,995.2	–2,893.3
–	Transactions with noncontrolling interests	–23.0	–100.3
–	Dividends paid (including payments of interest on hybrid capital)	–7,785.8	–8,823.0
–	Interest paid	–12,526.3	–12,197.2
+	Proceeds from borrowings	106,414.9	72,883.5
–	Repayment of borrowings	–78,805.0	–44,522.1
–	Payment of lease liabilities	–2,164.3	–3,076.1
–	Repayment of hybrid capital	–3,717.2	–3,717.2
–	Repayment of bonds	–3,726.1	–10,535.2
Cash flow from financing activities		**–5,327.9**	**12,041.7**
Total cash flow		**–6,221.7**	**36,780.9**
Change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		64,648.1	26,929.4
Foreign exchange differences		1,160.0	937.8
Total cash flow		–6,221.7	36,780.9
Cash and cash equivalents at the end of the period		**59,586.4**	**64,648.1**

See section 8.2.

Consolidated statement of changes in equity

EUR k	Share capital	Capital reserves	Hybrid capital
As of 01/01/2021	**28,845.3**	**23,323.8**	**25,375.8**
Other comprehensive income, net of income taxes			
Foreign exchange differences			
Changes in the value of hedges			
Total other comprehensive income, net of income taxes			
Profit after taxes on income			
Total comprehensive income for the period			
Capital increase	2,884.5	22,337.2	
Emission costs		–374.4	
Disposal of noncontrolling interests			
Dividend/repayment to noncontrolling interests			
Repayment/distribution/liability of hybrid capital			–3,717.2
Reversal of hybrid capital issuing costs			40.5
Dividend (EUR 26.0 per share prior to stock split)			
As of 12/31/2021	**31,729.8**	**45,286.6**	**21,699.1**

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

Other reserves					
Hedges	Currency translation	Retained earnings	Equity attributable to shareholders of WEB AG	Equity attributable to noncontrolling interests	Total equity
–4,611.0	**–4,285.2**	**68,640.9**	**137,289.7**	**12,743.9**	**150,033.6**
	2,888.2		2,888.2	1,040.9	3,929.1
1,699.4			1,699.4		1,699.4
1,699.4	**2,888.2**		**4,587.6**	**1,040.9**	**5,628.5**
		14,961.3	14,961.3	2,115.3	17,076.5
1,699.4	**2,888.2**	**14,961.3**	**19,548.9**	**3,156.2**	**22,705.0**
			25,221.7	175.3	25,397.0
			–374.4		–374.4
				–100.3	–100.3
				–2,893.3	–2,893.3
		–1,323.3	–5,040.5		–5,040.5
		–40.5			
		–7,499.8	–7,499.8		–7,499.8
–2,911.5	**–1,397.0**	**74,738.7**	**169,145.7**	**13,081.8**	**182,227.5**

Other reserves					
Hedges	Currency translation	Retained earnings	Equity attributable to shareholders of WEB AG	Equity attributable to noncontrolling interests	Total equity
–2.911,5	**–1.397,0**	**74,738.7**	**169,145.7**	**13,081.8**	**182,227.5**
	1,995.4		1,995.4	373.4	2,368.7
9,365.2			9,365.2		9,365.2
9,365.2	**1,995.4**		**11,360.5**	**373.4**	**11,733.9**
		27,756.6	27,756.6	1,932.3	29,688.9
9,365.2	**1,995.4**	**27,756.6**	**39,117.2**	**2,305.6**	**41,422.8**
		–110.1	–110.1	87.1	–23.0
				–2,995.2	–2,995.2
		–1,122.5	–4,839.7		–4,839.7
		–40.5			
		–6,663.3	–6,663.3		–6,663.3
6,453.6	**598.4**	**94,558.9**	**196,649.7**	**12,479.4**	**209,129.1**

Notes to the consolidated financial statements

for the fiscal year 2022

These notes to the consolidated financial statements

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

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

Content

1. About us 112

2. Rules under which these financial statements were prepared 112

3. Further information on the income statement 113

4. Further information on the balance sheet 117

5. Other obligations 136

5.1 Financial obligations arising from lease contracts and purchase orders 136

5.2 Pending litigation 136

6. Judgments and estimation uncertainty 137

7. Additional information on financial instruments 139

7.1 Significance of financial instruments 139

7.2 Risks arising from financial instruments 141

8. Other disclosures 145

8.1 Geographical information 145

8.2 Notes to the statement of cash flows 146

8.3 Objectives of capital management 146

8.4 Related party disclosures 147

9. Accounting policies 149

9.1 Entities included in the consolidated financial statements 149

9.2 Currency translation 151

9.3 Other accounting policies 152

9.4 Rules required to be applied in the future 159

10. Events after the reporting period 160

1. About us

WEB Windenergie AG (W.E.B) headquartered at Davidstrasse 1, 3834 Pfaffenschlag, Lower Austria, jurisdiction: Krems an der Donau regional court (CR 184649v) is the parent company of the W.E.B Group. It is not listed on the stock exchange. W.E.B develops projects and operates power plants based on renewable energies. This includes projects and installations in the wind power, solar power, and hydropower sectors. W.E.B operates in eight countries in Europe and North America: Austria, Germany, France, Italy, the Czech Republic, Slovakia, Canada, and the United States. We have installed local teams in these countries that primarily develop new projects or acquire projects in various stages of development. Power plant operation in all the countries is coordinated centrally from Austria. We mainly sell the electricity we generate indirectly—through electricity traders, electric utilities, and, if the legal conditions are in place for green electricity, via national exchanges—but also directly to businesses and residential customers.

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

2. Rules under which these financial statements were prepared

We have prepared these consolidated financial statements in accordance with the International Financial Reporting Standards (IFRSs) effective in the EU and the provisions of commercial law additionally applicable in Austria in accordance with Section 245a UGB.

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

Parts of the IFRSs are revised on a regular basis. Some of the revised Standards were already effective in the fiscal year 2022. The other new Standards are only required to be applied in subsequent years. The new rules to be applied in the 2022 fiscal year are derived from clarifications and annual improvements to existing IFRSs (clarifications relate to amendments to IFRS 3, IAS 16, and IAS 37, and improvements relate to IFRS 1, IFRS 9, IFRS 16, and IAS 41). These changes had no impact on the consolidated financial statements. The standards required to be adopted in the coming years are explained in greater detail in section 9.4.

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

3. Further information on the income statement

(1) Revenue

EUR k	2022	2021
Electricity revenue from		
Wind power plants	140,064.1	98,462.1
Solar power plants	8,723.2	6,135.2
Hydropower plants	516.9	235.1
Proceeds from the sale of electricity directly to consumers and from electricity distribution	13,257.4	5,531.4
Spot credits	11,251.7	3,108.0
Subtotal of revenue according to IFRS 15	**173,813.3**	**113,471.8**
Rental income	262.5	137.9
	174,075.8	**113,609.6**

Most of the electricity we generate is sold to government and quasi-government organizations. 65.6% (previous year: 64.0%) of the electricity revenue comes from subsidized tariffs governed by law. Spot credits are offset by spot billing under the item Cost of materials and purchased services. These come from the purchase or sale of the difference on the electricity exchange, resulting from the comparison of the forecast power plant production and the forecast consumption of our electricity customers. The levy on excess profits, which is shown as a reduction in revenue under local law in France and Italy, is included under taxes, insofar as they do not fall under income tax, in the item Other operating expenses, and amounts to EUR 7,242.6 thousand. The rental income is generated from operating leases of photovoltaic installations in accordance with IFRS 16.

(2) Other operating income

EUR k	2022	2021
Insurance compensation	933.1	132.6
Income from construction management/project development	595.1	456.1
Income from onward billing	585.4	569.2
Income from merchandise	580.7	175.1
Income from operations management	297.8	250.9
Rental income	140.1	96.2
Income from maintenance contracts	81.3	188.4
Income from services	52.5	68.0
Cost refunds, subsidies	33.1	54.1
Reversal of allowance for doubtful receivables	3.3	6.6
Other	409.1	447.1
	3,711.5	**2,444.3**

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

(3) Cost of materials and purchased services

EUR k	2022	2021
Spot credit invoices	22,846.4	3,638.7
Balancing energy costs	4,787.9	2,020.2
Marketing of electricity purchases	2,141.8	1,339.0
Grid loss fees	1,017.2	567.0
Electricity expenses—power plants	676.6	922.8
Cost of sales	505.7	122.9
	31,975.6	**8,610.6**

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

In the previous year, the cost of sales included inventory write-downs of EUR 1.1 thousand.

(4) Personnel expenses

EUR k	2022	2021
Wages and salaries	13,976.5	10,712.6
Expenses for statutory charges and contributions	3,032.4	2,571.7
Contributions to the employee benefit fund	214.4	186.2
Other personnel expenses	272.1	140.7
	17,495.4	**13,611.1**

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

Full-time equivalents	2022	2021
EUR k		
Salaried employees	163	154
Wage employees	17	18
Average (FTEs)	**180**	**172**

(5) Depreciation, amortization, and impairment losses

In the current fiscal year, depreciation and amortization of, and impairment losses on intangible assets and property, plant, and equipment consisted solely of depreciation and amortization.

(6) Other operating expenses

EUR k	2022	2021
Expenses directly related to our power plants	16,370.9	13,805.8
Maintenance and operating costs—power plants	*12,424.1*	*11,285.2*
Lease expenses	*2,703.4*	*1,370.5*
Insurance—power plants	*1,243.4*	*1,150.1*
Project development	559.4	603.3
Project development expenses	*388.2*	*132.8*
Project depreciation, amortization, and impairment losses	*171.2*	*470.5*
Expenses directly related to operations	4,248.9	3,383.3
Taxes other than income taxes	9,944.7	1,775.2
Consultancy expenses	2,461.2	1,730.6
Advertising expenses	447.9	330.9
	34,033.0	**21,629.1**

The item Taxes other than income taxes includes the levy on excess profits in the amount of EUR 7,720.6 thousand, resulting from legal requirements in Germany, France, and Italy due to the regulation on emergency measures in response to the high energy prices of the EU (Regulation (EU) 2022/1854 of the Council). In the previous year, the items Membership fees, Costs of recruiting staff, and Operating and office supplies were included under the item Others.

Expenses (excluding charges) for statutory auditor Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. and its network firms totaled EUR 107.0 thousand for the fiscal year (previous year: EUR 101.9 thousand). The audit of the separate financial statements accounted for EUR 29.4 thousand (previous year: EUR 28.4 thousand) of this amount, the audit of the consolidated financial statements and reporting in accordance with Art. 11 EU-VO for EUR 71.6 thousand (previous year: EUR 59.2 thousand), and other services for EUR 6.0 thousand (previous year: EUR 0.0 thousand).

(7) Interest income

EUR k	2022	2021
Clearing accounts	742.7	968.4
Time deposits/bank balances	158.9	46.1
Interest on arrears	23.3	0.0
	924.9	**1,014.5**

(8) Interest expense

EUR k	2022	2021
Interest on bank loans	9,400.7	7,889.3
Interest on bonds	839.1	1,109.2
Interest on lease liabilities	666.5	404.3
Expenses for interest rate hedges	679.6	1,337.9
Other	928.6	779.8
	12,514.5	**11,520.5**

(9) Other net financial result

EUR k	2022	2021
Net income from equity investments	871.1	509.0
Foreign currency gains/losses	457.7	178.3
Unwinding of discount on provision for dismantling costs	–309.4	–282.4
Other	–538.9	–371.2
	480.4	**33.6**

(10) Earnings per share

Basic earnings per share are calculated based on the profit attributable to shareholders and the weighted average number of shares outstanding. In both the reporting period and the previous year, diluted earnings per share were the same as basic earnings per share, as there were no dilutive effects.

In the previous year, a share split at a ratio of 1:10 was decided at the Annual General Meeting. As of June 21, 2021, each share with a nominal value of EUR 100.00 was divided into 10 shares with a nominal value of EUR 10.00. The number of shares issued was therefore 2,884,530. Furthermore, a capital increase was resolved at the Annual General Meeting in the previous year in order to increase the share capital to up to EUR 31,729,830.00 by issuing up to 288,453 new shares against cash contributions. The fully subscribed capital increase was entered in the company register on December 24, 2021. The issued shares numbered 3,172,983 on the reporting date.

Attribution of profit	2022	2021
EUR k		
Profit attributable to owners of the parent company	26,687.6	13,691.5
Profit attributable to shareholders	**26,687.6**	**13,691.5**

Weighted average number of shares (basic)	2022	2021
in thousands of shares		
Issued shares as of 01/01	3,173.0	2,884.5
Weighted average number of shares as of 12/31	**3,173.0**	**2,890.9**

	2022	2021
EUR		
Basic earnings per share	8.4	4.7

4. Further information on the balance sheet

(11) Intangible assets

EUR k	Software	Rights of use	Right-of-use leased assets	Goodwill	Total
2022					
Acquisition costs as of 01/01/2022	**1,696.0**	**4,587.7**	**38,446.1**	**42.3**	**44,772.2**
Currency effects	4.4	0.0	88.1	0.0	92.4
Additions	277.0	0.0	3,309.3	0.0	3,586.3
Reduction in acquisition costs	–1.0	0.0	-63.0	0.0	–64.0
Disposals	0.0	0.0	–167.3	0.0	–167.3
Transfers	11.2	0.0	0.0	0.0	11.2
Acquisition costs as of 12/31/2022	**1,987.6**	**4,587.7**	**41,613.2**	**42.3**	**48,230.9**
Cumulative changes in value as of 01/01/2022	**1,341.3**	**2,994.5**	**11,209.8**	**42.3**	**15,588.0**
Currency effects	–0.2	0.0	–11.6	0.0	–11.8
Depreciation	278.6	165.7	2,357.4	0.0	2,801.7
Impairment losses	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	–64.3	0.0	–64.3
Transfers	0.0	0.0	0.0	0.0	0.0
Cumulative changes in value as of 12/31/2022	**1,619.7**	**3,160.2**	**13,491.3**	**42.3**	**18,313.5**
Net carrying amount as of 12/31/2022	**367.9**	**1,427.5**	**28,121.9**	**0.0**	**29,917.3**
2021					
Acquisition costs as of 01/01/2021	**1,587.0**	**4,587.7**	**22,924.5**	**42.3**	**29,141.6**
Currency effects	2.5	0.0	213.6	0.0	216.1
Additions	112.3	0.0	3,103.5	0.0	3,215.8
Reduction in acquisition costs	–0.9	0.0	–338.5	0.0	–339.4
Disposals	–4.9	0.0	–32.5	0.0	–37.3
Reclassification	0.0	0.0	12,575.5	0.0	12,575.5
Acquisition costs as of 12/31/2021	**1,696.0**	**4,587.7**	**38,446.1**	**42.3**	**44,772.2**
Cumulative changes in value as of 01/01/2021	**1,143.8**	**2,828.9**	**2,777.7**	**42.3**	**6,792.7**
Currency effects	2.7	0.0	49.4	0.0	52.1
Depreciation	194.9	165.6	1,616.9	0.0	1,977.4
Impairment losses	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	–34.4	0.0	–34.4
Reclassification	0.0	0.0	6,800.2	0.0	6,800.2
Cumulative changes in value as of 12/31/2021	**1,341.3**	**2,994.5**	**11,209.8**	**42.3**	**15,588.0**
Net carrying amount as of 12/31/2021	**354.7**	**1,593.2**	**27,236.3**	**0.0**	**29,184.2**

The carrying amounts of the rights of use include the water rights in Imst, Austria, in the amount of EUR 751.6 thousand (previous year: EUR 783.0 thousand). As of the reporting date, the Imst water rights had a remaining useful life of 23.5 years.

