

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 still difficult geopolitical and macroeconomic conditions, the 2023 financial year was a very satisfactory one for Österreichische Bundesforste AG (ÖBf AG/Bundesforste), just like the previous year. One of the best results in Bundesforste's history was achieved in the reporting year.

The log markets were subject to fluctuations in 2023. Prices rose markedly in the first quarter due to brisk demand, but the market turned down sharply from May onwards before stabilising again at the end of the year. The markets of the timber-processing industry collapsed from mid-2023 and supply quotas were imposed. At the same time, major damaged timber disasters occurred in Styria and Carinthia.

Given the circumstances, emphasis was placed on aligning production, stock and sales with each other as best as possible, maintaining

continuity of supply to customers and removing damaged timber from the forest as quickly as possible.

Total felling for the reporting year was 1,874,000 solid cubic metres, which was slightly below the previous year's level (1,895,000 solid cubic metres). Damaged timber was 55% of the total felled, somewhat higher than the previous year (50%). Despite the high proportion of damaged timber, it was necessary to conduct the regularly planned maintenance measures in order to ensure stable stocks for the future. 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. We also continued to work consistently on reducing 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. Browning monitoring showed a slight increase in terminal shoot browsing compared to the previous year, but the long-term trend is positive. Peeling damage increased compared to the previous year, mainly due to weather conditions.

The Real Estate segment was again successful during 2023 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 Tourism and Leasing.

In the Services segment, the Forest Technology profit centre was not quite able to match the previous year's results due to the difficult weather conditions, while the Services profit centre developed encouragingly in the reporting year. Developments in Ecosystem management outstripped the previous year.

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 overall due to the dry summer months.

The expansion of the existing wind farm in the Pretulalpe mountain range (Fischbach Alps, Styria) with four additional wind turbines was successfully completed. The new installations will be fully operational in the first quarter of 2024.

In the province of Salzburg, work was carried out in co-operation with Salzburg AG on the further development of wind farm projects.

Wind measurements are being carried out at two locations to be able to make a reliable estimate of the yield potential. In Upper Austria, the Kobernaußerwald wind farm project is being developed in cooperation with Energie AG and will comprise up to 19 wind turbines, depending on the project variant.

In the small-scale hydropower sector, the project for constructing the Elsbethen plant (Salzburg) was submitted for approval together with the project for constructing the Unterkainisch small hydropower plant (Styria).

In terms of photovoltaics, the Pertlgraben free-standing PV project in Upper Austria was further developed together with Verbund.

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 to 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 2023 is shown on the following organisational chart:

Österreichische Bundesforste AG	
ÖBf Beteiligungs GmbH (holding) ÖBf share: 100%	
EQUITY HOLDING	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 Forstauabach Gleiming GmbH	60
ÖBf Wasserkraft Ges.m.b.H.	100
KW Elsbethen GmbH	40
Dachstein Tourismus AG (DAG)	3.56

Earnings and income

The consolidated profit was again largely determined by the operating profit of ÖBf AG during the 2023 financial year. The consolidated profit (EBT) came in around EUR 56.0 million, and was thus about EUR 11.6 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 328.5 million (2022: EUR 313.8 million) as well as earnings before tax (EBT) of EUR 56.0 million (2022: EUR 55.2 million) were consolidated.

Financial performance indicators

ÖBf Group	ACTUAL 2022	ACTUAL 2023
Sales revenues (in € million)	313.8	328.5
EBIT (in € million)	55.7	56.4
EBIT margin (in %)	17.7	17.2
Net profit/loss for the year (in € million)	40.6	42.9
Return on equity* (in %)	13.8	13.1
Equity capital (in € million)	294.8	327.2
Equity ratio (in %)	61.9	62.8
EBITDA (in € million)	68.9	70.2
CF from ongoing business activity (in € million)	57.4	47.9

*) relative to annual net earnings

Structure of assets and capital

The balance sheet total of the ÖBf Group was EUR 521.0 million, higher than the previous year (EUR 476.6 million) due primarily to investments and inventories. The equity ratio was 62.8% with equity capital of EUR 327.2 million. The share of equity capital was increased again compared to the previous year (61.9%).

Cash flow and finance

At EUR 47.9 million, the cash flow from operating activities was around EUR 9.5 million below the previous year's figure (EUR 57.4 million) due mainly to inventories.

The aggregate borrowings of EUR 91.3 million were slightly higher than in the previous year (EUR 90.9 million).

DEVELOPMENT OF ÖBF AG

During the 2023 financial year ÖBf AG achieved a profit before tax (EBT) of EUR 44.4 million (2022: EUR 44.9 million) with an operating performance of EUR 325.3 million (2022: EUR 306.1 million). The volume of own wood sold was around 1.58 million solid m3 and therefore around the same level as in the previous year (2022: 1.59 million solid m3). 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 1.87 million solid m3 (2022: 1.89 million solid m3). In 2023 we therefore contributed again to ensuring sustainable forest management by carefully planning and managing quantities. At 182,000 solid m3, the stock of solid timber at the end of 2023 was somewhat higher than the stocks held at the start of the year (150,000 solid m3). This is the 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 (indexed).

In the Real Estate segment, revenues were higher again in 2023. The contribution to earnings achieved in the reporting year came in higher than the previous year's level despite increased reconstruction measures. Profit of EUR 56.4 million was generated based on an operating performance of EUR 64.1 million. Significant year-on-year increases were recorded in the Tourism-Lakes, Tourism-Alpine Skiing and Tourism-Show Caves segments.

