

A large stack of cut logs is piled up in a forest. The logs are stacked horizontally, showing their circular ends. The forest background is filled with trees, some with green leaves and others with yellowing autumn foliage. The lighting is natural, suggesting an overcast day.

SUSTAINABILITY REPORT 2022

for the financial year of
Österreichischen Bundesforste

FACTS AND FIGURES

Key figures 2022

Forest and Timber



	2020	2021	2022
Sustainable yield (= allowed cut) in 1,000 harvested solid m ³ , mixed	1,602	1,590	1,563
Timber harvested ¹ (= felling) in 1,000 harvested solid m ³ , mixed	1,690	1,784	1,895 ²
Total area in ha as measured by ÖBf	850,000	850,000	850,000
Forest area in ha	510,000	510,000	510,000

1) Solid timber (= timber whose diameter with bark is more than 7 cm), including timber for beneficiaries of forest utilisation rights
2) Deviation from harvested timber target based on thinning for climate-fit forests

Financial figures



	2020	2021	2022
Total Group output in € million	227.1	251.7	323.0
Operating profit (EBIT) in € million	17.9	27.6	55.7
Group return on sales (EBT after rights of usufruct/revenues) in %	8.0	11.0	17.7
Group equity ratio in %	53.3	56.9	61.9

People and Society



	2020	2021	2022
Employees at ÖBf Group ³	1,068	1,056	1,077
Employees at affiliates	103	92	100
Employees at ÖBf AG ³	965	964	977
Non-manual employees at ÖBf AG	619	619	634
Manual employees at ÖBf AG	346	345	343
Proportion of women at ÖBf AG (as of 31.12) in %	19.6%	19.3%	20.0%

3) In full-time equivalents; annual average; 3) Excluding employees in leave-of-absence phase of progressive retirement

Nature

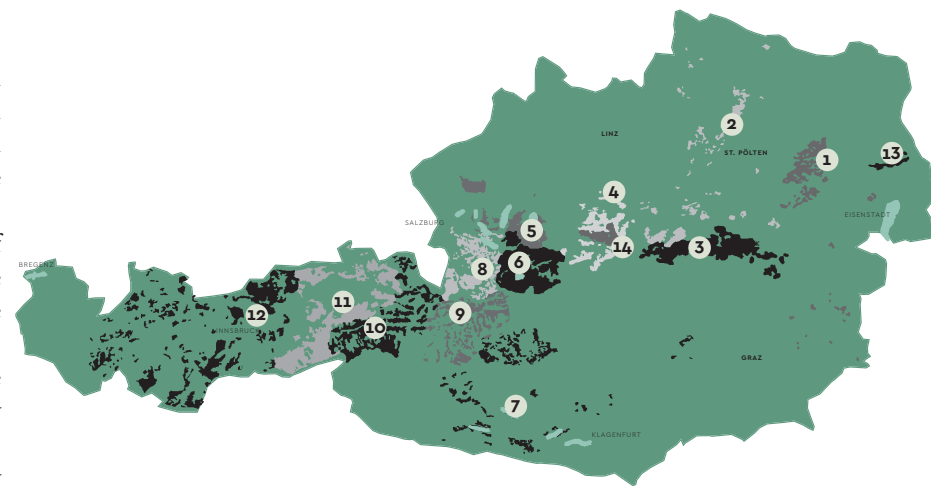


	2020	2021	2022
Forest management – planting of seedlings (afforestation) in 1,000 forest plants	1,708	1,513	1,367 ⁴
Forest and fauna – number of young browsing-damaged stems per ha ⁵	4,216	4,166	3,845

4) Targeted reduction in favour of natural rejuvenation
5) Applies to areas with young trees, corresponding to around 20% of the total number of plants per ha

The nature company

Österreichische Bundesforste (Bundesforste, ÖBf) maintains one in every ten square metres of land in Austria – from the Arlberg massif to the Donau-Auen National Park. Fifteen percent of the country's forests and 70 of its large lakes are managed by ÖBf. Around half of these areas are covered under nature conservation laws, and a third of the forest in mountainous areas is designated as a protection forest. Our nature areas are grouped into twelve forestry units and two national park units. Bundesforste's core business is forestry management, along with associated hunting and fishing activities. Other business segments which are increasingly important for the company's success are Real Estate, Services and Renewable Energy. Since being spun off in 1997, ÖBf is a joint-stock company under the sole proprietorship of the Republic of Austria.



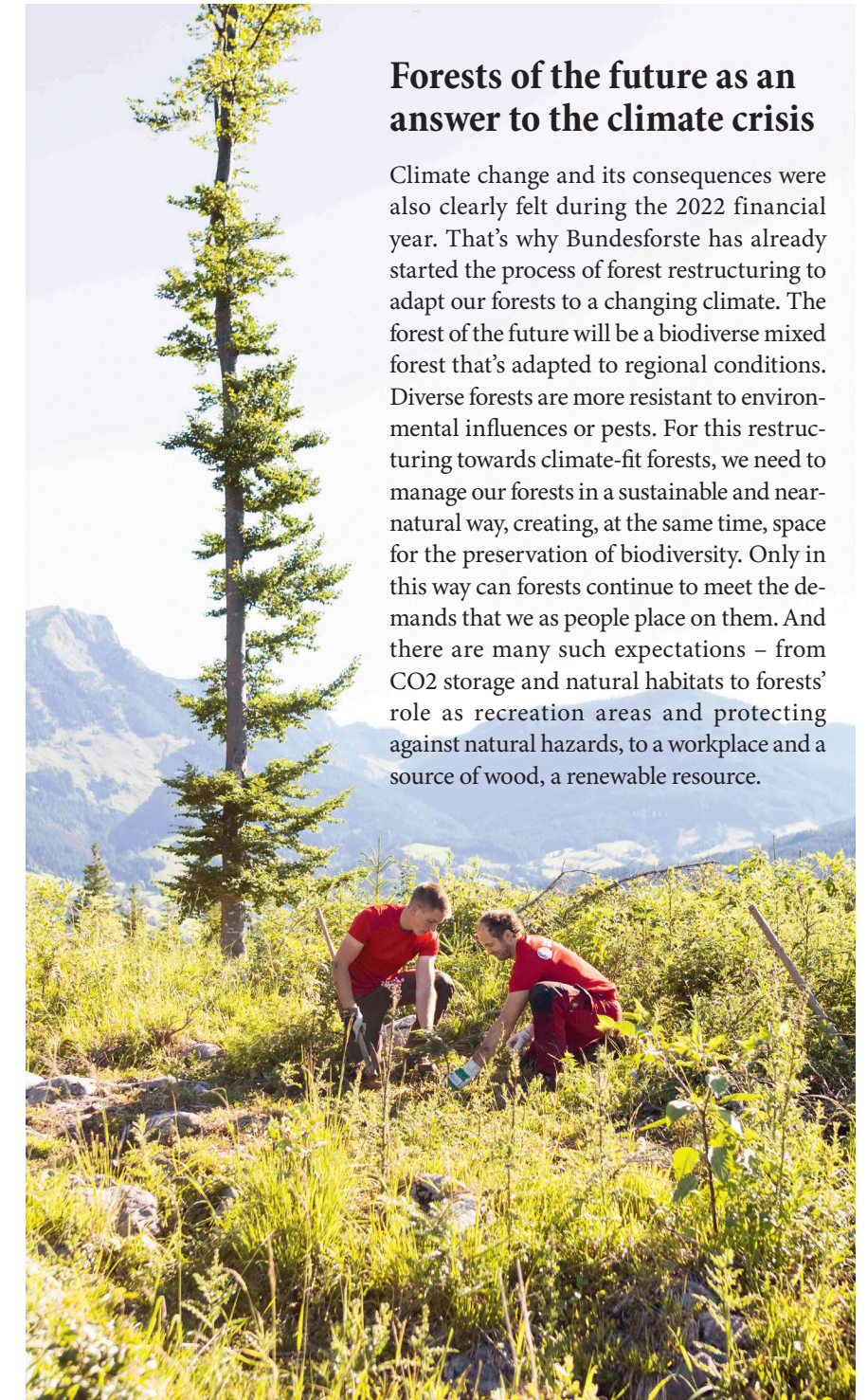
- | | |
|--|---|
| 1 Wienerwald forestry operation / company management | 8 Flachgau-Tennengau forestry operation |
| 2 Waldviertel-Voralpen forestry operation | 9 Pongau forestry operation |
| 3 Styria forestry operation | 10 Pinzgau forestry operation |
| 4 Steyrtal forestry operation | 11 Unterinntal forestry operation |
| 5 Traun-Innviertel forestry operation | 12 Oberinntal forestry operation |
| 6 Inner Salzkammergut forestry operation | 13 Donau-Auen National Park operation |
| 7 Carinthia-Lungau forestry operation | 14 Kalkalpen National Park operation |

ABOUT US

Sustainability is our greatest asset

Nature is truly priceless. That's why public awareness of issues relating to nature and environmental protection is now stronger than ever, along with increased interest in using resources wisely. How much energy we use is as big a part of this question as the modes of transportation we choose. But equally, how we can make greater use of the renewable material of wood to replace fossil resources, and how we can generate renewable energy on our land in a way that is compatible with nature.

As a nature conservation enterprise, we bear a very special responsibility both for the ways in which we use our natural resources and sensitive natural habitats, and also for developments in society. Sustainability is therefore our guiding principle. In concrete terms, what that means for Bundesforste is that we only take as much from nature as can grow back. And from a broader perspective, it also means considering societal well-being and the protection of nature and the environment to be just as valuable as economic success. This is the only way to achieve our larger goals: to make an important contribution – as part of the bio-economy – to the societal transition towards a circular economy based on renewable resources.



Forests of the future as an answer to the climate crisis

Climate change and its consequences were also clearly felt during the 2022 financial year. That's why Bundesforste has already started the process of forest restructuring to adapt our forests to a changing climate. The forest of the future will be a biodiverse mixed forest that's adapted to regional conditions. Diverse forests are more resistant to environmental influences or pests. For this restructuring towards climate-fit forests, we need to manage our forests in a sustainable and near-natural way, creating, at the same time, space for the preservation of biodiversity. Only in this way can forests continue to meet the demands that we as people place on them. And there are many such expectations – from CO2 storage and natural habitats to forests' role as recreation areas and protecting against natural hazards, to a workplace and a source of wood, a renewable resource.