(12) Property, plant, and equipment

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

EUR k	Land and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Plants under construction	Total
2021					
Acquisition/production costs as of 01/01/2021	**17,157.4**	**748,1115.1**	**8,260.5**	**39,249.5**	**812,782.5**
Currency effects	24.6	10,789.9	37.2	1,772.2	12,623.8
Acquisitions	399.2	1,731.0	1,814.2	45,813.0	49,757.2
Reduction in acquisition costs	0.0	–5,295.3	–257.1	–1,638.6	–7,191.1
Deconsolidation	65.6	0.0	0.0	2,031.1	2,096.7
Disposals	–7.5	–298.1	–382.4	–674.2	–1,362.3
Reclassification	0.0	–12,575.5	0.0	0.0	–12,575.5
Transfers	0.0	28,117.2	68.1	–28,180.5	4.9
Acquisition/production costs as of 12/31/2021	**17,639.3**	**770,584.2**	**9,540.4**	**58,372.4**	**856,136.3**
Cumulative depreciation and impairment losses as of 01/01/2021	**3,913.4**	**300,270.7**	**4,427.8**	**243.1**	**308,854.9**
Depreciation	352.2	37,490.5	945.2	0.0	38,788.0
Impairment losses	0.0	0.0	0.0	0.0	0.0
Currency effects	0.0	2,811.6	17.1	74.1	2,902.7
Disposals	0.0	–213.4	–265.6	0.0	–479.0
Reclassification	0.0	–6,800.2	0.0	0.0	–6,800.2
Transfers	0.0	0.0	0.0	0.0	0.0
Cumulative depreciation and impairment losses as of 12/31/2021	**4,265.5**	**333,559.2**	**5,124.5**	**317.1**	**343,266.3**
Net carrying amount as of 12/31/2021	**13,373.8**	**437,025.0**	**4,415.9**	**58,055.2**	**512,869.9**

The item "Prepayments and plants under construction" consists mainly of the Ariano and Apricena projects in Italy, the Götzendorf and Dürnkrut III projects in Austria, and the Kuhs Repowering project in Germany.

The cost of the technical equipment and machinery acquired in the fiscal year includes borrowing costs of EUR 24.9 thousand directly attributable to the projects (previous year: EUR 234.7 thousand). These relate to wind power projects in Austria. The average capitalization in Austria was 2.06% (previous year: 0.58% in Austria and 2.836% in the USA).

(13) Investments in associates and joint ventures

Company	Proportion 12/31/2022	Proportion 12/31/2021	Carrying amount 12/31/2021	Share of profit or loss for the year	Contribution	Distribution
EUR k						
Tauernwind Windkraftanlagen GmbH	20.0%	20.0%	1,385.3	1,078.0	0.0	–500.0
Sternwind Errichtungs- und BetriebsgmbH	49.0%	49.0%	699.2	251.0	0.0	0.0
Sternwind Errichtungs- und BetriebsgmbH & Co KG	49.0%	49.0%	180.0	231.2	0.0	–122.5
SASU Energie Verte Plaine d'Artois	33.3%	33.3%	299	15.5	0.0	0.0
Zweite WP Weener GmbH & Co KG	50.0%	50.0%	1,205.4	900.0	0.0	–400.0
Black Spruce Inc. (including limited partnership agreement)	50.0%	50.0%	422.0	–3.2	0.0	0.0
WEB Windenergie Brandenburg GmbH	50.0%	50.0%	0.0	0.0	0.0	0.0
Bleu Vent Développement SAS	50.0%	50.0%	0.0	0.0	0.0	0.0
Total			**4,190.9**	**2,472.5**	**0.0**	**–1,022.5**

The companies operate wind farms and are involved in project development. They are therefore subject to similar opportunities and risks as we are.

(14) Noncurrent financial assets

	Shares in affiliated companies	Securities	Participating interests	Loans	Credit and capital reserve accounts	Hedges	Total
EUR k							
2022							
Acquisition costs							
As of 01/01/2022	159.5	158.5	1,142.9	10,364.8	6,486.8	74.8	18,387.3
Currency effects	0.0	0.0	0.0	473.6	29.3	0.0	502.9
Acquisitions	15.0	0.0	46.5	703.6	328.8	0.0	1,094.0
Disposals	0.0	0.0	0.0	–872.5	–4.4	0.0	–876.9
As of 12/31/2022	174.5	158.5	1,189.4	10,669.5	6,840.6	74.8	19,107.3
Cumulative changes in value							
As of 01/01/2022	0.0	61.2	1,260.6	0.0	–66.3	0.0	1,255.3
Currency effects	0.0	0.0	0.0	0.0	–2.0	–66.0	–68.0
Fair value changes	0.0	20.5	834.6	0.0	0.0	8,711.9	9,567.0
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increases in value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
As of 12/31/2022	0.0	81.7	2,095.2	0.0	–68.3	8,645.9	10,754.3
Carrying amounts as of 12/31/2022	**174.5**	**240.2**	**3,284.6**	**10,669.5**	**6,772.3**	**8,720.7**	**29,861.6**

Currency translation adjustment	Carrying amount 12/31/2022	Unrecognized losses: Annual profit	Unrecognized losses: Cumulative	Total: Assets	Total: Liabilities	Total: Revenue	Total: Net income/loss for the year
0.0	1,963.3	0.0	0.0	35,928.6	26,179.9	11,508.4	5,389.9
0.0	950.2	0.0	0.0	1,039.8	44.6	157.2	68.7
0.0	288.6	0.0	0.0	737.2	137.4	997.8	494.6
0.0	314.6	0.0	0.0	2,210.9	1,439.3	646.7	46.6
0.0	1,705.4	0.0	0.0	11,336.5	8,014.2	3,716.1	1,753.2
–1.1	417.5	0.0	0.0	851.4	16.5	0.0	–6.4
0.0	0.0	–190.3	–435.5	2,679.0	3,550.0	0.0	–380.6
0.0	0.0	–2.7	–5.3	12.7	23.4	0.0	–5.5
–1.1	**5,639.6**	**–193.0**	**–440.8**				

EUR k	Shares in affiliated companies	Securities	Participating interests	Loans	Credit and capital reserve accounts	Hedges	Total
2021							
Acquisition costs							
As of 01/01/2021	129.5	158.5	1,142.9	9,292.4	5,985.7	0.0	16,708.9
Currency effects	0.0	0.0	0.0	787.8	385.8	2.0	1,175.5
Acquisitions	30.0	0.0	0.0	941.1	178.0	72.8	1,221.9
Reclassifications	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	–656.5	–62.6	0.0	–719.1
As of 12/31/2021	159.5	158.5	1,142.9	10,364.8	6,486.8	74.8	18,387.3
Cumulative changes in value							
As of 01/01/2021	0.0	48.2	760.9	0.0	–60.9	0.0	748.2
Currency effects	0.0	0.0	0.0	0.0	–5.4	0.0	–5.4
Fair value changes	0.0	13.0	499.7	0.0	0.0	0.0	512.6
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increases in value	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
As of 12/31/2021	0.0	61.2	1,260.6	0.0	–66.3	0.0	1,255.3
Carrying amounts as of 12/31/2021	**159.5**	**219.7**	**2,403.5**	**10,364.8**	**6,420.5**	**74.8**	**19,642.6**

The equity interests are composed as follows:

	Proportion	12/31/2022	12/31/2021
EUR k			
oekostrom AG für Energieerzeugung und -handel	3.35%	2,178.7	1,705.7
Windkraft Simonsfeld AG	0.33%	879.7	518.2
Weinviertler Energie GmbH & Co KG	17.66%	150.0	150.0
ANE GmbH & Co KG (merged with GESY Green Energy Systems GmbH)	0.70%	76.2	29.6
		3,284.6	**2,403.5**

In the reporting period, the equity interests in oekostrom AG and Windkraft Simonsfeld AG appreciated by EUR 834.5 thousand (previous year: EUR 499.7 thousand) due to the fair value.

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

The equity interest in ANE GmbH & Co KG increased by EUR 46.6 thousand or 0.07% to 0.70% compared to the previous year due to participation in the capital increase of this company.

Loans include a loan extended by us to Windpark Eschenau GmbH in the amount of EUR 6.2 thousand (previous year: EUR 5.7 thousand), a loan to Pisgah Holdings LLC, USA, in the amount of EUR 8,111.2 thousand (previous year: EUR 7,599.7 thousand), and a loan to Woodstock First Nations, Canada, in the amount of EUR 2,552.1 thousand (previous year: EUR 2,759.4 thousand).

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

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

The Credit and capital reserve accounts item of EUR 6,772.3 thousand (previous year: EUR 6,420 thousand) includes cash and cash equivalents serving as security for lenders. The allowance for expected credit losses on this item was EUR 71.1 thousand as of December 31, 2022 (previous year: EUR 69.1 thousand).

Derivative financial instruments

Description	Currency	Volume 12/31/2022	Maturity	Fair value 12/31/2022	Fair value 12/31/2021
		EUR k		EUR k	EUR k
1) Interest rate swap CZK/1M-PRIBOR >> 2.05% fixed (CZK 50,459.0k)	CZK	1,321.5	12/31/2024	29.0	28.1
2) Interest rate swap EUR/3M-EURIBOR >> 1.60% fixed (EUR 13,581k)	EUR	2,263.5	12/31/2024	39.0	–107.6
3) Interest rate swap CZK/1M-PRIBOR >> 1.75% fixed (EUR 2,155.8k)	CZK	728.7	08/31/2026	54.0	46.7
4) Interest rate swap EUR/3M-EURIBOR >> 1.2775% fixed (EUR 13,644.6k)	EUR	4,366.3	12/31/2026	168.3	–210.9
5) Interest rate swap EUR/3M-EURIBOR >> 1.29% fixed (EUR 14,875k)	EUR	4,666.6	12/31/2026	178.6	–226.7
6) Interest rate swap EUR/3M-EURIBOR >> 1.24% fixed (EUR 6,727.5k)	EUR	1,894.1	06/30/2026	65.4	–84.0
7) Interest rate swap EUR/3M-EURIBOR >> 1.01% fixed (EUR 9,116.9k)	EUR	3,006.6	12/30/2031	236.5	–158.2
8) Interest rate swap USD/1M-LIBOR+ 2.25% >> 4.63% fixed (USD 17,500k)	USD	10,360.6	02/13/2027	541.8	–540.0
9) Interest rate swap EUR/6M-EURIBOR >> 1.092% fixed (EUR 25,360k)	EUR	17,720.8	06/30/2032	1,674.0	–1,067.5
10) Interest rate swap EUR/3M-EURIBOR >> 0.835% fixed (EUR 8,843.5k)	EUR	6,363.0	06/30/2031	583.3	–279.5
11) Interest rate swap EUR/3M-EURIBOR >> 0.835% fixed (EUR 16,266.5k)	EUR	11,708.1	06/30/2031	1,073.9	–514.5
12) Forward starting interest rate swap EUR/3M-EURIBOR >> 0.918% fixed Start: 03/29/2029 (EUR 8,883k)	EUR	8,883.0	09/30/2037	655.2	–48.9
13) Interest rate swap USD/1M LIBOR+2.5% >> 4.05% fixed (USD 2,417.9k)	USD	2,266.9	06/15/2031	279.8	–31.2
14) Interest rate swap USD/1M LIBOR+2.5% >> 4.05% fixed (USD 4,483.6k)	USD	3,958.6	06/15/2031	519.6	–57.8
15) Fixed floating swap USD/1M USD-SOFR CME+2.25% >> 4.11% fixed (USD 19,870.3k)	USD	18,629.6	01/15/2035	2,622.3	–689.9
				8,720.7	**–3,942.0**

Our derivative financial instruments comprise interest rate swaps, forwardstarting interest rate swaps and fixed floating swaps. Interest rate swaps and fixed floating swaps transform variable-rate financial liabilities into fixed-rate financial liabilities, thereby mitigating the risk of higher interest payments in the event that interest rates rise. Forwardstarting interest rate swaps differ from interest rate swaps in that the hedge starts at a future date. In the case of all interest rate swaps, the amount decreases as the hedged liability is repaid.

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

All interest rate swaps and the foreign currency swap qualify for hedge accounting (hedges of future cash flows). We therefore recognized the change in fair value net of the tax effect of EUR 9,365.2 thousand (previous year: EUR 1,699.4 thousand) in other comprehensive income.