For Leasing, demand for building rights and building leases was still good in the first half of the year, but fell sharply in the second half. Nevertheless, a marked increase was again achieved over the year as a whole.

Thanks to ongoing investments in new construction and in quality improvements to the building portfolio, revenues in the Rental segment also rose significantly. The location and property strategy aims to further increase quality and profitability in the Rental segment. This

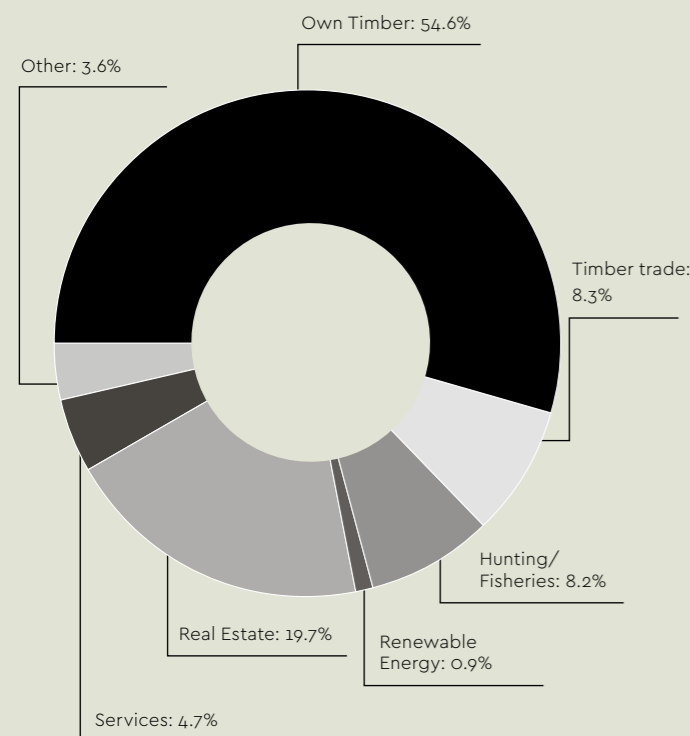
was again implemented consistently. However, the lack of availability of various ancillary construction trades continues to result in delays, particularly for smaller projects such as flat refurbishments. Nevertheless, the larger investment projects were completed within the set budget frameworks and timeframes.

Operating performance in the Services segment was EUR 15.4 million and therefore slightly higher than that of the previous year (EUR 15.3 million). The Forest Technology profit centre was not quite able to match the previous year's development due to the difficult weather conditions and a lower business volume with external customers. Forestry Services – whose activities include assessing trees, forestry consulting, forestry construction and ecosystem planning – 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 results in the reporting year were satisfactory.

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

Electricity generation at the Pretul wind farm was somewhat lower than the originally planned levels, while electricity revenues were also just below budget.

in € million	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023
Own timber	111.7	168.6	177.7
Timber trade	20.6	26.8	26.9
Hunting	21.2	22.3	24.3
Fisheries	2.4	2.2	2.3
Forest / Timber	155.8	220.0	231.2
Renewable energy	2.1	2.4	2.9
Leasing	12.5	13.4	14.8
Rental	9.2	9.5	10.7
Tourism	20.0	21.7	24.7
Water	1.1	1.2	1.4
Mineral resources	11.6	11.3	12.5
Real estate	54.4	57.1	64.1
Forestry Services	3.5	3.5	3.5
Forest technology	3.1	2.9	2.8
Ecosystem management	8.4	8.9	9.1
Services	15.0	15.3	15.4
Other services	13.3	11.3	11.7
External operating performance	240.6	306.1	325.3



To complement the above explanations, the operating performance of the individual business segments over time is shown below (in EUR million). The diagram relates to the 2023 financial year:

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 the utmost importance.

Business in the Forest/Timber sector was pleasing overall.

The order book for Hunting and Fisheries was satisfactory in the 2023 financial year.

A positive trend was observed for Real Estate Tourism-Water in 2023. ÖBf AG's record of consistent annual increases in revenues since its establishment continued in 2023.

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

In the area of renewable energy, development was essentially in line with planning.

Earnings and income

The ordinary business result (EBIT) was recorded at EUR 45 million (2022: EUR 45.1 million). Taking account of the financial result, profit before tax (EBT) is around EUR 44.4 million (2022: EUR 44.9 million). Net income for the year comes to around EUR 33.8 million (2022: EUR 33.5 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 16.9 million, compared to EUR 16.7 million in 2022.

Financial performance indicators

ÖBf share	ACTUAL 2022	ACTUAL 2023
Sales revenues (in € million)	297.3	309.3
EBIT (in € million)	45.1	45.0
EBIT margin (in %)	15.2	14.5
Net profit/loss for the year (in € million)	33.5	33.8
Return on equity* (in %)	12.6	11.7
Equity capital (in € million)	265.2	289.0
Equity ratio (in %)	61.2	62.2
EBITDA (in € million)	54.1	54.8
CF from ongoing business activity (in € million)	44.3	36.4

*) relative to annual net earnings

Cash flow and finance

At EUR 36.4 million, the cash flow from operating activities was around EUR 7.9 million below the previous year's figure (EUR 44.3 million), largely because of inventories.

