

$$Q = H * m \quad \eta = \frac{P_{out}}{P_{in}} \quad \Omega = \frac{V}{A}$$
$$P = \frac{\rho * r^2 * \pi * v^3}{2} \quad C = \frac{P_{turbine}}{P_{wind}}$$

Key figures

Burgenland Holding Aktiengesellschaft		2019/20	2018/19	2017/18
Balance sheet total	EURm	80.7	80.1	79.8
Equity	EURm	80.7	80.1	79.8
Investment income	EURm	10.5	10.0	9.5
Net profit for the period	EURm	10.3	9.8	9.4

Energie Burgenland Group		2019/20 forecast	2018/19
Electricity sales	GWh	1,208	1,237
Natural gas sales	GWh	1,069	1,113
Revenue	EURm	339.3	338.6
Pre-tax profit	EURm	53.7	31.5
Balance sheet total	EURm	906.8	879.6
Equity	EURm	344.4	326.2

Energising Burgenland Burgenland Holding Aktiengesellschaft

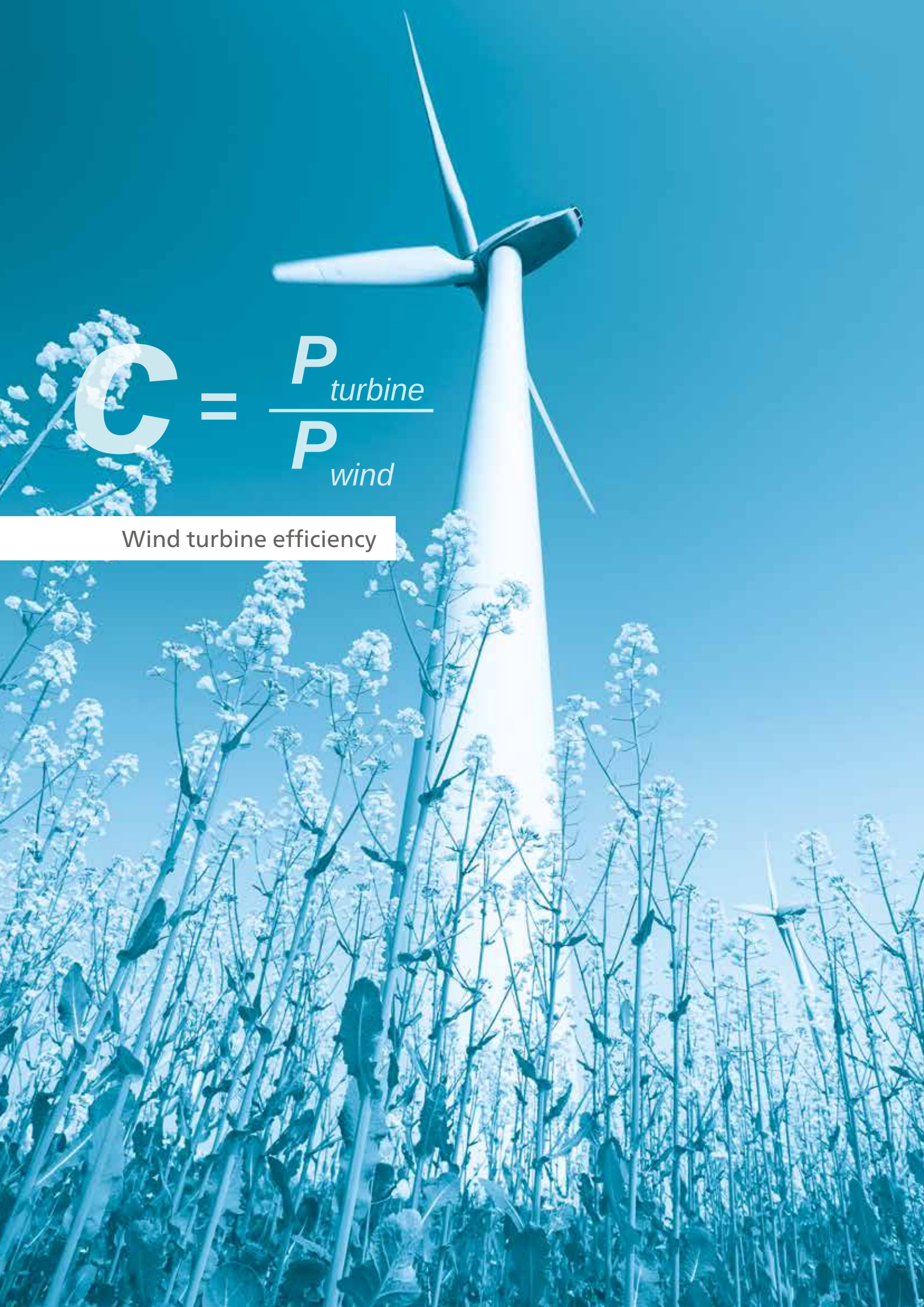
Burgenland Holding Aktiengesellschaft holds 49% of the share capital of Energie Burgenland AG. The remaining 51% of the shares are held by Landesholding Burgenland GmbH. The share capital of Energie Burgenland AG amounts to EUR 34.9m.

The shares of Burgenland Holding Aktiengesellschaft (share capital: EUR 21.8m) are traded in the Official Market of the Vienna Stock Exchange under the international securities identification number (ISIN) AT0000640552. The majority shareholder of Burgenland Holding Aktiengesellschaft is EVN AG, which continues to hold 73.63% of the share capital. Over 10% of the shares are held by VERBUND AG and between 5% and 10% by WIEN ENERGIE GmbH. The shares held by the remaining shareholders are below the reporting threshold of 4%.

Annual financial report 2019/20

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$$C = \frac{P_{\text{turbine}}}{P_{\text{wind}}}$$

Wind turbine efficiency

Foreword of the Executive Board



Nikolaus Sauer, Klaus Kohlhuber

**Dear Sir or Madam,
dear shareholders,**

despite all the challenges in connection with the Covid-19 pandemic, Burgenland Holding Aktiengesellschaft can look back on a successful 2019/20 business year. At EUR 10.3m, the profit for the year was higher than last year and was determined by dividend payouts of its associated companies. Most important, Energie Burgenland AG, whose dividend from its profits of the 2018/19 business year in the amount of EUR 10.3m was again higher than in the previous year.

These positive developments in the past business year allow the Executive Board of Burgenland Holding Aktiengesellschaft to recommend to the Annual General Meeting the distribution of a dividend of EUR 3.45 per share from the profits for the 2019/20 business year.

As an operator of critical infrastructure, Energie Burgenland AG was well prepared for an event like the pandemic. The main focus was placed on pre-emptive operational measures to guarantee supply security and protect employees. During the lockdown

in spring 2020, a minor decrease in energy sales to industrial and commercial customers was recorded, which, however, did not have any significant negative impact on profits.

Assuming average framework conditions for the energy industry, Energie Burgenland AG is expected to show an operating performance with fluctuations within normal parameters for the 2019/20 business year. As a result of one-off effects, Energie Burgenland AG furthermore anticipates an extraordinary contribution to profits in the amount of about EUR 20m, with Burgenland Holding Aktiengesellschaft expecting only a slight increase in investment income for the 2020/21 business year compared to the reporting period.

Eisenstadt, 16 November 2020

Klaus Kohlhuber
Member of the
Executive Board

Nikolaus Sauer
Member of the
Executive Board

Corporate governance report (pursuant to § 243c Austrian Commercial Code)

Commitment to the Austrian Code of Corporate Governance

Burgenland Holding Aktiengesellschaft is an Austrian public limited company and is listed on the Vienna Stock Exchange. In addition to the applicable regulations of the Austrian law, in particular the Stock Corporation Act and Capital Markets Act, corporate governance is based on the By-Laws of Burgenland Holding Aktiengesellschaft, the Austrian Code of Corporate Governance (ACCG) – see www.corporate-governance.at – and the rules of procedure of the corporate bodies.

The Executive Board and Supervisory Board of Burgenland Holding Aktiengesellschaft are committed to the principles of good corporate governance and thus meet the expectations of national and international investors with regard to responsible, transparent and long-term oriented corporate management and control. With effect from 13 March 2020, Burgenland Holding Aktiengesellschaft has fully submitted to the ACCG in its version of January 2020.