(15) Inventories

EUR k	12/31/2022	12/31/2021
Spare parts for wind power plants	6,702.9	4,328.0

(16) Trade receivables

EUR k	12/31/2022	12/31/2021
Receivables from electricity supplied	19,604.3	17,086.8
	19,604.3	**17,086.8**

(17) Other receivables and assets

EUR k	12/31/2022	12/31/2021
Financial assets		
Clearing accounts	1,728.3	1,449.7
Clearing accounts—third parties	0.1	21.4
Receivables from investment grants	6,561.7	3,423.8
Receivable from investment tax credits	11,079.2	2,939.6
Other	3,971.1	2,256.4
	23,340.4	**10,091.0**
Non-financial assets		
Receivables from taxation authorities	6,524.7	3,659.8
Prepaid charges	4,146.5	3,607.1
	10,671.2	**7,266.8**
Total	**34,011.6**	**17,357.8**

Clearing accounts mainly comprise temporary financing extended to associates. The item Receivables from investment grants relates to grants issued for investments in Austria. Investment tax credits result from investments in a wind farm (previous year: for photovoltaic parks) in the USA.

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

(18) Cash and cash equivalents

EUR k	12/31/2022	12/31/2021
Bank balances	59,578.6	64,642.2
Cash on hand	7.8	5.9
	59,586.4	**64,648.1**

(19) Equity

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

The shares are registered shares with restricted transferability. In accordance with the Articles of Association, these shares can only be transferred with the Company's approval, which is granted by the Management Board in consultation with the Supervisory Board.

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

The hybrid capital consists of the hybrid bond issued in 2014 ("wind power bond") in the amount of EUR 4,438.0 thousand, the hybrid bond issued in 2015 in the amount of EUR 6,727.0 thousand, the hybrid bond issued in 2016 in the amount of EUR 6,349.0 thousand, the hybrid bond issued in 2018 in the amount of EUR 9,999.0 thousand, and the hybrid bond issued in 2019 in the amount of EUR 9,659.0 thousand, less the issuance costs attributable in each case. In 2022, partial repayments were made on the hybrid bonds issued in 2014 (EUR 443.8 thousand), 2015 (EUR 672.7 thousand), 2016 (EUR 634.9 thousand), 2018 (EUR 999.9 thousand), and 2019 (EUR 965.9 thousand) (previous year: EUR 3,717.2 thousand). The bonds are listed on the Vienna MTF of the Vienna Stock Exchange and deposited with Österreichische Kontrollbank.

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

In 2022, as a result of the resolution to distribute a dividend for the fiscal year 2021 passed at the Annual General Meeting, a partial repayment at a tenth of the nominal value was made on the hybrid bonds issued in 2014, 2015, 2016, 2018, and 2019 (EUR 3,717.2 thousand; previous year: EUR 3,717.2 thousand), along with interest payments of EUR 1,122.5 thousand (previous year: EUR 1,323.3 thousand). As of the reporting date, there was not yet an obligation to make further principal and interest payments, as such an obligation will arise at the earliest when a resolution regarding the distribution of a dividend for the fiscal year 2022 is passed at the 2023 Annual General Meeting. A dividend payout for the fiscal year 2022 will be proposed at the 2023 Annual General Meeting. We therefore anticipate that interest and principal payments will be made on hybrid bonds again in 2023.

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

The changes in other comprehensive income recognized directly in equity are as follows:

	12/31/2022			12/31/2021		
EUR k	Amount before taxes	Income taxes	Amount after taxes	Amount before taxes	Income taxes	Amount after taxes
Currency translation	2,368.7	0.0	2,368.7	3,929.1	0.0	3,929.1
Hedges	12,662.7	–3,297.5	9,365.2	2,335.8	–636.4	1,699.4
	15,031.4	**–3,397.5**	**11,733.9**	**6,264.9**	**–636.4**	**5,628.5**

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

(20) Noncontrolling interests

Other shareholders also hold shares in the following entities that we control. We control those companies in which we do not hold a majority of the voting rights because we can make significant decisions affecting the returns of these companies on the basis of contractual agreements. The following figures are based on the financial statements according to the rules of the International Standards for Financial Reporting applicable in the EU, and according to local law.

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

2021	Scotian WEB Limited Partnership	Scotian WEB II Limited Partnership	Wisokolamson Energy Limited Partnership	Pisgah Mountain LLC	WEB Photo-voltaik AG & Co KG	Windpark Grube GmbH	WEB Grid SAS	Windpark Grube GmbH & Co KG
EUR k								
Headquarters	New Brunswick, Canada	New Brunswick, Canada	New Brunswick, Canada	Maine, USA	Pfaffen-schlag, Austria	Grube, Germany	Paris, France	Hamburg, Germany
Shares held by noncontrolling interests	67.00%	67.00%	51.00%	51.00%	30.00%	50.00%	20.00%	0.00%
Voting rights held by noncontrolling interests	45.00%	45.00%	51.00%	51.00%	30.00%	50.00%	20.00%	0.00%
Share of equity	4,297.5	2,132.0	1,981.4	4,564.8	80.2	97.1	–71.3	0.0
Profit or loss allocated	1,331.6	287.9	283.2	234.2	18.8	–3.2	–35.4	–1.9

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

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

2021	Scotian WEB Limited Partnership	Scotian WEB II Limited Partnership	Wisokolamson Energy Limited Partnership	Pisgah Mountain LLC	WEB Photo-voltaik AG & Co KG	Windpark Grube GmbH	WEB Grid SAS
EUR k							
Revenue	9,095.4	3,437.3	3,308.3	2,861.4	197.3	0.0	0.0
Comprehensive income after tax	2,997.3	639.8	555.2	459.3	62.8	–6.3	–177.1
Noncurrent assets	40,013.4	21,964.8	27,610.2	18,637.2	1,663.8	252.1	3,506.5
Current assets	2,998.9	1,024.3	1,253.1	1,384.2	146.4	197.2	732.1
Current liabilities	2,882.3	1,224.7	1,061.9	1,019.3	55.0	255.1	4,435.1
Noncurrent liabilities	30,579.8	17,026.6	23,916.4	10,051.4	1,487.8	0.0	160.0
Equity	9,550.1	4,737.8	3,885.0	8,950.6	267.5	194.2	–356.4
Cash flow from operating activities	7,607.0	2,704.5	2,704.4	1,593.4	105.2	–11.2	–12.9
Cash flow from investing activities	–104.9	13.2	–1,236.5	–0.9	–146.2	248.1	–23.3
Cash flow from financing activities	–7,651.4	–2,846.8	–2,759.9	–1,520.4	6.5	–49.6	–81.3
Payments to noncontrolling interests	1,547.2	520.7	552.5	272.7	0.0	0.0	0.0

We acquired the remaining 20% in WEB Grid SAS in the fiscal year. Hence, minority interests are no longer disclosed.

(21) Financial liabilities

	12/31/2022			12/31/2021		
	Current	Noncurrent	Total	Current	Noncurrent	Total
EUR k						
Bank loans	51,210.0	347,815.6	**399,025.6**	34,895.8	343,833.1	**378,729.0**
Lease liabilities—right-of-use assets	2,241.3	25,842.6	**28,084.0**	2,059.4	24,927.6	**26,987.0**
Tax equity liabilities	10,834.1	546.1	**11,380.2**	2,949.2	157.3	**3,106.4**
Total	**64,285.5**	**374,204.3**	**438,489.8**	**39,904.4**	**368,918.0**	**408,822.4**

Liabilities to banks

			Carrying amount 12/31/2022	Carrying amount 12/31/2021
Maturity	Interest	Currency	EUR k	EUR k
2022	EURIBOR +1.45%	EUR	0.0	2,477.4
2023	EURIBOR +1.35%	EUR	13,113.7	0.0
2023	EURIBOR +1.40%	EUR	0.0	874.9
2023	EURIBOR +1.50%	EUR	3,586.0	9,216.0
2024	PRIBOR +1.50%	CZK	881.0	1,282.0
2024	EURIBOR +1.30%	EUR	2,358.5	3,131.6
2025	EURIBOR +1.19%	EUR	1,073.9	0.0
2025	from EURIBOR +1.625% to EURIBOR +1.65%	EUR	3,459.2	4,963.1
2025	EURIBOR +2.125%	EUR	271.8	362.5
2025	PRIBOR +1.85%	CZK	563.1	713.7
2026	PRIBOR +2.80%	CZK	746.6	880.6
2026	from EURIBOR +2.00% to EURIBOR +2.30%	EUR	5,503.0	6,447.5
2027	from EURIBOR +2.00% to EURIBOR +2.20%	EUR	7,927.3	10,124.0
2029	EURIBOR +1.80%	EUR	286.0	330.7
2030	EURIBOR +0.87%	EUR	1,882.4	0.0
2031	EURIBOR +0.715%	EUR	19,468.9	21,624.7
2031	EURIBOR +1.75%	EUR	3,035.1	3,482.7
2031	LIBOR +2.50%	USD	8,739.4	8,519.2
2033	EURIBOR +1.35%	EUR	20,513.6	22,556.1
2034	LIBOR +2.25%	USD	10,295.1	10,568.0
2035	EURIBOR +1.85%	EUR	1,593.8	1,718.8
2035	SOFR +2.25%	USD	18,462.1	18.2
2037	EURIBOR +1.19%	EUR	3,142.1	0.0
2042	CDOR +2.1%	CAD	3,494.8	3,626.8
Total at a variable interest rate			**130,397.5**	**112,918.3**

Maturity	Interest	Currency	Carrying amount 12/31/2022 EUR k	Carrying amount 12/31/2021 EUR k
2027	0.549% fixed	EUR	1,862.1	2,234.5
2027	1.90% fixed	EUR	5,590.3	6,595.4
2027	3.09% fixed	USD	1,476.7	1,699.6
2028	1.95% fixed	EUR	9,053.9	10,142.2
2028	2.00% fixed	EUR	11,176.7	12,505.6
2029	2.00% fixed	EUR	158.8	183.7
2030	0.555% fixed	EUR	9,554.2	10,744.1
2030	2.00% fixed	EUR	285.7	321.4
2030	2.89% fixed	EUR	4,431.1	4,982.7
2031	1.45% fixed	EUR	7,125.0	7,916.7
2031	1.85% fixed	EUR	28,053.1	31,127.3
2032	1.49% fixed	EUR	769.2	846.1
2033	6.22% fixed	CAD	28,687.8	30,845.5
2034	1.35% fixed	EUR	11,977.9	13,042.6
2034	1.38% fixed	EUR	117.9	125.0
2034	1.625% fixed	EUR	203.4	220.3
2035	5.35% fixed	CAD	16,189.8	17,142.7
2035	0.86% fixed	EUR	50,288.4	34,386.2
2037	1.65% fixed	EUR	19,079.5	19,900.1
2037	2.49% fixed	EUR	4,803.8	0.0
2037	4.11% fixed	EUR	1.1	0.0
2038	1.66% fixed	EUR	8,557.7	9,109.9
2038	2.06% fixed	EUR	12,067.6	12,835.0
2039	0.86% fixed	EUR	17,262.1	18,308.9
2040	2.00% fixed	EUR	529.8	559.6
2042	4.45% fixed	CAD	19,324.5	20,035.4
Total at a fixed interest rate			**268,628.0**	**265,810.6**
			399,025.6	**378,729.0**

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

The average effective interest rate on all financial liabilities was 2.74% in the reporting period (previous year: 2.63%).

The following securities have been pledged for the financial liabilities:

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

Tax equity liabilities

Investment tax credits can be claimed for the investments in the wind farm constructed and commissioned in the USA in the 2022 fiscal year. In the previous year, we claimed this for investments in photovoltaic parks. To take full advantage of investment tax credits, we work with tax equity investors who receive a majority of the tax credits in return for the capital they contribute to the project.

When establishing a partnership with a tax equity investor, we consider whether the project company will be consolidated based on our claim to variable returns and our ability to influence financial and operational decisions affecting them. Due to the operational and financial nature of the projects and the protective nature of the rights granted to the tax equity investor, we have the leverage to consolidate the company. The capital grants of the tax equity investor usually have the character of a liability, as the original capital grant is repaid, including an agreed rate of return, and the tax equity investor does not participate in the same way as a shareholder who shares in the risks of the project. The capital grants from the tax equity investor are therefore recognized as a liability and evaluated at amortized cost until the project is completed. The allocation of the investment tax credits reduces the liability to both the tax equity investor and the costs capitalized for the project.

In the year under review, tax equity liabilities of EUR 2,983.9 thousand were repaid and EUR 11,564.6 thousand were newly included. The resulting currency differences amount to EUR 307.0 thousand.

(22) Bonds

Bond	ISIN no.	Interest	Maturity	Nominal amount	Effective interest rate	Carrying amount 12/31 2022	of which current	Carrying amount 12/31 2021	of which current
				EUR k		EUR k	EUR k	EUR k	EUR k
Wind power bonds									
2013–2023 bond	AT0000A0Z793	5.5% fixed	2023	6,391.0	5.51%	6,389.2	6,389.2	6,381.9	–7.3
2013–2023 bond	AT0000A0Z785	5.25% fixed	2023	10,211.0	5.25%	1,020.7	1,020.7	2,038.8	1,018.0
2015–2025 bond	AT0000A1GTP3	4% fixed	2025	8,532.0	4.31%	2,545.4	846.1	3,389.2	843.8
2016–2026 bond	AT0000A1MC22	3.75% fixed	2026	6,872.0	4.05%	2,731.9	680.1	3,410.3	678.4
2018–2028 bond	AT0WEB1810A6	2.25% fixed	2028	5,088.0	2.50%	3,030.0	502.2	3,531.1	501.1
2019–2029 bond	AT0WEB1910A4	2.25% fixed	2029	4,989.0	2.50%	3,464.0	491.6	3,954.6	490.5
Accrued interest on bonds						391.7	391.7	448.0	448.0
LUMO bond		4.25% fixed	2023	131.2	4.25%	131.2	131.2	131.2	0.0
LENDO bond		5%/ 6% fixed	2025	15.2	5%	9.1	3.0	12.2	3.0
Other subordinated loans—ELLA						0.0	0.0	153.8	106.8
						19,713.2	**10,455.8**	**23,451.0**	**4,082.5**

The wind power bonds are listed on the Vienna MTF of the Vienna Stock Exchange and in each case deposited with Österreichische Kontrollbank in the form of a global certificate. The denomination of each bond is EUR 1,000.00. All bonds have an issue price and a redemption price of par (100).