Aggregate borrowings, including financial liabilities to affiliated companies, totalled around EUR 72.9 million, slightly below the previous year (EUR 76.4 million).

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 26.3 million (2022: EUR 20.9 million) and therefore were a total of EUR 5.4 million higher than the previous year's level. The main focus of the investment activity in 2023 was on real estate and the development of the road network.

Structure of assets and capital

The balance sheet total of ÖBf AG was EUR 464.7 million, a figure higher than the previous year (EUR 433.5 million) primarily due to investments and inventories. The equity ratio was 62.2% with equity capital of EUR 289 million. The share of equity capital was increased again compared to the previous year (61.2%).

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 discusses these with the Supervisory Board.

The tense geopolitical situation caused by the war in Ukraine and the conflict in the Middle East has led to higher economic risks. 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 the company 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 relatively stable in the reporting year despite the macroeconomic conditions.

Risk of disaster

The year 2023 was warmer than the average. According to the preliminary climate findings of GeoSphere Austria, 2023 was the warmest year in the history of measurements since 1768 at low altitudes and the third warmest in mountainous regions. Winter, summer and autumn were well above the long-term average, while the months of April and May were cool. Precipitation was slightly above the long-term average throughout Austria. The months of April, November and December were comparatively wet. Due to the high temperatures and the warm summer and autumn, bark beetles were able to proliferate extensively again. At roughly 730,000 solid m³, the volume of beetle-infested timber was higher than 2022 (670,000 solid m³). At the end of December 2023, storm "Zoltan" caused windfall damage.

Long-term strategies to counter disasters and their effects include, in particular, predictive forest management measures. The "Minimising risks through optimising softwood stocks" concept is designed to reduce the amount of damaged timber, and was given as intensive training in all forestry operations throughout the reporting year. In addition, emphasis was placed on early harvesting, just like in the previous year.

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 of staff form the basis for a continuous optimisation process.

Research, development and innovation management

The Bundesforste was involved in roughly 30 national and international research & development projects in 2023, supporting research institutions in the form of cooperation frameworks. This was in line with the long-term average.

The research activities carried out in the reporting year reflect the diverse challenges posed by climate change and contribute to the development of climate-fit forests, monitoring the impact of cloven-hoofed game on forest development, managing damage, preserving log quality, promoting biodiversity in forests and water bodies, reducing microplastic incidence, digitalisation in forestry and the potential use of wood to replace fossil fuels by producing environmentally friendly fuels from wood residues.

One focus was on silvicultural issues relating to climate-fit mixtures of tree species, the effects of maximising carbon storage on other forest management objectives and suitable CO2 certification methods in forests. The silvicultural challenges due to climate change are also reflected in the research activities. Research areas focused on making tree populations fit for the future climate, managing damage, preserving biodiversity in forests and waterways, as well as combating silver fir woolly adelgid with ecological plant protection products and preventing blue stain on spruce logs through the use of mould. With the aim of de-plasticising forests, the Bundesforste, together with Holzforschung Austria and other partners from science and forestry, launched a project to develop paper-based growth shelters.

The digitalisation activities in the forestry sector, which began in 2022, were continued and further developed.

Innovation Management supported the implementation of internal innovations in 2023 under the title of “Digitalisation and the Forest of the Future” in close coordination with Research and Development: The “Creative Leader” training programme for the ÖBf’s innovation ambassadors, who are active throughout the country, consolidated this endeavour. At the same time, innovation and R&D priorities were developed as part of a company-wide dialogue on the future.

In 2023, organisational development focused on the further development of the company’s strategy in the form of the “Future Dialogue”. This is an initiative of the Managing Board to discuss the company’s strategic priorities on a broad basis. Strategic topics have emerged from the Future Dialogue. Projects have been launched in the following areas: climate projects, timber supply projects, expansion of renewable energy and projects in fields of communication, human resources and management as well as innovation (ÖBf ventures).

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. Sustainable timber use was supplemented by numerous measures promoting the protective, recreational and well-being impacts of the forest. A climate change adaptation project was

launched to ensure that the aforementioned forest functions can continue in the future under more difficult conditions. As regards protection forest management, the “protection forest traffic light” system was further developed and made available on maps throughout ÖBf. This categorises ÖBf’s protection forest areas according to the urgency of restoration need, and is therefore an important support pillar for forestry operations and districts in prioritising and planning specific measures.

Employees

Development of staff numbers

During 2023, ÖBf AG employed an average of 994 staff (full-time equivalents) – 352 manual and 642 non-manual employees. This compares with 977 employees in 2022 (343 manual and 634 non-manual employees).

Age structure

In 2023 the average age of ÖBf employees fell to 42.1 years, with the average age of manual staff and that of non-manual staff falling to 42.1. The age groups most widely represented are the 51 to 60-year-olds and the 31 to 40-year-olds, at 27.9% and 23.2% respectively.

Equal opportunities

As at 31 December 2023 there were 15 female and 343 male manual workers as well as 186 female and 483 male non-manual employees, with a total of 201 women and 826 men employed by ÖBf. The proportion of women was thus slightly lower, by 0.5 percentage points, compared to the previous year, totalling 27.8% for non-manual employees and 4.2% 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. Opportunities to strike a good work-life balance are also crucial here. In gender-specific HR marketing events like “Girls’ Days”, secondary school girls get the chance to learn about the everyday working environment.