The standards of the ACCG are subdivided into three groups: The first category (Legal Requirements) is based exclusively on mandatory legal provisions and has to be applied by all listed Austrian companies and is also fulfilled to the letter by Burgenland Holding Aktiengesellschaft. Non-compliance with C-Rules (Comply-or-Explain) is possible, but has to be justified publicly. Burgenland Holding Aktiengesellschaft is posting such declarations in this report as well as on its homepage. R-Rules, by contrast, are of purely recommendatory character and deviations do not require any explanation.

As there is no obligation to prepare consolidated group accounts, IFRS are not applicable. Reporting is effected pursuant to applicable Austrian Financial Reporting requirements; Rules 65, 66, 69 and 70 of the ACCG are not applied.

The remuneration policy and the remuneration report on the remuneration of the members of the Executive Board and Supervisory Board must be submitted to the Annual General Meeting and are therefore no longer included in the corporate governance report.

The Executive Board and the Supervisory Board of Burgenland Holding Aktiengesellschaft declare, subject to the deviations listed below, together with their reasons, that they fully observe and comply with the C-rules of the ACCG; even with R-Rules, there are only isolated deviations. The corporate governance report of Burgenland Holding Aktiengesellschaft is available at www.buho.at/corporate-governance-report.

Deviations from C-Rules

Due to the special character of the Company, Burgenland Holding Aktiengesellschaft deviates from the following C-Rules of the ACCG:

Rule 16: No member of the Executive Board was elected Chairman. The Company is a holding with a minor extent of operating business activities. Given a two-member Executive Board, appointing a Chairman of the Executive Board would also entail certain disadvantages. Therefore, the Supervisory Board chose not to make such appointment. As this is not subject to any temporal restrictions, changes can be made at any time. The Executive Board acts as a collegial body and has always adopted its resolutions unanimously. For the reasons stated above, the rules of procedure for the Executive Board, which govern the details of the cooperation of the Executive Board, do not provide for an allocation of responsibilities.

Rule 18: Burgenland Holding Aktiengesellschaft is contractually integrated into the audit and risk management system and the internal control system of EVN AG, which can be accessed at any time. In view of the low complexity and size of the company and the need for maximum efficiency in administration, a separate audit plan is not considered necessary and the existing controls are deemed adequate by the Executive Board. Moreover, Energie Burgenland AG has set up its own audit system.

Rule 27: No written contracts were concluded with members of the Executive Board; the remuneration was determined by resolution. The remuneration of the Executive Board does not contain any variable components. The size of the company, the limited scope for structuring income from investments and the secondary nature of the activity argue in favour of a simplified remuneration scheme. The Supervisory Board has therefore not made use of a corresponding anchorage. There is no time limit; changes can be made at any time by mutual agreement.

Rules 27a to 31: As the Executive Board only receives a fixed remuneration and there are no executives in the Burgenland Holding Aktiengesellschaft, rules 27a to 31 are of limited application.

Rule 37: The Chairman of the Supervisory Board communicates with the entire Executive Board. The company is a holding company with a small volume of operating activities. The Supervisory Board has therefore not currently made use of the option to appoint a Chairman of the Executive Board (see the explanatory statement to Rule 16). There is no time limit; a change is possible at any time. The coordination of strategy, business development and risk management with the Executive Board as a whole functions smoothly in view of the manageable number of business transactions.

Rule 39: There is no separate committee of the Supervisory Board for decisions in urgent cases. The requirement for urgent decisions by the Supervisory Board is covered by circular resolutions and appears to be sufficient in view of the small volume of business of the company. The Supervisory Board can set up additional committees at any time.

Rule 83: On the basis of the documents submitted and the documentation made available, the auditor must assess the effectiveness of the risk management system and report to the Executive Board. As explained above, Burgenland Holding Aktiengesellschaft is contractually integrated into the audit and risk management system and the internal control system of EVN AG. The auditor's audit therefore also covered the functionality of the audit and risk management system of EVN AG.

Corporate bodies

Executive Board

Klaus Kohlhuber

Born in 1972, Doctor iuris, heads the Secretariat General and Investment Management of EVN AG; seats on executive boards in Austrian and foreign Group companies; member of the Executive Board of Burgenland Holding Aktiengesellschaft since 2011.

Initial appointment: 5 September 2011
End of current term: 4 September 2021

In accordance with the disclosure required by Rule 16 of the ACCG, he holds three Supervisory Board mandates in other companies.¹⁾

Nikolaus Sauer

Born in 1969, Magister iuris, Senior officer at Wasserleitungsverband Nördliches Burgenland, Member of the Executive Board of Burgenland Holding Aktiengesellschaft since 2008 and Managing Director of WLV GmbH.

Initial appointment: 25 February 2008
End of current term: 24 February 2023

No Supervisory Board mandates or comparable functions pursuant to Rule 16 of the ACCG.

In the reporting period expenses for each of the members of the Executive Board amounted to EUR 4,400.00, totalling EUR 8,800.00 (previous year total Executive Board: TEUR 8.8).

Members of the Supervisory Board²⁾

Name (year of birth)	Appointment	Other functions	Independence Rule 53 ³⁾
Stefan Szyszkowitz (1964) Chairman	from 11.03.2011	Spokesman of the Executive Board of EVN AG, Supervisory Board member of VERBUND AG and Austrian Post AG	yes
Franz Mittermayer (1958) Vice Chairman	from 16.03.2018	Member of the Executive Board of EVN AG	yes
Michael Amerer (1963)	from 31.03.2005	Managing Director of VERBUND Hydro Power GmbH	yes
Rita Heiss (1969)	from 16.03.2018	Divisional Manager Finance and Accounting of Flughafen Wien AG	yes
Johannes Lang (1973)	from 20.03.2015	Head of Group Accounting of EVN AG	yes
Jörg Sollfeller (1974)	from 18.03.2016	Managing Director of ENERGIEALLIANZ Austria GmbH	yes
Ute Teufelberger (1977)	from 21.03.2014	Business segment Energy of EVN AG	yes
Norbert Wechtl (1972)	from 15.03.2019	Head of Legal and Public Affairs of EVN AG	yes
Peter Weinelt (1966)	from 16.03.2018	Managing Director of WIENER STADTWERKE GmbH, Supervisory Board member of VERBUND AG	yes

1) EVN Macedonia AD, Netz Niederösterreich GmbH, EVN Home DOO

2) The term of the members of the Supervisory Board elected by the Annual General Meeting ends upon conclusion of the Annual General Meeting deciding the 2022/23 business year.

3) The freefloat of Burgenland Holding Aktiengesellschaft is about 7%. Rule 54 therefore does not apply.

Committees of the Supervisory Board

Both, the Audit Committee and the Personnel Committee consist of the following members of the Supervisory Board:

Stefan Szyszkowitz (Chairman and Remuneration Expert),
Franz Mittermayer (Vice Chairman),
Johannes Lang (Financial Expert) and
Norbert Wechtl.

Management of the Company by the Executive Board

The Executive Board of Burgenland Holding Aktiengesellschaft consists of two members. The Executive Board must manage the company under its own responsibility in such a way as is required by the object and welfare of the company, taking into account the interests of the shareholders and the public interest. Its actions are based on the statutory provisions, in particular those relating to stock corporation, stock exchange and company law, as well as the Articles of Association and the rules of procedure for the Executive Board adopted by the Supervisory Board. Important rules of conduct can also be found in the ACCG.

In matters requiring approval, which are defined as such by law or by a resolution of the Supervisory Board, the Executive Board must obtain the consent of the Supervisory Board. The rules of procedure contain a detailed catalogue of such matters.

Reporting duties of the Executive Board

The Executive Board must report to the Supervisory Board in accordance with the provisions of organisational law; the same applies to the committees of the Supervisory Board. The reporting duties of the Executive Board include, in particular, quarterly reports on the business situation of the company as well as information on important matters relating to the affiliated companies.

Communication between the Executive Board and the Supervisory Board takes place within the framework of the meetings of the Supervisory Board, its committees and as required. In addition, there is ongoing coordination between the Executive Board and the Chairman of the Supervisory Board with regard to matters that fall within the remit of the Supervisory Board. This includes in particular the preparation of meetings.