(23) Other noncurrent liabilities

EUR k	Carrying amount 12/31/2022	Carrying amount 12/31/2021
Fair value measurement of derivatives	0.0	4,016.8
	0.0	**4,016.8**

(24) Income taxes

Income tax expense

EUR k	2022	2021
Current income taxes for the current period	8,483.7	4,546.4
Current income taxes for prior periods	–20.7	–258.7
Deferred income taxes for the current period	2,540.5	811.0
Deferred income taxes for prior periods	304.4	–19.6
	11,307.9	**5,079.1**

Profit before tax is EUR 40,996.7 thousand (previous year: EUR 22,155.6 thousand). Applying the income tax rate of 25% applicable in Austria, tax expense would be EUR 10,249.2 thousand (previous year: EUR 5,538.9 thousand). The income tax expense reported in the income statement for 2022 amounts to EUR 11,307.9 thousand (previous year: EUR 5,079.1 thousand) and is thus EUR 1,058.7 thousand higher (previous year: EUR 459.8 thousand lower). The reasons for this difference are as follows:

EUR k	2022	2021
Profit before tax	**40,996.7**	**22,155.6**
Group tax rate	25.0%	25.0%
Expected tax expense	**10,249.2**	**5,538.9**
Higher income taxes due to		
higher foreign tax rates	793.2	550.0
tax benefit from unrecognized deferred taxes	348.9	446.7
property, plant, and equipment	738.3	374.3
interest not deductible for tax purposes	29.2	23.0
loss allocated to equity investments	581.1	137.5
other reasons	135.2	119.7
Lower income taxes due to		
tax-exempt income from equity investments	–291.8	–326.4
interest on hybrid capital	–280.6	–330.8
issue costs for capital increase	0.0	–93.6
property, plant, and equipment	0.0	–16.2
foreign currency differences	0.0	–167.4
aperiodic taxes and levies	–43.6	–58.7
tax credits	–308.2	–201.0
other reasons	–100.1	–25.3

Deferred taxes attributable to noncontrolling interests	–776.1	–705.4
Unrecognized deferred taxes	54.0	152.8
Non-creditable withholding tax	0.0	128.6
Income taxes for prior periods		
Current income taxes for prior periods	–20.7	–258.7
Deferred taxes from prior periods	304.4	–19.6
Tax rate changes	–798.0	–189.3
Current tax expense	**11,307.9**	**5,079.1**
Effective tax rate	27.6%	22.9%

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

EUR k	12/31/2022	12/31/2021
Differences between the tax base and IFRS carrying amounts of:		
Intangible assets and property, plant, and equipment	–27,928.9	–28,857.4
Financial assets	–1,621.2	–1,610.4
Other noncurrent assets	–2,670.8	88.0
Other current assets	–219.7	757.9
Financial liabilities	6,839.7	7,108.2
Bonds	–88.1	–119.9
Noncurrent provisions	3.2	781.4
Other noncurrent liabilities	–15.8	1,030.4
Other current liabilities	209.9	161.1
Loss carryforwards	**1,771.9**	**3,068.6**
Net deferred taxes	**–23,719.8**	**–17,592.1**
of which deferred tax assets	460.9	1,407.3
of which deferred tax liabilities	–24,180.7	–18,999.4

Deferred tax assets on loss carryforwards are only recognized if there are sufficient deferred tax liabilities or if sufficient taxable profit will be available in future. No deferred tax assets were recognized for loss carryforwards of EUR 1,660.7 thousand (previous year: EUR 1,875.8 thousand), as it cannot be assumed that the loss carryforwards will be used up in the medium term. The loss carryforwards can be carried forward indefinitely.

Net deferred taxes changed as follows:

EUR k	2022	2021
Opening balance as of 01/01	**–17,592.2**	**–15,810.0**
Foreign exchange differences	14.7	–330.6
Deferred taxes on other comprehensive income	–3,297.5	–660.1
Deferred taxes recognized in profit or loss	–2,844.9	–791.4
Closing balance as of 12/31	**–23,719.8**	**–17,592.1**

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

We have not recognized deferred tax liabilities of EUR 18,774.7 thousand (previous year: EUR 12,878.7 thousand) for differences between the tax base of investments in subsidiaries and the share of the equity of those subsidiaries because we do not expect these differences to reverse in the foreseeable future or a reversal to be subject to income taxes.

(25) Provisions

	As of 01/01/2022	New provisions	Addition due to change in discount rate	Interest	Used	Reversed	Foreign exchange differences	As of 12/31/2022
EUR k								
Dismantling costs	15,350.9	1,221.3	–4,406.5	309.4	0.0	0.0	35.5	12,510.7
Severance payments	61.7	19.4	0.0	0.0	0.0	0.0	0.0	81.1
	15,412.6	**1,240.7**	**–4,406.5**	**309.4**	**0.0**	**0.0**	**35.5**	**12,591.8**
of which noncurrent	15,412.6							12,591.8

Due to our contractual obligations to dismantle the wind power plants at the end of their useful life, we recognized a provision for dismantling costs in the amount of the expected costs and discounted it at 2.0% (previous year: 2.0%). As of December 31, 2022, the interest rate was adjusted to 5.25%, which resulted in a change in the provision for dismantling costs.

(26) Trade and other payables

	12/31/2022	12/31/2021
EUR k		
Financial liabilities		
Trade payables	10,692.6	6,894.1
Outstanding invoices	7,172.5	4,514.1
Claims of employees and members of the Management Board	5,214.6	3,125.2
Levy on profits liability	6,704.0	0.0
Other	860.8	535.0
	30,644.5	**15,068.3**
Nonfinancial liabilities		
Amounts payable to taxation authorities	1,393.2	799.7
	32,037.6	**15,868.0**

The Claims of employees and members of the Management Board consist mainly of untaken vacation time in the amount of EUR 1,246.9 thousand (previous year: EUR 1,089.5 thousand), time credits of EUR 279.7 thousand (previous year: EUR 268.3 thousand), and bonuses of EUR 3,075.9 thousand (previous year: EUR 1,223.3 thousand).

Outstanding invoices relate mostly to construction and consulting services already rendered. The Levy on profits item results from legal requirements in Germany, France, and Italy.

(27) Leases

Please see the accounting policies outlined in section 9.

Leases as lessee (IFRS 16)

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

Right-of-use assets

EUR k	Land	Buildings	PV system	Passenger vehicles	Total
As of 01/01/2022	20,521.3	982.8	5,722.8	9.3	27,236.3
Additions to right-of-use assets	3,219.1	83.2	0.0	0.0	3,302.3
Foreign exchange differences	88.4	–0.3	0.0	0.0	88.1
Disposals of right-of-use assets	–135.8	0.0	–56.0	–31.5	–223.3
Depreciation charge for the fiscal year	–1,518.6	–200.2	–629.9	–8.7	–2,357.4
Value adjustment for disposals	33.4	0.0	0.0	30.9	64.3
Foreign exchange differences	7.6	4.0	0.0	0.0	11.6
As of 12/31/2022	**22,215.4**	**869.6**	**5,036.9**	**0.0**	**28,121.9**

Amounts recognized in profit or loss

EUR k	2022	2021
Leases under IFRS 16		
Interest expense on lease liabilities	666.5	404.3
Expenses relating to short-term leases	85.0	100.1
Expenses relating to leases of low-value assets	188.7	173.9
Expenses relating to variable lease payments and expense relating to contracts not within the scope of IFRS 16	2,703.4	1,370.5
Total	**3,643.5**	**2,048.9**

Amounts recognized in the statement of cash flows

EUR k	2022	2021
Total cash outflow for leases	2,830.8	3,480.4

Extension options
Some leases contain extension options that only we, and not the lessor, may exercise. At the commencement date, we assess whether extension options are reasonably certain to be exercised. We reassess whether an extension option is reasonably certain to be exercised upon the occurrence of a significant event or a significant change in circumstances. Based on the current assessment, there is no change in the lease liabilities as a result of the fact that an extension option may be exercised.

Leases as lessor
We lease PV systems in accordance with IFRS requirements. We have classified these leases as operating leases, as they do not transfer substantially all the risks and rewards incidental to ownership of the asset. In 2022, we recognized lease income of EUR 262.5 thousand (previous year: EUR 137.9 thousand). The lease income is variable, as it depends on the electricity generation at the solar power plants.

5. Other obligations

5.1 Financial obligations arising from lease contracts and purchase orders

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

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

As of the reporting date, material orders for purchases of property, plant, and equipment were outstanding in the amount of EUR 120,165.1 thousand (previous year: EUR 36,802.3 thousand).

5.2 Pending litigation

One of our German subsidiaries is in the process of clarifying labor law issues.

6. Judgments and estimation uncertainty

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

- One significant judgment is the determination of whether we control an investee. This is relevant primarily in cases where we do not hold a majority interest.
- Other judgments relate to the recognition of project development costs as assets when projects have been set out in sufficient detail, which is generally documented by a project development instruction from the Management Board.

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

- The assessment of the recoverability of investments of EUR 15,466.9 thousand (previous year: EUR 22,159.1 thousand) in the project development of wind farms and solar power plants that do not yet have final approval for implementation is based on an assessment of the respective wind farm's probability of realization. This probability of realization may quickly change if public acceptance is lacking, or approvals are unattainable. In the fiscal year, we derecognized project costs of EUR 171.2 thousand (previous year: EUR 470.5 thousand) as expenses, as it is no longer likely that the project will be realized.
- An impairment test is carried out on our technical equipment and machinery whenever there are indications that an impairment/reversal of impairment may have occurred. The indications identified by W.E.B include, for example, a short remaining term of the subsidized tariff or unforeseen building costs during construction.
- In the event of the indications identified, we test our technical equipment and machinery for impairment by determining their recoverable amount, which is the present value of the future net cash inflows. The outcome of the calculation depends on several assumptions. The most significant assumptions are the future revenue for the electricity generated (especially for projects without a subsidized tariff or after the end of the subsidized period) and the interest rate used to discount the future cash flows. The assumptions for the tariff are based on electricity trading prices and assume a price rise of 2.5% p.a. over the medium to long term (previous year: 2.5 % p.a.). In the wind segment, we have assumed a price rise of 1.4% p.a. (previous year: 1.4% p.a.). The discount rate used is the post-tax interest rate that reflects current market assessments, the time value of money and the risks specific to the asset in question. The post-tax interest rate was determined specifically for each measured asset depending on the remaining term and ranges from 4.87% to 13.89% (previous year: 4.28% to 5.35%). The pre-tax interest rate was calculated iteratively and ranges from 7.33% to 80.80% (previous year: 5.95% to 48.86%).

  In the fiscal year, the impairment tests did not require any adjustments to be recognized.

A change in the tariff and/or the interest rate would have the following impact on profit for the fiscal year 2022:

Electricity price

	–20%	–10%	Base case
	EUR k	EUR k	EUR k
WACC +0.5%	–378.9	–248.8	–122.6
Base case	–264.4	–116.8	0.0

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

  We change our assumptions and estimates on the determination of the useful lives of our wind power plants if the operating license for the installation is extended and the economic environment allows for the installation to operate beyond its useful life as estimated at the time it was commissioned.

- Provisions for dismantling costs with a carrying amount of EUR 12,510.7 thousand as of December 31, 2022 (previous year: EUR 15,350.9 thousand) are measured on the basis of expert estimates and experience of the cost of dismantling similar plants, as well as the assumption that some of the materials to be disposed of can be reused. The provision is recognized as part of the cost of the asset, as a result of which any increase or decrease in the provision is recognized in profit or loss over the useful life of the asset rather than immediately.

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

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

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

7. Additional information on financial instruments

7.1 Significance of financial instruments

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

EUR k	Carrying amount 12/31/2022	Carrying amount 12/31/2021	Fair value 12/31/2022	Fair value 12/31/2021	Measure-ment level
Financial assets measured at fair value					
Securities	240.2	219.7	240.2	219.7	Stage 1
Shares in companies	3,459.0	2,562.9	3,459.0	2,562.9	Stage 2
Hedges					
Interest rate swaps with a positive carrying amount	8,720.7	74.8	8,720.7	74.8	Stage 2
Financial assets not measured at fair value					
Loans and receivables					
Trade receivables	19,604.3	17,086.8	19,604.3	17,086.8	
Loans and other receivables	34,009.9	20,455.8	34,009.9	20,455.8	
Credit and capital reserve accounts	6,772.3	6,420.5	6,772.3	6,420.5	
Cash					
Cash and cash equivalents	59,578.6	64,648.1	59,578.6	64,648.1	
Total financial assets	**132,385.0**	**111,468.6**			
Financial liabilities measured at fair value					
Hedges					
Interest rate swaps with a negative carrying amount	0.0	4,016.8	0.0	4,016.8	Stage 2
Financial liabilities not measured at fair value					
Financial liabilities measured at amortized cost					
Financial liabilities	399,025.6	408,822.4[1]	355,299.4	401,960.0[1]	
Bond liabilities	19,713.2	23,451.0	19,245.9	24,573.5	
Tax equity liabilities	11,380.2	3,106.4	11,380.2	3,106.4	
Trade and other payables	30,644.5	15,068.3	30,644.5	15,068.3	
Total financial liabilities	**460,763.4**	**454,464.9**			

[1] The previous year's figure includes lease liabilities in accordance with IFRS 16—these are excluded from the scope of IFRS 9.

In the case of trade receivables, loans, other receivables, and trade and other payables, the carrying amounts approximate their fair values due to the mainly short remaining maturities. There were no transfers between the measurement levels in the reporting period or the previous year.

The carrying amounts of financial assets pledged as security amounted to EUR 6,772.3 thousand on December 31, 2022 (previous year: EUR 6,420.5 thousand). A portion of this amount served as security for our contractual obligation to land owners to dismantle and remove the wind power plants at the end of their useful lives. The other portion served as security for liabilities to banks.