Training, education and further development

Comprehensive employee training and development measures were carried out during 2023 as well. The training programme was made up of 293 different educational measures in total. Both the number of training courses from the internal training programme and the number of external training measures underline the importance of vocational training and further education for the Bundesforste.

Forest utilisation rights

The volume of timber delivered to the beneficiaries of forest utilisation rights was around 188,000 solid m3 in 2023 (compared to 212,000 solid m3 in 2022). 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 comprised about 44,800 livestock units for the reporting period. In 2023, on Bundesforste land, about 75,000 livestock of different kinds were either kept on mountain pastures over the summer or grazed near their home farms. The value of forest utilisation rights in 2023 totalled around EUR 10.7 million (2022: roughly EUR 11.1 million).

Incidence of damaged timber

Damaged timber in 2023 amounted to 55% of the total felled, and is thus slightly higher than in the previous year (50%). The forestry operations in Styria and Carinthia-Lungau were most heavily affected. Just like in the previous year, the leading cause of damage in 2023 was bark beetle infestations, with a total of 730,000 solid m3 (2022: 671,000 solid m3), followed by windfall timber of roughly 216,000 solid m3 (2022: 146,000 solid m3). Snow breakage was less prominent, amounting to roughly 13,000 solid m3 (2022: 47,000 solid m3). Just like the previous year, bark beetles were increasingly prevalent in the mountains. The control measures were ramped up significantly, especially as regards the debarking of timber in remote areas where timber cannot be removed.

Corporate environmental protection

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 ÖBf is a partner in a project that tests and develops plastic-free growth shelters. Measures were initiated to promote the use of electric vehicles.

OUTLOOK FOR ÖBf AG

The tense geopolitical situation caused by the war in Ukraine and the conflict in the Middle East will continue to be a key factor influencing macroeconomic development in 2024.

At present, it seems that timber production in 2024 will remain at a sustainable level, as in previous years. The positive development in our core business will continue in 2024, 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 2024 financial year.

Despite a fall in demand for building space and mineral resources, the Real Estate business segment is expected to perform solidly overall. To meet the challenges of climate change, maintenance and investment activities in building refurbishment and the further expansion of photovoltaics and solar heat on the company’s own properties are to be stepped up.

The development of the Renewable Energy segment is currently going 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 2024 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 will continue in 2024 on further developing the corporate concept.

Purkersdorf, 3 April 2024

Managing Board
Georg Schöppl
Andreas Gruber

Changes to fixed assets

Group

Acquisition / production cost					Cumulative amortisation/depreciation							Residual book values	
As at 1 January 2023	Additions	Disposals	Re-classification	As at 31 December 2023	Cumulative amortisation/depreciation 1 January 2023	Additions		Write-ups	Re-classification	Disposals	Cumulative amortisation/depreciation 31 December 2023	As at 31 December 2023	As at 31 December 2022
EUR	EUR	EUR	EUR	EUR	EUR	EUR		EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible fixed assets													
1. Licences and similar rights													
15,876,621.96	101,771.36	15,868.68	138,708.47	16,101,233.11	12,514,444.99	380,683.85		0.00	72,946.28	15,868.68	12,952,206.44	3,149,026.67	3,362,176.97
2. Goodwill													
256,476.61	0.00	164,969.75	0.00	91,506.86	219,873.89	9,150.68		0.00	0.00	164,969.75	64,054.82	27,452.04	36,602.72
3. Payments on account													
38,535.75	30,660.00	0.00	-38,535.75	30,660.00	0.00	0.00		0.00	0.00	0.00	0.00	30,660.00	38,535.75
16,171,634.32	132,431.36	180,838.43	100,172.72	16,223,399.97	12,734,318.88	389,834.53		0.00	72,946.28	180,838.43	13,016,261.26	3,207,138.71	3,437,315.44
II. Tangible fixed assets													
1. Land													
246,422,729.83	328,829.62	281,787.54	0.00	246,469,771.91	484,484.99	1,652.16		0.00	0.00	48.43	486,088.72	245,983,683.19	245,938,244.84
2. Buildings, including buildings on third-party land													
181,895,114.10	5,653,543.72	638,732.43	2,700,991.64	189,610,917.03	76,687,853.18	4,950,453.34		0.00	-72,946.28	495,625.89	81,069,734.35	108,541,182.68	105,207,260.92
3. Technical plant and machinery													
64,983,388.58	3,634,728.02	1,643,087.50	261,588.38	67,236,617.48	31,733,512.82	4,148,424.81		0.00	0.00	1,532,799.12	34,349,138.51	32,887,478.97	33,249,875.76
4. Other plant, operating and business equipment													
38,667,586.43	5,575,892.76	3,797,335.01	408,690.03	40,854,834.21	26,639,749.20	4,288,805.99		0.00	0.00	3,723,783.43	27,204,771.76	13,650,062.45	12,027,837.23
5. Payments on account and assets under construction													
12,673,428.60	21,863,093.80	115,773.00	-3,471,442.77	30,949,306.63	0.00	0.00		0.00	0.00	0.00	0.00	30,949,306.63	12,673,428.60
544,642,247.54	37,056,087.92	6,476,715.48	-100,172.72	575,121,447.26	135,545,600.19	13,389,336.30		0.00	-72,946.28	5,752,256.87	143,109,733.34	432,011,713.92	409,096,647.35
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													
8,297,708.72	738,510.54	0.00	0.00	9,036,219.26	5,375,723.85	660,811.46		0.00	0.00	0.00	6,036,535.31	2,999,683.95	2,921,984.87
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 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													
396,272.21	155,000.00	103,115.14	0.00	448,157.07	33,278.24	20,012.23		12,560.15	0.00	0.00	40,730.32	407,426.75	362,993.97
9,761,658.18	893,510.54	103,115.14	0.00	10,552,053.58	6,475,661.92	680,823.69		12,560.15	0.00	0.00	7,143,925.46	3,408,128.12	3,285,996.26
570,575,540.04	38,082,029.82	6,760,669.05	0.00	601,896,900.81	154,755,580.99	14,459,994.52		12,560.15	0.00	5,933,095.30	163,269,920.06	438,626,980.75	415,819,959.05