Got something to tell us? We look forward to hearing from you at

bundesforste@bundesforste.at

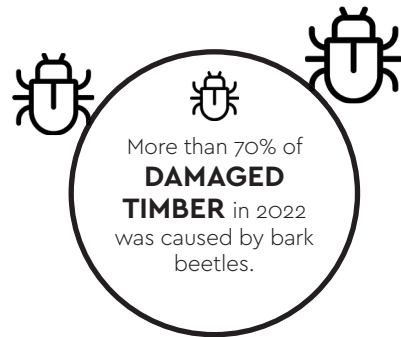
2022 FINANCIAL YEAR

USE OF ÖBF TIMBER 2022

Solid timber¹ measured in thousands of harvested solid m³, including timber for the beneficiaries of forest utilisation rights

	Hardwood	Softwood	Total
Sawlogs	25	1,002	1,027
Industrial	188	416	604
Wood fuel ²	117	118	235
Other ³	1	28	29
Total	331	1,564	1,895

- 1) Solid timber = timber whose diameter with bark is more than 7 cm
- 2) Forest biomass
- 3) Other logs and fuel wood



COMPOSITION OF HARVESTED TIMBER VOLUME 2022

According to various criteria, solid timber measured in thousands of harvested solid m³

	2021	Veränd. in %	2022
Type of sale/production			
Direct labour ¹	1,515	4.8	1,588
Stumpage sales	48	2.1	49
Transfer to beneficiaries of forest utilisation rights	175	21.1	212
Other ²	46	0.0	46
Wood type			
Hardwood	242	36.8	331
Softwood	1,542	1.4	1,564
Type of use			
Thinnings (=prior use)	782	-4.5	747
Harvesting of mature timber (=end use)	1,002	14.6	1,148
Type of operation			
Commercial forest	1,615	7.8	1,741
Protection forest	169	-8.9	154
Total volume	1,784	6.2	1,895

- 1) Production by ÖBf employees, forest technology, logging companies and farmers
- 2) Remaining at the forest site, payment in kind, etc.

Forest management

Heat, drought and beetles

The effects of climate change on Austrian forests were clearly noticeable again in 2022. Temperatures were well above average, especially in the mountains. Precipitation levels were 16% lower and remained below the long-term average. As a result, bark beetles were able to proliferate extensively again in some regions. The main focus on ÖBf areas was Upper Styria and the forests around the Mölltal valley in Carinthia. Fortunately, there were no major storm events in 2022 and the amount of damaged timber in ÖBf forests decreased by more than 10% compared to the previous year. Approximately 940,000 solid m³ were harvested from damaged trees, which corresponds to about 50% of the total timber harvested. EUR 4.7 million was invested in bark beetle control and a total of EUR 12.2 million in forest ma-

FOREST MANAGEMENT MEASURES 2022

	Costs in € million	Area in ha
Planting	1.8	817
Care of young trees (=tending young stands)	1.1	1,756
Protection against game	0.8	4,508
Protection against grazing livestock	0.2	1,404
Care of young forests (=thicket maintenance)	2.8	3,250
Combating beetle infestation	4.7	-
Others ¹	0.7	654
Initial thinning ²	-	2,718
Total expenditure	12.2	-

- 1) Combating old man's beard (Clematis vitalba), pruning, fertilising, etc.
- 2) The costs of initial thinning are included in the costs of harvesting.

agement, which is slightly more than in previous years. The number of afforested plants continues to decline. This is also in line with the strategy of increasingly rejuvenating the forests through naturally grown trees.

Forest/Timber

Best result in Bundesforste's history

Significant economic growth after the coronavirus pandemic on the one hand, and the energy crisis and the consequences of climate change on the other, had a decisive impact on the financial year in the Forest/Timber segment. The demand for timber increased in all segments, thus leading to a marked rise in the price of timber compared to previous years. An optimal coordination of production, stocks and sales enabled Bundesforste to achieve the best result in its history. Operating performance (including Hunting and Fisheries) came in at EUR 220 million in the reporting year, and was thus about 41% above the previous year's result (2021: EUR 155.8 million). Transportation and timber harvesting costs increased significantly due to the development of fuel prices. Uncertainty on the energy market, especially the search for alternatives to gas, led to strong demand for biomass and fuel wood. After prices increased rapidly on the saw logs market in the first half of the year, they declined again in the second six months. To ensure continuous production, the paper, fibre and pulp industry had to switch to saw logs, which led to shortages and price increases, especially on the hardwood market. ÖBf's sustainable harvested timber volumes came in at roughly 1.9 million harvested solid m³, more than the sustainable timber harvest target, thanks to increased forest maintenance efforts for climate-fit forests. The high fuel prices and the necessary processing of damaged timber meant that timber harvesting costs were higher than in the previous year at 32.1 EUR/solid m³.

Employees doing their bit for the forest of the future.



Wienerwald Forestry Operation

Martina Keilbach, Ecosystem Management

As an ecosystem manager, my tasks include ensuring the highest possible quality of habitat for fauna and flora in the commercial forest. Research and monitoring projects underlie the measures taken to promote biodiversity. For example, on a digital map I record bodies of water that serve as habitats for numerous amphibian species.

Hunting
Forest and game
in balance

Restructuring forests to be climate-fit for the future also poses great challenges for hunting. This is because one important requirement for healthy, species-rich forests that can also fulfil their protective function is a game population that the ecosystem can support. Hunting in Austrian federal forest areas is carried out prudently and is aligned with the game species. Attention is paid to age and gender structures to maintain healthy game populations. The aim here is to hunt causing the least possible disturbance. This is why driven hunts are increasingly conducted, and tree seats are used. Together with hunting clients, the shooting targets for cloven-hoofed game were exceeded to 107% in 2022 (red deer 108%, roe deer 111%, chamois 92%). The hunting methods used are regularly evaluated in the hunting operation. The sustainable success in wildlife management is also reflected in browsing monitoring. This is when the leading shoots of the young plants are examined for browsing damage. The browsing rate of the leading shoots decreased by another 10% compared to the previous year. Operating performance for the Hunting segment was EUR 22.3 million in 2022 (2021: EUR 21.2 million).

HARVESTED TIMBER VOLUMES 2012-2022

Solid timber¹ measured in thousands of harvested solid m³, including timber for the beneficiaries of forest utilisation rights

Year	Thinning (= prior use)	Harvesting of mature timber (= end use)	Total harvested volume	Of which damaged timber
2012	562	962	1,524	512
2013	600	935	1,535	498
2014	618	911	1,529	531
2015	762	765	1,527	1,012
2016	645	870	1,515	770
2017	662	822	1,484	680
2018	664	858	1,522	1,004
2019	801	660	1,461	1,152
2020	900	790	1,690	1,366
2021	782	1,002	1,784 ²	1,057
2022	747	1,148	1,895²	944

- 1) Solid timber = timber whose diameter with bark is more than 7 cm
- 2) Excludes 86 thousand harvested solid m³ of non-solid timber

2022 FINANCIAL YEAR

Renewable Energy

Green electricity for 90,000 households

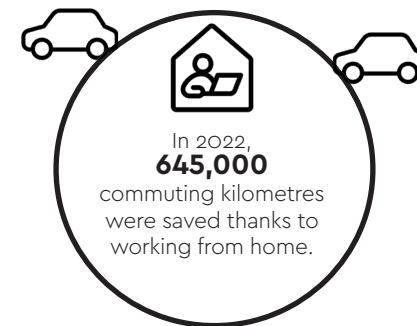
Electricity generation from hydropower came in slightly below expectations in the 2022 financial year due to the reduced water supply. A satisfactory spring with sufficient water supply after the snow melted was followed by a dry summer. In 2022, ÖBf's nine hydropower plants generated a total of 80.5 GWh (2021: 62.4 GWh), which corresponds to the average annual consumption of around 20,100 households. The expansion of the Pretul wind farm in the municipal areas of Mürzzuschlag and Spital am Semmering is in full swing. The foundations for the four additional wind turbines and the necessary infrastructure were built in 2022. The construction of the installation will be completed in 2023. In terms of wind energy, 2022 was slightly above average. While generation records were achieved in the months of January and February, the production figures for the rest of the year were below the long-term average. The total feed-in volume of the Pretul wind farm into the grid higher up the system reached 94.6 GWh in 2022 (2021: 95.5 GWh). Electricity and district heating production in 2022 went according to plan in Austria's largest woody biomass power plant, which ÖBf operates (with a share of 33.3%) together with Wien Energie. Total electricity production from ÖBf wind, water and biomass power plants was about 315 GWh, which corresponds to the average annual consumption of about 90,000 homes. Operating performance (ÖBf share across all plants within the group) rose by one-third to EUR 24.6 million in 2022 (2021: EUR 16.9 million).



Pongau forestry operation

Hubert Tarbauer, forest ranger

In my forest district I manage hundreds of hectares of forest. Farming means, among other things, harvesting, tending, and fostering sustainability. We are passing on to the generations after us a forest that meets the demands of the future. Not taking out more than grows back is only one part of living sustainability here.



Real Estate

High revenues with a broad portfolio

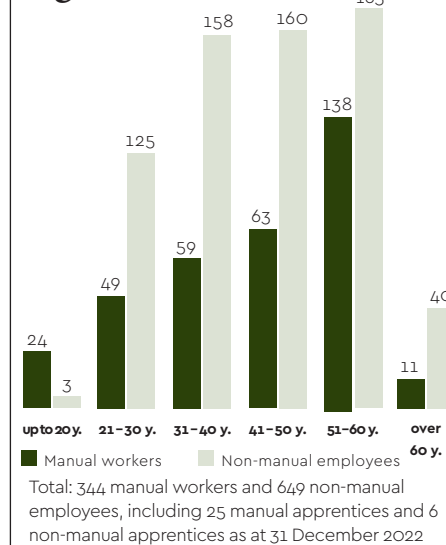
The Real Estate segment is now an indispensable part of the company's overall success. With some 27,000 contracts and around 4,150 buildings, Bundesforste is one of Austria's largest real estate operators. Operating performance rose by 5.0% in 2022 from EUR 54.4 million to EUR 57.1 million. Increases were achieved in virtually all business segments, but especially in Leasing, Alpine skiing and Mineral Resources. Thanks to constant demand for leased land and additional income from infrastructure facilities, it was possible to increase revenues here by around 10%. The year was also a successful one for the Property Development segment, which closed 2022 with a 7.9% increase. Revenue from lake operations was up as well, with an increase of 6.5%. Here, the tariffs adjusted to the increased land prices at the lakes and a higher share of long-term contracts had an effect. The real estate strategy with greater investments in residential buildings was continued. In spite of the sharp rise in construction prices, all projects were implemented on time and on budget, such as the general renovation of the office and residential building in Pöggstall and the former rangers' school in Hall/Tyrol, which started in 2021, the new construction of the Gablitz-Allhang operations building and the forest ranger centre for the Lungau region in Unternberg. In addition, work began on the elaborate renovation of the listed façade of the former General Directorate of the Bundesforste in Vienna's Landstraße district.