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

	From subsequent measurement				From interest/ dividends
2022	At fair value through other comprehensive income	Currency translation	At fair value through profit or loss	Valuation allowance	
EUR k					
Securities	0.0	0.0	20.5	0.0	1.3
Shares in companies	0.0	0.0	0.0	0.0	0.0
Cash	0.0	0.0	0.0	0.0	158.9
Loans and receivables	0.0	0.0	0.0	0.0	741.4
Financial liabilities at amortized cost	0.0	362.8	0.0	0.0	–11,834.9
Hedges	–9,365.2	0.0	0.0	0.0	–656.3
Total	**–9,365.2**	**362.8**	**20.5**	**0.0**	**–11,589.6**

	From subsequent measurement				From interest
2021	At fair value through other comprehensive income	Currency translation	At fair value through profit or loss	Valuation allowance	
EUR k					
Securities	0.0	0.0	13.0	0.0	0.0
Shares in companies	0.0	0.0	0.0	0.0	0.0
Cash	0.0	0.0	0.0	0.0	46.1
Loans and receivables	0.0	0.0	0.0	0.0	967.7
Financial liabilities at amortized cost	0.0	–7,466.9	0.0	0.0	–10,182.7
Hedges	–1,699.4	0.0	0.0	0.0	–1,337.9
Total	**–1,699.4**	**–7,466.9**	**13.0**	**0.0**	**–10,506.8**

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

Repayment of the loans extended to noncontrolling interests depends on the cash flows from the project companies. Based on the expected cash flows, it can be assumed that the loans can be repaid. Therefore, no expected credit losses were recognized on the loans.

The year-end measurement resulted in a change in the measurement of noncurrent assets.

Expected credit losses therefore changed as follows in the fiscal year 2022:

EUR k	
Expected credit losses as of 12/31/2021	69.1
of which addition to allowance for expected credit losses on "Other noncurrent receivables"	0.0
of which reversals to allowance for expected credit losses on "Other noncurrent receivables"	0.0
Valuation allowances in 2022	0.0
Adjustments from foreign exchange differences 2022	2.0
Expected credit losses as of 12/31/2022	**71.1**

EUR k	
Expected credit losses on operating receivables as of 12/31/2021	168.9
Addition	51.0
Dissolution	–3.3
Adjustments from foreign exchange differences 2022	0.0
Expected credit losses on operating receivables as of 12/31/2022	**216.6**

7.2 Risks arising from financial instruments

7.2.1 Liquidity risk

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

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

	Due		
12/31/2022	Up to 1 year	Between 1 year and 5 years	Over 5 years
EUR k			
Bonds	10,537.9	8,365.7	1,584.7
Liabilities to banks	61,016.0	167,887.3	232,308.8
Lease liabilities—right-of-use assets	2,882.9	12,295.5	18,506.8
Tax equity liabilities	10,834.1	546.1	0.0
Other obligations	32,037.6	0.0	0.0
Purchase commitments for property, plant, and equipment	120,165.1	0.0	0.0
Total	**237,473.6**	**189,094.6**	**252,400.3**

	Due		
12/31/2021	Up to 1 year	Between 1 year and 5 years	Over 5 years
EUR k			
Bonds	4,516.7	17,895.2	2,592.4
Liabilities to banks	43,572.5	157,370.1	241,932.5
Lease liabilities—right-of-use assets	2,663.6	11,563.4	17,990.7
Tax equity liabilities	2,949.2	157.3	0.0
Other obligations	15,868.0	0.0	0.0
Purchase commitments for property, plant, and equipment	36,802.3	0.0	0.0
Total	**106,372.3**	**186,985.9**	**262,515.6**

As security for existing financing, extensive pledges of assets and assignments of receivables have been agreed with the financial institutions. In addition, we have undertaken to comply with certain financial ratios. A breach of these ratios might entitle the financial institutions to call in the financing. In the year under review, a financial key performance indicator could not be arrived at due to temporary interruptions and weaker wind levels in France. Due to the stable structure and positive production forecast, the financing bank had announced before the end of the year that this would not result in a breach of the loan agreement.

When making investment decisions, we always consider our current liquidity position and further liquidity planning. As of the reporting date, purchase orders for property, plant, and equipment were outstanding in the amount of EUR 120,165.1 thousand (previous year: EUR 36,802.3 thousand).

7.2.2 Market risk

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

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

Our financial instruments are subject to interbank offered rates (IBORs). A major reform of reference interest rates, including the replacement of some IBORs with alternative, near risk-free interest rates (known as "IBOR reform"), has been undertaken globally. Based on the current assessment, we assume that the IBOR reform will impact our risk management. We believe that EURIBOR will continue to be used as a reference rate for the foreseeable future. The USD-SOFR was used as the reference interest rate for a long-term financing taken out in the year under review. We currently envision no impact on our recognition of hedging transactions.

Interest rate risk

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

As of December 31, 2022, the proportion of variable-rate financial liabilities (taking into account the interest rate swaps entered into) was 10.5% (previous year: 8.9%). With the loan portfolio in place as of the reporting date and factors otherwise unchanged, an interest rate rise of one percentage point would reduce profit (before tax) by EUR 427.4 thousand p.a. (previous year: EUR 346.7 thousand p. a.).

As of December 31, 2022, we were a contracting party to interest rate swaps with a nominal value of EUR 98,137.9 thousand (previous year: EUR 105,495.2 thousand). The sole purpose of these interest rate swaps is to swap variable for fixed rates. They are designated as hedges (hedges of future cash flows) in accordance with IFRS 9. The table in note (23) shows a detailed presentation of derivative financial liabilities including fair values. The derivatives have an average remaining maturity of 6.8 years (previous year: 7.8 years). Changes in interest rates affect the measurement of interest rate swaps and, through the recognition of the remeasurement gains or losses in other comprehensive income, they also affect equity.

Currency risk

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

Equity financing is not hedged. The equity risk amounts to EUR 496.8 thousand for Canada (previous year: EUR 2,796.2 thousand), EUR 989.2 thousand for the Czech Republic (previous year: EUR 960.2 thousand), and EUR 27,239.7 thousand for the USA (previous year: EUR 27,239.7 thousand). We recognize the resulting translation differences in other comprehensive income. In the fiscal year 2022, they amounted to EUR 247.4 thousand for subsidiaries in the Czech Republic (previous year: EUR 133.5 thousand), EUR –1,638.4 thousand for those in Canada (previous year: EUR –1,698.7 thousand), and EUR 1,942.4 thousand for those in the USA (previous year: EUR 121.2 thousand).

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

Financial liabilities

	12/31/2022	12/31/2021
EUR k		
CAD bank credit	68,635.3	72,695.4
WEB AG—USA USD loan (intragroup)	0.0	2,472.2
CZK bank credit	2,190.8	2,876.3
USD bank credit	39,371.7	23,712.6

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

The parent company WEB Windenergie AG granted its subsidiary WEB USA Inc. a loan of USD 2,800.0 thousand, which was repaid in full. The resulting currency risk was recognized in profit or loss as a profit of EUR 533.4 thousand in the year under review.

In previous years, the parent company WEB Windenergie AG had taken out a US dollar-denominated loan, the balance of which was EUR 1,476.7 thousand as of the reporting date (previous year: EUR 1,699.6 thousand). In the reporting period, the resulting currency risk was recognized in profit or loss as a loss of EUR 107.2 thousand (previous year: loss of EUR 147.4 thousand). The short-term financing in US dollars taken out in the previous year was repaid in full after another increase. In the year under review, the resulting currency risk was recognized in profit or loss as a loss of EUR 130.6 thousand (previous year: profit of EUR 11.7 thousand).

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

A 10% appreciation or depreciation in the euro against the following major currencies of financial liabilities would have affected profit before tax and equity as follows:

2022	10% appreciation	10% depreciation
EUR k	Result	Result
USD	134.2	–164.1

A 10% appreciation or depreciation in the euro against the following major currencies of the subsidiaries' equity financing would have affected other comprehensive income and equity as follows:

2022	10% appreciation	10% depreciation
EUR k	Result	Result
CAD	–106.2	129.8
CZK	–153.7	187.8
USD	–2,853.9	3,488.1
Total	**–3,113.8**	**3,805.7**

Credit risk

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

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

The risk of credit losses is limited by the fact that we generate most of our revenues from government or quasi-government organizations. We measured our receivables as of the reporting date. For companies for which a rating was available, we consider there to be no probability of default in the case of agency ratings of BB+ or above. For companies for which no rating is available, the electricity sector assumes a probability

of default of up to 2%. Credit risk on operating receivables of EUR 216.6 thousand was recognized (previous year: EUR 168.9 thousand). As of December 31, 2022, the maximum default risk in connection with trade receivables was EUR 19,604.3 thousand (previous year: EUR 17,044.1 thousand); for all other receivables, loans, etc., it was EUR 51,543.3 thousand (previous year: EUR 34,185.8 thousand).

8. Other disclosures

8.1 Geographical information

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

Revenue

EUR k	2022	2021	Change
Austria	80,123.4	43,873.7	83%
Germany	34,805.5	19,227.6	81%
France	24,821.1	18,869.1	32%
Canada	16,633.9	16,101.6	3%
Italy	9,887.4	10,149.8	–3%
USA	5,021.4	2,863.4	75%
Czech Republic	2,783.1	2,524.4	10%
Total	**174,075.8**	**113,609.6**	**53%**

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

EUR k	2022	2021	Change
Austria	211,072.7	189,235.2	12%
France	99,803.5	107,493.0	–7%
Italy	74,980.5	55,564.5	35%
Canada	73,502.2	78,207.2	–6%
USA	60,911.2	45,042.4	35%
Germany	56,689.3	59,553.9	–5%
Czech Republic	6,183.0	6,864.2	–10%
Slovakia	138.9	93.8	48%
Total	**583,281.3**	**542,054.1**	**8%**

8.2 Notes to the statement of cash flows

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

We allocate interest received to investing activities and interest paid to financing activities.

Payments to noncontrolling interests of EUR 2,995.2 thousand (previous year: EUR 2,893.3 thousand) relate to repayments of equity. These were used predominantly to repay loans issued to noncontrolling interests.

In the current fiscal year, dividends of EUR 6,663.3 thousand (previous year: EUR 7,499.8 thousand) were distributed and interest of EUR 1,122.5 thousand (previous year: EUR 1,323.3 thousand) was disbursed to hybrid capital investors.

Financial liabilities and bonds changed as follows:

		Cash			Non-cash					
EUR k	01/01/2022	Repay-ments	Borrow-ings	Loan charges	Borrow-ing	Adjust-ment	Interest	Foreign exchange differences	Loan charges	12/31/2022
Financial liabilities including tax equity liabilities	381,835.4	–78,805.0	106,414.9	–1,183.3	0.0	0.0	474.3	931.3	738.1	410,405.8
Lease liabilities under IFRS 16	26,987.0	–2,164.3	0.0	0.0	3,266.1	546.3	0.0	–568.5	17.4	28,084.0
Bonds	23,451.0	–3,726.1	0.0	0.0	0.0	0.0	–56.3	0.0	44.6	19,713.2
	432,273.4	**–84,695.3**	**106,414.9**	**–1,183.3**	**3,266.1**	**546.3**	**418.0**	**362.8**	**800.1**	**458,203.0**

Income tax payments amounted to EUR 7,408.9 thousand (previous year: EUR 3,864.4 thousand) and related mainly to cash flows from operating activities.

8.3 Objectives of capital management

The objectives of capital management are to ensure the Company's continued existence as a going concern and further expand the generation of electricity from renewables in Europe, Canada, and the USA, while achieving an adequate return on equity. Our goal is to achieve a long-term return on equity of 7% to 10%. To hedge against corporate risks while at the same time making optimum use of the equity available, we aim to achieve an equity ratio of 20% to 30% over the long term. As of December 31, 2022, the equity ratio was 28.2% (previous year: 27.1%) and the return on equity 15.2% (previous year: 10.3%).

In the reporting period, a resolution to distribute EUR 6,663.3 thousand (previous year: EUR 7,499.8 thousand) was passed at the Annual General Meeting. This equated to a dividend of EUR 2.10 per share (previous year: EUR 26.00 per share, before the stock split carried out in June 2021 at ratio of 1:10).

Our dividend policy aims to ensure that distributions are as stable as possible. One third of the consolidated profit is to be distributed. In 2023, distribution of a dividend of EUR 2.90 per share for 2022 is planned.

8.4 Related party disclosures

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

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

The equity investments Sternwind Errichtungs- und Betriebs GmbH and Sternwind Errichtungs- und Betriebs GmbH & Co KG were accounted for using the equity method, resulting in operational management and maintenance contracts at customary market terms. Receivables in the amount of EUR 13.8 thousand (previous year: EUR 14.4 thousand) were outstanding on December 31, 2022.

WEB Windenergie AG also granted a loan to finance the capital contribution of noncontrolling interests to Pisgah Mountain LLC, USA. As of December 31, 2022, receivables amounting to EUR 8,111.2 thousand (previous year: EUR 7,599.7 thousand) were outstanding from Pisgah Holdings LLC, USA.

WEB Windenergie AG also granted a loan to finance the capital contribution of noncontrolling interests to Wisokolamson Energy LP, Canada. As of December 31, 2022, receivables amounting to EUR 2,552.1 thousand (previous year: EUR 2,759.4 thousand) were outstanding from Woodstock Wind LP, Canada.

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

A consultancy agreement is in place with the law firm Sattler & Schanda, in which Supervisory Board member Reinhard Schanda is a partner. The legal advice is provided by one of the law firm's lawyers, Angela Heffermann. At its meeting on June 26, 2009, the Supervisory Board approved the continuation of the consultancy mandate. Expenses of EUR 15.6 thousand (previous year: EUR 8.6 thousand) were recognized in the reporting period. As in the previous year, there were no outstanding claims for fees by the law firm of Sattler & Schanda as of December 31, 2022.