Shareholders and Annual General Meeting

Shareholders exercise their rights at the Annual General Meeting of shareholders and vote there. Each share in Burgenland Holding Aktiengesellschaft entitles the holder to one vote. There are no shares with multiple or preferential voting rights. Decisions defined by law or the Articles of Association are reserved to the Annual General Meeting. It votes on the appropriation of the balance sheet profit as well as on the discharge of the members of the Executive Board and the Supervisory Board and elects the auditor and the members of the Supervisory Board. Proposals for amendments to the Articles of Association and planned capital measures must also be submitted to it for decision. The voting results and the agenda of the 31st Annual General Meeting of Burgenland Holding Aktiengesellschaft on 13 March 2020 can be viewed on the website of Burgenland Holding Aktiengesellschaft (www.buho.at/Annual-General-Meeting).

Clear separation of company management and supervision

The Austrian Stock Corporation Act prescribes a two-tier governance system. It provides for a clear separation of members of the executive body (executive board) and monitoring body (supervisory board). Simultaneous membership in both bodies is not admissible.

Supervisory Board

As of 30 September 2020, the Supervisory Board of Burgenland Holding Aktiengesellschaft comprises a total of nine members elected by the Annual General Meeting. The Supervisory Board is headed by the Chairman and a Vice Chairman, which the Supervisory Board elects from within its own members.

The independence of the individual members of the Supervisory Board according to Rule 53 of the ACCG can be seen from the list on page 6. The Supervisory Board exercises its functions in accordance with the provisions of the Austrian Companies Act as well as the Company By-Laws. Furthermore, its actions are based on the Rules of Procedure for the Supervisory Board as well as the ACCG.

In particular, the Supervisory Board is charged with supervising the Executive Board, from which it can request a report on Company matters at any time. The range of transactions requiring consent by law (§ 95 Austrian Stock Corporation Act) can be expanded by resolutions of the Supervisory Board. Such a catalogue can be found in relevant Rules of Procedure for the Executive Board and the Supervisory Board.

Independence of the Supervisory Board

A member of the Supervisory Board shall be deemed independent if he or she has no business or personal relations with the company or its Executive Board which would constitute a material conflict of interest and thus could influence the member's behaviour. In case such a conflict exists, the ACCG provides for transition periods of several years.

The guidelines concerning the independence of the elected members of the Supervisory Board therefore stipulate that the Supervisory Board member

1. shall not have any business or personal relations with Burgenland Holding Aktiengesellschaft or its Executive Board which would constitute a material conflict of interest and thus could influence the member's behaviour;
2. shall not have served as a member of the Executive Board or as an executive of Burgenland Holding Aktiengesellschaft in the past five years;
3. shall not maintain or have maintained in the past year any business relations with Burgenland Holding Aktiengesellschaft of significant extent. This shall also apply to relationships with companies in which the Supervisory Board member has a considerable economic interest, but shall not apply to the exercise of functions pertaining to corporate bodies within the Group. The approval of individual transactions by the Supervisory Board according to L-Rule 48 of the ACCG does not automatically qualify the person as not independent;
4. shall not have been auditor of Burgenland Holding Aktiengesellschaft or have owned a share in or worked for the auditing company in the past three years;
5. shall not be a member of the executive board of another company in which a Executive Board member of Burgenland Holding Aktiengesellschaft is a supervisory board member;
6. shall not serve or have served on the Supervisory Board for more than 15 years. This shall not apply to members of the Supervisory Board who are shareholders with an entrepreneurial investment or represent the interests of such a shareholder.
7. shall not be a close relative (direct offspring, spouse, partner, parent, uncle, aunt, sibling, niece, nephew) of an Executive Board member or of persons in one of the aforementioned positions.

Focus of activities of the Supervisory Board

The Supervisory Board held four plenary meetings during the reporting period as well as two circular resolutions which are duties and powers required by law and the Articles of Association perceived. Among the key decisions of the Supervisory Board is – in addition to the adoption of the annual financial statements 2018/19 and the approval of the budget 2020/21 – the disposition of the dividend and above all the determination of the Voting behaviour of company representatives at general meetings of Energie Burgenland AG.

The Supervisory Board decided on a selection procedure for the auditor of the annual financial statements of Burgenland Holding Aktiengesellschaft for the 2020/21 financial year and subsequent years, instructed the Audit Committee to carry it out and decided to submit a proposal to the Annual General Meeting for resolution.

The ACCG in the revised version of January 2020 came into force for Burgenland Holding Aktiengesellschaft with effect from 13 March 2020.

Each year, the Supervisory Board examines the efficiency of its activities, in particular its organisation and working methods. This self-evaluation is carried out on the basis of a written questionnaire followed by an oral discussion.

The Supervisory Board took note of the report on the current implementation of Regulation (EU) No. 596/2014 (Market Abuse Regulation) and the report on precautions to combat corruption in the company in accordance with Rule 18a of the ACCG. In addition, the Supervisory Board again addressed possible conflicts of interest and did not identify any conflicts. At the meetings of the Supervisory Board, the attendance rate of all Supervisory Board members averaged 80.6%. One member of the Supervisory Board did not personally attend more than half of the meetings of the Supervisory Board in fiscal 2019/20.

Functioning of the Committees of the Supervisory Board

The Supervisory Board performs its duties in plenary session unless individual matters are assigned to committees of the Supervisory Board which prepare negotiations and resolutions on its behalf, monitor the implementation of its resolutions or decide on matters specifically assigned by the Supervisory Board. The following committees are currently established in the Supervisory Board of Burgenland Holding Aktiengesellschaft, each consisting of four elected members of the Supervisory Board:

The **Audit Committee** performs the following tasks:

- monitoring the accounting process as well as providing recommendations or suggestions to safeguard its reliability;
- monitoring the effectiveness of the internal control system, and of the internal audit system, if applicable, and the Company's risk management system;
- monitoring the audit, taking into account findings and conclusions in the reports of the audit regulatory body;
- examining and monitoring the independence of the auditors, especially with regard to additional services provided for the audited company; furthermore, Art. 5 (5) of Audit Regulation (EU) 537/2014 has to be observed;
- reporting to the Supervisory Board on the result of the audit and outlining how the audit contributed to the reliability of financial reporting as well as the Audit Committee's role in this context;
- auditing the annual accounts and preparing its adoption, examining of the proposal for the distribution of profits, the management report and, if applicable, of the corporate governance report as well as reporting to the Supervisory Board about the findings of the audit;
- carrying out the process of selecting the auditor with regard to appropriate fees as well as recommending the appointment of such auditor to the Supervisory Board; Art. 16 of Audit Regulation (EU) 537/2014 shall apply here.

The Audit Committee includes the financial expert required by law and Rule 40 of the ACCG. The members of the Audit Committee are all familiar with the sector in which the Company operates. The audit committee of the supervisory board met six times in the 2019/20 financial year. The annual financial statements as of 30 September 2019 including notes and management report, as well as the corporate governance report were discussed. The auditor's report on the audit of the annual financial statements and the audit process were also discussed.

The Audit Committee took note of the report on the valuation of transactions concluded in the ordinary course of business and at arm's length (section 95a (6) of the Austrian Stock Corporation Act), conducted a procedure for selecting the auditors for the annual financial statements for the 2020/21 and subsequent years and made a recommendation to the Supervisory Board for their appointment. The Audit Committee also approved non-audit services and tax consultancy services provided by the auditors.

The **Personnel Committee** performs the duties of a nomination and remuneration committee and deals with personnel matters relating to the members of the Executive Board, including succession planning. The Personnel Committee is responsible for all matters relating to the relationship between the company and the members of the Executive Board, unless the full Supervisory Board has mandatory responsibility. As the Supervisory Board's remuneration committee, the Personnel Committee includes one member who has knowledge and experience in the field of remuneration policy (Rule 43 ACCG). There were no meetings or resolutions of the Personnel Committee in the reporting period.

Contracts of members of the Supervisory Board requiring consent (Rule 48): In the 2019/20 financial year, no contracts were concluded with EVN AG, in which several members of the Supervisory Board have a substantial economic interest, for a remuneration that is not merely insignificant.

From previous years, the following contracts with EVN AG, in which several members of the Supervisory Board have a substantial economic interest, were concluded for a not insignificant fee:

Most of the company's cash and cash equivalents were invested with EVN AG until the middle of the financial year under an investment agreement with a commitment period of several months; total income in the 2019/20 financial year amounted to EUR 7,866.13.

As the company does not employ any staff of its own, the administration of the company is handled via service relationships which include, for example, the areas of accounting, legal affairs, controlling, cash management and investment management; the total net remuneration in the 2019/20 financial year was EUR 109,150.00.