Environmental and climate protection
Less fossil material

A broad spectrum of activities was devoted to environmental and climate protection in 2022. As an alternative to plastic products that protect against browsing by game, biodegradable growth shelters were used on test areas. Among other things, the intensive use of online communication and home office arrangements contributed to the reduction of CO2 emissions. Furthermore, the purchase of e-vehicles was prioritised and the expansion of e-charging options and solar energy was driven forwards: solar roof systems with a total output of more than 100 kWp were newly installed, and the in-house charging point network was expanded with a further three locations. The development in timber transport, which accounts for the largest share of CO2 emissions, is particularly pleasing. Despite the 8% increase in the volume transported by lorry, the total number of transport kilometres fell by 4% and the average transport distance by as much as 9%.

Employees

Age distribution



Employee satisfaction
Upbeat mood

At the end of 2022, a company-wide, anonymous survey of all employees was conducted on job satisfaction. The survey was intended to identify strengths and weaknesses in the organisation in order to support business development. Overall, 76% of all staff took part, and painted a largely positive picture. Some 86% stated that, all in all, the Bundesforste offers a good workplace. The feedback from the manual workers was particularly positive compared to the last survey in 2018. The results are analysed both at company level and for each organisational unit, before (improvement) measures are derived.



Personnel development

Apprentice Search 2.0

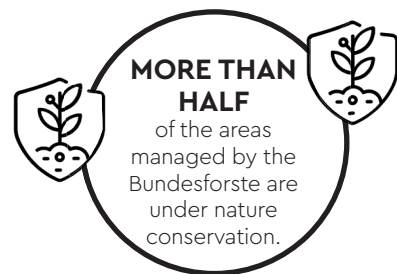
In the search for the skilled workers of tomorrow, some new measures were set in motion in 2022. For example, specially trained job facilitators from all forestry operations present the apprenticeship profession of forestry workers at career fairs and in schools in their region. Social media channels have proved to be particularly effective in advertising apprenticeship vacancies: staff shared job vacancies in their networks, and a specially developed campaign on jobs at the Bundesforste appealed particularly to the younger target group. A newly created apprenticeship concept serves as a source of reference for management on all questions concerning apprenticeships at the Bundesforste.

2022 FINANCIAL YEAR

Ecosystem Management

Digital search for biodiversity hotspots

Together with the Austrian Research Centre for Forests, the Bundesforste developed a method to identify old-growth and deadwood-rich forest areas, so-called "biodiversity hotspots", in Natura 2000 areas with the help of satellite and aerial photographs. The ecosystem managers of the ÖBf helped evaluate the results and involved stakeholders from the forestry sector in the project management work. In addition, the rehabilitation of the Nassköhr bog area (Styria) was prepared together with experts and the competent authorities, all the while testing a new financing option: participants in a Statistics Austria survey had the opportunity to donate to this bog rehabilitation project.



Fisheries

Fish census in the Danube

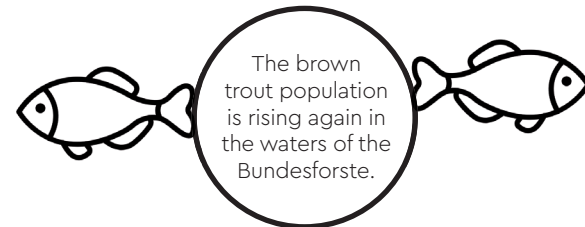
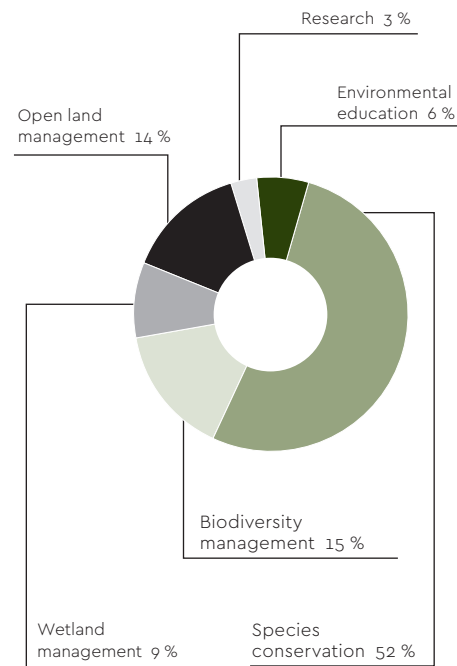
Together with the Christian Doppler Laboratory at the University of Natural Resources and Life Sciences (BOKU) in Vienna, and other partners, the Bundesforste is taking part in a research project aimed at developing ecologically sustainable and economically efficient river management for the Austrian section of the Danube. Initial information on the migratory movements of fish should enable conclusions to be drawn about future-oriented exploitation patterns. By means of an electrified bottom trawl, the stocks of bottom-dwelling species are recorded and the fish are subsequently released again.

Nature conservation

Everything for diversity

Since 2022, all nature conservation activities have been recorded online on a map using a mobile GIS app and can thus be evaluated at the touch of a button. In total, around 80 environmental protection and 1,720 nature conservation measures were implemented on ÖBf land last year. More than half of these were dedicated to species conservation, such as the care of rare tree species, and the maintenance of nesting boxes, e.g. for bats. The promotion of deadwood and habitat trees falls under the category of biodiversity management. Open land management includes combating alien species and using insect-friendly seeds. In the area of wetland management, biotopes were created or maintained. Research activities were mainly conducted in the field of monitoring, for example of dormice and lynx.

NATURE CONSERVATION ACTIVITIES 2022



Fisheries

Growing fish population

Particularly in Austria, where the majority of aquatic organisms have adapted their life cycle and metabolism to low water temperatures, the progress made by climate change is noticeable. At the lakes, the days with ice cover are decreasing, and the water temperatures are increasing. Temperature stress has an influence on almost all processes and species composition. However, there are also positive developments. The Bundesforste's strategy of promoting natural reproduction instead of classic stocking management is proving successful. In natural waters, fish stocks have been increasing in recent years, the brown trout for example. The reduction in stocking costs has also brought economic benefits. With modest rises in commercialisation proceeds, an eight percent increase in operating performance to EUR 2.2 million was achieved compared to the previous year. A significant part of these proceeds will be reinvested in the water bodies in the coming years to improve the ecological and fishing situation.



Dept. of Forest, Ecosystem and Sustainability

Stella Antonia Waszilovics, Forest manager

In the warm season I am out in the forest developing management and maintenance plans for the forest districts. In so doing, I determine which trees are harvested and when. My data also serves as the basis for the measures taken by the ranger teams. I make sure that enough young trees continuously grow back, which create the foundation for the forest of the future and function as carbon sinks.

Teaching about nature

Exploring forests and nature

As the coronavirus restrictions were relaxed, 17,173 children, young people and adults, as well as people with special needs such as those affected by dementia, began learning again in 2022 through the Wild.Live! programme. Nature educators from the Bundesforste provide exciting and interesting information about the forests and nature. The focus was on the "Forest of the Future". The newly built "Spähikel" was also used. This energy self-sufficient, high-tech observation vehicle makes it possible to experience nature first-hand with state-of-the-art technology. Hunting education was an important addition to classical teaching about forests, because the forest is also the habitat of numerous wild animals. In an age-appropriate manner, different target groups were taught about a wide range of topics related to hunting.

Creative industry

Nature as a film set

Numerous adverts, documentaries and feature films again found a suitable backdrop for shooting in 2022 on areas owned by the Bundesforste. Great importance is attached in this context to treating nature and regional characteristics with respect. In Pongau in the south, in the Anlaufstal valley, part of the third season of the Sky series "Der Pass" was filmed. The "Aussee crime thriller" continued with a fourth part in the Salzkammergut. The Loser mountain provided the right setting for a two-part cave rescue television drama called "Riesending – Every Hour Counts". The Bundesforste castles of Lamberg and Eckartsau were popular locations for all kinds of celebrations. Dozens of weddings, birthdays and corporate events took place in the historic rooms of the two castles.

2022 FINANCIAL YEAR



Services

Everything from one source

Forestry Services – whose activities include assessing trees, forestry consulting, forestry construction and ecosystem planning – were able to slightly exceed the operating performance of 2021, posting a figure of EUR 3.5 million in 2022. The fact that ÖBf Services have become a reliable partner for large infrastructure companies made a substantial contribution here. For example, projects for ASFINAG, ÖBB and Austrian Power Grid were successfully implemented in 2022. These ranged from research projects on the management of forests alongside railways and the monitoring of tree safety along Austrian motorways to the implementation of compensatory measures on a total of 600 hectares for APG.

For forestry, hunting and nature conservation, the steadily growing pressure brought on by those seeking recreation opportunities is now everywhere. Targeted steering measures can help here to balance the various interests on the land. For example, in 2022, the planning of parking spaces in the Tyrolean Radurschl valley and at the Wasenmoos high moor project in the Pinzgau region was completed and these are ready for implementation, which can improve the situation on the ground. As regards tree inspections, more than 120,000 individual trees were recorded in 2022, and inspections of a total of 4,000 hectares of land were carried out. This shows that preserving valuable tree populations, especially in urban environments, is increasingly perceived as an important issue.



Pinzgau forestry operation

Benjamin Lackner, professional hunter

Especially in the mountains, where the forest also has an important protective function, we must ensure that enough young trees grow back and that forest and game remain in balance. So my tasks also include the monitoring of browsing and peeling. I check the tops of young trees for signs of browsing. These findings serve as a basis for the hunting plans in the hunting grounds.

The current ÖBf Governance Report is available at www.bundesforste.at.

CONSOLIDATED MANAGEMENT REPORT

Preliminary remarks

Consolidated financial statements have been prepared for Österreichische Bundesforste AG since the 2002 financial year. ÖBf AG handles the business segments of Forest/Timber (especially forest management and hunting) as well as Real Estate and Services. The business segment of Renewable Energy is largely conducted in affiliates. ÖBf AG is the main contributor to the Group's profits. The primary focus is therefore placed on presenting the direct activities of the parent company. Explicit reference is made in sections of the text where ÖBf AG subsidiaries and affiliates are described rather than ÖBf AG itself.

Overview of developments on market segments relevant to ÖBf

Despite the difficult geopolitical and macroeconomic conditions, the 2022 financial year was a very satisfactory one for Österreichische Bundesforste AG (ÖBf AG/Bundesforste). The best result in Bundesforste's history was achieved in the reporting year.

The development of the log markets was very pleasing after a few difficult years. In the first half of 2022, full order books in the sawmill industry met with low log stock levels, which led to sharp price increases in the first half of 2022. At the same time, diesel prices rose rapidly, leading to significant price hikes in timber harvesting and transportation. The industrial timber and biomass product ranges grew sharply but steadily to new price highs. This was mainly because the biomass plants started producing at full capacity again as a result of significantly higher electricity prices, and some plants that had previously been shut down were reconnected. Given the circumstances, emphasis was placed on aligning production, stock and sales with each other as best as possible and on ensuring consistent deliveries to customers.