Consolidated balance sheet

Assets	31 December 2023 EUR	31 December 2022 TEUR
A. Fixed assets		
I. Intangible fixed assets		
1. Licences and similar rights	3,149,026.67	3,362
2. Goodwill	27,452.04	37
3. Payments on account	30,660.00	38
	3,207,138.71	3,437
II. Tangible fixed assets		
1. Land	245,983,683.19	245,938
2. Buildings, including buildings on third-party land	108,541,182.68	105,208
3. Technical plant and machinery	32,887,478.97	33,250
4. Other plant, operating and business equipment	13,650,062.45	12,028
5. Payments on account and assets under construction	30,949,306.63	12,673
	432,011,713.92	409,097
III. Financial assets		
1. Shares in associates	2,999,683.95	2,922
2. Securities held as long-term investments	1,017.42	1
3. Other loans	407,426.75	363
	3,408,128.12	3,286
	438,626,980.75	415,820
B. Current assets		
I. Stocks		
1. Raw materials, auxiliary materials and fuels	2,102,737.08	2,117
2. Finished and unfinished products	17,363,631.87	10,475
3. Payments on account	36,245.92	14
	19,502,614.87	12,606
II. Receivables and other assets		
1. Trade accounts receivable, of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	32,503,696.34	19,959
2. Receivables from associates, of which with remaining term more than one year: EUR 0	789,741.63	771
3. Other assets and receivables, of which with remaining term more than one year: EUR 218,834	3,696,212.25	5,263
	36,989,650.22	25,993
III. Cash on hand, credit balances at banks	21,397,050.64	18,170
	77,889,315.73	56,769
C. Accrued expenses and deferred income	1,118,976.40	983
D. Deferred tax assets	3,331,868.39	3,061
	520,967,141.27	476,633

Liabilities	31 December 2023 EUR	31 December 2022 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	3,562,653.27	3,452
V. Retained profit, of which profit carried forward EUR 111,918,764.17 (previous year: profit carried forward TEUR 81,676)	154,154,490.16	121,919
	327,170,497.80	294,824
B. Investment grants for fixed assets	5,040,992.02	5,170
C. Reserves		
1. Reserves for termination payments	17,301,888.16	16,216
2. Tax reserves	9,703,960.00	7,112
3. Other reserves	24,040,693.97	20,976
	51,046,542.13	44,304
D. Liabilities		
1. Liabilities to banks and other financing of which with remaining term up to one year: EUR 75,076,274 (previous year: TEUR 21,749) of which with remaining term more than one year: EUR 16,218,167 (previous year: TEUR 69,156)	91,294,440.54	90,905
2. Advance payments received on orders of which with remaining term up to one year: EUR 2,588,374 (previous year: TEUR 115) of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	2,588,373.93	115
3. Trade accounts payable of which with remaining term up to one year: EUR 19,343,766 (previous year: TEUR 15,406) of which with remaining term more than one year: EUR 0 (previous year: TEUR 0)	19,343,766.02	15,406
4. Other liabilities of which from taxes EUR 1,327,438 (previous year: TEUR 807), of which in context of social security EUR 1,563,754 (previous year: TEUR 1,436) of which with remaining term up to one year: EUR 12,673,038 (previous year: TEUR 15,277), of which with remaining term more than one year: EUR 777,509 (previous year: TEUR 317)	13,450,547.54	15,594
	126,677,128.03	122,020
of which with remaining term up to one year: EUR 109,681,452 (previous year: TEUR 52,547) of which with remaining term more than one year: EUR 16,995,676 (previous year: TEUR 69,473)		
	126,677,128.03	122,020
E. Accrued expenses and deferred income	11,031,981.29	10,315
	520,967,141.27	476,633