An agreement is in place with Supervisory Board member Martin Zimmermann on the management and maintenance of brownfield sites in relation to wind power locations in Austria. Expenses of EUR 9.7 thousand (previous year: EUR 9.7 thousand) were recognized in the reporting period. There were no outstanding liabilities as of December 31, 2022 (previous year: EUR 0.0 thousand).

Governing bodies of the Company

a) Management Board

In the fiscal year 2022, the Management Board consisted of the following people:

Frank Dumeier, born March 29, 1962, member of the Management Board since April 1, 2010, Chief Executive Officer since April 30, 2016, joint representation

Michael Trcka, born November 10, 1970, member of the Management Board since May 1, 2009, Chief Financial Officer since May 1, 2009, joint representation

b) Supervisory Board

In 2022, the Supervisory Board consisted of the following people:

Josef Schweighofer, born August 26, 1964, member of the Supervisory Board since July 5, 2022, Chairman of the Supervisory Board since January 17, 2009, term of office until the Annual General Meeting in 2026

Reinhard Schanda, born January 16, 1965, member of the Supervisory Board since June 19, 2009, Deputy Chairman of the Supervisory Board since June 17, 2011, term of office until the Annual General Meeting in 2024

Stefan Bauer, born September 20, 1977, member of the Supervisory Board since May 1, 2005, term of office until the Annual General Meeting in 2026

Brigitte Ederer, born February 27, 1956, member of the Supervisory Board since May 25, 2018, term of office until the Annual General Meeting in 2023

Martin Zimmermann, born December 23, 1968, member of the Supervisory Board since June 17, 2011, term of office until the Annual General Meeting in 2026

Mathias Dangl, born October 15, 1987, seconded member of the Supervisory Board since October 1, 2022

c) Authorized signatories

On September 15, 2008, Claudia Bauer (born February 1, 1983) was appointed as an authorized signatory, followed by Stefanie Markut (born September 1, 1977) and Roman Prager (born January 29, 1976) on August 1, 2016, and Martin Jahn (born May 4, 1977) on January 25, 2021. They represent the Company jointly with a member of the Management Board.

8.4.1 Remuneration of governing body members

In 2022, the members of the Management Board received remuneration totaling EUR 760.1 thousand (previous year: EUR 798.8 thousand), of which EUR 300.2 thousand comprised performance-related components for the profit for 2021 (previous year: EUR 349.0 thousand for the profit for 2020) and payments to pension funds in the amount of EUR 114 thousand (previous year: EUR 114.0 thousand). The payments to pension funds are defined contribution pension obligations. There are no other benefit obligations. The criteria set for the performance-related components (variable remuneration) are the number of MW of newly installed power plant capacity in the fiscal year in question, achieving or exceeding a certain return on equity, and exceeding a Group-wide number of installed MW capacity. Caps have been

set on total remuneration. In order to promote sustainable growth that is not simply based on short-term results and to reward the steady development of projects that will not be implemented for several years, a separate bonus is also payable if a relatively ambitious number of MW and a specified return on equity are exceeded by 2030.

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

We did not grant any advance payments to governing bodies of the Company in 2022.

The remuneration of the Supervisory Board amounted to EUR 145.5 thousand in the reporting period (previous year: EUR 140.0 thousand).

EUR	
Josef Schweighofer	40,000.00
Reinhard Schanda	29,000.00
Stefan Bauer	27,000.00
Brigitte Ederer	22,000.00
Martin Zimmermann	22,000.00
Mathias Dangl	5,500.00
	145,500.00

We have taken out a directors' and officers' liability insurance (D&O insurance) covering certain personal liability risks for persons acting responsibly on behalf of WEB Windenergie AG and its subsidiaries. The costs (EUR 20.4 thousand) are borne by the Company.

9. Accounting policies

9.1 Entities included in the consolidated financial statements

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

Subsidiaries are entities that we control. Control exists if we

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

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

We include all subsidiaries in the consolidated financial statements. This means that their assets and liabilities are included in the consolidated balance sheet, and their income and expenses in the consolidated income statement. This also applies if we hold less than 100% of the shares in a subsidiary, in which case

the (noncontrolling) shares in the subsidiary attributable to other shareholders are presented in the balance sheet under Noncontrolling interests. Intragroup transactions, receivables, liabilities, and material unrealized profits (intercompany profits) are eliminated.

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

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

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

	Subsidiaries	Associates and joint ventures
As of 01/01/2021	**47**	**8**
Entities established by us	8	0
Entities acquired by us	1	0
As of 12/31/2021	**56**	**8**
Entities established by us	22	0
Entities acquired by us	0	0
As of 12/31/2022	**78**	**8**

Entities newly established by us

The company WEB Windpark DK Verwaltungs GmbH & Co KG was established in Austria in January 2022. We hold 100% of the shares. Therefore, the entity is fully consolidated.

In March 2022, the entities WEB Blueberry Acres Wind LP, WEB Blueberry Acres Wind GP Inc., WEB Weavers Mountain Wind LP, WEB Weavers Mountain Wind GP Inc., WEB Red Spruce Wind LP, WEB Red Spruce Wind GP Inc., WEB Apitamkiejit Wind LP and WEB Apitamkiejit Wind GP Inc. were formed in Canada. We hold 100% of the shares in the entities WEB Apitamkiejit Wind LP and WEB Apitamkiejit Wind GP Inc. We hold 49.1% of the shares in each of the remaining entities, but nevertheless control them. All entities are therefore fully consolidated.

WEB Windpark 2 GmbH & Co KG was established in Austria in June 2022. We hold 100% of the shares. WEB PV Bisaccia SRL was founded in Italy, and we again hold 100% of the shares. Both entities are therefore fully consolidated.

The company WEB Windpark 3 GmbH & Co KG was established in Austria in July. We hold 100% of the shares. The entities WEB PV Ariano SRL and WEB PV Apricena SRL were founded in Italy. We also hold 100% of the shares of these entities. These entities are therefore fully consolidated.

The entities WEB Westport Solar, LLC and WEB Southbridge Solar, LLC were founded in the USA in August. We hold 100% of the shares. These entities are therefore fully consolidated.

The entities W.E.B Parc Solarie des Plateaux de Bourgogne SAS and W.E.B Parc Solaire du Puits de la Loge SAS were founded in France in October. These entities are fully consolidated since we hold 100% of the shares in each case.

The entities WEB Freetown Solar, LLC, WEB Auburn Solar, LLC, WEB Addison Solar, LLC, WEB Warner Hill Solar, LLC, WEB Shady Tree Solar, LLC, WEB Bangor Solar, LLC, and WEB Woodhull Solar, LLC were founded in the USA in November. We hold 100% of the shares of all companies, so they are fully consolidated.

WEB Amelia Courthouse Solar, LLC was established in the USA in December. We also hold 100% of the shares, so this entity is fully consolidated.

9.2 Currency translation

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

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

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

For the financial statements as of December 31, 2022 and 2021, we used the following rates:

	Valuation rate 12/31/2022	Average rate 2022	Valuation rate 12/31/2021	Average rate 2021
CZK	24.1160	24.5996	24.8580	25.7639
USD	1.0666	1.0555	1.1326	1.1894
CAD	1.4440	1.3700	1.4393	1.4907

9.3 Other accounting policies

9.3.1 Goodwill and intangible assets

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

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

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

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

9.3.2 Property, plant, and equipment

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

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

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

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

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

9.3.3 Impairment of nonfinancial assets

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

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

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

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

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

9.3.4 Financial instruments

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

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

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

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

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

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

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

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

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

9.3.5 Impairment of financial assets

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

9.3.6 Inventories

At the balance sheet date, inventories are measured at the lower of cost and net realizable value, based on the moving average price method.

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

9.3.7 Provisions

Provisions are liabilities of uncertain timing or amount. We recognize a provision in the balance sheet when we have a legal or constructive obligation to a third party, it is probable that an outflow of resources (e.g., payments or services) will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. A provision is measured at the amount representing the best estimate of the future expenditure required to settle the obligation. Where the effect is material, we discount the amount to its present value as of the reporting date. The interest rate used in the fiscal year 2022 was 2.0% (previous year: 2.0%). The interest subsequently required for compounding provisions is recognized in the other net financial result. As of December 31, 2022, the interest rate was adjusted to 5.25%, resulting in a change in the provision for dismantling costs. Details on the change in provisions can be found under (25). The provisions reported in the balance sheet relate mainly to our obligations to dismantle assets and restore the generation sites. Further information on the measurement of these provisions is provided in the accounting policies for property, plant, and equipment.

9.3.8 Leases

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

As lessee

At the commencement date or at the date on which a contract containing a lease component is modified, we allocate the contractually agreed consideration on a relative stand-alone selling price basis. We recognize an asset for the right of use granted as well as a lease liability. The right-of-use asset is initially measured at cost, which is the amount of the initial measurement of the lease liability, adjusted for any payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs, and an estimate of the costs to be incurred to dismantle or remove the underlying asset or restore the site on which it is located. The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the end of the lease period, unless ownership of the underlying asset transfers to

us at the end of the lease term or the cost of the right-of-use asset reflects that we will exercise a purchase option. In that case, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined in accordance with the requirements for property, plant, and equipment. In addition, the right-of-use asset continues to be adjusted for impairment, if necessary, and for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments not yet made at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using our incremental borrowing rate. We normally use the incremental borrowing rate as the discount rate. To determine our incremental borrowing rate, we obtain interest rates from an external financial source and make certain adjustments to reflect the lease terms and the nature of the asset.

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

The lease liability is measured at the adjusted carrying amount using the effective interest method. It is remeasured if the future lease payments change as a result of a change in an index or interest rate, if we revise our estimate of the amounts expected to be payable under a residual value guarantee, if we change our assessment regarding the exercise of a purchase, extension, or termination option, or if an in-substance fixed lease payment changes. In the event of the remeasurement of the lease liability, the amount of the remeasurement is recognized as an adjustment to the carrying amount of the right-of-use asset or, if the carrying amount of the right-of-use asset is reduced to zero, in profit or loss.

We present right-of-use assets in the balance sheet as intangible assets.

Short-term leases and leases for which the underlying asset is of low value

We do not recognize right-of-use assets or lease liabilities for leases for which the underlying asset is of low value or for short-term leases, including IT equipment. We recognize the lease payments relating to those leases as an expense on a straight-line basis over the lease term.

As lessor

At inception of a contract or at the date on which a contract containing a lease component is modified, we allocate the contractually agreed consideration on a relative stand-alone selling price basis. If we are the lessor, we classify each lease as either a finance lease or an operating lease at inception of the contract. In order to classify each lease, we made an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is an operating lease. In making this assessment, we consider certain indicators, such as whether the lease term is for the major part of the economic life of the asset.

Lease payments from operating leases are recognized as income within revenue on a straight-line basis over the lease term.

9.3.9 Tax on profits

Income taxes comprise all domestic and foreign taxes which are based on profits. Income taxes also include withholding taxes payable by a subsidiary or an associate on distributions to us.

The income tax expense or income presented in the income statement relates both to income taxes paid or payable in the fiscal year in question and to deferred taxes that result from temporary differences between the IFRS carrying amounts of assets and liabilities and their tax base and will only affect current income taxes in future periods. Income taxes relating to transactions recognized in other comprehensive income are not recognized in profit or loss (but rather in other comprehensive income).

Current income taxes for the individual Group companies are calculated from the companies' taxable income using the tax rate applicable in the country in question.

Deferred taxes are calculated on all temporary differences between the carrying amount of the assets and liabilities in the IFRS consolidated financial statements and their tax base. This excludes differences resulting from goodwill that is not deductible for tax purposes and from investments in subsidiaries and associates. However, it only excludes the latter if we do not expect the differences to reverse in the foreseeable future and we are able to control the timing of the reversal of the differences. Deferred tax liabilities are recognized on temporary differences taxable in the future. Deferred tax assets are recognized on temporary differences that mean a future tax benefit or credit. Deferred tax assets are also recognized on existing tax loss carry-forwards. In all cases, however, deferred tax assets are only recognized to the extent that it is reasonably certain that they can be realized in the coming years.

Deferred taxes are measured using the local tax rate applicable in the future. These may not be discounted. The tax rates in the individual countries are as follows:

- Austria: 23–24% (previous year: 25%)
- Germany: 27–30% (previous year: 27–30%)
- France: 25% (previous year: 25–26.5%)
- Canada: 29% (previous year: 29%)
- USA: 30.85% (previous year: 33.08%)
- Italy: 27.90% (previous year: 26.68–27.90%)
- Czech Republic: 19% (previous year: 19%)
- Slovakia: 21% (previous year: 21%)

In Austria, the corporate tax rate was reduced due to the eco-social tax reform in 2022. A corporation tax rate of 24% will apply for 2023. As of 2024 the corporation tax rate will be 23%. The tax rate used to calculate the deferred tax was the one that will probably be applied upon realization (reversal) of the temporary difference on which the deferred tax is based. The change in tax rates resulted in a reversal of deferred tax liabilities of EUR 812.3 thousand in the reporting period.

In Italy, the tax rate was increased to 27.9%. This led to an increase in deferred tax liabilities of EUR 14.3 thousand.

9.3.10 Revenue recognition

Revenue from the sale of electricity generated at our wind farms, solar power plants, and hydropower plants is recognized in the amount of the existing feed-in tariff at the date on which it is fed into the respective grid.

Revenue from green electricity supplied to our customers is recognized once our performance obligation has been satisfied. Revenue from operations management and other commercial and technical services is recognized at the date on which the service is provided.

9.3.11 Interest and income from equity investments

Interest expense comprises the interest and similar expense incurred on borrowings and finance lease transactions with the exception of the portion that we recognize as part of the cost of the items of property, plant, and equipment concerned. We calculate interest expense at the effective interest rate. Discounts and premiums, charges, costs incurred to raise funds, and similar expenses directly related to financing are therefore allocated over the fixed term of the financing in question.

Income from unconsolidated entities or associates is recognized at the date on which it is resolved to make a distribution.