The company is part of a group of companies as defined in § 9 of the Austrian Corporation Tax Act (KStG) with NÖ Landes-Beteiligungsholding GmbH as the group parent. On the basis of a group and tax equalisation agreement with EVN AG, a tax allocation of EUR 55,754.62 was booked in favour of Burgenland Holding Aktiengesellschaft in the 2019/20 financial year.

Directors' Dealings (Rule 73): In the 2019/20 financial year, no purchase transaction concerning shares in Burgenland Holding Aktiengesellschaft by persons who perform manage-

ment functions at Burgenland Holding Aktiengesellschaft or persons closely related to them pursuant to Article 19 of the Market Abuse Ordinance was reported to Burgenland Holding Aktiengesellschaft or the Financial Market Authority.

Measures to promote women on the Executive Board, the Supervisory Board and in executive positions

As the company does not employ its own staff or senior executives, no specific promotion measures are planned in these areas; corresponding changes can only take place in terms of appointments to executive bodies. No new appointments were made to the Executive Board or the Supervisory Board in the past financial year.

Eisenstadt, 16 November 2020



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board



$$Q = H * m$$

Combustion heat

Energie Burgenland Group

Business development 2019/20 (forecast)¹⁾

1 October 2019 – 30 September 2020

Highlights

- Expansion of Pama South wind park
- Expansion of the Zurndorf transformer station
- Expansion of the district heating network in Eisenstadt
- Mass rollout of smart meters in the districts of Jennersdorf, Güssing, Oberwart, Oberpullendorf and Mattersburg completed. Further rollout was stopped as of March 13, 2020, due to the Covid-19 situation. Rollout was resumed in early September 2020
- Disposal of US securities after termination of the last US lease transaction
- Sale of Burgenland Holding shares to Landesholding Burgenland GmbH
- Introduction of innovative product solutions such as "Community PV", "Sun Account 2.0" or "Wind Account"

The generation of ecological energy remains one focus of Energie Burgenland. Thus, 226 wind turbines²⁾ with a total capacity of 520 MW³⁾ produce around 1,000 GWh of ecological electricity per year.

Energy sales and supply

In the 2019/20 business year, electricity sales by Energie Burgenland Vertrieb GmbH & Co KG dropped to 1,208 GWh, a decrease of 2.4% compared to the volume in the corresponding period of the previous year. Compared to the prior year, grid sales declined by 1.7% to 1,782 GWh.

Natural gas sales volumes will amount to 1,069 GWh, thus 4.0% below last year's levels. Compared to the previous year, grid sales declined 1.4% to 2,304 GWh.

Income situation

The revenue of Energie Burgenland Group is expected to amount to EUR 339.3m, which corresponds to an increase of 0.2% compared to last year. Pre-tax profit is expected to amount to EUR 53.7m, up 70.5% on the previous year.

Financial situation

Net cash flow from operating activities will amount to EUR 69.2m, with operating cash flow expected to reach EUR 84.7m.

Balance sheet and capital structure

The balance sheet total as of 30 September 2020 is expected to amount to EUR 906.8m, with fixed assets (EUR 659.5m) accounting for 72.7% of total assets. Shareholders' equity amounts to EUR 344.4m and the resulting equity ratio is 38.0%. Taking into account construction and investment grants, the equity ratio is 53.4%.

Outlook

Numerous repowering and expansion projects were started in the wind energy sector. Thanks to repowering, old wind farms will be replaced with more efficient and powerful farms in the next few years. Another focus will be placed on the expansion of photovoltaics. EUR 8.3m will be invested in this field in the 2020/21 business year.

Energie Burgenland Vertrieb GmbH & Co KG has no current plans for any price changes for electricity or natural gas for the 2020/21 business year.

The strategic reorientation regarding biomass is taking shape. Electricity production will be stopped after the first quarter of 2020/21 as planned. The focus will thus lie exclusively on district heating. EUR 11.3m is to be invested in this field in 2020/21.

For the 2020/21 business year, investments in the electricity grid, the natural gas grid and the wind energy sector are planned to amount to EUR 55.8m, EUR 12.0m and EUR 114.8m, respectively.

Energie Burgenland Group		2019/20 forecast
Electricity sales volumes	GWh	1,208
Grid sales (electricity)	GWh	1,782
Natural gas sales volumes	GWh	1,069
Grid sales (natural gas)	GWh	2,304
Revenue	EURm	339.3
Pre-tax profit	EURm	53.7
Balance sheet total	EURm	906.8
Equity	EURm	344.4
Operating cash flow	EURm	84.7

1) At the time of printing, the final financial statements of Energie Burgenland AG as of 30 September 2020 were not yet available.

Therefore, the data presented here are preliminary and are based on forecasts as well as the interim statements as of 30 June 2020.

2) Number of wind turbines are calculated in line with the Company's share in the wind parks.

3) Total capacity is calculated in line with the Company's share in the wind parks.


$$\Omega = \frac{V}{A}$$

Electrical resistance

Management report

Burgenland Holding Aktiengesellschaft holds 49% of the share capital of Energie Burgenland AG.

As a result, the notes on energy policy and energy industry in this management report of Burgenland Holding Aktiengesellschaft will focus mainly on Energie Burgenland Group (Energie Burgenland).

Energy policy environment

European energy and climate policy

The targets and objectives issued by the European Union with regard to energy policy provide a clear framework for Austria and all other Member States within which the respective national climate goals are to be defined and the appropriate legal foundations to achieve those goals are to be established. The following central goals are to be met by 2030 according to the guidelines of the European Council:

- reduction of greenhouse gas emissions by at least 40% compared to 1990, with an increase to at least 55% under discussion
- increase of the share of renewable energy in the total energy mix to at least 32%
- increase in energy efficiency by at least 32.5%
- strengthening market integration by means of cross-border electricity trade, which is to be allocated at least 70% of the transmission capacities for export, import, and transit

The European Union designed a package of measures under the heading of “Clean Energy for All Europeans” (Clean Energy Package), which is intended to guarantee the achievement of those overarching goals. The following areas are particularly relevant for the energy industry: “Design of the electricity market”, “Supply security of electricity”, “Control of the future energy union”, “Energy efficiency”, and “Renewable energy”.

As a result of the Covid-19 crisis, the EU Commission presented a recovery packaged entitled “Next Generation EU”, which comprises a wide array of measures in the area of renewable energy and provides for corresponding financial support to implement those measures.

Austria energy and climate goals

In Austria, the Federal Government has defined the goal of covering 100% of total electricity consumption (on balance for the country) from renewable energy sources by 2030 already and achieving climate neutrality for Austria no later than 2040. In order to meet this goal, the expansion of renewable generation capacities is to be supported by federal funds by up to

EUR 1bn per year for the next 10 years. Electricity generation from renewable sources is to be increased by a total of 27 TWh by 2030. Of that, photovoltaics, wind, hydropower, and biomass are to account for 11, 10, 5, and 1 TWh, respectively.

On 16 September 2020, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology published a draft for review of its legislative package on the Expansion of Renewable Energy. It includes new framework conditions for the further expansion of renewable energy as well as for the implementation of the Clean Energy Package. Pending the adoption of the bill by the Austrian National Council and Federal Council as well as the approval of the government subsidies for the expansion of renewable energy provided for in the bill by the European Commission, the Act on the Expansion of Renewable Energy is to take effect in early 2021.

The most important changes in the draft of the Act on the Expansion of Renewable Energy that would affect the activities of Energie Burgenland are as follows:

New promotion scheme for ecological electricity

- Support by payment of a market premium which will be granted for a term of 20 years from commissioning in the form of a technology-specific reference electricity price.
- Plant operators will have to market the ecological electricity produced themselves (direct marketing).
- The support for wind farms until 2023 is also to be determined by way of an annual regulation. For the period starting in 2024, it is to be evaluated whether the grant should be determined in accordance with the lowest-bidder principle in the course of tender procedures for new wind farm projects.
- For photovoltaic plants (with an output of more than 20 kWp) as well as biomass plants, subsidies are to be determined in accordance with the lowest-bidder principle in the course of tender procedures.
- Alternatively, new small photovoltaic plants (with an output of up to 500 kWp) are to be supported by means of investment grants.

Facilitation of energy communities (renewable and citizen energy communities)

- Creating various models that should make it possible for households, associations, small and medium-sized enterprises, as well as municipalities to produce electricity themselves in their own eco-electricity plants in an energy-conserving and cost-efficient manner and use as well as sell such electricity.
- Energy communities can thus save on taxes and other charges and store or sell any excess electricity they generate; on the other hand, they will require solutions to handle peak loads.
- Members of renewable energy communities are to save on grid charges.