Total felling for the reporting year was 1,895,000 solid cubic metres, which was higher than the previous year's level. Damaged timber was

50% of the total felled, and while this was less than the previous year (59%), it is still above average from a long-term perspective. Nonetheless, it was necessary to conduct the regularly planned maintenance measures in order to ensure stable stocks for the future and meet our long-term sustainability objectives. As in previous years, enormous efforts once again had to be devoted in the reporting year to processing damaged timber, timber marketing and forest protection activities. Against this background, we still invested as required in forest management, balanced silviculture, bark beetle control and forest health. Determined efforts were also continued to reduce damage by game.

The Hunting and Fisheries business segments developed in line with expectations. Areas affected particularly heavily by game damage were taken under the ÖBf's wing for hunting management purposes. The browsing monitoring exhibited a slightly decreasing trend in terminal shoot browsing, while peeling damage increased slightly but is concentrated on fewer areas.

The Real Estate segment was again successful during 2022 in continuing its growth trend and further increasing revenue. Steady or rising demand was observed across all major business areas in the reporting period. The increases in revenue were primarily attributable to developments in Leasing and Tourism.

For Services, the profit centres of Forestry Technology and Services developed solidly in the reporting year in view of the difficult economic conditions. Development in the Ecosystem Management segment was satisfactory.

In the Renewable Energy segment, ÖBf AG is involved in the fields of wind energy, small-scale hydropower, photovoltaics and biomass. Wind levels in the reporting year were satisfactory, while water levels were slightly lower than expected due to the dry summer months. Thanks to the positive development in electricity prices, however, revenues came in above the budgeted levels.

In terms of wind power, our focus continues to be on expanding the existing wind farm in the Pretulalpe mountain range (Fischbach Alps, Styria) with four additional wind turbines.

The approval procedure was concluded in April with a positive EIA decision. This meant the access road, crane parking areas and foundations were completed on schedule in the reporting year.

The transport and erection of the four wind turbines is planned from May 2023 for weather reasons, and should be completed by the end of the year.

On Bundesforste areas that are included in the regional development programme of the province of Salzburg, work was carried out on further developing four wind farm projects as part of the cooperation agreement with Salzburg AG. Wind measurement masts have already been erected at two sites, enabling a reliable assessment of the yield potential.

In the small-scale hydropower sector, the project for constructing the

Elsbethen small hydropower plant was submitted for approval together with the municipality of Hopfgarten. Furthermore, the project for constructing the small hydropower plant in Unterkainisch (municipality of Bad Aussee) was submitted.

In terms of photovoltaics, the Pertlgraben free-standing PV project in the municipality of Molln was further developed together with Verbund. At the end of 2022, the municipality passed a resolution on the required zoning.

Bundesforste – with the exception of WEBBK (Wien Energie Bundesforste Biomasse Kraftwerk GmbH & Co KG), in which ÖBf AG has a share of 33.3% – supplies raw materials for biomass. Utilising the raw material of wood by way of thermal processing (recovery of electricity and heat) contributes to reducing dependence on fossil fuels and therefore to protecting the climate. In future, this will also make an important contribution towards achieving a rounded product portfolio as well as forest health. The biomass power plant in Vienna-Simmering operated largely problem-free in the reporting year.

DEVELOPMENT OF ÖBF GROUP

Equity holdings

ÖBf AG deals with all its holdings through ÖBf Beteiligungs GmbH, which is a wholly-owned subsidiary of ÖBf AG. There are no branch offices. The holding structure as at 31 December 2022 is shown on the following organisational chart:

Österreichische Bundesforste AG	
ÖBf Beteiligungs GmbH (Holding), ÖBf share: 100%	
HOLDINGS	ÖBf SHARE IN %
Windpark Pretul GmbH	100
WIEN ENERGIE Bundesforste Biomasse Kraftwerk (WEBBK) GmbH und GmbH & Co KG	33.3 in each case
Hallstatt Wasserkraft GmbH	51
Kraftwerk Dientenbach GmbH	33.3
Wasserkraftwerk Taurach GmbH	60
Wasserkraftwerk Forstabach Gleiming GmbH	60
ÖBf Wasserkraft Ges.m.b.H.	100
Dachstein Tourismus AG (DAG)	4.15

Earnings and income

The consolidated profit was again largely determined by the operating profit of ÖBf AG during the 2022 financial year. The consolidated profit (EBT) came in around EUR 55.2 million, and was thus about EUR 10.3 million higher than that of ÖBf AG. This is primarily attributable to the profit contributed by Windpark Pretul GmbH and the equity holding in the Small-Scale Hydropower segment.

Sales revenues of EUR 313.8 million (2021: EUR 250.4 million) as well as profit before tax (EBT) of EUR 55.2 million (2021: EUR 27.1 million) were consolidated.

Financial performance indicators

ÖBf Group	ACTUAL 2021	ACTUAL 2022
Sales revenues (in € million)	250.4	313.8
EBIT (in € million)	27.6	55.7
EBIT margin (in %)	11.0	17.7
Net profit/loss for the year (in € million)	20.6	40.6
Return on equity * (in %)	7.8	13.8
Equity capital (in € million)	264.3	294.8
Equity ratio (in %)	56.9	61.9
EBITDA (in € million)	39.7	68.9
CF from ongoing business activity (in € million)	43.1	57.4

*) relative to annual net earnings

Structure of assets and capital

The balance sheet total of the ÖBf Group was EUR 476.6 million, slightly higher than the previous year's level (EUR 464.8 million). The equity ratio was 61.9% with equity capital of EUR 294.8 million. The equity capital share increased again compared to the previous year (56.9%).

Cash flow and finance

At EUR 57.4 million, the cash flow from operating activities was around EUR 14.3 million higher than the previous year's figure (EUR 43.1 million). This is mainly because of the very good business trends overall at ÖBf AG and at Windpark Pretul GmbH in the reporting year.

The aggregate borrowings of EUR 90.9 million were lower than in the previous year (EUR 116.9 million). This improvement is mainly attributable to the development of cash flow from operating activities in the reporting year.

DEVELOPMENT OF ÖBF AG

During the 2022 financial year ÖBf AG achieved a profit before tax (EBT) of EUR 44.9 million (2021: EUR 22 million) with an operating performance of EUR 306.1 million (2021: EUR 240.6 million). The volume of own timber sold was around 1.59 million solid m3 and above the level of the previous year (2021: 1.52 million solid m3) for market reasons and due to damaged timber. Taking account of the stumpage sales and the timber given free of charge to the beneficiaries of forest utilisation rights, the total felled was around 1.89 million solid m3 (2021: 1.78 million solid m3). In 2022 we therefore contributed again to ensuring sustainable forest management by carefully planning and managing quantities. At roughly 150,000 solid m3, the stock of solid timber at the end of 2022 was higher than the stock held at the start of the year (127,000 solid m3). This is a normal level of stock for this time of year.

Overall business development in the Hunting and Fisheries business segments was higher than in the previous year due to increased revenues.

In the Real Estate segment, revenues were increased again in 2022. The contribution to earnings achieved in the reporting year came in roughly at the previous year's level despite a major scheduled refurbishment. Profit of EUR 47.8 million was generated based on an operating performance of EUR 57.1 million. Significant year-on-year increases were recorded in the Leasing, Tourism-Lakes and Tourism-Alpine skiing segments. Revenues also increased further in the Leasing segment due to steady demand for building rights and building leases, and additional revenue generated from infrastructure facilities. In the business segments hardest hit by the effects of the COVID-19 pandemic, "Tou-

rist Show Caves" and "Creative Industry Events", revenues were higher in 2022 than before the pandemic.

Thanks to ongoing investments in new construction and in quality improvements to the building portfolio, revenues in the Rental segment also significantly increased. The location and property strategy aims to further increase quality and profitability in the Rental segment. This was again implemented consistently. Increases in construction costs, interruptions in supply chains, but above all the lack of availability of construction contractors also led to delays or postponements of projects in 2022. Nevertheless, the larger investment projects were completed on budget.

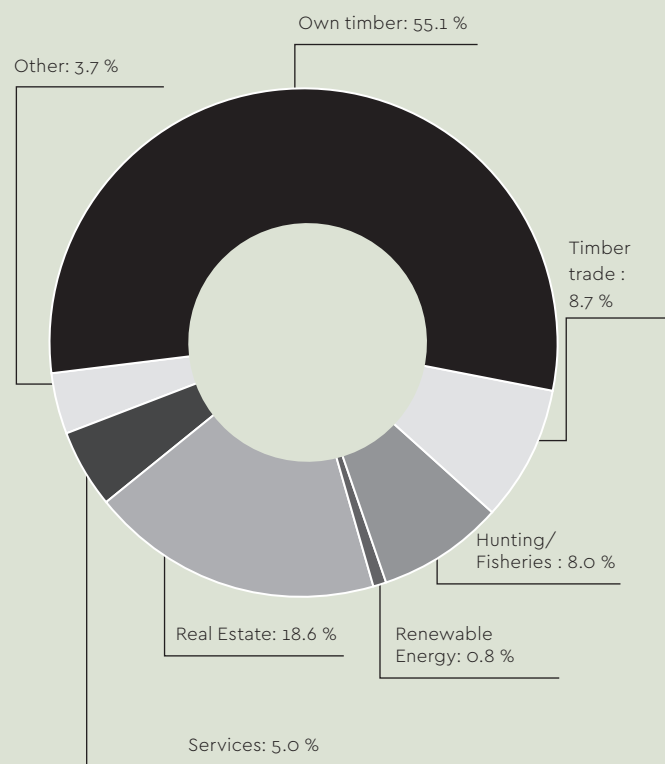
Operating performance in the Services segment was EUR 15.3 million and therefore marginally higher than that of the previous year (EUR 15 million). The Forest Technology profit centre was not quite able to match the previous year's development due to the expiry of projects with a major customer. Forestry Services – whose activities include assessing trees, forestry consulting, forestry construction and ecosystem planning – largely continued the positive business development of the previous year. Ecosystem Management, which alongside a variety of individual projects includes the management of the national parks Donau-Auen and Kalkalpen as well as the Wienerwald biosphere reserve and other areas (e.g. Dürrenstein wilderness, Hohe Tauern national park), makes a substantial contribution to maintaining the natural landscapes and ecological diversity of Austria, besides creating economic added value. Earnings in the reporting year were satisfactory.

The small-scale hydropower plants largely operated free of technical problems.

Electricity generation at the Pretul wind farm was somewhat higher than the originally planned levels, but electricity revenues were substantially higher.

