

# ENCAVIS

Half-Year Interim Report  
Q2/6M 2022

## Foreword of the Management Board

**Dear Shareholders,  
Ladies and Gentlemen,**

We remain on a clear growth path. With the help of our strategic development partners, we have secured a project pipeline of wind and solar installations with a total generation capacity of more than 3.2 gigawatts (GW) at present. This is the foundation for organically growing our portfolio of wind and solar parks in order to implement our >> Fast Forward 2025 growth strategy. In the future, we will also realise opportunities on the market to purchase installations that benefit from guaranteed feed-in tariffs (FiTs) or for which the sale of electricity produced is secured via long-term contracts with industrial customers (known as power purchase agreements, or PPAs). These parks open up the world of direct sales of green electricity to companies, which is a market experiencing extremely strong growth. To sustain this market momentum, the Supervisory Board has established a long-term plan for the composition of the Management Board. In order to manage the future challenges we face in light of the European energy transition and the associated exponential growth, the Supervisory Board has reinforced the Management Board and appointed our previous Head of Operations and IT (COO), Mario Schirru, to the Management Board of Encavis AG on 1 August 2022. Dr Dierk Paskert (CEO) plans to depart from his position at the end of the 2022 financial year and leave the Group early by mutual agreement. Dr Paskert has played a crucial role in transforming the company from a financial investor into a modern and sustainable green energy company.

Mr Schirru is an acknowledged expert in the field of renewable energies and has worked for the Encavis Group for over eight years. Born in Rome (Italy), Mr Schirru studied mechanical engineering and control engineering at Università di Pisa (Italy) and completed his Master of Business Administration (MBA) at the Mannheim Business School. In 2008, Mario Schirru started his career in the field of renewable energies working as a Country Manager for a German wind farm project developer, helping to establish the company's Italian branch for the development of new wind farms. At the end of 2013, Mario Schirru joined Capital Stage AG, now Encavis AG, as an Investment Manager. After working as Investment Director since 2015, he took over the management of operations and IT at Encavis AG in 2019 and has been the company's Chief Operating Officer since 2021.

Dr Christoph Husmann (CFO of Encavis AG), who has played a key role in the strategic development of the company for the past eight years, has been appointed Spokesman of the Management Board with effect from 1 January 2023 and will continue to contribute to the fundamental business strategy.

In the first half of this year, we connected renewable energy wind and solar parks with a generation capacity totalling 132 megawatts (MW) to the grid. As previously reported, the two solar parks Hijken and Schaapsdijk with a combined generation capacity of 24 megawatt-peak (MWp) were connected to the grid in The Netherlands. In addition, the two solar parks Groß Behnitz (25 MWp) in Brandenburg and Rødby Fjord (71 MWp) in Lolland in the south-west of Zealand (Denmark) came on stream as planned. We added a further 11.5 MW of generation capacity by acquiring five Danish wind installations (Svoldrup) in the north of Jutland, Denmark, which are already connected to the grid.

The significant revenue and earnings growth in the first half of 2022 can primarily be attributed to the increased generation capacities, the generally more favourable weather conditions compared to the meteorologically very poor first half of 2021 and the high prices on the electricity market at present, which are significantly higher than those in the same period of the previous year. During the first six months of the 2022 financial year, the Group generated revenue of EUR 226.4 million (previous year: EUR 162.2 million), which is an increase of approximately 40%.

Operating EBITDA grew equally strongly in the first six months of the 2022 financial year, climbing by around 40% to EUR 170.6 million (previous year: EUR 122.3 million). Operating earnings before interest and taxes (EBIT) jumped by more than 60% to EUR 109.8 million (previous year: EUR 68.7 million).

This led to significantly higher operating earnings per share for the first half of 2022, amounting to EUR 0.33 (previous year: EUR 0.18) – a sharp rise of EUR 0.15 per share. The operating cash flow from operating activities rose sharply by 46% to EUR 160.2 million (previous year: EUR 109.4 million).

Encavis AG's market capitalisation and liquidity have significantly improved compared to the same period of the previous year. At the close of trading on 10 August 2022, the market capitalisation amounted to approximately EUR 3,652 million (10 August 2021: EUR 2,234 million), which represents an increase of approximately 63%.

Following the overall positive development of the share price last year, you, our shareholders, once again have the opportunity to benefit from the successful growth of Encavis AG this year. In accordance with our long-term dividend

strategy valid up to this financial year, the Annual General Meeting on 29 May this year again decided to pay out an increased dividend of EUR 0.30 (previous year: EUR 0.28) per voting share for the 2021 financial year. As in years past, shareholders were able to choose between receiving the distribution in the form of shares in the company or in the form of cash. This year, 29.7% of shareholders chose to receive the optional dividend in shares.

