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Report
on the Audit of the Consolidated Financial Statements
for the year ended 31 December 2023
of
PV-Invest GmbH
Klagenfurt am Wörthersee

Austrian member firm of
Grant Thornton International Ltd.
Klagenfurt Regional Court: Commercial Register No. FN 580703a
VAT ID: ATU78444989
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Schedule of Annexes:

To the Management of
PV-Invest GmbH
Klagenfurt am Wörthersee

We have audited the consolidated financial statements for the year ended 31 December 2023 of

PV-Invest GmbH,
Klagenfurt am Wörthersee,

(hereinafter referred to as "the company")

and **report** on the result of our audit as follows:

1. Audit agreement and scope of the audit engagement

By circular shareholder resolution of PV-Invest GmbH, Klagenfurt am Wörthersee, dated 13 September 2023, we were elected and appointed as the auditor of the consolidated financial statements for the 2023 financial year.

The company, represented by the Management Board, entered into an **audit agreement** with us for the audit of the consolidated financial statements for the year ended 31 December 2023 and of the consolidated management report in accordance with §§ 269 *et seq.* of the Austrian Commercial Code (UGB).

The audited company is a listed entity pursuant to ISA 220.7 (g) and, as such, is not required to establish a Supervisory Board.

This audit is a **voluntary audit**.

The **objective of this audit** was to determine whether the statutory regulations and the supplementary provisions set forth in the company's Articles of Association were observed in the context of the preparation of the consolidated financial statements. The consolidated management report must be audited to determine whether it is consistent with the consolidated financial statements and whether it was prepared in accordance with the applicable legal requirements.

We conducted our audit in compliance with the Austrian **statutory provisions** and the **Austrian Standards on Auditing**. Those standards require application of the International Standards on Auditing (ISAs). We would like to emphasise that the audit of the consolidated financial statements is to provide reasonable assurance as to whether the financial statements as a whole are free from material misstatement. Absolute assurance cannot be achieved, because the possibility of errors is inherent in each internal control system. Additionally, due to the audit being based on samples, there is an inevitable risk that material misstatements contained in the consolidated financial statements could remain undiscovered. Our audit did not extend to areas which typically form the subject of special audits.

In the course of our audit, the annual financial statements of the companies included in the scope of consolidation were audited to establish whether the generally accepted accounting standards and the statutory regulations for inclusion in the consolidated financial statements had been complied with.

We conducted our audit, with interruptions, in the **period** from April to June 2024, mainly at our office premises in Klagenfurt am Wörthersee. The audit was physically completed by the date of this report.

DDr. Ulrich Kraßnig, LL.M., Wirtschaftsprüfer und Steuerberater (Austrian Certified Public Accountant and Tax Advisor), is responsible for the proper performance of the audit engagement.

Our audit is based on the audit agreement entered into with the company, of which the "General **Conditions of Contract** for the Public Accounting Professions" (see Annex 3), issued by the Austrian Chamber of Public Accountants and Tax Advisors, form an integral part. These General Conditions of Contract apply not only between the company and the auditor of the consolidated financial statements, but also with respect to third parties. Our responsibility and liability as auditor of the consolidated financial statements with respect to the company and third parties is governed by § 275 UGB.

2. Summary of audit findings

2.1. Compliance with statutory requirements of the consolidated financial statements and the consolidated management report

In the course of our audit of the consolidated financial statements and the annual financial statements of the companies included in the scope of consolidation, we established that the statutory regulations, the supplementary provisions set forth in the company's Articles of Association and the generally accepted **accounting standards** had been complied with. The annual financial statements included in the consolidated financial statements are, in all material respects, in accordance with the uniform accounting policies established by the parent company and provide a suitable basis for inclusion in the consolidated financial statements. The regulations and standards for inclusion in the consolidated financial statements have been complied with.

In the context of our risk- and control-oriented auditing approach – to the extent that we considered this necessary for our audit report – we included the internal controls regarding certain portions of the financial reporting process in our audit.

With regard to compliance of the **consolidated financial statements** and the **consolidated management report** with the applicable statutory requirements, we refer to our comments in the auditor's report and opinion.

For computational reasons, tables may contain rounding differences of +/- one unit (€, %, etc.).

2.2. Information provided

The legal representatives of the audited entity provided us with all of the information and evidence we requested. We also included a letter of representation, signed by the company's legal representatives and confirming that all of the information required for the audit was provided, in our audit records.

2.3. Statement on matters pursuant to § 273 (2) of the Austrian Commercial Code (UGB) – auditor's disclosure obligation

In performing our duties as the auditor of the consolidated financial statements, we have not identified any facts that might endanger the position of the audited Group as a going concern or adversely affect its future development, nor any facts that would constitute a serious breach of the law or of the Group's articles of association by any of its legal representatives or employees. Material weaknesses in the internal controls of the financial reporting process have not come to our attention.

3. Auditor’s report and opinion

Report on the consolidated financial statements

Audit opinion

We have audited the consolidated financial statements of

PV-Invest GmbH,
Klagenfurt am Wörthersee,

and its subsidiaries (the Group), comprising the consolidated balance sheet as of 31 December 2023, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year ended on that date, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the statutory requirements and present fairly, in all material respects, a true and fair view of the Group’s financial position and financial performance as of 31 December 2023, and of its result of operations and cash flows for the financial year ended on that date in accordance with the provisions of Austrian corporate law.

Basis for the audit opinion

We conducted our audit in compliance with the Austrian Standards on Auditing. Those standards require application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. Pursuant to the provisions of Austrian corporate law and statutory professional requirements, we operate independently from the audited Group and have fulfilled our other professional responsibilities according to those requirements. We believe that the audit evidence we have obtained up to the date of this auditor’s report and opinion is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibility and liability arising out of the audit, both toward the company and toward third parties, is limited to the amount of EUR 2 million, analogous to the provisions of § 275 (2) UGB (liability regulations for auditing the financial statements of small and medium-sized companies).

Key audit matters

Key audit matters are those which, in our professional opinion, had the greatest significance to our audit of the consolidated financial statements for the period being audited. As these matters were taken into consideration in the context of our audit of the consolidated financial statements and when forming our audit opinion, we do not provide a separate opinion on these matters.

Sales revenue from the production of electricity

Risk for the consolidated financial statements

The economic success of the PV-Invest Group depends to a large extent on the volume of electricity produced by the photovoltaic plants (PV plants).
The amount of electricity produced may vary, depending on the amount of solar radiation obtained. In addition, the continuous functioning of the plants is an essential factor in the amount of electricity produced. As such, sales and, by extension, sales revenue can be subject to fluctuations.

Appropriate recognition of sales in accordance with the electricity produced in the year under review is therefore of significant importance for the consolidated financial statements of PV-Invest.

Audit approach

We assessed the appropriate recognition of sales and sales revenue from the production of electricity as follows:

- We assessed the process implemented by the Group to control electricity sales.
- We analysed the sales generated, taking into account the amounts of electricity produced and the agreed feed-in tariffs, and verified their plausibility.
- We analysed the sales generated based on the applicable market prices in cases where no fixed tariffs had been agreed upon, and verified their plausibility.
- We recalculated deferred revenue for PV plants with time-delayed billing of subsidised tariffs and compared them with the amounts of electricity produced and the agreed subsidised tariffs.
- We examined the balance of trade account receivables and their development after the balance sheet date.

Accounting and reporting of project business

Risk for the consolidated financial statements

A large portion of PV-Invest's sales revenues is derived from engagements in project and EPC (engineering, procurement and construction) operations. The project business segment comprises projects of varying durations, from a few months to several years, and revenue is recognised upon fulfilment of specific contractually agreed milestones. Any projects that have not yet been completed are reported under unfinished products and services not yet chargeable in the amount of the production costs incurred up to the reporting date. If an ongoing project is expected to incur losses, the value of services not yet chargeable is adjusted to reflect the anticipated shortfall.

The timing of revenue recognition depends to a significant extent on the assessment of completed contractual milestones. The measurement of services not yet chargeable requires a considerable degree of judgment and forward-looking estimates. This results in the risk that sales revenues or inventory changes (reflecting the volume of finished and unfinished products and services not yet chargeable) might be inaccurately represented in the financial statements, leading to potential material misstatements in both the income statement and the corresponding balance sheet items.