To complement the information above, the operating performance of the individual business segments over time is shown below (in EUR million). The diagram relates to the 2022 financial year:

in € million	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022
Own timber	96.4	111.7	168.6
Timber trade	18.9	20.6	26.8
Hunting	20.7	21.2	22.3
Fisheries	2.2	2.4	2.2
Forest / Timber	138.2	155.8	220.0
Renewable energy	2.1	2.1	2.4
Leasing	11.8	12.5	13.4
Rental	8.4	9.2	9.5
Tourism	19.1	20.0	21.7
Water	1.1	1.1	1.2
Mineral resources	10.7	11.6	11.3
Real estate	51.1	54.4	57.1
Consultancy	0.1	0.0	0.0
Forestry Services	3.7	3.5	3.5
Forest technology	2.8	3.1	2.9
Ecosystem management	8.5	8.4	8.9
Services	15.1	15.0	15.3
Other services	10.0	13.3	11.3
External operating performance	216.5	240.6	306.1



Order situation

When it comes to the business development of ÖBf AG, it is the demand for timber as a raw material, the utilisation of real estate (e.g. leasing and rental of land and buildings, use for tourism, granting of building rights, use of mineral resources), hunting and fishing, the services segment and the development of the energy segment which are of significant importance.

Given the market conditions, orders in the Forest/Timber business segment were marked by a significant upswing.

Orders for the Hunting and Fisheries segments were satisfactory in the 2022 financial year.

A positive trend was recorded for Real Estate/Tourism/Water in 2022. ÖBf AG's record of consistent annual increases in revenues since its establishment continued in 2022.

In the Services segment, steady growth was recorded relative to the previous year.

In the Renewable Energy segment, the development of electricity prices made up for somewhat lower water levels.

Earnings and income

The ordinary business result (EBIT) was recorded at EUR 45.1 million (2021: EUR 22.3 million). Taking account of the financial result, profit before tax (EBT) is EUR 44.9 million (2021: EUR 22 million). Net income for the year comes to around EUR 33.5 million (2021: EUR 16.6 million). The usufruct fee which is set by law at 50% of net income for the year and is payable to the owner, i.e. the Republic of Austria, was EUR 16.7 million, compared to EUR 8.3 million in 2021.

Financial performance indicators

ÖBf share	ACTUAL 2021	ACTUAL 2022
Sales revenues (in € million)	239.7	297.3
EBIT (in € million)	22.3	45.1
EBIT margin (in %)	9.3	15.2
Net profit/loss for the year (in € million)	16.6	33.5
Return on equity* (in %)	6.9	12.6
Equity capital (in € million)	241.7	265.2
Equity ratio (in %)	56.4	61.2
EBITDA (in € million)	30.6	54.1
CF from ongoing business activity (in € million)	36.3	44.3

*) relative to annual net earnings

Cash flow and finance

At EUR 44.3 million, the cash flow from operational business activities was around EUR 8.0 million higher than the previous year's figure (EUR 36.3 million). This is mainly because of the good business trends overall at ÖBf AG in the reporting year.

Aggregate borrowings including the financial liabilities to affiliated companies of EUR 76.4 million were much lower than in the previous year (EUR 99.6 million). This improvement is mainly attributable to the development of cash flow from operating activities in the reporting year.

Investments

Investments, including assets reported as "buildings and plants under construction" and the "low-value assets" which were capitalised and written off again during the same year, amounted to EUR 20.9 million (2021: EUR 17.2 million) and therefore were EUR 3.7 million more overall than the previous year's. The main focus of the investment activity in 2022 lay in real estate and in the development of the road network.

Structure of assets and capital

The balance sheet total of ÖBf AG was EUR 433.5 million, a figure slightly higher than the previous year (EUR 428.3 million). The equity ratio was 61.2% with equity capital of EUR 265.2 million. The share of equity capital was increased again compared to the previous year (56.4%).

Risk management and risk structure

The management of risks and opportunities and an efficient and effective internal control system are essential elements of management control at Bundesforste. Continuous improvements, adjustments and comparisons with other businesses play an important role in the company's further development.

The company's risk situation is analysed by a team of Bundesforste experts each quarter in a structured process (risk inventory) using a defined system. The risk landscape is adapted as necessary (e.g. expanded with new risk categories). Part of this process also includes, in particular, deriving specific recommendations for risk mitigation and elimination measures by defining the responsibility for implementation and monitoring the execution of the activities concerned as time goes by and drawing up learning objectives. A full revision, including a review and discussion of the system as a whole, is carried out annually and involves the entire second level of management.

The Managing Board is notified of the results of the risk inventories in standardised reports, and it reports on the results to the Supervisory Board as a basis for discussion.

The tense geopolitical situation due to the Ukraine conflict has led to significantly higher economic risks with pronounced inflation observed worldwide and a sharp rise in interest rates. Supply chain constraints and associated price increases were particularly evident in the

reporting year. In addition, risks from the market, customers and potential natural disasters continue to dominate the analysis. Alongside the negative effects of climate change, discussions within society about the type and intensity of nature and forest area management have become increasingly important.

Market and customer risk

The customer sectors which are important for the Bundesforste (particularly the sawmill, paper and board/pulp industries, the construction sector, real estate, tourism, and mining companies) were stable in the reporting year despite the macroeconomic conditions.

Risk of disaster

2022 was warmer than the average, especially in the mountains. There were only a few periods when temperatures were below average. Precipitation levels were 16% lower and remained below the long-term average. Again, the eastern and southern parts of Austria were particularly affected by the drought. As a result, bark beetles were able to proliferate extensively again. The volume of beetle-infested timber was similar to 2021 at 671,000 solid cubic metres.

Long-term strategies to counter disasters and their effects include, in particular, predictive forest management measures. To reduce damaged timber in the medium term, a risk minimisation scheme aimed at optimising softwood stocks was continued.

Other strategies relate to diversification and thus to the promotion of business areas which are less likely to be influenced by weather events, as well as the establishment of appropriate precautionary reserves on the balance sheet where appropriate. For years there has been close cooperation with the world of science. Research projects on climate change and their impacts are regularly supported.

Financial risk

Bank guarantees, other indemnities, deposits or pre-payments on the part of customers are the main safeguards used against the risk of default on trade accounts receivable. No transactions with derivative financial instruments are conducted.

Employee and (working) process risk

The qualifications and motivations of employees and corresponding measures in the area of human resources and organisational development as well as process and workplace safety are a permanent focus of corporate events. Established procedures, the internal control system and regular internal audits guarantee the quality of services and the security of business processes. Structured, externally conducted surveys assess opinions at regular intervals, and the key issues identified by staff form the basis for a continuous optimisation process.

Research and development

The Bundesforste was involved in roughly 30 national and international R&D projects in 2022, supporting research institutions in the form of cooperation frameworks. This was in line with the long-term average.

In the 2022 reporting year, Bundesforste research activities focused intensively on digitalisation in forestry. Together with the Austrian Timber Industry Association and other partners from the forestry and sawmill industry, they initiated a project for the automated recognition of log characteristics. Digitalisation and artificial intelligence are being used to make the process of receiving timber more transparent and efficient. Also on the agenda were projects for the digital display of forest stands and the recording of forest structure parameters from the air.

Another focus of research activity dealt with the bioeconomy. The Bundesforste is involved in research into new timber construction materials for multi-storey building construction. In the coming years, activities in the field of bioeconomy, e.g. by developing new ways for using wood as a substitute for fossil fuels through the production of environmentally friendly fuels from scrap wood, are to be continued.

The silvicultural challenges due to climate change are also reflected in the research activities. Research areas focused on maximising carbon storage and its impact on other forest management goals, making tree populations fit for the future climate, managing damage, and preserving biodiversity in forests and waterways.

Innovation Management supported the implementation of internal innovations in 2022 under the title of “Digitalisation and the Forest of the Future”:

Based on the project implementation and idea management, ÖBf AG is working on future-oriented topics with potential relevance for the company as part of a structured and continuously developed innovation management process.

Sustainability

ÖBf AG believes that guaranteeing multifunctionality and thus economic, social and ecological objectives is its primary duty with respect to managing its natural resources. So in the reporting year, sustainable timber use was supplemented by numerous measures promoting the protective, recreational and well-being impacts of the forest. The focus in this respect was on continuing the “Ecology & Economy” project, which covers the forest management, hunting, environmental protection and nature conservation areas of activity. This programme was evaluated externally (University of Natural Resources and Life Sciences and WWF). Other focal points included investment in preserving protection forests and – in line with the motto “Forest of the Future” – in forests’ resilience to climate change.

Employees

Development of staff numbers

During 2022, ÖBf AG employed an average of 977 staff (full-time equivalents) – 343 manual and 634 non-manual employees. This compares with 964 employees in 2021 (345 manual and 619 non-manual employees).

Age structure

In 2022 the average age of ÖBf employees fell to 42.6 years, with the average age of manual staff falling sharply to 43.3 and that of non-manual staff to 42.3. The age groups most widely represented are the 51 to 60-year-olds and the 41 to 50-year-olds, at 30.3% and 22.5% respectively.

Equal opportunities

As at 31 December 2022 there were 20 female and 324 male manual workers as well as 179 female and 470 male non-manual employees, with a total of 199 women and 794 men employed by ÖBf. The proportion of women was thus 0.8 percentage points higher than in the previous year, totalling 27.6% for non-manual employees and 5.8% for manual employees. Workers with disabilities are employed as much as possible. During the reporting year this amounted to 15 people, 9 manual workers and 6 non-manual workers. Compensation payments had to be made in some cases.

Equal opportunity is ensured at the Bundesforste with regard to pay as well as hiring and promotion prospects. This is also evident from income reports produced under the equal opportunity law (Gleichbehandlungsgesetz) over the past few years. Particular attention is paid to increasing the proportion of women in management positions. Chances to strike a good work-life balance are also crucial here. In gender-specific HR marketing events like “Girls’ Days”, secondary school girls get an opportunity to learn about the everyday working environment.

Training, education and further development

Comprehensive employee training and development measures were carried out during 2022 as well. The training programme was made up of 299 different educational measures in total. The exceptionally high number of training measures can be attributed, among other things, to catching up on the training that was postponed due to the COVID-19 pandemic.

Forest utilisation rights

The volume of timber delivered to the beneficiaries of forest utilisation rights was around 212,000 solid m3 in 2022 (compared to 175,000 solid m3 in 2021). In addition to the volumes currently being supplied, this includes timber which was damaged by weather events and timber which is given in kind instead of for monetary compensation.

The exercising of grazing rights totalled about 44,700 livestock units for the reporting period. In 2022, on Bundesforste land, about 70,000 livestock of different kinds were either kept on mountain pastures over the summer or grazed near their home farms. In total, the equivalent value of forest utilisation rights in 2022 is around EUR 11.1 million (2021: roughly EUR 9.5 million).

Damaged timber

Damaged timber in 2022 amounted to 50% of the total felled and is thus lower than the previous year (59%). The forestry operations in Styria, Carinthia-Lungau and Waldviertel-Voralpen were most heavily affected. Just like in the previous year, the leading cause of damage in 2022 was bark beetle infestations, with a total of 671,000 solid m3 (2021: 517,000 solid m3), followed by windfall timber of 146,000 solid m3 (2021: 270,000 solid m3) and snow breakage of 47,000 solid m3 (2021: 210,000 solid m3). Bark beetles were increasingly prevalent in the mountains, so a great deal of effort was again put into bark beetle control.