Grid reserve

- Framework for a continued capacity reserve for bottleneck management

General business and energy sector environment

Economic environment

The Covid-19 pandemic, and in particular the strict measures to contain it, have had a drastic impact on the global economy in 2020, especially in the first half of the year. The month of May saw a gradual easing of restrictions in many countries, leading to a recovery of the global economy. This was supported by extensive monetary and fiscal policy measures adopted to cushion the economic fallout of the pandemic. There is, however, continued uncertainty emanating from the further development of the pandemic. Increased unemployment and existing measures to contain the spread of the coronavirus that have recently been tightened again might result in a delay in the economic recovery. Against this backdrop, economists are expecting the EU's GDP to decrease by 7.4% to 8.3% in 2020 following a growth rate of 1.3% in 2019; for 2021, however, they anticipate an increase again of between 4.2% and 5.6%.

The strict measures that were taken in Austria in the spring of 2020 to contain the Covid-19 pandemic led to a massive loss in value creation. The easing of restrictions in the summer resulted in a sharp rebound; pent-up consumer demand was widely satisfied, and the massive drop in spring 2020 could at least be partly offset. However, due to currently sharply increasing case numbers and the resulting restrictions, long-term effects are hard to assess.

Still, after around 1.4% growth in 2019, the economy is expected to shrink by 6.7% to 7.1% overall, with expectations of growth for Austria for 2021 ranging between 4.1% and 4.7%.¹⁾

Effects arising from the Covid-19 pandemic

Burgenland Holding Aktiengesellschaft is only indirectly affected by the Covid-19 pandemic via its stake in Energie Burgenland AG.

As an operator of critical infrastructure, the associated company Energie Burgenland AG was well prepared for an event like the pandemic. In the course of the outbreak of the Covid-19 pandemic, a Corona core team was set up to handle the situation. The main focus in this context was placed on pre-emptive operational measures to guarantee supply security and protect employees. During lockdown, a minor decrease in energy sales to industrial and commercial customers was recorded, which, however, did not have any significant negative impact on profits. Even with the increase in business insolvencies, the customer structure of Energie Burgenland (mostly mass-market customers) should mean comparatively little negative impact on its profits.

Energy sector environment

The energy business of Energie Burgenland is determined largely by external factors. With regard to household customers, it is mostly weather conditions that are relevant for the demand

1) Sources: „Prognose der österreichischen Wirtschaft 2020–2021“, IHS, October 2020; „Prognose für 2020 und 2021: Zähe Konjunktur nach kräftigem Rebound“, WIFO, October 2020

for electricity, natural gas, and heat, while the demand of industrial customers is determined mainly by the economic development.

In the 2019/20 business year, temperatures in Austria were above the long-term average. Heating degree day totals, the indicator that defines the temperature-based demand for energy, were 1.5 percentage points lower than last year.

Cooling degree day totals, measuring the energy demand for cooling, dropped a marked 45.2 percentage points in Austria in 2019/20. This development was the result of cooler temperatures during the summer months.

The average EEX price for natural gas declined almost by half in the reporting period, to EUR 9.1 per MWh. This can on the one hand, be put down to relatively well-stocked gas storage facilities due to the mild weather in the winter as well as an increase in the supply of LNG in Europe. On the other, decreased demand due to Covid-19 starting in mid-March led

to more pressure on prices. The decline in demand also led to a decrease in prices for coal, which averaged EUR 44.6 per tonne, or 28.7% less than last year. The 2019/20 business year saw volatility in the price of CO₂ emission certificates – at an average of EUR 24.0 per tonne, this price was slightly above last year's levels.

The market prices for base load and peak load electricity followed the development of primary energy prices. Declining prices for coal and natural gas, the intermittent plunge of CO₂ prices due to the Covid-19 pandemic, and the lower demand for electricity were the reasons that the average spot market prices for base load of EUR 32.5 and peak load electricity of EUR 38.7 per MWh were lower than last year by 28.5% and 26.2%, respectively. As regards the forward market, a return of electricity prices to pre-Corona levels can be noted. The price of base load electricity averaged EUR 45.8 per MWh, about the same as last year (2018/19: EUR 45.7 per MWh). The average forward price of peak load electricity of EUR 54.8 per MWh was slightly below the previous year's levels (minus 1.4%).

Energy sector environment – indicators

		2019/20	2018/19
Heating-related energy demand¹⁾	%	95.5	97.0
Cooling-related energy demand¹⁾	%	58.9	104.0
Primary energy and CO₂ emission certificates			
Crude oil – Brent	EUR/barrel	41.6	58.6
Natural gas – NCG ²⁾	EUR/MWh	9.1	17.1
Hard coal – API#2 ³⁾	EUR/t	44.6	62.6
CO ₂ emission certificates	EUR/t	24.0	23.3
Electricity – EEX forward market⁴⁾			
Base load	EUR/MWh	45.8	45.7
Peak load	EUR/MWh	54.8	55.6
Electricity – EPEX spot market⁵⁾			
Base load	EUR/MWh	32.5	45.5
Peak load	EUR/MWh	38.7	52.4

1) Calculated based on the heating degree total respectively cooling degree total; the basis (100%) corresponds to the adjusted long-term average.

2) Net Connect Germany (NCG) – EEX (European Energy Exchange) stock exchange price for natural gas

3) ARA notation (Amsterdam, Rotterdam, Antwerp)

4) Average prices for the respective EEX quarterly forward market prices, beginning one year before the respective reporting period

5) EPEX spot – European Power Exchange

Burgenland Holding Aktiengesellschaft

Economic development

Analysis of the 2019/20 business year

- Investment income of Energie Burgenland AG above last year's level
- Increase in profit for the year to EUR 10.3m
- Proposal to the Annual General Meeting: dividend of EUR 3.45 per share

Income situation

The performance of Burgenland Holding Aktiengesellschaft is determined to a major extent by the dividend of the associated company Energie Burgenland AG. Overall, Burgenland Holding Aktiengesellschaft received investment income of EUR 10.5m in the 2019/20 business year (2018/19: EUR 10.0m). In addition to the dividend of Energie Burgenland AG for the 2018/19 business year in the amount of EUR 10.3m (previous year: EUR 9.8m), a dividend of Wiener Börse AG (formerly: CEESEG AG) for the 2019 business year in the amount of EUR 0.2m (previous year: EUR 0.2m) was received.

Due to a further year-on-year decline in interest rates, interest and similar income of EUR 0.01m (previous year: EUR 0.02m) was generated in the reporting period.

Burgenland Holding Aktiengesellschaft does not employ any staff.

It will be proposed to the Annual General Meeting that a dividend of EUR 3.45 per share (previous year: EUR 3.25 per share) be distributed to shareholders from the net profit for the 2019/20 financial year. This corresponds to a dividend payment of EUR 10.4m.

Stable balance sheet and capital structure

The solid balance sheet structure of Burgenland Holding Aktiengesellschaft remained essentially unchanged in the 2019/20 financial year compared to the previous year. At EUR 80.7m, the balancesheet total was 0.7% above the level of the previous year. The equity ratio as of 30 September 2020 was 99.98%.

Burgenland Holding share

(pursuant to § 243a (1) Austrian Commercial Code)

1. As of 30 September 2020, the share capital of Burgenland Holding Aktiengesellschaft amounted to EUR 21.81m and
2. There are no restrictions on voting rights beyond the general provisions of the Austrian Stock Corporation Act or any agreements on restrictions on the transferability of shares.
3. As the majority shareholder, EVN AG continues to hold 73.63% of the shares of Burgenland Holding Aktiengesellschaft. VERBUND AG holds more than 10% of the shares, while WIEN ENERGIE GmbH holds between 5% and 10%. The shares of the other shareholders are below the reporting threshold of 4% or are in free float.
4. No shares with special control rights have been issued.
5. There is no equity participation of employees since the company does not have any employees.
6. The Executive Board consists of two members who are appointed and removed by the Supervisory Board. Besides complying with the relevant regulations under the Austrian Stock Corporation Act, the ownership structure requires in particular compliance with the Staffing Act, which provides for public tender.
7. The Executive Board has no powers pursuant to § 243a (1) fig. 7 Austrian Commercial Code.

was divided into 3,000,000 no-par value bearer shares. Burgenland Holding Aktiengesellschaft is listed in the "Standard Market Auction" segment of the Vienna Stock Exchange. The form and content of the share certificates are determined by the Management Board. The right to individual certification of the shares is excluded. There is only one class of shares. All shares have the same rights and obligations.