Audit approach

- In the course of our audit, we gained an understanding of the processes and internal controls relevant to project accounting and evaluated selected internal controls for their effectiveness.
- Based on our risk assessment, we selected individual projects for further review and performed audit procedures to assess the appropriateness of the timing of revenue recognition and the recognition and measurement of unfinished products and services not yet chargeable. Our audit procedures mainly involved a thorough examination of the underlying contracts and agreements, a critical review of current project data, and a detailed comparison of the assumptions and estimated figures against contractual documents and other relevant records. Additionally, in cases where projects reached completion and final invoices were issued in the year under review, we verified that corresponding final acceptance reports from the respective clients were on record.

Responsibilities of the legal representatives for the consolidated financial statements

The legal representatives are responsible for preparing consolidated financial statements that present a true and fair view of the Group's financial position, financial performance and cash flows in accordance with the provisions of Austrian corporate law. The legal representatives are also responsible for such internal controls as they determine are necessary to enable the preparation of consolidated financial statements that are free from material misstatement due to fraudulent activity or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, any matters associated with continuing as a going concern and for applying the going concern basis of accounting, unless the legal representatives intend to either liquidate the Group or discontinue operations, or have no realistic alternative to either outcome.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to achieve a reasonable degree of certainty as to whether the consolidated financial statements are generally free from material misstatement due to fraudulent activity or error, and to issue an auditor's report that includes our audit opinion. Reasonable certainty is a high degree of certainty, but not a guarantee that any audit conducted in accordance with the Austrian Standards on Auditing, which require application of the International Standards on Auditing (ISAs), will always reveal a material misstatement if such exists. Misstatements may be the result of fraudulent activity or error, and are regarded as material if, individually or collectively, they could reasonably be expected to influence the economic decisions of readers based on these consolidated financial statements.

As part of any audit conducted in accordance with the Austrian Standards on Auditing, which require application of the International Standards on Auditing (ISAs), we exercise due diligence and maintain a critical approach throughout the entire audit process.

The following also applies:

- We identify and assess the risks of material misstatements in the financial statements due to fraudulent activity or error, plan audit actions in response to these risks, implement such actions, and obtain adequate and appropriate audit evidence to serve as a basis for our audit opinion. The risk that material misstatements resulting from fraudulent activity are not uncovered is higher than instances that result from error, since fraudulent activity may involve collusion, forgery, deliberate omission, misleading representations, or bypassing internal controls.
- We obtain an understanding of the internal control system to the extent that it is relevant to the audit of the financial statements, in order to plan audit activities that are appropriate under the given circumstances, but not with the objective of providing an opinion on the effectiveness of the internal control system implemented by the company.
- We assess the appropriateness of the accounting principles applied and the reasonableness of the accounting estimates and related disclosures made by the legal representatives.
- We draw conclusions about the appropriateness of the application of the going concern principle by the legal representatives and, based on the audit evidence obtained, about whether any material uncertainty exists with regard to events or facts which may give rise to significant doubt as to the Group's ability to continue as a going concern. If we arrive at conclusions that indicate material uncertainty, we are required to draw attention in our audit report to the relevant disclosures in the consolidated financial statements, or to modify our audit opinion if such disclosures are insufficient. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or facts may result in the Group discontinuing its activities as a going concern.
- We assess the overall presentation, structure, and content of the consolidated financial statements, including the notes, and assess whether the consolidated financial statements represent the underlying transactions and events in a manner that produces a true and fair view.
- We obtain adequate and appropriate audit evidence on the financial information of the entities or business activities within the Group in order to provide an audit opinion on the consolidated financial statements. We are responsible for guiding, monitoring and performing the audit of the consolidated financial statements. We bear sole responsibility for our audit opinion.

Report on the consolidated management report

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

The legal representatives are responsible for preparing the consolidated management report in compliance with the provisions of Austrian corporate law.

We conducted our audit in compliance with the professional principles and standards associated with auditing a consolidated management report.

Opinion

In our opinion, the management report has been prepared in compliance with the applicable legal requirements and is consistent with the consolidated financial statements.

Statement

Based on the findings obtained in the course of our audit of the consolidated financial statements and the understanding gained regarding the Group and its environment, we did not identify any material misstatements in the consolidated management report.

Klagenfurt am Wörthersee,
14 June 2024

Grant Thornton ALPEN-ADRIA
Wirtschaftsprüfung GmbH

[Auditor's stamp and illegible signature]

DDr. Ulrich Kraßnig, LL.M.,
Wirtschaftsprüfer und Steuerberater (Austrian Certified Public Accountant and Tax Advisor)

Only the version of the consolidated financial statements with our auditor's report and opinion may be published or distributed. This auditor's report and opinion refers exclusively to the complete German-language version of the audited consolidated financial statements including the management report. For any other versions, the stipulations of § 281 (2) UGB shall apply.

Attachment 1

Consolidated financial statements for the year ended 31 December 2023

PV-Invest GmbH **Annex I/1**
Klagenfurt am Wörthersee

Consolidated financial statements as of 31 December 2023

ASSETS			Balance as of 31 Dec 2023 EUR	Balance as of 31 Dec 2022 EUR
A.	**Fixed assets**			
	I.	***Intangible assets***		
		1. Concessions, industrial property rights and similar rights as well as licences derived therefrom	986,265	1,020,179
		2. Goodwill from capital consolidation	10,761,061	11,504,678
		3. Prepayments made	550,000	0,00
			12,297,326	**12,524,857**
	II.	***Property, plant and equipment***		
		1. Land, equivalent rights and buildings including buildings on third-party land	1,463,706	1,555,955
		2. Technical plant and machinery	66,056,162	67,409,543
		3. Other plant, furniture and fixtures	374,205	314,184
		4. Prepayments made and assets under construction	15,749,484	8,834,362
			83,643,557	**78,114,044**
	III.	***Financial assets***		
		1. Investments in affiliated companies (not consolidated)	325,715	340,967
		2. Securities (similar instruments) held as fixed assets	161,000	161,000
		3. Other loans	175,000	175,000
		4. Prepayments for financial assets	0,00	0,00
			661,715	**676,967**
			96,602,599	***91,315,869***
B.	**Current assets**			
	I.	***Inventories***		
		1. Raw materials, consumables and supplies	150,962	137,485
		2. Unfinished products and services not yet chargeable	42,822	3,414,577
		3. Finished products and merchandise	137,129	152,695
		4. Prepayments made	2,130	939,968
			333,043	***4,644,725***
	II.	***Receivables and other assets***		
		1. Trade accounts receivable *thereof with a remaining term of more than one year EUR 0 (prior year: TEUR 0)*	3,620,504	4,157,200
		2. Receivables from affiliated companies (not consolidated) *thereof with a remaining term of more than one year EUR 2,000,000 (prior year: TEUR 0)*	7,830	392,264
		3. Receivables from associated companies and investees	50,282	43,053
		4. Other receivables and assets	19,394,512	14,711,340
			23,073,127	***19,303,858***
	III.	***Cash on hand, cheques and bank balances***		
		1. Investments in affiliated companies	***2,966,355***	***0,00***
	IV.	***Cash on hand, cheques and bank balances***	***10,439,848***	***20,803,339***
			36,812,374	***44,751,923***
C.	**Prepaid expenses**			
	1.	Other prepaid expenses	1,159,029	1,286,256
			1,159,029	**1,286,256**
D.	**Deferred tax assets**		**549,145**	**484,135**
			135,123,146	**137,838,183**

PV-Invest GmbH **Annex I/2**
Klagenfurt am Wörthersee

Consolidated financial statements as of 31 December 2023

EQUITY AND LIABILITIES	Balance as of 31 Dec 2023 EUR	Balance as of 31 Dec 2022 EUR
A. Equity		
I. Share capital	**100,000**	**100,000**
II. Capital reserves		
1. Non-appropriated reserves	**9,327,886**	**9,327,886**
III. Equity attributable to minority interests	**388,695**	**170,740**
IV. Currency translation differences	**73,972**	**67,735**
V. Net accumulated profit/net accumulated loss	**14,671,134**	**17,048,745**
thereof profit carried forward: EUR 14,648,745.00 (prior year: TEUR -2,663)		
	24,561,687	**26,715,105**
B. Subordinated liabilities	**0,00**	**0.00**
C. Subsidies	**2,162,800**	**2,137,082**
D. Provisions		
1. Current tax provisions	202,048	102,579
2. Deferred tax provisions	1,597,609	1,417,041
3. Other provisions	1,173,817	2,305,394
	2,973,474	**3,825,014**
E. Liabilities		
1. Bonds	31,232,000	27,833,000
2. Liabilities to banks	14,683,340	19,102,803
3. Prepayments received on orders	988,829	476,234
4. Trade accounts payable	2,230,374	2,315,271
5. Other liabilities	56,023,166	55,166,197
thereof from taxes: EUR 1,516,518 (prior year: TEUR 594)		
thereof for social security: EUR 24,339 (prior year: TEUR 17)		
	105,157,709	**104,893,505**
F. Deferred income	**267,478**	**267,477**
	135,123,146	**137,838,183**