Corporate environmental protection

The project to prevent microplastics from being introduced into forest areas was continued. As a member of the “microplastic-free alliance” (bündnis mikroplastikfrei), ÖBf is committed to reducing the use of plastic products in agriculture and forestry.

The climate protection strategy, consisting of emissions reductions and creating sinks, was extended to 2030. Measures were initiated to promote the use of electric vehicles.

OUTLOOK FOR ÖBf AG

The tense geopolitical situation due to the Ukraine conflict, the pronounced inflation observed worldwide, the sharp rise in interest rates and the disruptions to supply chains will continue to be key factors influencing overall economic development in 2023.

At present, it seems that timber production in 2023 will remain at a sustainable level, as in previous years. The positive development in our core business will continue in 2023, provided that no calamities or major global economic upheavals occur. This is also apparent from the development of timber prices in the first few months of the 2023 financial year.

In Real Estate, business trends are expected to remain solid. The sharp increases in energy prices will lead to a shift in maintenance and investment activity towards measures designed to save energy and accelerate the expansion of solar energy.

The development of the Renewable Energy segment is currently proceeding as planned. Accordingly, the energy segment will continue to make a key contribution to the overall results of the group.

Just like previous years, in 2023 the emphasis with holding activities will be on managing existing holdings and further developing renewable energy, above all through the construction and operation of small-scale hydropower plants as well as the development and implementation of projects in the wind energy sector.

Work continues on implementing the business strategy elaborated in 2019. One major impact of the business strategy is investments in the Real Estate and Renewable Energy segments, with the goal of generating stable contributions to profit in the long term to further protect the company from fluctuations in the core Forest/Timber business segment. Against the background of a dynamic environment, the corporate strategy will be evaluated and adapted in the course of 2023.

Purkersdorf, 6 April 2023

Managing Board
Georg Schöppl
Andreas Gruber

Changes to fixed assets

Group

Acquisition / production cost					Cumulative amortisation/depreciation							Residual book values	
As at 1 January 2022	Additions	Disposals	Re-classification	As at 31 December 2022	Cumulative amortisation/depreciation 1 January 2022	Additions		Write-ups	Re-classification	Disposals	Cumulative amortisation/depreciation 31 December 2022	As at 31 December 2022	As at 31 December 2021
EUR	EUR	EUR	EUR	EUR	EUR	EUR		EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible fixed assets:													
1. Licences and similar rights													
15,414,127.38	230,895.89	28,151.74	259,750.43	15,876,621.96	11,941,013.23	407,983.07		0.00	193,600.43	28,151.74	12,514,444.99	3,362,176.97	3,473,114.15
2. Goodwill													
256,476.61	0.00	0.00	0.00	256,476.61	210,723.20	9,150.69		0.00	0.00	0.00	219,873.89	36,602.72	45,753.41
3. Payments on account													
72,576.75	32,109.00	0.00	-66,150.00	38,535.75	0.00	0.00		0.00	0.00	0.00	0.00	38,535.75	72,576.75
15,743,180.74	263,004.89	28,151.74	193,600.43	16,171,634.32	12,151,736.43	417,133.76		0.00	193,600.43	28,151.74	12,734,318.88	3,437,315.44	3,591,444.31
II. Tangible fixed assets													
1. Land													
246,198,586.27	462,314.45	281,500.39	43,329.50	246,422,729.83	483,382.15	1,102.84		0.00	0.00	0.00	484,484.99	245,938,244.84	245,715,204.12
2. Buildings, including buildings on third-party land													
169,790,636.09	9,264,441.48	1,099,590.17	3,939,626.70	181,895,114.10	72,844,019.22	4,648,733.83		0.00	-193,600.43	611,299.44	76,687,853.18	105,207,260.92	96,946,616.87
3. Technical plant and machinery													
64,183,712.76	1,224,918.15	474,093.15	48,850.82	64,983,388.58	28,171,573.51	4,022,893.79		0.00	0.00	460,954.48	31,733,512.82	33,249,875.76	36,012,139.25
4. Other plant, operating and business equipment													
35,839,911.64	5,042,734.64	2,373,198.05	158,138.20	38,667,586.43	25,199,440.24	3,702,396.56		0.00	0.00	2,262,087.60	26,639,749.20	12,027,837.23	10,640,471.40
5. Payments on account and assets under construction													
7,832,220.02	9,586,186.50	361,432.27	-4,383,545.65	12,673,428.60	0.00	0.00		0.00	0.00	0.00	0.00	12,673,428.60	7,832,220.02
523,845,066.78	25,580,595.22	4,589,814.03	-193,600.43	544,642,247.54	126,698,415.12	12,375,127.02		0.00	-193,600.43	3,334,341.52	135,545,600.19	409,096,647.35	397,146,651.66
III. Financial assets													
1. Shares in affiliates													
109,704.14	0.00	0.00	0.00	109,704.14	109,704.14	0.00		0.00	0.00	0.00	109,704.14	0.00	0.00
2. Shares in associates													
8,277,096.50	20,612.22	0.00	0.00	8,297,708.72	5,375,723.85	0.00		0.00	0.00	0.00	5,375,723.85	2,921,984.87	2,901,372.65
3. Equity holdings													
105.19	0.00	0.00	0.00	105.19	105.19	0.00		0.00	0.00	0.00	105.19	0.00	0.00
4. Securities (rights) held as long-term investments													
957,867.92	0.00	0.00	0.00	957,867.92	956,850.50	0.00		0.00	0.00	0.00	956,850.50	1,017.42	1,017.42
5. Other loans													
402,800.17	105,000.00	111,527.96	0.00	396,272.21	35,028.27	11,120.98		12,871.01	0.00	0.00	33,278.24	362,993.97	367,771.90
9,747,573.92	125,612.22	111,527.96	0.00	9,761,658.18	6,477,411.95	11,120.98		12,871.01	0.00	0.00	6,475,661.92	3,285,996.26	3,270,161.97
549,335,821.44	25,969,212.33	4,729,493.73	0.00	570,575,540.04	145,327,563.50	12,803,381.76		12,871.01	0.00	3,362,493.26	154,755,580.99	415,819,959.05	404,008,257.94

Consolidated balance sheet

Assets	31 Dec. 2022 EUR	31 Dec. 2021 TEUR
A. Fixed assets		
I. Intangible fixed assets		
1. Licences and similar rights	3,362,176.97	3,473
2. Goodwill	36,602.72	46
3. Payments on account	38,535.75	72
	3,437,315.44	3,591
II. Tangible fixed assets		
1. Land	245,938,244.84	245,715
2. Buildings, including buildings on third-party land	105,207,260.92	96,947
3. Technical plant and machinery	33,249,875.76	36,012
4. Other plant, operating and business equipment	12,027,837.23	10,641
5. Payments on account and assets under construction	12,673,428.60	7,832
	409,096,647.35	397,147
III. Financial assets		
1. AShares in associates	2,921,984.87	2,901
2. Securities (rights) held as long-term investments	1,017.42	1
3. Other loans	362,993.97	368
	3,285,996.26	3,270
	415,819,959.05	404,008
B. Current assets		
I. Stocks		
1. Raw materials, auxiliary materials and fuels	2,116,919.43	1,918
2. Finished and unfinished products	10,475,451.60	11,157
3. Payments on account	13,579.92	30
	12,605,950.95	13,105
II. Receivables and other assets		
1. Trade accounts receivable, of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	19,959,450.14	20,318
2. Receivables from associates, of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	770,521.01	424
3. Other assets and receivables, of which with remaining term more than one year: EUR 1,219,592 (previous year: TEUR 220)	5,263,374.56	7,998
	25,993,345.71	28,740
III. Cash on hand, credit balances at banks	18,169,632.02	14,782
	56,768,928.68	56,627
C. Deferred expenses and accrued income	983,315.38	1,110
D. Deferred tax assets	3,061,034.09	3,094
	476,633,237.20	464,839

Liabilities	31 Dec. 2022 EUR	31 Dec. 2021 TEUR
A. Equity capital		
I. Share capital	150,000,000.00	150,000
II. Capital reserves unallocated	1,493,463.07	1,493
III. Profit reserves	15,000,000.00	15,000
1. Statutory reserve		
2. Other reserves (unallocated reserves)	2,959,891.30	2,960
IV. Shares of other shareholders in equity capital	3,452,439.14	3,134
V. Retained profit, of which profit carried forward EUR 81,676,089.27 (previous year: profit carried forward TEUR 71,215)	121,918,764.17	91,676
	294,824,557.68	264,263
B. Investment grants for fixed assets	5,170,490.69	5,180
C. Reserves		
1. Reserves for termination payments	16,215,736.08	16,764
2. Tax reserves	7,112,000.00	3,546
3. Other reserves	20,976,439.89	19,326
	44,304,175.97	39,636
D. Liabilities		
1. Liabilities to banks and other financing, of which with remaining term up to one year: EUR 21,748,889 (previous year: TEUR 45,537) of which with remaining term more than one year: EUR 69,155,592 (previous year: TEUR 71,341)	90,904,481.65	116,878
2. Advance payments received on orders, of which with remaining term up to one year: EUR 115,469 (previous year: TEUR 3,015), of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	115,468.69	3,015
3. Trade accounts payable, of which with remaining term up to one year: EUR 15,405,924 (previous year: TEUR 12,637), of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	15,405,924.24	12,637
4. Other liabilities, of which from taxes EUR 807,289 (previous year: TEUR 1,901), of which in context of social security EUR 1,435,632 (previous year: TEUR 1,391), of which with remaining term up to one year: EUR 15,276,980 (previous year: TEUR 12,839), of which with remaining term more than one year: EUR 316,683 (previous year: TEUR 74)	15,593,662.53	12,913
of which with remaining term up to one year: EUR 52,547,262 (previous year: TEUR 74,028), of which with remaining term more than one year: EUR 69,472,275 (previous year: TEUR 71,415),		
	122,019,537.11	145,443
E. Deferred expenses and accrued income	10,314,475.75	10,317
	476,633,237.20	464,839