Consolidated income statement

	2023 EUR	2022 TEUR
1. Sales revenue	328,528,934.66	313,808
2. Change in the stock of finished and unfinished products, and services not yet billable	6,888,180.27	-682
3. Other own work capitalised	2,873,668.63	2,956
4. Other operating income		
a) Income from disposals from and additions to assets, with the exception of financial assets	1,789,123.57	1,771
b) Income from release of reserves	1,818,985.92	1,030
c) Other	2,836,516.73	4,093
	6,444,626.22	6,894
5. Expenses for materials and other related manufacturing		
a) Costs of materials	-23,595,901.72	-23,400
b) Costs of services used	-64,402,932.65	-57,503
	-87,998,834.37	-80,903
6. Personnel costs		
a) Wages and salaries		
aa) Wages	-17,624,160.42	-15,927
ab) Salaries	-46,857,172.33	-41,437
b) Social expenditure, of which expenses for retirement pensions EUR 929,110.14 (previous year: TEUR 816)	-21,784,315.87	-19,816
aa) Expenses for termination payments and payments to the company pension scheme for employees EUR 3,020,153.17 (previous year: TEUR 2,469)		
bb) Expenses for statutory social security contributions as well as remuneration-dependent contributions and mandatory payments EUR 16,708,645.30 (previous year: TEUR 15,363)		
	-86,265,648.62	-77,180
7. Amortisation/Depreciation on tangible and intangible fixed assets	-13,779,170.83	-12,792
8. Other operating expenses		
a) Taxes if not included under row 17	-5,730,428.98	-4,525
b) Usufruct fees	-16,913,505.82	-16,746
c) Other	-77,615,290.13	-75,176
	-100,259,224.93	-96,447
9. Subtotal from rows 1 - 8	56,432,531.03	55,654
10. Income from associates	324,510.54	21
11. Other interest and similar income	600,792.73	46
12. Income from disposals of and additions to financial assets	12,560.15	13
13. Expenses from financial assets, of which	-680,823.69	-11
a) depreciation EUR 680,823 (previous year: TEUR 11)		
b) from associates EUR 660,811 (previous year TEUR 0)		
14. Interest and similar expenses	-717,980.31	-487
15. Subtotal from rows 10 - 14	-460,940.58	-418
16. Profit/loss before tax (subtotal from rows 9 and 15)	55,971,590.45	55,236
17. Taxes on income and earnings	-13,317,484.63	-14,601
18. Deferred taxes	270,834.30	-33
19. Profit/loss after tax = Net income	42,924,940.12	40,602
20. Shares of other shareholders	-689,214.13	-359
21. Profit carryforward	111,918,764.17	81,676
22. Retained profit	154,154,490.16	121,919

Consolidated cash flow statement

	2022 TEUR	2023 EUR
Profit/loss before tax	55,236	55,971,590
+/- Depreciation/write-ups on investment assets	12,791	13,786,623
- Profit from disposal of investment assets	-1,204	-1,664,435
- Use of investment grants	-241	-246,961
-/+ Other non-cash expenses/income	-21	336,301
Cash flow from profit/loss	66,561	68,183,118
-/+ Increase/decrease in inventories, trade accounts receivable and other assets	-580	-18,028,629
+/- Increase/decrease in provisions, except those for income taxes	1,102	4,150,406
+/- Increase/decrease in trade accounts payable and other liabilities	1,377	4,296,107
Net cash flow from operating activities before tax	68,460	58,601,002
- Payments for income taxes	-11,035	-10,725,524
Net cash flow from operating activities	57,425	47,875,478
+ Proceeds from disposal of non-current assets (excluding financial assets)	6,411	2,388,894
+ New allocation of investment grants	229	117,462
+ Proceeds from disposal of financial assets and other financial investments	111	103,115
- Payments for additions to non-current assets (excluding financial assets)	-24,670	-36,499,489
- Payments for additions to financial assets and other financial investments	-105	-569,000
Net cash flow from investing activities	-18,024	-34,459,018
- Payments for servicing equity capital	-10,040	-10,579,000
+ Proceeds from the raising of financial loans	450	3,372,864
- Payments for the repayment of financial liabilities	-26,423	-2,982,905
Net cash flow from financing activities	-36,013	-10,189,041
Change in cash and cash equivalents affecting cash flow	3,388	3,227,419
+ Cash and cash equivalents at start of period	14,782	18,169,632
Cash and cash equivalents at end of period	18,170	21,397,051

Changes in group equity

	Share capital EUR	Capital reserves EUR	Profit reserves EUR	Retained profit EUR	Parent company equity EUR	Shares of other shareholders EUR	Total EUR
As at 1 Jan 2023	150,000,000.00	1,493,463.07	17,959,891.30	121,918,764.17	291,372,118.54	3,452,439.14	294,824,557.68
Capital contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	-10,000,000.00	-10,000,000.00	-579,000.00	-10,579,000.00
Net profit/loss for the year	0.00	0.00	0.00	42,924,940.12	42,924,940.12	0.00	42,924,940.12
Shares of other shareholders in annual result	0.00	0.00	0.00	-689,214.13	-689,214.13	689,214.13	0.00
As at 31.12.2023	150,000,000.00	1,493,463.07	17,959,891.30	154,154,490.16	323,607,844.53	3,562,653.27	327,170,497.00

Notes to the consolidated financial statements as at 31 December 2023

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 2023.

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

1. Scope of consolidation

The Group's parent company is Österreichische Bundesforste AG (ÖBf 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	Selected 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
KW Elisabethen GmbH	Hopfgarten im Brixental	40 %	18.10.2023

c) Equity holdings

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

2. Consolidation principles

Capital consolidation

Capital consolidation is performed using the revaluation method both in the case of full consolidation (§ 254 (1) 1 UGB) and in the case of accounting using the equity method (§ 264 (1) 1 UGB). The carrying amount of the shares held by the parent company in a subsidiary included in the consolidated financial statements is offset against the revalued equity of the subsidiary attributable to these shares. Any difference remaining thereafter is recognised either as goodwill or as a negative goodwill in the consolidated balance sheet.

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.