PV-Invest GmbH **Annex II**

Klagenfurt am Wörthersee

Consolidated income statement for the 2023 calendar year

		2023 EUR	2022 EUR
1.	Sales		
	a) from the production of electricity	13,212,794	15,521,963
	b) from EPC business, trading revenues and other	20,461,578	21,974,057
2	Change in the volume of finished and unfinished products and services not yet chargeable	-6,228,454	5,378,243
3.	Other own work capitalised	662,216	2,019,001
4.	Other operating income		
	a) Income from the disposal of and the addition to fixed assets, excluding financial assets	0	11,014,080
	b) Income from the reversal of provisions	0	6,755
	c) Other	679,171	543,497
		679,171	**11,564,332**
5.	**OPERATING INCOME**	**28,787,305**	**56,457,595**
6.	Cost of materials and other purchased production services		
	a) Cost of materials		
	aa) for the production of electricity	-218,563	-484,490
	ab) for the EPC business and trading activities	-7,805,264	-18,645,858
	b) Cost of purchased services	-3,860,252	-7,708,525
		-11,884,080	**-26,838,873**
7.	Personnel expenses		
	a) Wages	-95,545	-75,861
	b) Salaries	-1,905,434	-1,570,176
	c) Expenses for severance payments and payments to employee retirement funds	-31,070	-39,295
	d) Expenses for compulsory social security benefits and taxes and mandatory contributions related to payroll	-379,319	-286,709
	e) Other social security expenses	-30,363	-21,318
		-2,441,731	**-1,993,359**
8.	Amortisation and depreciation of intangible assets and property, plant and equipment	**-5,568,162**	**-5,357,092**
9.	Other operating expenses		
	a) Taxes	-482,074	-237,474
	b) Other	-3,726,964	-4,669,902
		-4,209,038	**-4,907,376**
10.	**Subtotal of lines 5 to 9** (= OPERATING RESULT)	**4,684,295**	**17,360,895**
11.	Income from investments in associated companies	0	0
12.	Income from other equity investments	0	0
13.	Other interest and similar income	322,043	66,457
14.	Expense from the disposal and write-down of financial assets	0	1,946
15.	Expenses from financial assets and from securities held as current assets	0	0
	thereof depreciation EUR 0 (prior year: TEUR 1)		
16.	Interest and similar expenses	-3,939,388	-3,736,753
17.	**Subtotal of lines 11 to 17**	**-3,617,346**	**-3,668,350**
18.	**Earnings before taxes**	**1,066,949**	**13,692,545**
19.	Taxes on income		
	a) Current tax expenses for the year	-732,505	-542,190
	b) Change in deferred taxes	-98,900	-204,348
		-831,405	**-746,538**
20.	**Net income/loss**	**235,544**	**12,946,008**
21.	Net income/loss attributable to minority interests	-213,155	-197,345
22.	**Consolidated net income/loss**	**22,389**	**12,748,663**
23.	Reversal of capital reserves		
	a) Appropriated reserves		
	a) Non-appropriated reserves	0	6,963,098
24.	Profit carried forward from prior year	14,648,745	-2,663,016
25.	**Net accumulated profit/net accumulated loss**	**14,671,134**	**17,048,745**

PV-Invest GmbH **Annex III**

Klagenfurt am Wörthersee

Consolidated statement of cash flows for the 2023 financial year

		2023 EUR	2022 EUR
Net cash flow from operating activities:			
Earnings before taxes		1,066,949	13,692,545
+	Depreciation and amortisation of intangible assets and property, plant and equipment	5,568,162	5,357,092
-/+	Gains/losses from the disposal of investment assets	329,613	-109,040
-/+	Income from equity investments, income from other securities and loans held as financial assets, as well as other interest and similar income/interest and similar expenses	3,617,346	3,670,296
-/+	Non-cash income/expenses from the disposal of shares/reorganisation	0	-1,946
+/-	Other non-cash expenses and income	-119,656	-32,090
		10,462,414	**22,576,856**
-/+	Changes in inventories	4,311,682	-2,664,633
-/+	Changes in trade accounts receivable	536,697	-2,226,709
-/+	Changes in receivables from/liabilities to affiliated companies	384,434	1,797,573
-/+	Changes in receivables from associated companies and investees	-7,228	21,409
-/+	Changes in other assets (including prepaid expenses)	-4,555,945	-9,287,502
+/-	Changes in trade accounts payable	-84,898	1,446,744
+/-	Change in liabilities to associated companies and investees	0	0
+/-	Changes in other short-term provisions	-1,131,577	759,867
+/-	Changes in other short-term liabilities (including deferred income)	1,369,565	5,312,808
-	Income tax payments	-633,036	-458,920
		189,695	**-5,299,362**
Net cash from operating activities		**10,652,109**	**17,277,494**
Net cash flow from investing activities:			
-	Acquisition of intangible assets (excluding goodwill) and property, plant and equipment	-11,325,981	-7,819,598
+	Investment subsidies (change)	320,781	0
-	Acquisition of equity interests (full consolidation)	0	-463,000
-	Acquisition of financial assets and affiliated companies not yet consolidated	-2,966,355	0
+	Write-downs of carrying amounts of fixed assets	0	0
+	Income from the disposal of financial assets	0	0
+	Cash payments derived from investment, interest and securities income	322,043	66,457
		-13,649,513	**-8,216,141**
Net cash flow from financing activities:			
-	Dividend distributions to minority interests	-2,400,000	-50,000
+/-	Changes in current and non-current financial liabilities	-1,020,463	-1,590,975
+	Cash paid for interest and similar expenses	-3,939,388	-3,736,753
		-7,359,851	**-5,377,728**
Changes in cash and cash equivalents		**-10,357,255**	**3,683,625**
Cash and cash equivalents as of 1 January		20,803,339	16,678,734
Net change in cash and cash equivalents due to initial consolidation/deconsolidation		0	480,286
Currency translation differences		-6,237	-39,306
Cash and cash equivalents as of 31 December		**10,439,847**	**20,803,339**

PV-Invest GmbH **Annex III**
Klagenfurt am Wörthersee

Consolidated statement of changes in equity for the year ended 31 December 2023

	Share capital EUR	Capital reserves EUR	Currency translation differences	Net accumulated profit/net accumulated loss EUR	Minority interests EUR	Total EUR
Balance 1 January 2022	**100,000**	**16,290,984**	**28,429**	**-2,663,016**	**-146,028**	**13,610,368**
Changes due to changes in the scope of consolidated entities	0	0	0	0	119,423	**119,423**
Currency translation differences	0	0	39,306	0	0	**39,306**
Profit distribution	0	0	0	0	0	**0**
Capital increase	0	0				**0**
Consolidated net profit	0	-6,963,098	0	19,711,761	197,345	**12,946,008**
Balance 31 December 2022	**100,000**	**9,327,886**	**67,735**	**17,048,745**	**170,740**	**26,715,105**
Balance 1 January 2023	**100,000**	**9,327,886**	**67,735**	**17,048,745**	**170,740**	**26,715,105**
Changes due to changes in the scope of consolidated entities	0	0	0	0	4,800	**4,800**
Currency translation differences	0	0	6,237	0	0	**6,237**
Profit distribution	0	0	0	-2,400,000	0	**-2,400,000**
Consolidated net profit	0	0	0	22,389	213,155	**235,544**
Balance 31 December 2023	**100,000**	**9,327,886**	**73,972**	**14,671,134**	**388,695**	**24,561,686**

Notes to the consolidated financial statements for the 2023 financial year

I. General information

The consolidated financial statements for the year ended 31 December 2023 were prepared in accordance with the provisions of the Austrian Commercial Code (UGB) and the Austrian Financial Accounting Amendment Act 2014 (RÄG 2014).