Consolidated income statement

	2022 EUR	2021 TEUR
1. Sales revenue	313,807,590.34	250,437
2. Change in the stock of finished and unfinished products, and services not yet billable	-681,700.30	-10,718
3. Other own work capitalised	2,956,155.31	3,161
4. Other operating income		
a) Income from disposals from and additions to fixed assets, with the exception of financial assets	1,771,094.62	5,338
b) Income from release of reserves	1,029,911.62	384
c) Other	4,092,757.29	3,119
	6,893,763.53	8,841
5. Expenses for materials and other related manufacturing		
a) Costs of materials	-23,399,598.50	-14,245
b) Costs of services used	-57,503,124.71	-44,391
	-80,902,723.21	-58,636
6. Personnel costs		
a) Wages and salaries		
aa) Wages	-15,927,437.49	-15,338
ab) Salaries	-41,437,349.74	39,613
b) Social expenditure, of which expenses for retirement pensions EUR 815,976.28 (previous year: TEUR 829)	-19,815,651.02	-18,307
aa) Expenses for termination payments and payments to the company pension scheme for employees EUR 2,468,585.89 (previous year: TEUR 1,649),		
bb) Expenses for statutory social security contributions as well as remuneration-dependent contributions and mandatory payments EUR 15,362,523.37 (previous year: TEUR 14,824),		
	-77,180,438.25	-73,258
7. Amortisation/Depreciation on tangible and intangible fixed assets	-12,792,260.78	-12,477
8. Other operating expenses		
a) Taxes if not included under row 17	-4,524,773.05	-5,816
b) Usufruct fees	-16,746,288.62	-8,299
c) Other	-75,175,648.31	-65,672
	-96,446,709.98	-79,787
9. Subtotal from rows 1 - 8	55,653,676.66	27,563
10. Income from associates	20,612.21	101
11. Other interest and similar income	46,246.21	102
12. Income from disposals of and additions to financial assets	12,871.01	14
13. Expenses from financial assets, of which depreciation EUR 11,120.98 (previous year: TEUR 8)	-11,120.98	-8
14. Interest and similar expenses	-486,642.12	-687
15. Subtotal from rows 10 - 14	-418,033.67	-478
16. Profit/loss before tax (subtotal from rows 9 and 15)	55,235,642.99	27,085
17. Taxes on income and earnings	-14,600,756.19	-5,355
18. Deferred taxes	-33,170.83	-1,126
19. Profit/loss after tax = Net income	40,601,715.97	20,604
20. Shares of other shareholders	-359,041.07	-143
21. Profit carryforward	81,676,089.27	71,215
22. Retained profit	121,918,764.17	91,676

Notes to the consolidated financial statements as at 31 December 2022

I. GENERAL NOTES

These consolidated financial statements were prepared in accordance with the prevailing provisions of the UGB (Austrian Commercial Code), giving due consideration to the principles of orderly accounting and the general requirement to provide as true and fair a view as possible of the Group's financial position, cash flows and financial performance in accordance with § 250 (2) UGB. The provisions introduced through the Law Amending Austrian company law for EU purposes (Gesellschaftsrechtsänderungsgesetz) are applicable.

The annual financial statements of the affiliated companies included in the consolidated financial statements have been prepared on the basis of the provisions of the UGB in accordance with the Group's uniform guidelines. The Group's balance sheet date is 31 December 2022.

The consolidated income statement was prepared using the total-cost method.

1. Scope of consolidation

The Group's parent company is Österreichische Bundesforste AG. Consolidated financial statements were first prepared on 1 January 2002.

The consolidated accounts include the following companies:

a) Subsidiaries requiring consolidation – full consolidation

Name of company	Registered office	Share of capital	Initial consolidation date
ÖBf Beteiligungs GmbH	Purkersdorf	100 %	1 Jan 2002
Hallstatt Wasserkraft GmbH	Purkersdorf	51 %	1 Jan 2013
Wasserkraftwerk Forstlaubach Gleiming GmbH	Purkersdorf	60 %	1 Jan 2014
Wasserkraftwerk Taurach GmbH	Purkersdorf	60 %	11 June 2014
Windpark Pretul GmbH	Purkersdorf	100 %	20 May 2015
ÖBf Wasserkraft GesmbH	Purkersdorf	100 %	1 Jan 2017

b) Associates

Name of company	Registered office	Share of capital	Affiliated to Group since
WIEN ENERGIE Bundesforste Biomasse Kraftwerk GmbH	Vienna	33.33 %	19 May 2004
WIEN ENERGIE Bundesforste Biomasse Kraftwerk GmbH & Co KG	Vienna	33.33 %	20 May 2004
Kraftwerk Dientenbach GmbH	Salzburg	33.33 %	16 Dec 2009

c) Equity holdings

Given its subordinate importance (§ 263 (2) UGB) Hauserberg Mautstraße GesbnR, Mayrhofen, was included at cost, reduced by any amortisation.

2. Consolidation principles

Capital consolidation

Capital consolidation is performed using the book value method both in the case of full consolidation (§ 254 (1) UGB) and in the case of accounting using the equity method (§ 264 (1) UGB). Accordingly, the book values of the shares are offset against the proportionate equity capital of the subsidiaries at the time of acquisition or first-time inclusion in the consolidated financial statements.

Any resulting differences were offset against profit carried forward as differences, provided it was not possible to allocate them to individual assets or liabilities.

Debt consolidation

As part of debt consolidation, trade accounts receivable and other receivables arising from relationships between the companies included in the consolidated financial statements are offset against the corresponding liabilities.

Income and expenditure consolidation

All internal Group income and expenses are netted.

Elimination of inter-company results

Inter-company results from internal Group supplies and services are eliminated.

II. ACCOUNTING POLICIES AND VALUATION METHODS

Non-cash contribution – Österreichische Bundesforste AG

The assets of Österreichische Bundesforste AG taken over as part of the non-cash contribution of the economic entity “Österreichische Bundesforste” as at 1 January 1997 were recognised in accordance with § 11 (2) Federal Forests Act 1996 (Fed. Law Gazette [BGBl.] 793/1996) at fair value pursuant to § 202 (1) UGB. These values are considered acquisition costs.

Tangible and intangible fixed assets

Both tangible and intangible fixed assets are valued at cost and amortised/depreciated on a straight-line basis. The normal annual write-downs are applied over the following useful lives, with the assets received in the non-cash contribution written down over the given residual useful life.

	2022	2021
Software	3–4 years	3–4 years
Goodwill	15 years	15 years
Other rights	15 years	15 years
Forest roads	15 years	15 years
Facilities on land	15–50 years	15–50 years
Buildings	15–66.67 years	15–66.67 years
Machinery	6–35 years	6–35 years
Tools	3–8 years	3–8 years
Vehicles	5–7 years	5–7 years
Business and operating equipment	1–10 years	1–10 years

These are the standard amortisation/depreciation periods. Individual deviations may occur. Unscheduled amortisation/depreciation is recorded in accordance with § 204 (2) UGB, if any loss in value appears to be a lasting change. Any unscheduled amortisation/depreciation is reversed in accordance with § 208 (1) UGB, if the reason for the write-down no longer applies.

The option to capitalise interest on borrowed capital for self-manufactured assets was not used.

Financial assets

The equity approach is applied for companies (associates) that are not fully consolidated. Equity holdings as well as securities (loan stock rights) for fixed assets are valued at cost. If this value is higher than the value attributable to them as of the balance sheet date, unscheduled depreciation is applied.

Current assets

Stocks are determined by means of physical stock-taking. Raw materials, auxiliary materials and fuels are recognised at purchase cost, while finished and unfinished products are recognised at the lower of production cost and the sales price at the reporting date. The production costs include direct costs as well as proportionate material and production overheads. Where the sales-side comparison value is lower, this value was used.

For raw materials, auxiliary materials and fuels, standard values are mainly used.

Specific valuation allowances were applied as necessary for **receivables**. In addition, a general valuation allowance of 1% (previous year: 1%) was deducted from trade accounts receivable where specific valuation allowances were not applied. The percentage used was based on empirical figures from past experience.

Deferred expenses and accrued income

Given the legal form of some non-manual employee contracts, it was necessary to treat salary payments for January 2023 on an accrual basis. In addition, expenses from hunting lease agreements were also treated on an accrual basis.

Reserves and liabilities

Reserves were allocated with due consideration of commercial prudence, at the anticipated level.

Reserves for termination payments were calculated in accordance with the provisions of AFRAC (Austrian Financial Reporting and Auditing Committee) Opinion No. 27 Personnel Provisions (UGB) based on actuarial principles, applying an interest rate of 1.01% (previous year: 0.86%); salary increases of 2.09% (previous year: 1.84%) affecting all groups of employees were deducted from this interest rate (partial net interest rate method). Additionally, salary increases of 0.83% (previous year: 0.16%) for manual and 1.12% (previous year: 0.58%) for non-manual employees were applied under the gross method. The interest rate corresponds to the average market interest rate for high-quality corporate bonds with an average residual term of 8 years (previous year: 8 years) for termination obligations.

The retirement age for women in the calculation is 55 to 65 years (previous year 55 to 65 years) and for men 60 to 65 years (previous year 60 to 65 years), in line with the statutory minimum retirement age and the retirement ages defined in individual contracts. No deductions were made for fluctuations, similarly to the previous year.

Reserves for holidays not yet taken and time in lieu were calculated with the inclusion of pro rata incidental wage costs.

Liabilities are reported at the settlement amount.

Accrued expenses and deferred income

Long-term rental agreements and leases were treated correspondingly on an accrual basis.

Currency translations

Receivables and bank balances, if in foreign currency, are generally valued at the middle rate at the time they occur, taking into account exchange losses arising from changes in the exchange rate as of the balance sheet date.

Foreign currency liabilities are valued at the rate prevailing when incurred or at the middle rate as of the balance sheet date, whichever is higher.

III. NOTES ON THE CONSOLIDATED BALANCE SHEET

Fixed assets

Changes to **fixed assets** are presented in the **appendix to the notes on the consolidated financial statements**. The value of the land amounts to EUR 245,938,245 (previous year: EUR 245,715,000).

Under **other loans** reported, an amount of EUR 79,363 (previous year: EUR 84,000) has a residual term of up to one year. **Other loans** mainly comprise loans to employees of the Group’s parent company.

Current assets

Given that it is not always possible to draw a clear line between finished and unfinished products, particularly in the context of harvesting raw timber, these items were combined into one balance sheet item (of which timber stocks totalled EUR 9,800,482 [previous year: EUR 10,382,000]).

Valuation allowances were applied and deducted directly in the case of individual risks with **receivables**.

In the case of trade accounts receivable a **general valuation allowance** of EUR 183,363 (previous year: EUR 194,000) was applied.

The other receivables include the following significant income, which only affects the cash balance after the balance sheet date:

	31 Dec. 2022 EUR	31 Dec. 2021 TEUR
Receivables from tax authority	1,716,545	2,030
Real estate management deferrals: Property development contracts	219,220	220
Land sales	0	3,952
Existing contracts	937,740	1,157
	2,873,505	7,359

Receivables from associates only include trade receivables of EUR 770,521 (previous year: EUR 424,000)

Deferred tax assets

The differences between the commercial and fiscal valuations in the calculation of deferred tax assets largely affect carrying amount differences for wind turbines, the reserve for termination payments, the distribution of maintenance expenditure, the reserve for outstanding maintenance costs and the outstanding seventh of the write-downs to the going concern value. In addition, deferred tax assets and liabilities are included in fixed assets based on various carrying amounts. Depending on the maturity, a corporate tax rate of 24% or 23% was assumed for the calculation.