	2023	2022
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) which 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-based comparison value is lower, this value was used for the recognition.

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 0.5% (1% in the previous year) was deducted from trade accounts receivable where specific valuation allowances were not applied. The percentage used was based on empirical values 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 2024 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 1.31% (1.01% in the previous year); salary increases of 1.86% (2.09% in the previous year) affecting all groups of employees were deducted from this interest rate (partial net interest rate method). Additionally, salary increases of 0.95% (0.83% in the previous year) for manual and 1.55% (1.12% in the previous year) 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 7 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 translation

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 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 245,983,683 (previous year: EUR 245,938,000).

Under other loans reported, an amount of EUR 90,058 (previous year: EUR 79,000) 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 16,549,585 [previous year: EUR 9,800,000]).

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 136,150 (previous year: EUR 183,000) was applied.

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

	31 December 2023 EUR	31 December 2022 TEUR
Receivables from tax authority	711,453	1,717
Real estate management deferrals: Property development contracts	218,833	219
Land sales	472,252	0
Existing contracts	1,185,786	938
	2,588,324	2,874

Receivables from associates only include trade receivables of EUR 789,742 (previous year: EUR 771,000)

Deferred tax assets

The differences between the commercial and fiscal valuations in the calculation of deferred tax assets largely affect the reserve for termination payments, the distribution of maintenance expenditure, and the reserve for outstanding maintenance costs. In addition, deferred tax assets and liabilities are included in fixed assets based on various carrying amounts. A corporate tax rate of 23% was assumed for the calculation.

Information on equity 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 2023 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 2023 financial year of EUR 10 million (previous year: EUR 10 million).

Investment grants

	As at 1 January 2023 in EUR	Allocation in EUR	Release in EUR	As at 31 December 2023 in EUR
Licences and similar rights	0	32,000	-9,143	22,857
Rights and buildings equivalent to land	4,391,527	58,687	-145,643	4,304,571
Technical plant and machinery	673,083	21,659	-74,896	619,846
Other plant, operating and business equipment	105,881	5,116	-17,279	93,718
Total	5,170,491	117,462	-246,961	5,040,992

Liabilities as at 31 December 2023

	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	91,294,441	75,076,274	10,525,579	5,692,588
Advance payments received on orders	2,588,374	2,588,374	0	0
Trade accounts payable	19,343,766	19,343,766	0	0
Other liabilities	13,450,547	12,673,038	777,509	0
Total	126,677,128	109,681,452	11,303,088	5,692,588

Liabilities as at 31 December 2022

	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	90,905	21,749	64,843	4,313
Advance payments received on orders	115	115	0	0
Trade accounts payable	15,406	15,406	0	0
Other liabilities	15,594	15,277	317	0
Total	122,020	52,547	65,160	4,313

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

	31 December 2023 EUR	31 December 2022 TEUR
to banks	68,829,412	71,824
to the Republic of Austria	22,465,029	19,081

EUR 15,733,298 of this (previous year: EUR 18,630,000) 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 December 2023 EUR	31 December 2022 TEUR
Usufruct rights	7,113,505	8,446
Social security liabilities	812,924	220
Other payroll taxes	268,211	256
Other HR liabilities	180,441	608
Total	8,375,081	9,530

Reserves

At EUR 10,464,309 (previous year: EUR 8,704,000), the other reserves relate to human resources. The reserve for other provisions amounted to EUR 13,576,385 (previous year: EUR 12,272,000). 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.

Other financial obligations

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

	EUR	TEUR
Obligations 2024	1,392,353	1,258
Obligations 2024-2028	6,961,767	6,289

There are also financial obligations from investment orders in fixed assets as of the balance sheet date, amounting to EUR 2,606,200 (previous year: EUR 17,215,000).

Contingent liabilities

Guarantees amounting to EUR 1,489,309 (previous year: EUR 1,489,000) 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. NOTES ON THE CONSOLIDATED INCOME STATEMENT

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

EUR 2,336,578 of the **sales revenue** (previous year: EUR 3,227,000) relates to international sales and the remainder is domestic.

The sales revenue comprises:

	2023 EUR	2022 TEUR
Own timber	175,046,667	166,801
Timber trade	22,996,896	29,255
Hunting	24,234,150	22,171
Fisheries	2,247,462	2,018
Forest / Timber	224,525,175	220,245
Hydroelectricity, wind power and biomass	22,091,654	18,857
Renewable Energy	22,091,654	18,857
Leasing	14,843,239	13,354
Rental	10,592,556	9,481
Tourism	24,707,283	21,656
Water	1,357,168	1,212
Mineral resources	12,519,757	11,338
Real estate	64,020,003	57,041
Forestry services	3,468,568	3,513
Forest technology	2,756,874	2,914
Ecosystem management	8,599,034	8,369
Services	14,824,476	14,796
Other services	3,067,627	2,869
Sales revenue	328,528,935	313,808

Expenses for termination payments and payments to the company pension funds include expenses for termination payments amounting to EUR 2,350,334 (previous year: EUR 1,902,000).

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.

Expenses for the independent auditor include expenses for auditing the annual financial statements and consolidated financial statements, amounting to EUR 61,467 (previous year: EUR 58,000), and other consulting services amounting to EUR 30,000 (previous year: EUR 0).

Expenses on financial assets only comprise unscheduled amortisation of associates totalling EUR 660,811 (previous year: EUR 0) and amortisation of loans amounting to EUR 20,012 (previous year: EUR 11,000).