Burgenland Holding Aktiengesellschaft – key figures

	EURm	2019/20	2018/19	Change in %
Pre-tax profit		10.3	9.7	6.2
Investment income		10.5	10.0	5.0
Net profit for the year		10.3	9.8	5.1
Balance sheet total		80.7	80.1	0.7
Non-current assets		71.3	71.3	–
Current assets and prepayments and accrued income		9.4	8.8	6.8
Equity		80.7	80.1	0.7
Debt capital		0.0	0.0	–

8. In the course of restructuring of the associated companies BEWAG and BEGAS in 2012, Burgenland Holding Aktiengesellschaft concluded a syndicate agreement with Landesholding Burgenland GmbH. A change in control in one of the two owners of Energie Burgenland AG would trigger a call option for the other owner with regard to the shares in Energie Burgenland AG.

9. There are no compensation agreements for the benefit of corporate bodies or employees in the event of a public takeover bid pursuant to § 243a (1) fig. 9 Austrian Commercial Code.

Further information can be found on the Company's homepage at www.buho.at.

Key figures for the 2019/20 financial year

Indicators on the income situation

	TEUR	2019/20	2018/19	Change nominal	Change in %
Earnings before interest and tax (EBIT)	Pre-tax profit + interest and similar expenses pursuant to § 231 (2) fig. 15 Austrian Commercial Code	10,255	9,742	513	5.3

The business activities of Burgenland Holding Aktiengesellschaft consist in holding and managing investments. Burgenland Holding Aktiengesellschaft did not generate any revenues in the 2019/20 business year.

		2019/20	2018/19	Change in %-points
Return on assets				
Return on equity	Pre-tax profit / Average equity	12.7%	12.2%	0.5
Return on total assets	EBIT / Average total capital	12.7%	12.2%	0.5

Indicators on asset and financial situations

	TEUR	2019/20	2018/19	Change nominal	Change in %
Working capital	Current assets – Current assets held as reserves = Current assets – Short-term debt capital = Working capital	9,330	8,770	560	6.4
Equity ratio	Equity / Total capital	99.98%	99.97%	0.01	–

Burgenland Holding Aktiengesellschaft does not show any liabilities vis-à-vis financial institutions either as of the balance sheet date of 30 September 2020 or last year's reporting date. As a result of the higher profit for this year compared to last year, the working capital is higher than last year. Like last year, net gearing (net debt/shareholders' equity) amounts to 0.0%.

Cash flow statement

	TEUR	2019/20	2018/19	Change nominal	Change in %
Net cash flow from operating activities		9,702	9,536	166	1.7
Net cash flow from investing activities		0	0	–	–
Net cash flow from financing activities		–9,750	–9,450	–300	3.2
Net change in cash and cash equivalents		–48	86	–134	–155.8

Composition of cash and cash equivalents: Cash at banks, cash and cash equivalents Group cash pooling

Starting from a net profit of EUR 10.3m (previous year: EUR 9.8m), an operating cash flow of EUR 9.7m (previous year: EUR 9.5m) was achieved. The net income for the year was primarily due to the distributions of dividends by the associated companies.

Environmental protection

While there are no environmental activities worth mentioning within the Company itself, they do play a large role in the associated company Energie Burgenland AG. As Austria's largest producer of wind power, Energie Burgenland AG makes a major contribution to environmental protection. Since September 2013, 100% of Burgenland's demand for electricity has been covered by renewable energy on a notional basis. The energy supplier therefore also plays a key role in the 2050 climate and energy strategy of the province of Burgenland. By 2050, the province aims to be autonomous with regard to energy and at the same time cover its entire demand for energy from renewable sources. Greenhouse gas emissions are to be reduced by 90% by 2050. This is why Energie Burgenland AG has been cooperating with top partners in the fields of technology and research in Austria and internationally in the "Green Energy Lab" innovation lab in order to create the best possible solutions for a 100% sustainable energy system in Burgenland.

It is against this background that one of the focuses of Energie Burgenland AG is placed on the further expansion of the generation of renewable energy. For the 2020/21 business year, investments in photovoltaics, district heating, and the wind energy sector are planned to amount to around EUR 9m, EUR 11m, and EUR 115m, respectively.

Furthermore, Burgenland Holding Aktiengesellschaft is integrated in the environmental management system of EVN Group, which was established to take aspects of environmental protection into consideration whenever management decisions have to be made.

Branch offices

Burgenland Holding Aktiengesellschaft does not have any branch offices.

Risk assessment and control measures

The persons involved in the accounting process via a service agreement with EVN AG are appropriately qualified and receive regular training. The company's accounting system is managed with the ERP software system SAP, module FI (finance/accounting), and is protected by access authorisations and mandatory automatic and manual control steps.

A signature system based on the principle of dual control ensures that third parties are commissioned to minimise risk and that external documents are correctly recorded and paid for.

Furthermore, the company is integrated into an internal control system and an audit system on the basis of the service agreement with EVN AG.

Credit risk is monitored by the company on an ongoing basis. Due to the investment of liquid funds within the Group, the credit default risk is deemed to be insignificant.

The code of conduct established by Burgenland Holding Aktiengesellschaft and the values on which it is based apply to all persons working for Burgenland Holding Aktiengesellschaft. A compliance management system has been established.

The Executive Board receives a comprehensive quarterly report on the net assets, financial position and results of operations of the company, which includes a balance sheet, an income statement and a cash flow statement. These reports are also submitted quarterly to the company's Supervisory Board.

Burgenland Holding Aktiengesellschaft continues to pay close attention to the control of investment risk. This is currently considered to be low due to the stable environment.

Financial instruments, risks and uncertainties

The existing primary financial instruments are shown in the balance sheet under receivables and liabilities. In addition, there are bank deposits and participations. There are no derivative financial instruments. The foreign currency risk is considered to be low. An interest rate risk in the area of financing exists to the extent customary in the market. Given the nature of the EVN Group's investments, the credit default risk is considered to be low.

Research and development

Research and development activities are conducted in the associated company Energie Burgenland AG, not at the Company itself.

Outlook

The Covid-19 pandemic has had a stronger negative impact on the economy than the financial crisis, in particular with regard to value creation in the domestic market. This economic impact can be felt massively in two thirds of all sectors of the Austrian economy. Uncertainty about the further development of the Covid-19 pandemic and its consequences makes a forecast very difficult.

Assuming average framework conditions for the energy industry, Energie Burgenland AG is expected to show an operating performance with fluctuations within normal parameters for the 2019/20 business year. As a result of one-off effects, mostly arising from the termination of the US Cross-Border Lease as well as the insolvency of Commerzialbank Mattersburg, Energie Burgenland AG furthermore anticipates an extraordinary contribution to profits in the amount of about EUR 20m, with Burgenland Holding Aktiengesellschaft expecting only a slight increase in investment income for the 2020/21 business year compared to the reporting period. From today's perspective, the Covid-19 pandemic is not expected to yield significant negative effects.