Information on capital

Pursuant to § 2 (6) Federal Forests Act (as in BGBl. 136/2004) the **share capital** is EUR 150,000,000 (previous year: EUR 150,000,000). No shares were issued. The sole shareholder is the Republic of Austria. The shareholder rights are held by the Federal Minister for Agriculture, Forestry, Regions and Water Management.

The authorised capital tallies with the share capital.

The unallocated retained earnings as of 31 December 2022 amounting to EUR 2,959,891 (previous year: EUR 2,960,000) stem from the reclassification of untaxed reserves net of deferred taxes into the equity of the parent company ÖBf AG, which was carried out on the basis of RÄG 2014 as at 31 December 2016.

At the parent company ÖBf AG, it was proposed to make a distribution to the owner for the 2022 financial year of EUR 10 million (previous year: EUR 10 million).

Investitionszuschüsse

	As at 1 Jan. 2022 in EUR	Alloca- tion in EUR	Release in EUR	As at 31 Dec. 2022 in EUR
Grundstücksgleiche Rechte und Bauten	4,320,439	221,926	-150,838	4,391,527
Technische Anlagen und Maschinen	743,943	0	-70,860	673,083
Andere Anlagen, BGA	116,041	9,596	-19,756	105,881
Gesamt	5,180,423	231,522	-241,454	5.170.491

Reserves

At EUR 8,703,957 (previous year: EUR 7,119,000), the **other reserves** relate to human resources. The reserve for other provisions amounted to EUR 12,272,483 (previous year: EUR 12,207,000). The reserves for human resources include, in particular, reserves for leave not taken and time in lieu, and for bonuses. The reserve for other provisions comprises, among other things, timber production costs not yet recorded, outstanding maintenance costs and repayment claims from civil-law contracts.

Liabilities as at 31 December 2022

	Liabilities according to balance sheet EUR	Residual term up to 1 year EUR	Residual term 1 to 5 years EUR	Residual term more than 5 years EUR
Liabilities to banks and other financing	90,904,481	21,748,889	64,842,531	4,313,061
Advance payments received on orders	115,469	115,469	0	0
Trade accounts payable	15,405,924	15,405,924	0	0
Other liabilities	15,593,663	15,276,980	316,683	0
Total	122,019,537	52,547,262	65,159,214	4,313,061

Liabilities as at 31 December 2021

	Liabilities according to balance sheet TEUR	Residual term up to 1 year TEUR	Residual term 1 to 5 years TEUR	Residual term more than 5 years TEUR
Liabilities to banks and other financing	116,878	45,537	63,125	8,216
Advance payments received on orders	3,015	3,015	0	0
Trade accounts payable	12,637	12,637	0	0
Other liabilities	12,913	12,839	74	0
Total	145,443	74,028	63,199	8,216

“Liabilities to banks and other financing” comprised the following in the reporting year:

	31 Dec. 2022 EUR	31 Dec. 2021 TEUR
to banks	71,823,366	92,878
to the Republic of Austria	19,081,115	24,000

EUR 18,629,728 of this (previous year: EUR 21,595,000) is materially secured by means of pledging shares and by liens.

The other liabilities include the following important expenses which only affect the cash balance after the balance sheet date:

	31 Dec. 2022 EUR	31.12.2021 TEUR
Usufruct rights	8,446,289	6,632
Social security liabilities	219,520	735
Other payroll taxes	256,123	241
Other HR liabilities	608,078	65
	9,530,010	7,673

Other financial obligations

Obligations arising from the use of tangible fixed assets not reported on the balance sheet:

	EUR	TEUR
Obligations 2023	1,257,830	1,195
Obligations 2023 - 2026	6,289,152	5,975

There are also financial obligations in orders for investments in fixed assets as of the balance sheet date, amounting to EUR 17,214,792 (previous year: EUR 19,267,000).

Contingent liabilities

Guarantees amounting to EUR 1,489,309 (previous year: EUR 1,072,000) serve as collateral for the payment on account made by Oe-MAG Abwicklungsstelle für Ökostrom AG, and are valid until the final settlement is checked.

In addition, there is a real estate charge of EUR 30,137 (previous year: EUR 30,000) for the preservation and removal of buildings in areas near public waters.

IV. IV. NOTES ON THE CONSOLIDATED INCOME STATEMENT

The total cost method is applied in the **consolidated income statement**.

EUR 3,227,137 of the sales revenue (previous year: EUR 2,041,000) relates to international sales and the remainder is domestic.

The sales revenue comprises:

	2022 EUR	2021 TEUR
Own timber	166,800,799	120,897
Timber trade	29,254,945	22,125
Hunting	22,171,488	21,100
Fisheries	2,018,430	1,933
Forest / Timber	220,245,662	166,055
Hydroelectricity, wind power and biomass	18,856,723	12,764
Renewable energy	18,856,723	12,764
Leasing	13,353,754	12,488
Rental	9,481,090	9,003
Tourism	21,655,813	19,975
Water	1,212,658	1,140
Mineral resources	11,337,559	11,557
Real estate	57,040,874	54,163
Consultancy	0	24
Forestry services	3,512,706	3,475
Forest technology	2,913,771	3,082
Ecosystem management	8,368,586	8,014
Services	14,795,063	14,595
Other services	2,869,268	2,860
Sales revenue	313,807,590	250,437

Expenses for termination payments and payments to the company pension funds include expenses for termination payments amounting to EUR 1,902,431 (previous year: EUR 1,156,000).

Expenses in connection with the change in the **provision for termination obligations** are recognised under personnel costs. The option under paragraph 95 of AFRAC Opinion 27 Personnel Provisions (UGB) was not used.

The **independent auditor expenses** include expenses for auditing the annual financial statements and consolidated financial statements, amounting to EUR 57,700 (previous year: EUR 54,000), while there were no consulting services in the financial year (previous year: EUR 12,000).

Expenses on financial assets only comprise the write-down of loans amounting to EUR 11,121 (previous year: EUR 8,000).

Taxes on income relate entirely to corporate tax.

V. OTHER INFORMATION

Average headcount
(converted into full-time equivalents)

	2022	2021
Manual workers	343	345
Non-manual employees	634	619
Total	977	964

Expenses for termination payments and pensions for the Managing Board and for executive employees

The following expenses were incurred with regard to termination payments, benefits payable to the employee pension funds and the employer's contributions to pension funds:

	2022 EUR	2021 TEUR
Managing Board and executive employees	702,328	500
Other employees	2,582,234	1,978
Total	3,284,562	2,478

Remuneration for the Managing Board and Supervisory Board

Members of the Managing Board received the following remuneration:

	2022 EUR not performance- related	2022 EUR performance- related
Andras Gruber	58,037	0
Dr. Rudolf Freidhager	303,694	80,000
Georg Schöppl	360,261	80,000
	721,992	160,000
	2021 EUR not performance- related	2021 EUR performance- related
Dr. Rudolf Freidhager	372,881	76,725
Georg Schöppl	330,291	69,300
	703,172	146,025

Executive bodies of the parent company

Board members:

Georg Schöppl
 Andreas Gruber (from 1 November 2022)
 Dr. Rudolf Freidhager (until 31 October 2022)

Supervisory Board:

Elected members:
 Gerhard Mannsberger
 (Chairman)
 Georg Spiegelfeld
 (Deputy Chairman)
 Günter Liebel (from 16 January 2023)
 Elfriede Moser (from 16 January 2023)
 Gernot Maier (until 12 January 2023)
 Maria Sauer (until 12 January 2023)

Members delegated by the Central Works
 Council:

Andreas Freistetter (since 12 September 2022)
 Fabian Fluch (until 12 September 2022)
 Lukas Stepanek

Purkersdorf, 6 April 2023

Managing Board:
 Georg Schöppl
 Andreas Gruber

Auditor's Report

The auditor's report for the 2022 consolidated financial statements of Österreichische Bundesforste is available at www.bundesforste.at.

For the 2022 financial year the members of the Supervisory Board received attendance fees and expense allowances amounting to a total of EUR 60,750, compared to attendance fees and expense allowances in 2021 of EUR 58,000.

No loans were disbursed in the financial year to board members and there were no business relations with the members of the Managing Board and the Supervisory Board.

Transactions with other companies owned directly by the Republic of Austria are concluded at arm's length.

Events after the balance sheet date

No significant events occurred after the balance sheet date which would have necessitated changes to the financial position, cash flows and financial performance.

Report of the Supervisory Board on the 2022 financial year

The Supervisory Board has been kept fully informed by the Managing Board about business developments at the company, and in four ordinary as well as three extraordinary meetings has carried out its statutory duties to provide information and exercise scrutiny. The Audit Committee of the Supervisory Board convened for two meetings (May and December 2022) and amongst other items discussed content and process issues surrounding the annual audit and the company's risk management. The extraordinary meetings of the Supervisory Board as well as a meeting of the Staff Committee in June 2022 dealt with the appointment to the Managing Board to be made this year due to the retirement of Dr Rudolf Freidhager. Andreas Gruber was appointed to the Managing Board with responsibilities for Forestry and Nature Conservation as of 1 November 2022.

Just like in previous years, one particular focus of the Supervisory Board's activities during 2022 was collaboration in the transfer of properties. Rights of veto under the Federal Forests Act 1996 (Bundesforstgesetz) were not exercised. Please refer to the separate Public Corporate Governance report for compliance with the principles of corporate governance and federal shareholding management.

Alongside the reports on current and expected business developments in strategic business areas and the affiliates, the Supervisory Board dealt among other things with the following issues during the financial year: monitoring of hunting and damage caused by game, Bundesforste's area strategy, internal audit, IT security, real estate projects, evaluation of "Ecology and Economy" project, forest management issues (e.g. minimising risk by optimising softwood stocks). The Supervisory Board placed particular emphasis on continuing to ensure an effective synergy between ecological and economic objectives in the company's work.

The Supervisory Board was informed regularly, promptly and comprehensively by the Managing Board about all relevant business developments as well as the situation and direction of the company, including key group companies. Throughout the entire year, the Supervisory Board discussed key issues relating to future operations with the Managing Board, especially the structure and strategy of the company, and monitored the management in line with the comprehensive reporting of the Managing Board. Additionally, there were regular talks between the chairman of the Supervisory Board and members of the Managing Board.

An unqualified auditor's opinion by the auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Porzellangasse 51, 1090 Vienna was expressed on the annual financial statements prepared by the Managing Board as at 31 December 2022, including the management report. The auditor's report was presented to the members of the Supervisory Board in accordance with § 273 (4) UGB (Austrian Commercial Code). After taking note of the auditor's report, the Supervisory Board approved the 2022 annual financial statements and management report, which is hereby approved pursuant to § 96 (4) AktG (Stock Corporation Act). The consolidated financial statements are noted. There were no reasons for any objections.

The Supervisory Board thanks the Managing Board and all employees for their efforts during the 2022 financial year. The Supervisory Board thanks the shareholder for its trust and confidence.

Purkersdorf, 22 May 2023
 Chairman of the Supervisory Board
 Gerhard Mannsberger