Amounts in the consolidated financial statements are presented in euros (EUR) (prior year: thousands of euros (TEUR)). The consolidated income statement was prepared using the total cost format.

To the extent required in order to present a true and fair view of the financial position, financial performance and cash flows of the company, additional disclosures were made in the notes. The scope of consolidated entities was determined in accordance with § 247 (1) UGB and comprises the parent company of the Group and 58 (prior year: 55) fully consolidated subsidiaries, in which the company directly or indirectly holds the majority of voting rights or control.

Additionally, two entities and their one subsidiary were included in the consolidated financial statements by means of proportionate consolidation.

All entities included in the financial statements are listed in the schedule of investments as of 31 December 2023, which is presented in the notes. The uniform reporting date for all entities included in the consolidated financial statements is 31 December 2023.

In accordance with the notice of assessment issued by the tax office Spittal Villach dated 20 December 2011, PV-Invest GmbH is the head of a tax group in accordance with § 9 (8) of the Austrian Corporate Income Tax Act (KStG) 1988, with Managementkompetenz PV-Invest Lequile GmbH (which has been merged into PV-Invest Apulien 2 GmbH in the meantime), PV-Invest Apulien 2 GmbH and PV -Invest SEE GmbH (formerly PV-Invest Slowenien GmbH) as members of the tax group, beginning with the tax assessment for the year 2011. In addition, in accordance with the notice of assessment issued by the tax office Spittal Villach dated 21 December 2016, KPV Solar GmbH and PV-Invest RGA GmbH (which has been merged with PV-Invest WE GmbH in the meantime) were included in the tax group as members beginning with the tax assessment for the year 2016.

Subsequent to the reorganisation measures taken in 2017, the tax group consisted of PV-Invest GmbH as head of the tax group and PV-Invest SEE GmbH, PV-Invest Apulien 2 GmbH, KPV Solar GmbH as well as PV-Invest EE GmbH as members of the tax group. Beginning with the tax assessment for the year 2018, PV-Invest WE GmbH and HpSA Hydropower Systems GmbH joined the tax group; however, HpSA Hydropower Systems GmbH exited the tax group in 2020.
Furthermore, as a result of the reorganisation activities in 2020, there was a second tax group in accordance with § 9 (8) KStG 1988 with Unser Kraftwerk UK-Naturstrom GmbH as head and PV-Betreiber GmbH as member of the tax group (notice of assessment dated 22 February 2019).
The tax group with Unser Kraftwerk UK-Naturstrom GmbH as the head was terminated by notice of assessment dated 13 January 2022. In accordance with the notice of assessment dated 3 February 2022, Unser Kraftwerk UK-Naturstrom GmbH and PV Betreiber GmbH were part of the tax group with PV-Invest GmbH as the group head beginning with the tax assessment for the year 2022.
Effective 1 January 2023, PV Betreiber GmbH was merged into Unser Kraftwerk UK-Naturstrom GmbH under a merger agreement dated 21 July 2023.

II. Consolidation

The Group prepared these consolidated financial statements voluntarily since it did not exceed the thresholds defined in § 246 UGB in 2023 or in prior years. PV-Invest Group prepared consolidated financial statements for the first time as of 31 December 2011.

Capital consolidation was based on the revaluation method pursuant to § 254 (1) (1) UGB. The carrying amount of the investment was offset against the corresponding share in the subsidiary’s equity and any differences between the identifiable assets and liabilities and their fair values were recognised in the course of initial consolidation.
All receivables and liabilities, revenues and expenses resulting from transactions between companies included in the consolidated financial statements were eliminated.

III. Accounting principles

Neither the single financial statements of the Group entities nor the consolidated financial statements are subject to a statutory audit.

The scope of consolidated entities includes the following significant companies:

Scope of consolidated entities	Share capital	Per-cent-age held	Per-cent-age held	Consolidation method[1]
	TEUR	2023	2022	
PV-Invest GmbH, Klagenfurt am Wörthersee *(parent company)*	*100*			
ITALY				
PV-Invest Apulien 2 GmbH, Klagenfurt am Wörthersee	35	100%	100%	F
Managementkompetenz PV-Invest Lequile SRL, Bolzano	10	100%	100%	F
KPV Project I SRL, Bolzano	10	100%	100%	F
KPV Project II SRL, Bolzano	10	100%	100%	F
Collemeto 1 SRL, Bolzano	10	100%	100%	F
Avisolar s.r.l., Avio/Trient	10	100%	100%	F
Montana Energia s.r.l., Bolzano	10	100%	100%	F
PV-Invest Italia SRL, Bolzano	10	88%	80%	F
PV-Invest Project I SRL, Bolzano	10	88%	80%	F
PV-Invest Project II SRL, Bolzano	10	88%	80%	F
PV-Invest Project IV SRL, Bolzano	10	88%	80%	F
PV-Invest Project V SRL, Bolzano	10	88%	0%	F
PV-Invest Project VI SRL, Bolzano	10	88%	0%	F
PV-Invest Project VII SRL, Bolzano	10	88%	0%	F
PV-Invest Project VIII SRL, Bolzano	10	88%	0%	F
Green One SRL, Bolzano	10	100%	100%	F

[1] F = fully consolidated; E = consolidated using the equity method; P = proportionate consolidation

PV-Invest Pincara GmbH, Klagenfurt am Wörthersee	10	50%	50%	P
Fotovoltaica Pincara SRL, Bolzano	10	50%	50%	P
SLOVENIA - BOSNIA-HERZEGOVINA – MACEDONIA				
PV-Invest SEE GmbH (formerly PV-Invest Slowenien GmbH) Klagenfurt am Wörthersee	35	100%	100%	F
Moja Elektrarna proizvodnja elektricne energije d.o.o., Maribor	100	100%	100%	F
Biringsol 1 d.o.o., Maribor	7.5	100%	100%	F
Grason d.o.o., Maribor	267.5	100%	100%	F
PV-Invest Zapaden Balkan d.o.o., Skopje	5	70%	70%	F
Mega Solar d.o.o.e.l, Skopje	5	70%	70%	F
Moja Hidro Elektrarna, Maribor	7.5	100%	100%	F
Green Energy R d.o.o, Bratunac	0	60%	60%	F
Indigo Hydro Macedonija, Skopje	10	92%	92%	F
INTERNATIONAL FOTOVOLTAIČNI PROJEKT 1 d.o.o., Maribor	10	100%	100%	F
EC Project d.o.o., Maribor	7.5	100%	100%	F
BJ SOLAR PVKU d.o.o., Maribor	7.5	100%	100%	F
SOLAR Invest d.o.o., Maribor	7.5	100%	100%	F
ENERSON d.o.o., Maribor	43	70%	70%	F
LP Solar d.o.o., Maribor (merged into Moja Elektrarna d.o.o., Maribor)	7.5	0%	100%	V
BJ Solar d.o.o., Maribor (merged into Moja Elektrarna d.o.o., Maribor)	7.5	0%	100%	F

GREECE				
GIGA SOLAR GREECE S.A., Nea Ionia	60	100%	100%	F
VECA SOLAR GREECE S.A., Nea Ionia	150	100%	100%	F
MAXINTI ENERGEIAKI M.IKE, Nea Ionia	4.5	100%	100%	F
AG. DIMITRIOS ENERGEIAKI M.IKE, Nea Ionia	3	100%	100%	F
ILIAKI FOTOVOLTAIKI ATHINAS M.IKE, Nea Ionia	120	100%	100%	F
ILIAKI AKTIDA ATTIKIS M.IKE, Nea Ionia	55	100%	100%	F
Tera Solar GREECE S.A., Nea Ionia	150	100%	100%	F
SOLAR VENTURE 12.M.IKE, Nea Ionia	33	100%	100%	F
SOLAR VENTURE 13.M.IKE, Nea Ionia	21.5	100%	100%	F
SOLAR VENTURE 14.M.IKE, Nea Ionia	25	100%	100%	F
SURVEY SUN M.IKE, Nea Ionia	2	100%	100%	F
WESTERN EUROPE				
PV-Invest WE GmbH, Klagenfurt am Wörthersee	35	100%	100%	F
PV-Invest Oberempfenbach GmbH, Mainburg	25	100%	100%	F
Hawi Sep 2 EURL, Roquevaire	0.1	100%	100%	F
Fotovoltaica Iberica SL, Ciudad Real	3	85%	85%	F
AUSTRIA				
KPV Solar GmbH, Klagenfurt am Wörthersee	35	100%	100%	F
Unser Kraftwerk UK-Naturstrom GmbH, Klagenfurt am Wörthersee (merger with PV Betreiber GmbH)	35	100%	100%	F
PV Betreiber GmbH, Klagenfurt am Wörthersee (merged into Unser Kraftwerk UK-Naturstrom GmbH, Klagenfurt am Wörthersee)	17.5	0%	100%	F