9.4 Rules required to be applied in the future

In the coming years, we will be required to adopt the following Standards:

Standard/ Interpretation	Title of the Standard/ Interpretation	Fiscal year of initial application	Type of change
IFRS 17	Insurance Contracts	01/01/2023	Amendments to IFRS 17 Insurance Contracts
IAS 8	Accounting Policies	01/01/2023	Changes regarding the definition of accounting estimates
IAS 1	Presentation of Financial Statements	01/01/2023	Changes regarding the assessment of "material" information
IFRS Practice statement 2	"Making Materiality Judgements"	01/01/2023	Inclusion of guidance and explanatory examples of "material" information
IAS 12	Deferred Taxes	01/01/2023	Amendments concerning deferred taxes related to assets and liabilities from a single transaction
IFRS 16	Lease Liabilities	Active	Amendment concerning lease liabilities in sale and leaseback agreements
IAS 1	Classification of Liabilities	Active	Amendments to the classification of liabilities as current or noncurrent
IFRS 10	Sales or Contributions of Assets between an Investor and its Associate or Joint Venture	Active	Amendments regarding sales or contributions of assets between an investor and an associate or joint venture
IAS 28	Sales or Contributions of Assets between an Investor and its Associate or Joint Venture	Active	Amendments regarding sales or contributions of assets between an investor and an associate or joint venture

We are required to apply the amendments to IFRS 17, IAS 1, IAS 8, and IAS 12 as of January 1, 2023. We have assessed the estimated effects of the amendments on our consolidated financial statements. The actual effects of applying the amendments to these standards as of January 1, 2023 may differ, as we have not yet completed all checks. We do not expect any material effects on our consolidated financial statements.

10. Events after the reporting period

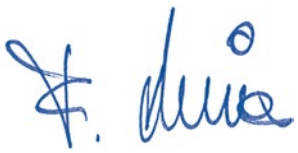
WEB Windenergie AG will again offer partial bonds for public subscription in Austria and Germany from March 1, 2023 to April 11, 2023. The value date is expected to be April 19, 2023. WEB Windenergie AG reserves the right to shorten or extend the offer period. The partially redeemable bond for 2023–2033 will be issued with an interest rate of 4.5% and a denomination of EUR 1,000.00 per partial bond in a total nominal amount of EUR 20,000,000.00, with the option to increase the nominal amount to a total of up to EUR 48,000,000.00.

No other significant events occurred after the balance sheet date.

The Management Board approved these consolidated financial statements on March 23, 2023.

The separate financial statements of the parent company, which were also included in the consolidated financial statements following restatement to International Financial Reporting Standards, were submitted to the Supervisory Board for it to examine on March 22, 2023. The Supervisory Board may adopt the annual financial statements or delegate their adoption to the Annual General Meeting.

Pfaffenschlag, March 23, 2023



Frank Dumeier
Chief Executive Officer

Michael Trcka
Chief Financial Officer

Group companies | Information on investees in accordance with Section 238 (2) of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB)

Company	Registered office	Country	Method of inclusion
WEB Windenergie AG	Pfaffenschlag	Austria	FC
WEB Windpark GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB PV GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB PV GmbH	Pfaffenschlag	Austria	NC
WEB DHW Wind GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB DHW Wind GmbH	Pfaffenschlag	Austria	NC
WEB DGHS Wind GmbH & Co KG	Pfaffenschlag	Austria	FC
WEB DGHS Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Traisenwind GmbH	Pfaffenschlag	Austria	FC
WEB Windpark DK Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark DK Verwaltungs GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windpark 2 Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark 2 GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windpark 3 Verwaltungs GmbH	Pfaffenschlag	Austria	NC
WEB Windpark 3 GmbH & Co. KG	Pfaffenschlag	Austria	FC
WEB Windenergie Deutschland GmbH	Hamburg	Germany	FC
WEB Windenergie Loickenzin GmbH	Tützpatz	Germany	FC
WEB Energie du Vent SAS	Paris	France	FC
Parc éolien de Champigneul Pocancy SAS	Paris	France	FC
WEB Větrná Energie s.r.o.	Brno	Czech Republic	FC
Friendly Energy s.r.o.	Brno	Czech Republic	FC
WEB Italia Energie Rinnovabili s.r.l.	Bolzano	Italy	FC
WEB Wind Energy North America Inc.	New Brunswick	Canada	FC
ELLA GmbH & Co KG	Pfaffenschlag	Austria	FC
ELLA Verwaltungs GmbH	Pfaffenschlag	Austria	NC
Les Gourlus Holding SAS	Paris	France	FC
Parc éolien des Portes du Cambresis SAS	Paris	France	FC
CEPE de Bel-Air Nord SAS	Paris	France	FC
W.E.B Parc éolien des Vallees SAS	Paris	France	FC
W.E.B Parc éolien des Vents du Serein SAS	Paris	France	FC
W.E.B Parc éolien du Pays Blancourtien SAS	Paris	France	FC
WEB Grid SAS	Paris	France	FC
Les Gourlus Holding II SARL	Paris	France	NC
W.E.B Parc éolien Autour des Carrières SASU	Paris	France	FC
SLOWEB s.r.o.	Bratislava	Slovakia	FC
WEB Windenergie Brandenburg GmbH	Hamburg	Germany	EV
WEB Windpark Wörbzig GmbH & Co KG	Hamburg	Germany	FC
WEB Windpark Wörbzig Verwaltungs GmbH	Hamburg	Germany	NC
Itterkraftwerk Verwaltungs GmbH (previously: Windpark Grube Verwaltungs GmbH)	Hamburg	Germany	NC

FC ... full consolidation EV .. equity valuation NC ... Not consolidated

Ownership interest	Prior-year ownership interest	Reporting date	Equity	Net income/ loss for the year	Equity in foreign currency	Net income/loss for the year in foreign currency	Exchange rate
			EUR k	EUR k			
		12/31/2022	98,376	9,310			
100%	100%	12/31/2022	13,893	6,021			
70%	70%	12/31/2022	456	190			
70%	70%	12/31/2022	2	1			
100%	100%	12/31/2022	7,931	4,466			
100%	100%	12/31/2022	5	2			
100%	100%	12/31/2022	8,317	6,021			
100%	100%	12/31/2022	4	–1			
100%	100%	12/31/2022	–154	–4			
100%		12/31/2022	4	-1			
100%		12/31/2022	1,463	–247			
100%		12/31/2022	3	–2			
100%		12/31/2022	–2	–5			
100%		12/31/2022	3	–2			
100%		12/31/2022	253	–5			
100%	100%	12/31/2022	20,467	7,317			
100%	100%	12/31/2022	17	0			
100%	100%	12/31/2022	–5,743	–1,614			
100%	100%	12/31/2022	–968	–25			
100%	100%	12/31/2022	4,096	728	CZK 98,773,683	CZK 17,546,783	24.116
100%	100%	12/31/2022	806	124	CZK 19,446,130	CZK 2,983,627	24.116
100%	100%	12/31/2022	3,521	964			
100%	100%	12/31/2022	9,968	2,340	CAD 14,394,507	CAD 3,378,930	1.444
100%	100%	12/31/2022	–759	–349			
100%	100%	12/31/2022	4	0			
100%	100%	12/31/2022	1,043	1,359			
100%	100%	12/31/2022	4,970	1,348			
100%	100%	12/31/2022	–28	–6			
100%	100%	12/31/2022	2,366	830			
100%	100%	12/31/2022	–72	–17			
100%	100%	12/31/2022	–270	–11			
100%	80%	12/31/2022	–588	–233			
100%	100%	12/31/2022	–26	–1			
100%	100%	12/31/2022	–26	–12			
100%	100%	12/31/2022	142	–44			
50%	50%	12/31/2022	–871	–381			
100%	100%	12/31/2022	7,493	6,004			
100%	100%	12/31/2022	25	0			
100%	100%	12/31/2022	26	0			

Annex 1:

Company	Registered office	Country	Method of inclusion
Itterkraftwerk GmbH & Co. KG (previously: Windpark Grube GmbH & Co KG)	Hamburg	Germany	FC
Windpark Grube GmbH	Grube	Germany	FC
WEB Windpark Kuhs Verwaltungs GmbH	Hamburg	Germany	NC
WEB Windpark Kuhs GmbH & Co. KG	Hamburg	Germany	FC
WEB Windpark Silberschlag Verwaltungs GmbH	Hamburg	Germany	NC
WEB USA Inc.	Delaware	USA	FC
SWEB Development USA, LLC	Delaware	USA	FC
Pisgah Mountain USA, LLC	Maine	USA	FC
WEB Silver Maple Wind, LLC	Maine	USA	FC
Zweite WP Weener GmbH & Co. KG	Weener	Germany	EV
Tauernwind Windkraftanlagen GmbH	Pottenbrunn	Austria	EV
Sternwind Errichtungs- und BetriebsgmbH	Bad Leonfelden	Austria	EV
Sternwind Errichtungs- und BetriebsgmbH & Co KG	Vorderweißenbach	Austria	EV
WEB Windenergie Betriebs GmbH	Pfaffenschlag	Austria	NC
Società di gestione impianti fotovoltaici s.r.l.	Bolzano	Italy	FC
WEB Conza s.r.l.	Bolzano	Italy	FC
ARSOLAR S.R.L.	Sant'Andrea Di Conza	Italy	FC
WP France 4 SNC	Paris	France	FC
WEB Windenergie Loickenzin Betriebsgesellschaft GmbH & Co KG	Tützpatz	Germany	FC
Scotian Web Inc. (including limited partnership agreement)	Halifax	Canada	FC
Scotian Web II Inc. (including limited partnership agreement)	Halifax	Canada	FC
Scotian Web III Inc. (including limited partnership agreement)	Halifax	Canada	NC
SWEB Development Inc. (including limited partnership agreement)	Halifax	Canada	FC
SWEB Ownership Ontario Inc. (including limited partnership agreement)	Toronto	Canada	NC
SWEB Development Ontario Inc.	Toronto	Canada	NC
Wisokolamson Energy GP inc. (including limited partnership agreement)	Saint John	Canada	FC
SASU Energie Verte Plaine d'Artois	Le Havre	France	EV
Société d'Electricité du Nord SARL	Paris	France	FC
Bleu Vent Développement SAS	Paris	France	EV
WEB Poste d'Armançon	Paris	France	FC
WEB Parc Eolien des Bosquets SASU (previously: W.E.B Parc Eolien de Flesquières II SASU)	Paris	France	FC
W.E.B Parc Eolien de Bouin-Plumoison SASU	Paris	France	FC
W.E.B Parc Solaire des Plateaux de Bourgogne SAS	Paris	France	FC
W.E.B Parc Solaire du Puits de la Loge SAS	Paris	France	FC
Società Elettrica Ligure Toscana s.r.l.	Bolzano	Italy	FC
WEB ARIANO SRL	Bolzano	Italy	FC

FC ... full consolidation EV .. equity valuation NC ... not consolidated

Ownership interest	Prior-year ownership interest	Reporting date	Equity	Net income/ loss for the year	Equity in foreign currency	Net income/loss for the year in foreign currency	Exchange rate
			EUR k	EUR k			
100%	100%	12/31/2022	2,828	11			
50%	50%	12/31/2022	178	–17			
100%	100%	12/31/2022	23	0			
100%	100%	12/31/2022	284	–54			
100%	100%	12/31/2022	23	–1			
100%	100%	12/31/2022	37,077	–266	USD 39,546,393	USD -283,597	1.067
100%	100%	12/31/2022[1]					
49%	49%	12/31/2022[1]					
100%	100%	12/31/2022[1]					
50%	50%	12/31/2022	2,835	1,626			
20%	20%	12/31/2022	7,707	5,029			
49%	49%	12/31/2022	995	69			
49%	49%	12/31/2022	599	495			
100%	100%	12/31/2022	32	1			
100%	100%	12/31/2022	65	–49			
100%	100%	12/31/2022	1,327	164			
100%	100%	12/31/2022	4,879	113			
100%	100%	12/31/2022	8,343	1,879			
100%	100%	12/31/2022	1,853	827			
55%	55%	12/31/2022[2]					
55%	55%	12/31/2022[2]					
55%	55%	12/31/2022[2]					
100%	100%	12/31/2022[2]					
90%	90%	12/31/2022[2]					
90%	90%	12/31/2022[2]					
49%	49%	12/31/2022[2]					
33%	33%	12/31/2022	772	47			
100%	100%	12/31/2022	–1,142	–705			
50%	50%	12/31/2022	–11	–5			
100%	100%	12/31/2022	–7	–4			
100%			–5	–6			
100%			–5	–6			
100%		12/31/2022	Year of foundation				
100%		12/31/2022	Year of foundation				
100%	100%	12/31/2022	4,668	735			
100%	100%	12/31/2022	73	-95			

[1] Included in the figures of WEB USA Inc.
[2] Included in the figures of WEB Wind Energy North America Inc.