Eisenstadt, 16 November 2020

The Executive Board



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board


$$\eta = \frac{P_{out}}{P_{in}}$$

Photovoltaic efficiency

Financial statements 2019/20

Balance sheet as of 30 September 2020

(Comparison with last year as of 30 September 2019)

Assets	30.09.2020 EUR	30.09.2019 TEUR
A. Fixed Assets		
Financial assets	71,325,280.80	71,325
	71,325,280.80	71,325
B. Current assets		
I. Accounts receivables		
1. Receivables from affiliated companies	9,335,618.87	8,777
2. Other receivables	1,918.54	4
	9,337,537.41	8,781
II. Cash at banks	11,639.08	12
	9,349,176.49	8,793
C. Deferred expenses and accrued income		
Other	5,544.65	6
Total assets	80,680,001.94	80,123

Equity and liabilities	30.09.2020 EUR	30.09.2019 TEUR
A. Equity		
I. Called-up, subscribed and paid-in share capital	21,810,000.00	21,810
II. Capital reserves		
Committed reserves	43,676,373.33	43,676
III. Retained earnings		
Other reserves (free reserves)	4,822,000.00	4,862
IV. Net profit	10,352,381.11	9,752
thereof profit carried forward	2,367.26	9
	80,660,754.44	80,101
B. Provisions		
Other provisions	19,247.50	20
C. Liabilities		
1. Trade accounts payable	0.00	1
thereof with a remaining maturity of up to one year	0.00	1
2. Liabilities to affiliated companies	0.00	2
thereof with a remaining maturity of up to one year	0.00	2
	0.00	3
thereof with a remaining maturity of up to one year	0.00	3
Total equity and liabilities	80,680,001.94	80,123

Profit and loss account

1 October 2019 – 30 September 2020

(Period of comparison: 1 October 2018 – 30 September 2019)

	2019/20 EUR	2018/19 TEUR
1. Other operating income		
a) other	203.36	0
	203.36	0
2. Other operating expenses		
a) taxes, unless covered by fig. 9	-301.50	-1
b) other	-241,937.51	-232
	-242,239.01	-232
3. Total fig. 1 to 2 (Operating result)	-242,035.65	-232
4. Investment income	10,488,612.00	9,959
5. Other interest and similar income	8,089.85	16
thereof from associated companies	8,077.38	16
6. Interest and similar expenses	-406.97	0
thereof from associated companies	-406.97	0
7. Total fig. 4 to 6 (Financial result)	10,496,294.88	9,975
8. Pre-tax profit	10,254,259.23	9,742
9. Taxes on income from tax allocation	55,754.62	51
thereof income from tax credits	55,754.62	51
10. After-tax profit = Net income for the period	10,310,013.85	9,794
11. Release of retained earnings	40,000.00	0
12. Allocation of retained earnings	0.00	-50
13. Profit carry-forward	2,367.26	9
14. Net profit	10,352,381.11	9,752

Notes

General information

These financial statements of Burgenland Holding Aktiengesellschaft as of 30 September 2020, were prepared by the Company's Executive Board in accordance with the regulations of the Austrian Commercial Code.

Pursuant to § 221 Austrian Commercial Code, the Company is classified as a large stock company.

The Company is part of the consolidation circle of EVN Group. The parent company, which prepared the consolidated group accounts for the smallest and the largest circle of firms is EVN AG, Maria Enzersdorf. These consolidated group accounts have been filed with the Commercial Court of Wiener Neustadt.

The company is part of a group of companies as defined in § 9 of the Austrian Corporation Tax Act (KStG) with NÖ Landes-Beteiligungsholding GmbH as the group parent. This is based on a group and tax equalisation agreement with EVN AG. Under this agreement, in the event of a positive taxable result, the group member is charged a tax apportionment in the amount of the applicable corporate income tax rate (currently 25%) by EVN AG using the "stand-alone" method or, in the event of a negative taxable result and a positive overall group result, a tax apportionment is credited to the group member.

Pursuant to § 231 (1) in connection with (2) Austrian Commercial Code, the profit and loss account was prepared in accordance with the total expenditure method.

Accounting and valuation methods

General principles

The annual financial statements were prepared in accordance with generally accepted accounting principles and comply with the general standard for annual financial statements, which is to give a true and fair view of the net assets, financial position and results of operations of the company.

The annual financial statements were prepared in compliance with the principle of completeness.

The accounting and valuation methods applied are based on the assumption that the company is a going concern in accordance with § 237 (1) fig. 1 of the Austrian Commercial Code.

The principle of individual valuation was applied to assets and liabilities.

The principle of prudence was taken into account in that only profits realised on the balance sheet date were recognised and all identifiable risks and impending losses incurred up to the balance sheet date were taken into account.

The previous valuation methods were retained.

Fixed assets

Financial assets are carried at cost or, if a lower value is to be attributed to them, at that value if the impairment is expected to be permanent.

Impairment losses on fixed assets are reversed if the reasons for the impairment no longer apply.

Current assets

Receivables are recognised at their nominal amount. Individual value adjustments are made for identifiable risks.

Write-ups are made if the reasons for the write-down no longer apply.

Deferred taxes

Deferred taxes are recognised in accordance with § 198 (9) and (10) of the Austrian Commercial Code using the balance sheet-oriented concept and without discounting on the basis of the current corporation tax rate of 25%.

Provisions

In accordance with the principle of prudence, other provisions take into account all risks identifiable at the time the balance sheet was prepared and the amount and reason for contingent liabilities at the amounts required according to sound business judgment.

Liabilities

Liabilities are recognised at their settlement amount.

$$P = \frac{\rho * r^2 * \pi * v^3}{2}$$

Power of the wind



Development of fixed assets

Fixed asset schedule

Historical acquisition and production costs					
EUR	As of 01.10.2019	Additions	Disposals	Reclassification	As of 30.09.2020
I. Financial assets					
Subsidiaries					
Energie Burgenland AG	70,217,803.48	0.00	0.00	0.00	70,217,803.48
Wiener Börse AG (formerly: CEESEG AG)	1,107,477.32	0.00	0.00	0.00	1,107,477.32
Total fixed assets	71,325,280.80	0.00	0.00	0.00	71,325,280.80

Notes to the balance sheet

Assets

Fixed assets

The breakdown of fixed assets and their development in the year under review are shown in the statement of changes in fixed assets.

Investments Name and registered office	Total stake	Equity (acc. § 224 (3) Austrian Commercial Code)	Net income	Balance sheet date
	in %	TEUR	TEUR	
Energie Burgenland AG (Registered office: Eisenstadt)	49.00	340,765.5	25,633.6	30.09.2019
Wiener Börse AG (formerly: CEESEG AG, Registered office: Vienna)	0.99	382,823.8	26,867.6	31.12.2019

Current assets

Receivables from affiliated companies amounting to EUR 9,335,618.87 (previous year: TEUR 8,777) comprise both the investment of short-term funds with EVN AG in the amount of EUR 9,230,211.25 (previous year: TEUR 8,686) and the receivables from capital gains tax and tax apportionment from EVN AG within the tax group in the amount of EUR 105,407.62 (previous year: TEUR 91).

The other receivables and assets consist exclusively of VAT credits with the tax office.

Active accruals and deferrals

The prepaid expenses of EUR 5,544.65 (previous year: TEUR 6) consist entirely of other prepaid expenses.

Deferred tax assets

No deferred taxes were recognised for the Company's pre-group loss carryforwards of TEUR 2,608, as these cannot be utilised within the next few years on the basis of tax profit planning. Current tax losses of the company are utilised within the framework of group taxation.

Accumulated depreciation						Book value		
As of 01.10.2019	Additions	Thereof unsched- uled	Disposals	Write- ups	Reclassifi- cation	As of 30.09.2020	30.09.2020	01.10.2019
0.00	0.00	0.00	0.00	0.00	0.00	0.00	70,217,803.48	70,217,803.48
0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,107,477.32	1,107,477.32
0.00	0.00	0.00	0.00	0.00	0.00	0.00	71,325,280.80	71,325,280.80

Equity and liabilities

Equity

The company's share capital amounts to EUR 21.81m and is divided into 3 million bearer shares.

Provisions

The other provisions amounting to EUR 19,247.50 (previous year: TEUR 20) essentially concern provisions for Supervisory Board remuneration and the audit of the annual financial statements.

Notes on the profit and loss account

The income statement was prepared using the total cost method.

Other operating expenses

Other operating expenses consist mainly of costs for the administration of the Company, membership fees and publications of the Company. Since the Company does not employ any staff of its own, the Company's administration is handled via service relationships, which include, for example, accounting, legal affairs, controlling, cash management and investment management. The total remuneration in the reporting period amounted to EUR 109,150.00 (previous year: TEUR 107).

Pursuant to § 238 (1) fig. 18 of the Austrian Commercial Code, the auditor's fees for the financial year are not disclosed, as such information is included in EVN AG's consolidated financial statements.

Income from investments

Income from participating interests includes the dividend distributions of Energie Burgenland AG for the 2018/19 business year in the amount of EUR 10,290,000.00 (previous year: TEUR 9,800). A distribution in the amount of EUR 198,612.00 (previous year: TEUR 159) was made by Wiener Börse AG (formerly CEESEG AG) for the 2019 business year.

Taxes on income from tax allocation

The item taxes on income from tax allocation shows the income from tax allocation amounting to EUR 55,754.62 (previous year: TEUR 51).

Other information

Bodies and employees of the company

In the 2019/20 business year, the following persons served on the Executive Board:

Klaus Kohlhuber
Nikolaus Sauer

Total expenditure on members of the Executive Board in the reporting period amounted to EUR 4,400.00 each, thus EUR 8,800.00 in total (total for Executive Board in the previous year: TEUR 9).