EASTERN EUROPE				
PV-Invest EE GmbH, Klagenfurt am Wörthersee	35	100%	100%	F
PV-Invest Magyarország Kft., Budapest	9.7	70%	70%	F
Molvany Napelempark Kft., Budapest	9.3	70%	70%	F
Molvany Solar Kft., Budapest	9.1	70%	70%	F
KPV Solar Bulgaria OOD, Varna	102	85%	85%	F
Photovoltaics Karlovo EOOD, Varna	2.6	85%	85%	F
Eko Madrino EOOD, Varna	15.9	85%	85%	F
Green Solartech Kft, Budapest	9.3	87.5%	87.5%	F
Green Solartech PV Istvand Kft, Budapest	7.5	87.5%	87.5%	F

As of 31 December 2023, the following companies were Group entities but were not included in the consolidated financial statements:

- Due to lack of operations in 2023
    - NASA ELEKTRARNA d.o.o. (Serbia) 65%
    - Solar TIM d.o.o. (Croatia) 100%
    - Green Solartech PV Harom Kft (Hungary) 87.5%
    - Green Solartech PV Lesence Kft (Hungary) 87.5%
    - Green Solartech PV Energy Kft (Hungary) 87.5%
    - PV MANDURIA S.R.L. (Italy) 88%
    - MTC ENERGIA SRL (Italy) 88%
    - MTC LECCE SRL (Italy) 88%
    - PV Čisto sunce d.o.o. Beograd (Serbia) 100%

The following companies were included in the scope of consolidated entities as of 31 December 2023:

ITALY:

- PV-Invest Project V SRL, Bolzano
- PV-Invest Project VI SRL, Bolzano
- PV-Invest Project VII SRL, Bolzano
- PV-Invest Project VIII SRL, Bolzano

The following mergers were implemented:

AUSTRIA:

PV Betreiber GmbH was merged into Unser Kraftwerk UK-Naturstrom GmbH effective as of 1 January 2023.

SLOVENIA:

BJ solar d.o.o. and LP Solar d.o.o. were merged into Moja Elektrarna d.o.o. effective as of 30 June 2023.

The consolidated balance sheet and the consolidated income statement are presented in accordance with the regulations of the Austrian Commercial Code (UGB) as amended; the consolidated income statement was prepared using the total cost format.

Fixed assets

Intangible assets acquired for consideration are recognised at cost and amortised over a period of 5 years. Long-term rights are amortised over a period of 15 to 20 years.

Goodwill resulting from the initial consolidation of subsidiaries is amortised over a period of 15 to 20 years due to the long-term strategy of the business model and the long useful life of the PV panels.

Property, plant, and equipment are recognised at cost net of accumulated depreciation, using the following useful lives:

Useful life in years

Land, equivalent rights and buildings including buildings on third-party land 25
Technical plant and machinery... 25

Financial assets are recognised at the lower of cost or fair value.

Current assets

Receivables and other assets are stated at their nominal amounts. Receivables denominated in a foreign currency are measured at the exchange rate in effect at the date of the transaction or the closing rate as of the reporting date, if lower. An allowance for doubtful accounts is recognised to account for identifiable risks.

Provisions/liabilities

Provisions are recognised to reflect all identified risks and impending losses in accordance with legal regulations. Liabilities are recorded at their settlement amounts considering the principle of prudence.

Foreign currency translation

The reporting currency is the euro. Receivables denominated in currencies other than the euro are translated at the lower of the transaction rate or buying rate at the reporting date. Liabilities denominated in currencies other than the euro are translated at the higher of the transaction rate or selling rate at the reporting date.

The financial statements of the foreign subsidiaries in foreign currencies are translated in the course of consolidation using the closing rate method. Financial statements of hyperinflationary economies are adjusted for inflation by translating fixed assets before they are included in consolidation. As a result of the sale of the Iranian entities in 2020, the consolidated financial statements currently do not include any entities located in hyperinflationary countries.

IV. Notes to the balance sheet

Fixed assets

Details on individual categories of fixed assets and their development during the reporting period are presented in the consolidated schedule of fixed assets (Attachment I).

Due to reclassifications, minor adjustments were made to the amounts stated at cost of acquisition or production (as of 1 January 2023) and to the accumulated depreciation/amortisation (as of 1 January 2023) in the schedule of fixed assets. These adjustments were necessary to ensure accurate reporting for the 2023 financial year. Consequently, a direct comparison with the figures from the prior year is not possible. Obligations under rent and lease agreements related to the use of fixed assets not recognised in the consolidated balance sheet amount to EUR 386,615.26 (prior year: TEUR 387) for the following year and to a total of EUR 1,788,341.30 (prior year: TEUR 1,933) for the following five years.

The value of land amounts to EUR 1,123,400.05 (prior year: TEUR 1,098.00).

Inventories

Services not yet chargeable total EUR 42,822.13 (prior year: TEUR 7,438.00) and are attributable to the EPC business of Enerson d.o.o. in Slovenia. They include prepayments received in the amount of EUR 0.00 (prior year: TEUR 4,194.00).

Receivables and other assets

The remaining terms of receivables and other assets are shown in the table below:

	Year	Carrying amount	Remaining term < 1 year	Remaining term 1 to 5 years	Remaining term > 5 years
Trade accounts receivable	2023	3,620,504	3,620,504	0	0
	2022	4,157,200	4,157,200	0	0
Receivables from affiliated companies (not consolidated)	2023	7,830	7,830	0	0
	2022	392,264	392,264	0	0
Receivables from associated companies and investees	2023	50,282	50,282	0	0
	2022	43,053	43,053	0	0
Other receivables	2023	19,394,512	19,056,259	231,753	106,500
	2022	14,711,340	14,372,614	232,226	106,500
Total	**2023**	**23,073,127**	**22,734,874**	**231,753**	**106,500**
	2022	**19,303,857**	**18,965,094**	**232,226**	**106,500**

Receivables from affiliated companies (not consolidated) comprise other receivables in the amount of EUR 7.830.00 (prior year: TEUR 101) and financial receivables in the amount of EUR 0.00 (prior year: TEUR 292).

Other receivables include receivables from the sale of investments and from the sale of project rights totalling EUR 16,856,331.90 (prior year: TEUR 11,026).

Prepaid expenses

Prepaid expenses amounting to EUR 1,159,028.95 (prior year TEUR 1,286) mainly relate to prepaid rent and lease expenses for Austrian, Slovenian and particularly Italian power plants, which are expensed over the term of the contracts.

Deferred tax assets and liabilities

Deferred tax assets mainly relate to tax loss carryforwards and interest expenses treated as prepaid for tax purposes. Deferred tax liabilities mainly relate to temporary differences between the tax bases of the photovoltaic plants and their carrying amounts in the consolidated financial statements due to differences in useful lives.

Equity

The changes in equity are presented in the consolidated statement of changes in equity.

Share capital

Share capital amounts to EUR 100,000.00 (prior year: TEUR 100).

Investment subsidies

The total of investment subsidies are attributable to the Austrian companies PV-Invest GmbH and Unser Kraftwerk UK-Naturstrom GmbH. In the year under review, EUR 117,105.03 (prior year: TEUR 82) were released into profit and EUR 320,781.51 (prior year: TEUR 1,275) were added.

Provisions

Provisions for taxes include deferred tax liabilities in the amount of EUR 1,597,608.57 (prior year: TEUR 1,417).