Taxes on income relate entirely to corporate tax.

V. OTHER INFORMATION

Average headcount

(converted into full-time equivalents)

	2023	2022
Manual workers	352	343
Non-manual employees	642	634
Total	994	977

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:

	2023 EUR	2022 TEUR
Managing Board and executive employees	774,972	702
Other employees	3,174,291	2,582
Total	3,949,263	3,284

Remuneration for the Managing Board and Supervisory Board

Members of the Managing Board received the following remuneration:

	2023 EUR not performance- related	2023 EUR performance- related
Andreas Gruber	347,600	15,667
Dr. Rudolf Freidhager	0	80,000
Georg Schöppl	375,600	87,151
Total	723,200	182,818
	2022 EUR not performance- related	2022 EUR performance- related
Andreas Gruber	58,037	0
Dr. Rudolf Freidhager	303,694	80,000
Georg Schöppl	360,261	80,000
Total	721,992	160,000

For the 2023 financial year the members of the Supervisory Board received attendance fees and expense allowances amounting to a total of EUR 58,118, compared to attendance fees and expense allowances in 2022 of EUR 61,000.

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.

Executive bodies of the parent company

Board members:

Georg Schöppl
Andreas Gruber

Supervisory Board:

Elected members:
Gerhard Mannsberger
(Chairman)
Georg Spiegelfeld
(Deputy Chairman) (until 22 May 2023)
Julia Fiegl-Lang
(Deputy Chairman) (from 22 May 2023)
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
Lukas Stepanek

Purkersdorf, 3 April 2024

Board members:
Georg Schöppl
Andreas Gruber

AUDITOR'S REPORT

Report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements for Österreichische Bundesforste AG, Purkersdorf, and its subsidiaries (the Group), consisting of the consolidated balance sheet as of 31 December 2023, the consolidated income statement, the consolidated cash flow statement and the consolidated changes in equity for the financial year then ended, as well as the consolidated notes.

In our opinion, the consolidated financial statements have been prepared in accordance with statutory provisions and give a true and fair view of the financial position and financial performance of the Group as at 31 December 2023, and of the results of its operations and cash flows for the financial year then ended, in compliance with Austrian commercial regulations.

Basis for the opinion

We conducted our audit of the financial statements in compliance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with Austrian commercial and professional regulations, and we have fulfilled our other professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of this auditor's report is sufficient and appropriate to serve as the basis for our opinion.

Other information

The management is responsible for other information. "Other information" includes all information in the consolidated annual report for the 2023 financial year, except for the consolidated financial statements, the consolidated management report and the audit opinion.

Our opinion on the consolidated financial statements does not cover this other information, and we give no form of assurance relating to it.

In connection with our audit of the consolidated financial statements, our responsibility is to read this other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or the knowledge we have obtained during the audit, or otherwise appears to be materially misstated.

If, based on the work we performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of management and the audit committee for the consolidated financial statements

Management is responsible for preparing the consolidated financial statements and for ensuring that they provide a true and fair view of the Group's financial position and financial performance in accordance with generally accepted accounting principles in Austria. Management is also responsible for such internal controls as deemed necessary to enable the preparation of consolidated financial statements that are free from material misstatement, due to fraud or error.

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Austrian Standards on Auditing, which require the application of ISA, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the consolidated management report

Pursuant to Austrian Generally Accepted Accounting Principles, the Group management report must be audited as to whether it is consistent with the consolidated financial statements and as to whether it was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the Group's management report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the Group's management report.

Opinion

In our opinion, the management report for the group was prepared in accordance with the valid legal requirements and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements as well as the understanding of the Group and its circumstances thus obtained, no material misstatements were identified in the Group's management report.

Auditor

The auditor responsible for the audit of the financial statements is Dr Johannes Bauer.

Vienna
29. April 2024

KPMG Austria GmbH
Audit and tax advisory firm
qualified electronic signature:
Dr. Johannes Bauer
Auditor

This document bears a qualified electronic signature and only this version is valid. The consolidated financial statements with our audit opinion may only be published or reproduced in the approved version. This audit opinion applies exclusively to the complete German-language version of the consolidated financial statements, including the consolidated management report. For all other versions, the provisions of §281 (2) UGB (Austrian Commercial Code) apply.

Supervisory Board meeting

Report of the Supervisory Board on the 2023 financial year

The Supervisory Board has been kept fully informed by the Managing Board of business developments at the company, and in four ordinary, one extraordinary as well as one constituent meeting 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 2023) and amongst other items discussed content and process issues surrounding the annual audit and the company's risk management. At the extraordinary meeting in July 2023, the Supervisory Board discussed strategic issues with the Managing Board.

Just like in previous years, one particular focus of the Supervisory Board's activities during 2023 was collaboration in the transfer of properties. Rights of veto under the Federal Forests Act 1996 (Bundesforstegesetz) 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, the Bundesforste forest protection concept, internal audit, real estate projects, corporate strategy, innovation management, implementation of the EU Taxonomy Regulation and the CSRD (Corporate Sustainability Reporting Directive). 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 2023, 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 2023 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 2023 financial year. The Supervisory Board thanks the shareholder for its trust and confidence.

Purkersdorf, 17 May 2024
Chairman of the Supervisory Board
Gerhard Mannsberger