Annex 1:

Company	Registered office	Country	Method of inclusion
CAMPO EOLICO ARIANO - CEA SRL	Bolzano	Italy	FC
WEB Ariano 2 SRL	Bolzano	Italy	FC
Parco Eolico Apricena SRL	Bolzano	Italy	FC
WEB PV Bisaccia SRL	Bolzano	Italy	FC
WEB PV Ariano SRL	Bolzano	Italy	FC
WEB PV Apricena SRL	Bolzano	Italy	FC
Black Spruce Windenergy GP Inc. (including limited partnership agreement)	Toronto	Canada	EV
WEB Brimfield Solar, LLC	Massachusetts	USA	FC
WEB Brookfield Solar, LLC	Massachusetts	USA	FC
WEB Brimfield Holdings, LLC	Delaware	USA	FC
WEB Brookfield Holdings, LLC	Delaware	USA	FC
WEB Asset Holdings, Inc.	Delaware	USA	FC
WEB Silver Maple Holdings, LLC	Delaware	USA	FC
WEB Westport Solar, LLC	Delaware	USA	FC
WEB Southbridge Solar, LLC	Delaware	USA	FC
WEB Freetown Solar, LLC	Massachusetts	USA	FC
WEB Auburn Solar, LLC	Massachusetts	USA	FC
WEB Addison Solar, LLC	Massachusetts	USA	FC
WEB Warner Hill Solar, LLC	Massachusetts	USA	FC
WEB Shady Tree Solar, LLC	Massachusetts	USA	FC
WEB Bangor Solar, LLC	Massachusetts	USA	FC
WEB Woodhull Solar, LLC	Massachusetts	USA	FC
WEB Amelia Courthouse Solar, LLC	Virginia	USA	FC
WEB Blueberry Acres Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC
WEB Weavers Mountain Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC
WEB Red Spruce Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC
WEB Apitamkiejit Wind GP Inc. (including limited partnership agreement)	Halifax	Canada	FC

FC ... full consolidation EV .. equity valuation NC ... not consolidated

Ownership interest	Prior-year ownership interest	Reporting date	Equity	Net income/ loss for the year	Equity in foreign currency	Net income/loss for the year in foreign currency	Exchange rate
			EUR k	EUR k			
100%	100%	12/31/2022	–2,923	–422			
100%		12/31/2022	34	–19			
100%		12/31/2022	1,602	–91			
100%		12/31/2022	25	–5			
100%		12/31/2022	20	–10			
100%		12/31/2022	22	–8			
50%	50%	12/31/2022[2]					
100%	100%	12/31/2022[1]					
100%	100%	12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
100%		12/31/2022[1]					
49%		12/31/2022[2]					
49%		12/31/2022[2]					
49%		12/31/2022[2]					
100%		12/31/2022[2]					

[1] Included in the figures of WEB USA Inc.
[2] Included in the figures of WEB Wind Energy North America Inc.

Auditor's report

Report on the consolidated financial statements

Audit opinion

We have audited the consolidated financial statements of

WEB Windenergie AG,
Pfaffenschlag bei Waidhofen a.d. Thaya,

and its subsidiaries ("the Group"), comprising the consolidated balance sheet as of December 31, 2022, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, and the consolidated statement of changes in equity for the fiscal year then ended, and the notes to the consolidated financial statements.

In our opinion, the enclosed consolidated financial statements comply with legal requirements and give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2022 and of its financial performance and cash flows for the fiscal year then ended in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU, and the additional requirements of Section 245a of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB).

Basis for the audit opinion

We have conducted our audit in compliance with EU Regulation No 537/2014 (hereinafter referred to as EU-VO) and with the generally accepted auditing standards in Austria. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those requirements and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our auditor's report. We are independent of the Group in accordance with the requirements of Austrian commercial law and professional law, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of our auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate audit opinion on these matters.

We now present what we consider to be the key audit matters of the audit:

Valuation of the intangible assets and property, plant, and equipment

The corresponding information can be found in the notes to the consolidated financial statements, in items 3(5), 4(11) and (12), 6, and 9.3.

Description/risk:

Intangible assets (in particular right-of-use assets) and property, plant, and equipment (in particular wind power plants, solar power plants and hydropower plants) with a carrying amount totaling EUR 583.3 million represent approx. 78% of the WEB Group's reported assets as of the balance sheet date.

At the end of each reporting period, the Company assesses whether there are indications that assets may be impaired (triggering events) and thus indications of impairment losses on intangible assets and property, plant, and equipment. If there are such indications, an impairment test is carried out. For assets for which impairment losses were recognized in previous years, the Company assesses whether the reasons for the impairment loss no longer apply and the impairment loss thus needs to be reversed.

The impairment test is carried out at cash-generating unit (CGU) level. When testing for impairment, the Company first determines the value in use and, if necessary, fair value less costs of disposal. Both the value in use and fair value less costs of disposal are calculated as the present value of the future cash flows to be derived from a CGU, applying a recognized discounted cash flow method.

The result of this measurement depends to a significant extent on estimates such as future generation and sales volumes, the remaining useful lives relative to the remaining term of subsidized tariffs, the trend in electricity prices, generation costs and investments, and the discount rates used under the measurement model, and is therefore subject to considerable estimation uncertainty.

For the consolidated financial statements, there is a risk that intangible assets and property, plant, and equipment will be over- or undervalued.

Addressing the risk as part of the audit of the consolidated financial statements:

In order to address this risk, we critically questioned management's assumptions and estimates, and performed the following audit procedures, among others:

- We surveyed the process and the main internal controls in the WEB Group, as well as the methods used to carry out the impairment test and assessed the conception and design of the controls in the process. In doing so, we evaluated the design, implementation, and functioning of the triggering events control used to identify and assess indications of impairment or reversal of impairment.
- The composition of the cash-generating units (CGUs) and allocation of assets, liabilities, and cash flows to the CGUs were checked.
- The calculation model for deriving the discount rates and the parameters applied were checked using database queries, with the involvement of EY valuation specialists.
- We tracked the methodological procedure (evaluation model) itself.

- For selected CGUs, we checked the mathematical accuracy of the impairment tests using comparative and verification calculations and checked the planning assumptions and valuation parameters in relation to selected issues with the involvement of our valuation specialists.
- We discussed and critically questioned assumptions regarding electricity price developments in the individual countries, which were determined internally on the basis of industry and expert experience, in joint meetings with management and the department/plant directors.
- Finally, we verified whether the disclosures on impairment testing in the notes were made in accordance with IAS 36.

Other information

Management is responsible for the other information. Other information includes all information in the annual report, with the exception of the consolidated financial statements, the Group management report, and the auditor's report. The annual report is expected to be made available to us after the date of the auditor's report.

Our audit opinion on the consolidated financial statements does not extend to this other information and we do not express any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read this other information, when available, and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of management and the Audit Committee for the consolidated financial statements

Management is responsible for the preparation of the consolidated financial statements and for ensuring that they give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group in accordance with IFRSs, as adopted by the EU, and the additional requirements of Section 245a of the UGB. In addition, management is responsible for such internal control as it determines necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, for disclosing, as applicable, matters relating to going concern, and for financial reporting based on the going concern basis of accounting, unless management intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the EU-VO and the generally accepted Austrian auditing standards, which require the application of the ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

In addition:

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

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

We also provide the Audit Committee with a statement that we have complied with the relevant professional requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements for the fiscal year and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other statutory and legal requirements

Report on the audit of the Group management report

Under the provisions of Austrian commercial law, the Group management report is required to be audited as to whether it is consistent with the consolidated financial statements and as to whether it has been prepared in accordance with the applicable legal requirements.

The legal representatives are responsible for the preparation of the Group management report in accordance with Austrian commercial law.

We have conducted our audit in accordance with generally accepted principles for the audit of the Group management report.

Opinion

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

Explanation

Based on the knowledge and understanding of the Group and its environment obtained in the course of the audit of the consolidated financial statements, we did not identify any material misstatements in the Group management report.

Responsible engagement partner

The engagement partner responsible for the audit is Mr. Stefan Uher.

Vienna, March 23, 2023

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Stefan Uher
Engagement Partner

pp. Victoria Scherich
Engagement Partner

Separate financial statements

Income statement of WEB Windenergie AG 01/01–12/31/2022

EUR		2022	2021
1.	**Revenue**	59,181,244.46	36,163,778.03
2.	**Other operating income**		
	a) Income from the disposal of fixed assets	*9,409.57*	*8,910.69*
	b) Income from the reversal of provisions	*339,721.54*	*235,021.16*
	c) Other	*557,273.39*	*279,565.41*
		906,404.50	523,497.26
3.	**Cost of materials and other purchased services**		
	a) Cost of materials	*–18,422,466.18*	*–5,272,297.46*
	b) Cost of purchased services	*–10,952,628.90*	*–7,403,489.52*
		–29,375,095.08	–12,675,786.98
4.	**Personnel expenses**		
	a) Wages	*–885,447.86*	*–847,067.22*
	b) Salaries	*–8,939,507.42*	*–6,762,903.52*
	c) Payments to employee benefit funds	*–125,579.28*	*–115,079.96*
	d) Post-employment benefit costs	*–128,527.60*	*–130,218.70*
	e) Expenses for statutory social security contributions as well as income-based charges and compulsory contributions	*–2,324,855.62*	*–2,010,994.43*
	f) Other social security expenses	*–63,318.28*	*–65,996.66*
		–12,467,236.06	–9,932,260.49
5.	**Amortization and write-downs of intangible fixed assets and property, plant, and equipment**	*–8,377,432.45*	*–11,114,595.17*
		–8,377,432.45	–11,114,595.17
6.	**Other operating expenses**		
	a) Taxes other than taxes on income	*–84,922.52*	*–112,345.55*
	b) Other	*–5,288,869.37*	*–4,053,361.86*
		–5,373,791.89	–4,165,707.41
7.	**Subtotal of items 1 through 6 (operating result)**	**4,494,093.48**	**–1,201,074.76**

EUR	2022	2021
Brought forward:	**4,494,093.48**	**–1,201,074.76**
8. Income from equity investments	11,017,493.58	13,352,812.09
of which from affiliated companies: EUR 10,364,993.58; previous year: EUR 12,740k		
9. Income from other marketable securities and long-term lendings classified as long-term financial assets	348,656.09	181,651.38
10. Other interest and similar income	2,159,709.66	741,605.38
of which from affiliated companies: EUR 1,118,118.84; previous year: EUR 589k		
11. Income from the disposal of and the reversal of write-downs of long-term financial assets	6,671.25	18,975.00
12. Expenses from long-term financial assets	–10,898.66	–9,646.50
of which relating to affiliated companies: EUR 10,700.00; previous year: EUR 0k		
13. Interest and similar expenses	–4,873,099.25	–4,846,780.16
of which relating to affiliated companies: EUR 542,355.10; previous year: EUR 392k		
14. Subtotal of items 8 through 13 (financial result)	**8,648,532.67**	**9,438,617.19**
15. Profit before tax	**13,142,626.15**	**8,237,542.43**
16. Taxes on income	–3,833,027.70	238,501.89
of which deferred taxes: EUR –2,993,996.37; previous year: EUR 117k		
17. Profit after tax = Net income for the year	9,309,598.45	8,476,044.32
18. Retained profits brought forward from previous year	3,692,256.03	1,879,476.01
19. Net retained profits	**13,001,854.48**	**10,355,520.33**

Separate financial statements

WEB Windenergie AG balance sheet as of 12/31/2022

Assets	12/31/2022	12/31/2021
EUR		
A. Fixed assets		
I. Intangible assets		
1. Concessions, industrial and similar rights and assets, and licenses in such rights and assets	1,016,631.67	1,132,411.96
2. Goodwill	0.00	7,306.13
	1,016,631.67	**1,139,718.09**
II. Property, plant, and equipment		
1. Land, land rights and buildings, including buildings on third-party land	10,009,464.59	10,316,392.47
2. Technical equipment and machinery	36,652,929.64	42,580,441.47
3. Other equipment, operating and office equipment	3,658,679.47	3,608,546.69
4. Prepayments and plants under construction	7,290,113.36	4,750,930.32
	57,611,187.06	**61,256,310.95**
III. Financial assets		
1. Shares in affiliated companies	60,207,258.81	60,166,300.68
2. Long-term lendings to affiliated companies	16,963,889.91	13,688,031.96
3. Equity investments	1,152,075.39	1,152,075.39
4. Long-term securities (book-entry securities)	156,993.84	156,993.84
	78,480,217.95	**75,163,401.87**
	137,108,036.68	**137,559,430.91**
B. Current assets		
I. Inventories		
Raw materials, consumables, supplies, and spare parts	5,606,774.38	3,734,538.28
	5,606,774.38	**3,734,538.28**
II. Receivables and other assets	**101,396,746.17**	**59,481,482.87**
of which due in more than one year EUR 0.00; previous year: EUR 0k		
III. Marketable securities classified as current assets		
Marketable securities classified as current assets	75,700.00	86,400.00
	75,700.00	**86,400.00**
IV. Cash in hand, bank balances	**11,072,311.21**	**22,446,446.22**
	118,151,531.76	**85,748,867.37**
C. Prepaid expenses	**600,966.97**	**616,993.78**
D. Deferred tax assets	**0.00**	**1,333,349.85**
	255,860,535.41	**225,258,641.91**

Equity and liabilities	12/31/2022	12/31/2021
EUR		
A. Equity		
I. Subscribed, called, and paid-in capital	31,729,830.00	31,729,830.00
	31,729,830.00	**31,729,830.00**
II. Capital reserves		
appropriated	45,933,241.55	45,933,241.55
	45,933,241.55	**45,933,241.55**
III. Retained earnings		
Other reserves (unappropriated reserves)	7,711,323.83	7,695,268.41
	7,711,323.83	**7,695,268.41**
IV. Net retained profits		
of which retained profits brought forward: EUR 3,692,256.03; previous year: EUR 1,879k	**13,001,854.48**	**10,355,520.33**
	98,376,249.86	**95,713,860.29**
B. Special reserve for investment grants	**1,246,833.22**	**1,344,623.85**
C. Provisions		
Tax provisions of which deferred tax provisions EUR 1,644,591.10; previous year: EUR 0k	2,518,864.64	0.00
Other provisions	9,243,958.54	7,606,853.51
	11,762,823.18	**7,606,853.51**
D. Liabilities	**142,877,363.46**	**119,567,738.12**
of which due in less than one year: EUR 93,191,040.98; previous year: EUR 50,640k		
of which due in more than one year: EUR 49,686,322.48; previous year: EUR 68,927k		
of which taxes: EUR 147,323.88; previous year: EUR 170k		
of which relating to social security: EUR 217,517.64; previous year: EUR 203k		
E. Prepaid expenses	**1,597,265.69**	**1,025,566.14**
	255,860,535.41	**225,258,641.91**

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This annual report was prepared with the utmost care. However, the possibility of typesetting and typographical errors cannot be ruled out. Furthermore, numerical disclosures may contain rounding differences due to the use of computational aids.
This annual report also contains forward-looking estimates and statements. These were made on the basis of all the information currently available. We would like to point out that the actual facts—and therefore actual results—may differ from the expectations stated in this report due to a wide variety of factors. In relation to this, we also refer to the statements on expected developments, risks, and uncertainties in the Group management report, starting on page 70.

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