Other provisions mainly consist of a provision for interest expenses related to the issuance of bonds amounting to EUR 354,712.28 (prior year: TEUR 363), provisions for legal, consulting and audit fees of EUR 155,400.00 (prior year: TEUR 622), provisions for invoices not yet received in the amount of EUR 0.00 (prior year: TEUR 445), a provision for restoration amounting to EUR 90,000.00 (prior year: TEUR 81) and a provision for the building rights to a plant in Slovenia totalling EUR 175,293.06 (prior year: TEUR 219).

Deferred income

Deferred income mainly relates to premiums in connection with the issuance of bonds which are amortised over the term of the bonds.

Liabilities

	Year	Carrying amount	Remaining term < 1 year	Remaining term 1 to 5 years	Remaining term > 5 years
Bonds	2023	31,232,000	2,877,000	18,854,000	9,501,000
	2022	27,833,000	0	8,761,000	19,072,000
Liabilities to banks	2023	14,683,340	3,573,523	9,862,465	1,247,352
	2022	19,102,803	5,210,469	11,416,777	2,475,557
Prepayments received on orders	2023	988,829	988,829	0	0
	2022	476,234	476,234	0	0
Trade accounts payable	2023	2,230,374	2,230,374	0	0
	2022	2,315,271	2,315,271	0	0
Other liabilities	2023	56,023,166	56,023,166	0	0
	2022	55,166,197	55,166,197	0	0
Total	**2023**	**105,157,709**	**65,692,892**	**28,716,465**	**10,748,352**
	2022	**104,893,505**	**63,168,171**	**20,177,777**	**21,547,557**

Bank deposits, assigned shares and liens or mortgages serve as collateral.

Liabilities to banks include EUR 2,860,673.92 (prior year: TEUR 3,094) in liabilities to leasing companies.

Other liabilities include financial liabilities totalling EUR 28,846,500.00 (prior year: TEUR 28,906) of Moja Elektrarna d.o.o. and EUR 21,552,700.46 (prior year: TEUR 21,535) of Unser Kraftwerk UK-Naturstrom GmbH.

These amounts represent citizen investments in the form of sale and leaseback agreements.

Other liabilities include expenses amounting to EUR 4,849,141.33 (prior year: TEUR 649) for which payment will be made after the reporting date.

Contingent liabilities

Contingent liabilities amount to EUR 0.00 (prior year: TEUR 15) as of 31 December 2023. The prior year's contingent liabilities relate to a guarantee for the bank loan of an associated company.

The following bank guarantees have been issued:

Guarantee provided by KPV-Solar GmbH, guarantee amount: EUR 1,494,788.53 (prior year: TEUR 0.00), issuing bank: R+V, beneficiary: PV Novoli srl.

Guarantee provided by KPV-Solar GmbH for projects in Austria, issuing bank: R+V, guarantee amount: EUR 1,014,732.30 (prior year: TEUR 565)

Guarantee provided by KPV-Solar GmbH for projects in Austria, issuing bank: RLB, guarantee amount: EUR 983,279.85 (prior year: TEUR 911)

Guarantee provided by KPV-Solar GmbH for projects in Austria, issuing bank: Erste Bank, guarantee amount: EUR 0.00 (prior year: TEUR 336)

V. Notes to the consolidated income statement

Sales

By country in EUR

	2023	2022
Austria	16,696,848,03	19,263,260,61
Italy	6,294,631,83	6,734,134,21
Slovenia/ Macedonia/ Greece	8,230,708,98	7,756,511,00
France	104,613,16	111,072,12
Bulgaria	1,097,282,77	2,284,452,13
Hungary	526,194,00	606,904,90
Germany	451,093,60	739,684,37
	33,674,372,37	**37,496,019,34**

Sales revenues include revenues from the sale of electricity amounting to EUR 13,212,794.47 (prior year: TEUR 15,522).

Other operating income

Other operating income mainly comprises income from insurance compensation in the amount of EUR 165,053.72 (prior year: TEUR 8), income from the sale of PV-Invest Project III SRL in the amount of EUR 0.00 (prior year: TEUR 11,014) and income from investment subsidies in the amount of EUR 121,530.52 (prior year: TEUR 63).

Employees

As of 31 December 2023, the Group has employees in the following countries:

Austria:	20 employees	(prior year: 18)
Bulgaria:	2 employees	(prior year: 2)
Slovenia:	5 employees	(prior year: 4)
Macedonia:	9 employees	(prior year: 9)
Italy:	2 employees	(prior year: 0)
Bosnia:	1 employee	(prior year: 1)
Hungary:	1 employee	(prior year: 1)
Total:	40 employees	(prior year: 35)

The disclosures pursuant to § 266 (6) UGB in conjunction with § 239 (1) (4) and § 242 (4) UGB were omitted since management consisted of only two members in the 2023 financial year.

Amortisation, depreciation/reversals

This item relates to the amortisation of intangible assets and goodwill, as well as the depreciation of property, plant and equipment.

Other operating expenses include expenses for the audit of the consolidated financial statements in the amount of EUR 73,000.00 (prior year: TEUR 72.5).

VI. Additional disclosures

Derivative financial instruments

For the purpose of hedging its interest risk exposure, PV-Invest Apulien 2 GmbH concluded two bank interest swaps in 2012: These swaps expired in November 2023.

For the purpose of hedging its interest risk exposure, PV-Invest GmbH concluded an interest cap agreement with UniCredit Bank Austria AG:

Contract amount: EUR 10,000,000.00, amortising 1+4 years

Term: 30 June 2020 to 30 June 2025

Strike: 0.00% 3-month Euribor

For the purpose of hedging its exposure to the risk of rising interest rates, Managementkompetenz PV Lequile SRL concluded an interest option in the form of a cap.

Significant events after the reporting date

No significant events occurred after the reporting date that could have an effect on the consolidated financial statements.

Executive bodies of the company

During the year under review year, Mag. Günter Grabner, born 13 November 1959, and Mag. Gerhard Rabensteiner, born 10 March 1961, were Managing Directors of PV-Invest GmbH.
Effective as of 1 January 2024, Dr. Robin Hirschl was appointed Managing Director of PV-Invest GmbH.

Klagenfurt am Wörthersee, 14 June 2024

PV-Invest GmbH

Management

[Illegible signature]	*[Illegible signature]*	*[Illegible signature]*
Mag. Günter Grabner	Mag. Gerhard Rabensteiner	Dr. Robin Hirschl

PV-Invest GmbH — **Attachment 1**

Klagenfurt am Wörthersee

Schedule of fixed assets for the 2023 financial year

	Cost of acquisition or production						Movements in depreciation/amortisation									
	Balance as of 1 January 2023 EUR	**Additions EUR**	**Disposals EUR**	**Reclassi fication EUR**	**Change in scope of consolidate entities 2023 EUR**	**Balance as of 31 December 2023 EUR**	**Accumu-lated deprecia-tion/amor-tisation 1 January 2023 EUR**	**Cur-rency trans-lation EUR**	**Deprecia-tion/amor-tisation 2023 EUR**	**Disposals EUR**	**Reclas-sifica-tion EUR**	**Change in scope of consolidate entities 2023 EUR**	**Accumu-lated depreciation /amortisa-tion 31 December 2023 EUR**	**Carrying amount as of 31 December 2023 EUR**	**Carrying amount as of 31 December 2022 TEUR**	**Depreci-ation/amo rtisation 2023 EUR**
A. Fixed assets																
I. Intangible assets																
1. Licenses, industrial property rights and similar rights	1,561,899	190,664	157,080	0	-37,138	1,558,346	541,719	0	66,435	0	0	-36,074	572,080	986,265	1,020,179	66,435
2. Goodwill	14,659,847	250,546	0	0	-2,908	14,907,486	3,153,715	0	992,723	0	0	-13	4,146,425	10,761,061	11,504,678	992,723
3. Prepayments made	0	550,000	0	0	0	550,000	0	0	0	0	0	0	0	550,000	0	0
	16,221,746	***991,210***	***157,080***	***0***	***-40,046***	***17,015,831***	***3,695,435***	***0***	***1,059,158***	***0***	***0***	***-36,087***	***4,718,505***	***12,297,326***	***12,524,857***	***1,059,158***
II. Property, plant and equipment																
1. Land, equivalent rights and buildings including buildings on third-party land	2,320,234	52,561	206	-83,934	-80,138	2,208,517	764,279	0	82,844		0	-93,638	744,811	1,463,706	1,555,955	82,844
2. Technical plant and machinery	101,233,699	2,649,380	928,722	418,134	0	103,372,491	33,832,829	-14,119	4,340,051	-642	0	-744,414	37,316,328	66,056,162	67,409,543	4,340,051
3. Other plant, furniture and fixtures	561,040	164,637	33,170	0	0	692,507	246,856	0	86,109	29,135	4,405	-61	308,174	374,205	314,184	86,109
4. Prepayments made and assets under construction	8,834,362	7,468,193	218,872	-334,200	0	15,749,484	0	0	0	0	0	0	0	15,749,484	8,834,362	0
	112,949,335	***10,334,771***	***1,180,969***	***0***	***-80,138***	***122,022,999***	***34,843,964***	***-14,119***	***4,509,004***	***28,494***	***4,405***	***-838,114***	***38,369,313***	***83,643,557***	***78,114,044***	***4,509,004***
III. Financial assets																
1. Equity investments																
a) in affiliated companies (not consolidated)	340,967	0	15,252	0	0	325,715	0	0	0	0	0	0	0	325,715	340,967	0
b) in associated companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Loans to affiliated companies (not consolidated)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Other loans	175,000	0	0	0	0	175,000	0	0	0	0	0	0	0	175,000	175,000	0
4. Securities (similar instruments) held as fixed assets	161,000	0	0	0	0	161,000	0	0	0	0	0	0	0	161,000	161,000	0
5. Prepayments for financial assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	676,967	**0**	**15,252**	**0**	**0**	**661,715**	0	**0**	**0**	0	**0**	**0**	**0**	**661,715**	**676,967**	**0**
	129,848,049	***11,325,981***	***1,353,301***	***0***	***-120,184***	***139,700,545***	***38,539,399***	***-14,119***	***5,568,162***	***28,494***	***4,405***	***-874,202***	***43,087,818***	***96,602,599***	***91,315,869***	***5,568,162***