The following persons served on the Supervisory Board in the reporting period:

Stefan Szyszkowitz (Chairman)
Franz Mittermayer (Vice Chairman)
Michael Amerer
Rita Heiss
Johannes Lang
Jörg Sollfelner
Ute Teufelberger
Norbert Wechtl
Peter Weinelt

The members of the Supervisory Board received compensation in the amount of TEUR 23.1 (previous year: TEUR 21.9). Unchanged from the previous reporting period, the Company does not have any employees.

Like last year, no advances or loans were granted to the members of the Executive Board and the Supervisory Board in the reporting period, and no liability was assumed.

Any and all transactions with close companies and persons were effected at arm's length conditions.

Other remarks

Energie Burgenland AG sold its shares in Burgenland Holding Aktiengesellschaft during the year. Therefore, there is no longer any mutual shareholding as defined in § 241 fig. 6 Austrian Commercial Code.

The company participates in the cash pooling of the EVN Group. A contract was concluded to regulate the modalities.

Significant events after the balance sheet date

No significant events occurred after the balance sheet date.

Appropriation of results

It is recommended to distribute an amount of EUR 10,350,000.00, which corresponds to a dividend of EUR 3.45 per share, from the net profits of EUR 10,352,381.11 and carry forward the remainder in the amount of EUR 2,381.11.

Eisenstadt, 16 November 2020

The Executive Board



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board

Auditor's report

Report on the Financial Statements

Audit Opinion

We have audited the financial statements of

Burgenland Holding Aktiengesellschaft, Eisenstadt,

which comprise the Balance Sheet as of 30 September 2020, the Income Statement for the year then ended, and the Notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 30 September 2020, and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

Basis for our Opinion

We conducted our audit in accordance with Regulation (EU) 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are described in the "Auditor's Responsibilities" section of our report. We are independent of the Company, in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, however, we do not provide a separate opinion thereon.

We have determined that there are no key audit matters to be disclosed in our report.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles and for such internal controls as management determines are necessary to

enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement – whether due to fraud or error – and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements 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 opinion on the effectiveness of the entity's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the financial statements. If such disclosures are not appropriate, we will 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 Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Management Report

In accordance with Austrian company law, the management report is to be audited as to whether it is consistent with the financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of management reports as applied in Austria.

Opinion

In our opinion, the management report is consistent with the financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to § 243a UGB are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the financial statements and our understanding of the Company and its environment, we did not note any material misstatements in the management report.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the financial statements, the management report and the auditor's report.

Our opinion on the financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the financial statements or any apparent material misstatement of fact. If we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Additional Information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on 13 March 2020 and were appointed by the supervisory board on 14 July 2020 to audit the financial statements of Company for the financial year ending on that date.

We have been auditors of the Company, without interruption, since 1998.

We declare that our opinion expressed in the "Report on the Financial Statements" section of our report is consistent with our additional report to the audit committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Company.

Engagement Partner

The engagement partner is Mr Rainer Hassler.

Vienna, 16 November 2020

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by
Rainer Hassler
Wirtschaftsprüfer
(Austrian Chartered Accountant)

This report is a translation of the original report in German, which is solely valid.

The Burgenland Holding Aktiengesellschaft share

As a result of the crisis in connection with the Covid-19 pandemic, European stock markets showed diverging performances in the reporting period from October 2019 to September 2020. While the leading German DAX index went up 2.7%, Vienna's leading ATX index lost around 30% in the same period. The Dow Jones Euro Stoxx Utilities industry index, relevant for Burgenland Holding Aktiengesellschaft, dropped 0.8% in the reporting period.

The share of Burgenland Holding Aktiengesellschaft, by contrast, closed at EUR 78.00, managing an increase of 2.6%

compared to last year. The average daily trading volume in the reporting period amounted to 31 shares. This results in a trading volume at the Vienna Stock Exchange of EUR 0.64m. As of 30 September 2020, the weighting of the share in Vienna's WBI index was 0.28%, with market capitalisation amounting to EUR 234m as of that day.

The Executive Board will recommend the distribution of a dividend of EUR 3.45 per share for the 2019/20 business year at the Annual General Meeting on 12 March 2021.

Investor information

Stock performance

		2019/20	2018/19	2017/18
Average daily turnover	Shares	31	13	29
Total share volume	EURm	0.64	0.37	0.54
Highest price	EUR	90.00	85.00	86.00
Lowest price	EUR	74.00	62.00	68.00
Share price at the end of September	EUR	78.00	76.00	79.00
Market capitalisation at the end of September	EURm	234	228	237
WBI weighting at the end of September	%	0.28	0.20	0.19
Dividend per share	EUR	3.45 ¹⁾	3.25	3.15

1) Proposal to the Annual General Meeting

Burgenland Holding share price – relative development compared to Vienna Stock Exchange Index (%)

On the basis of September 2019



Burgenland Holding Aktiengesellschaft

Subsidiaries

0.99% Wiener Börse AG (formerly: CEESEG AG)

49% Energie Burgenland AG

Energie Burgenland AG investments as of 30 September 2020

100%	Netz Burgenland GmbH	10%	ENERGIEALLIANZ Austria GmbH
100%	Energie Burgenland Vertrieb GmbH & Co KG	2.52%	APCS Power Clearing and Settlement AG
100%	Energie Burgenland Windkraft GmbH	0.44%	AGCS Gas Clearing and Settlement AG
57.6%	EPZ Energieprojekt Zurndorf GmbH & Co KG	1.48%	CISMO Clearing Integrated Services and Market Operations GmbH
57.6%	EP Zurndorf GmbH	1%	Biomasse Kraftwerk Güssing GmbH u. Co KG
50%	PAMA-GOLS Windkraftanlagenbetriebs GmbH		
50%	PAMA-GOLS Windkraftanlagenbetriebs GmbH & Co KG		
40%	MMW Potzneusiedl GmbH		
50%	Energie Burgenland – Haider Windpark GmbH		
100%	Windpark Nick Alpha GmbH		
100%	Windpark Baumgarten GmbH		
100%	Energie Burgenland Bürgerbeteiligung GmbH		
20%	Windpark Deutsch Haslau GmbH		
25%	Windpark Nikitsch GmbH		
100%	WIBE – Windpark Beteiligungs GmbH (Eisenstadt, Austria)		
51%	Renewind Energetikai Kft. (Budapest, Hungary)		
100%	Energie Burgenland Fernwärme GmbH		
100%	Energie Burgenland Fernwärme GmbH & Co KG		
100%	Energie Burgenland Dienstleistung und Technik GmbH		
100%	Energie Burgenland Konzernclearing GmbH		
100%	Energie Burgenland Wärme und Service GmbH		
33.33%	EBRZ Erstes Burgenländisches Rechenzentrum GmbH		

Statement of the Executive Board on the annual financial statements

pursuant to § 124 (1) fig. 3 Stock Exchange Act 2018

The Executive Board of Burgenland Holding Aktiengesellschaft confirms that, to the best of its knowledge, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties.

Eisenstadt, 16 November 2020

The Executive Board



Klaus Kohlhuber
Member of the
Executive Board



Nikolaus Sauer
Member of the
Executive Board

Burgenland Holding Aktiengesellschaft

Corporate calendar 2020/21¹⁾

Record date Annual General Meeting	02.03.2021
Annual General Meeting	12.03.2021
Ex-dividend day	18.03.2021
Record-date	19.03.2021
Dividend payment	25.03.2021
Results HY1 2020/21 (Interim financial report)	27.05.2021
Annual results 2020/21 (Annual financial report)	16.12.2021

1) Subject to change without notice

Basic information¹⁾

Share capital	EUR 21.81m
Denomination	3 million no-par bearer shares
Majority shareholder	EVN AG
Identification number (ISIN)	AT0000640552
Ticker symbols	BHAV:VI (Reuters); BURG AV (Bloomberg); AT; BHD (Dow Jones)
Stock exchange listing	Vienna

1) As of 30 September 2020

Imprint

Burgenland Holding Aktiengesellschaft

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For reasons of legibility, gender-specific wording is not used in the Annual Report. Insofar as personal designations are only given in masculine form, they refer to both men and women in the same way. This Annual Report is also available in German. In cases of doubt, the German version shall prevail.

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