Consolidated management report
for the year ended 31 December 2023

Consolidated management report
for the 2023 financial year

1. Business development and economic position of the Group

The PV-Invest Group is an internationally operating group of companies in the renewable energy sector.

The Group generates revenue through two main channels. The first of these is the long-term operation of power plants, i.e. the sale of electricity. In this business segment, the Group currently operates power plants across ten European countries (Austria, Italy, Slovenia, Greece, Germany, France, Hungary, Bulgaria, Bosnia-Herzegovina and North Macedonia), with a focus on photovoltaic plants but also including small hydropower plants and one solar thermal power plant. Plans are in place to add wind power and hydrogen generation plants to the portfolio in the medium term.

The Group's second revenue channel is EPC (engineering, procurement, construction) operations, i.e. planning and constructing photovoltaic plants for third parties. These projects, ranging from medium- to large-scale ground-mounted systems, cater primarily to utilities and industrial companies. In Austria, this business segment is supported by the subsidiary KPV Solar GmbH, in Italy by PV-Invest Italia s.r.l. and in Slovenia by Enerson d.o.o.

The three shareholders of PV-Invest GmbH are united in their pursuit of long-term stability and a sound financial basis for the company's ambitious growth targets. Anchoring this strategy is a diversified funding framework. As a management and holding company, PV-Invest GmbH has regularly issued bonds since 2009, transitioning to green bonds in 2019, which adhere to sustainability criteria. The 2023 Green Bond has been launched in Austria, Slovenia, Germany and Luxembourg and is still being marketed there. Additionally, the company offers a citizen investment model in Austria and Slovenia. At the level of project and intermediate holding companies, funding is secured through conventional bank and lease financing instruments.

Analysing the developments of 2023 requires a retrospective examination of 2022. The conflict between Russia and Ukraine triggered a significant surge in natural gas prices, which in turn caused an unprecedented hike in electricity prices across Europe. This chain of events spurred a sharp increase in the demand for renewable energy solutions, alongside a surplus of demand for the related modules, system components and services. Concurrently, the skyrocketing prices prompted a range of pronounced regulatory responses aimed at stabilising the market.

2023, in contrast, saw a gradual return to normalcy. Supply chain disruptions began to dissipate, the availability of contractors for construction and installation projects improved, and electricity prices in the European wholesale markets started to progressively come down. By the end of 2023, wholesale electricity prices (baseload) in Austria and Germany had softened to levels significantly below EUR 100/MWh.

For the EPC segment, 2023 was characterised by the preparations for an extensive project pipeline in Italy. These projects will also account for a significant share of business activities in the years 2024-2026. Additionally, several projects that had been in progress across Austria since 2022 were brought to completion, alongside the successful execution of a major standalone project in Carinthia.

2. Business development in detail

Due to the constraints of legacy feed-in contracts and subsidised compensation mechanisms, the company's ability to leverage the high electricity prices in the market during 2022 was limited, with only sporadic gains being achieved in a few countries. In 2023, however, these same circumstances cushioned the company from the downturn in wholesale prices, mitigating the full impact on its financial results. This dynamic led to a reversal of the trend observed in 2022 in numerous countries.

The EPC segment saw a decline in sales revenues compared to 2022, which is primarily the result of a one-off effect in 2022, caused by the recognition in income of a substantial portion of revenues from the sale of project rights in Italy. Overall, the development of the EPC segment continued on a stable trajectory.

In Austria, two rooftop systems were added to the portfolio over the course of the year, with four more under construction at the reporting date and around ten others at an advanced stage of development. In addition, three ground-mounted projects are at an advanced stage of development, with two of them scheduled for construction kick-off in 2024.

The approval situation, i.e. obtaining the necessary zoning clearances, continues to be challenging, particularly when it comes to ground-mounted solar projects. The regulatory landscape varies significantly from one federal state to another, although the sluggish pace of approval processes is a universal hurdle. Compounding the challenge is the issue of grid connectivity. In many cases, connecting to the grid is either not possible or financially untenable. However, legislative initiatives at the state level to facilitate the energy transition and federal plans for grid enhancement give cause for cautious optimism about future improvements.

In Italy, the plants that have been in operation for many years (since 2010) continue to be a cornerstone of the company's portfolio. The compensation model with an attractive feed-in tariff ensures steady cash flows, providing a solid foundation for the planned expansion in Italy.

Despite a generally supportive legal framework and favourable grid access conditions, securing approvals for our own projects in 2023 turned out to require more time than initially anticipated. Nevertheless, our dedication to advancing these projects is as strong as ever.

2023 was also characterised by preparations for the implementation of the 250 MWp EPC venture. This involved hiring employees, selecting key suppliers and undertaking several planning steps. Some projects were ready for construction within the same year, setting the stage for a phased completion approach. The overall project will extend through 2026.

In Slovenia, another focus country, the existing plants maintained a steady performance throughout 2023. Some rooftop plants received comprehensive technical upgrades. Stable cash flows are ensured by the country's feed-in model. Planning and implementation of the 7 MWp project continued to move forward, with commissioning scheduled for the first half of 2024.

In Greece, four plants with a capacity of 0.5 MWp each were commissioned in 2023. Greece will remain a key focus country for PV-Invest in the medium term. In addition to the current project pipeline, initial development steps and feasibility studies for new projects were initiated. Looking ahead, negotiations are underway to acquire additional plants that are currently under construction.

The hydropower plants in Bosnia-Herzegovina and North Macedonia thrived in 2023, buoyed by favourable weather conditions and increased precipitation, leading to exceptional electricity production levels.

The plants in Germany, France, Hungary and Bulgaria operated without any significant incidents in 2023. Market electricity prices stabilised in these countries as well, moving downward to pre-2022 levels, leading to anticipated revenue dips in Germany and Bulgaria. Looking ahead, there are no immediate plans for new investments or project development activities in these countries.

The company's equity and liquidity position is satisfactory. The PV-Invest Green Bond 2022 and 2023 is a reliable source of substantial financing contributions. Furthermore, the company's project and EPC activities are financed with the appropriate instruments and maturities. This approach encompasses the use of long-term senior loans for the company's own projects and short-term pre-financing for EPC projects.

Cash flows generated in each of the company's markets allow for repayment of external debt in line with the respective repayment schedules.

In 2023, some regions in Austria and Slovenia experienced severe weather conditions, causing significant damages to rooftop plants, which were largely covered by existing insurance policies. The systems were or will be rebuilt in consultation with the respective roof owner and taking into account the damage caused to the individual structures.

In North Macedonia and Bulgaria, existing PV power plants are being upgraded with new modules in response to signs of wear and tear, with financial contributions from the original module manufacturers.

Additionally, only minor expenditures for technical renewal or repair of the plants for maintaining and improving our high quality, safety and environmental standards were incurred due to the high-quality execution of construction work.

3. Financial indicators

The table below provides a compact overview of the key figures and data contained in the consolidated financial statements.

	Unit	2023	2022	2021	2020
Fully consolidated entities					
Domestic	N	7	8	8	8
Foreign	N	49	47	46	43
Associates	N	2	2	2	2
Sales	T€	33,674	37,496	15,611	19,075
Operating performance	T€	28,787	56,458	19,054	21,399
Cost of materials	T€	11,884	26,839	5,939	9,377
Net loss/income after taxes	T€	235	12,946	-1,494	-1,422
Fixed assets	T€	96,603	91,316	85,800	76,466
Ratio of fixed assets to total assets	%	70.2	66.2	74.4	75.4
Total assets	T€	137,643	137,838	115,327	101,442
Equity	T€	24,562	26,715	13,610	1,529
Ratio of equity to total assets	%	17.8	19.4	11.8	1.5

3a Branch offices

The Group does not operate any branch offices. A detailed list of subsidiaries can be found in the notes to the consolidated financial statements.

3b Financial performance indicators

The consistent implementation of PV-Invest's growth strategy will lead to a significant expansion of the asset base and electricity revenues in the coming years. The scheduled commissioning of the Kozina power plant in Slovenia in 2024, coupled with the acquisition of plants either under construction or already operational in Greece, is projected to double the company's generation capabilities by 2025.

Beyond growth as a determining factor, the revenue situation is strongly tied to the realisable prices of electricity (market prices and capture rates) wherever there is a market price component. Therefore, strategic decision-making and maximising electricity revenues will emerge as critical success metrics in the coming years.

PV-Invest's growth trajectory is supported by its solid earnings and liquidity position. However, debt financing will continue to play an important role, particularly in funding that growth.

Over the past decade, PV-Invest has consistently demonstrated its capability to strategically reduce debt using the cash flows generated. This includes not only the servicing of various project-level financing arrangements, but also the full repayment of a bond in 2023 that had been issued in 2016.

3c Environmental and personnel matters

Each instance of placing a solar power plant into operation contributes to an increase in electricity production from renewable sources. This unequivocally showcases our company's active involvement in promoting the transition to cleaner energy sources and climate protection.

PV-Invest complies with all environmental regulations and requirements in the countries in which we operate.

The PV-Invest Group had 40 (prior year: 35) employees in the 2023 financial year.

4. Outlook and risks

4a Outlook

The coming years will be characterised by a significant expansion of power generation capacities. Plans are in motion to roll out projects in Italy and Greece with a combined capacity in the triple-digit MWp range. In Greece, contracts for the acquisition of three energy collectives, with a combined capacity of around 50 MWp, are expected to be concluded as early as 2024. In Italy, construction of the first project within the pipeline of around 150 MWp will start in 2024, with subsequent projects to follow successively between 2024 and 2025 once construction readiness is reached. Additionally, rooftop and ground-mounted projects, including smaller-scale systems, will continue to be implemented in Austria and Slovenia.

This expansion is set to not only significantly increase PV-Invest's renewable energy generation capacity but will also proportionately increase our total asset base.

To place the ongoing construction and development projects on a sound financial footing, PV-Invest will continue to secure long-term financing arrangements. Issuing bonds at the holding company level remains a pivotal component of the mix of financing instruments, ensuring that the company's balance sheet remains as appealing as it is robust.

The broad political consensus on expanding renewable energy sources, driven by the UN climate goals, sets an ambitious roadmap for Austria's expansion of its wind and solar power generation capabilities by 2030 and 2040. It is to be hoped that these goals will significantly improve the challenging approval situation at the local and state levels and pave the way for the required comprehensive expansion of the energy grid.

In addition to Austria, Italy emerges as a cornerstone market for PV-Invest's EPC operations in the coming years, with efforts already in motion to roll out the project pipeline sold in 2022. Coupled with our activities in Austria and Slovenia, the EPC segment ensures steady cash flows, which are instrumental in funding future growth initiatives.

In the second half of 2024, the company will move into the new office and business premises currently under construction in the municipality of Krumpendorf am Wörthersee, situated close to its current location. This relocation not only establishes a prominent corporate headquarters but also ensures that we have the capacity to accommodate our expanding workforce in line with our future growth.

4b Significant risks

In the years to come, the key factor influencing the company’s earnings will be the price of electricity. As fixed price subsidies are set to phase out by the end of this decade, the marketing of the energy generated will be pivotal to the company’s operational success. Conversely, this translates into a risk of low electricity prices, which relates not only to the average market prices in a given period (baseload), but, more critically, to the electricity prices that are achievable with a PV system’s generation technology (capture rate). Our strategy to mitigate this risk involves a balanced approach to marketing, blending long-term fixed-price agreements (PPAs) with short-term marketing opportunities. Our transaction in Greece outlined above, involving approximately 50 MWp with 20-year fixed purchase agreements, contributes to securing a stable revenue base.

To expand its range of risk mitigation instruments, the company started to explore opportunities in the areas of battery-electric storage and hydrogen generation plants in 2023.

Predicting the trajectory of market electricity prices over an extended timeframe is subject to significant uncertainty. A retrospective analysis reveals a large number of unforeseen events that have influenced pricing trends in the past. There are several factors suggesting that prices might go up, such as the rise in oil and gas prices driven by geopolitical conflicts, the anticipated discontinuation of Russian gas deliveries to Europe and a surge in demand fuelled by the electrification of transportation and heating systems. Conversely, factors like the vigorous advancement of renewable energy sources point to prospective price declines, especially in the photovoltaic sector.

The company is inherently exposed to the risk of rising interest rates but considers this risk manageable. Financing for the Group as a whole is systematically secured through fixed-rate agreements, ensuring stability across its operations. Additionally, the year 2023 served as a testament to the company’s resilience, when it was able to navigate the dramatic escalation of the prime interest rate without major setbacks. Current market analyses do not predict a further significant increase in interest rates; instead, a downtrend in benchmark rates is projected. In instances where no fixed-interest financing options are available, the company explores and utilises swap agreements for hedging purposes.

Political risk is inherently present in the energy sector, especially when dealing with exposures spread across ten countries. The past years and decades have shown how swiftly the business environment can change – through the revocation of previous commitments, the imposition of new legal obligations, or regulatory interventions. With the temporary measures introduced in response to the escalation of electricity prices in 2022 phasing out in many countries, there appear to be no specific initiatives forthcoming at this point.

In the non-EU country North Macedonia, there is a political protection of invested equity provided by OeKB, while in the non-EU country Bosnia-Herzegovina, there is no political protection and as such, these investments could be subject to potential political risk.

Additionally, the business model carries its own inherent project development risk. Getting involved early in the development process increases the likelihood of securing attractive returns on the capital invested. Yet, this early involvement comes with the increased risk that the project may not advance to the construction phase.

For projects at an advanced stage of development, there is a risk of delayed commissioning, which may inflate the project's implementation costs or reduce profitability once operational.

Risks could also arise from delayed completion of projects under construction leading to delayed income or completion of unsuccessful projects resulting in impairment charges.

The risk of lower earnings due to a decline in solar radiation is deemed negligible. The number of sunshine hours tends to be on the rise throughout Europe, and any weather-induced downturns are typically localised and transient, with such fluctuations typically balancing out over a multi-year span. Weather conditions, specifically rainfall patterns, hold greater significance for hydropower operations, but only constitute a minor aspect within the overall portfolio.

5. Financial instruments

Within the Group, interest rate swaps and options are used to comprehensively hedge and mitigate the impact of interest risks arising from bank loan financing.

Beyond that, no (derivative) financial instruments were employed during the 2023 financial year, particularly in connection with electricity trading activities.

6. Research and development

PV-Invest is not engaged in research and development activities. Any research and development activities are contracted out to third-party providers on an as-needed basis.

Klagenfurt am Wörthersee, 14 June 2024

PV-Invest GmbH

Management

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Mag. Günter Grabner	Mag. Gerhard Rabensteiner	Dr. Robin Hirschl