In light of the Encavis Group's business strategy, which is geared towards qualitative growth, we again expect strong revenue and earnings growth in the 2022 financial year in relation to the new acquisition of wind and solar parks and the currently very high electricity prices. In consideration of the rise in revenue and earnings figures achieved during the first seven months of this year, we have decided to adjust the outlook for 2022 to account for operational key performance indicators for the entire year of 2022. We currently anticipate that revenue will climb to more than EUR 420 million in the 2022 financial year (increase of 26%). Operating EBITDA is expected to rise to more than EUR 310 million (increase of 21%). At Group level, we are set to achieve growth in operating EBIT to more than EUR 185 million (increase of 24%), bringing operating earnings per share up to EUR 0.55 (increase of 15%). We expect to generate operating cash flow upwards of EUR 280 million (+11%), which would constitute growth above the extremely strong figure recorded in 2021. The revenue expectations for the 2022 financial year are based on the current composition of our portfolio of wind and solar parks, as well as the expectation of standard weather conditions. Out of prudence, we continue basing our forecast for the second half of 2022 on the secured prices from feed-in tariffs and private-sector power purchase agreements. Our current planning also includes additional investments in increasing the productivity of our installations along with a higher tax expense due to the improvement in earnings.

We would be very pleased if you, dear Encavis AG shareholders, would continue to place your trust in us and accompany us on our path towards future growth. Stay healthy and safe during these difficult times, and stay tuned to see how we seize the opportunities offered by these times – with dedication and good judgement – to create a successful future.

Hamburg, August 2022



Dr Dierk Paskert  
Chief Executive Officer  
(CEO)



Dr Christoph Husmann  
Chief Financial Officer  
(CFO)



Mario Schirru  
Chief Operating/Investment Officer  
(COO/CIO)

Dr Dierk Paskert  
CEO

Dr Christoph Husmann  
CFO

Mario Schirru  
COO/CIO

## Group operating KPIs\*

| In EUR million                                   |                   |                   |
|--|-------------------|-------------------|
|  | 01.01.-30.06.2022 | 01.01.-30.06.2021 |
| Revenue  | 226.4             | 162.2             |
| Operating* EBITDA                                | 170.6             | 122.3             |
| Operating* EBIT                                  | 109.8             | 68.7              |
| Operating* EBT                                   | 76.2              | 37.5              |
| Operating* EAT                                   | 56.4              | 29.9              |
| Operating cash flow                              | 160.2             | 109.4             |
| Operating* earnings per share (undiluted/in EUR) | 0.33              | 0.18              |
|  | <b>30.06.2022</b> | <b>31.12.2021</b> |
| Equity   | 999               | 1,066             |
| Liabilities                                      | 2,205             | 2,150             |
| Balance sheet total                              | 3,204             | 3,216             |
| Equity ratio in %                                | 31.2              | 33.2              |

\* The Group operating KPIs are based solely on the company's operating profitability and do not take any IFRS-related valuation effects into account.

### Note on the interim financial report

The accounting policies applied are the same as those used for the most recent year-end consolidated financial statements.

# Contents

|           |   |
|-----------|---|
| <b>6</b>  | <b>THE ENCAVIS SHARE AND FINANCIAL CALENDAR</b>                         |
| <b>8</b>  | <b>INTERIM GROUP MANAGEMENT REPORT</b>                                  |
| 8         | General information   |
| 8         | Business activities   |
| 8         | Economic report   |
| 13        | Course of business  |
| 14        | Segment development   |
| 16        | Financial performance, financial position and net assets                |
| 19        | Events after the balance sheet date                                     |
| 19        | Opportunities and risks   |
| 20        | Future outlook  |
| 21        | Dividend policy   |
| <b>22</b> | <b>INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER OF 2022</b>      |
| 22        | Condensed consolidated statement of comprehensive income (IFRS)         |
| 23        | Condensed consolidated balance sheet (IFRS)                             |
| 24        | Condensed consolidated cash flow statement (IFRS)                       |
| 25        | Condensed consolidated statement of changes in equity (IFRS)            |
| <b>27</b> | <b>NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS</b> |
| 27        | General information   |
| 27        | The reporting company   |
| 27        | Significant accounting policies and consolidation principles            |
| 33        | Additional disclosures related to financial assets and liabilities      |
| 38        | Equity  |
| 39        | Related-party disclosures   |
| 40        | Other disclosures   |
| 41        | Forward-looking statements and forecasts                                |
| 41        | Contact   |
| 42        | Assurance of the legal representatives                                  |

## The Encavis share

### Share's key figures

|  |  |
|--|--|
| Listed since                           | 28.07.1998   |
| Subscribed capital                     | EUR 161,030,176.00   |
| Number of shares                       | 161.03 million   |
| Stock market segment                   | Prime Standard   |
| Dividend 2016 per share                | EUR 0.20   |
| Dividend 2017 per share                | EUR 0.22   |
| Dividend 2018 per share                | EUR 0.24   |
| Dividend 2019 per share                | EUR 0.26   |
| Dividend 2020 per share                | EUR 0.28   |
| Dividend 2021 per share                | EUR 0.30   |
| 52-week high                           | EUR 23.30  |
| 52-week low                            | EUR 11.82  |
| Share price (10 August 2022)           | EUR 22.68  |
| Market capitalisation (10 August 2022) | EUR 3,652 million  |
| Indexes                                | MDAX, MSCI World, MSCI Europe, MSCI Germany Small-Cap, S&P Clean Energy Index, Solar Energy Stock Index, PPVX, HASPAX                                    |
| Trading centres                        | Regulated market in Frankfurt am Main (Prime Standard) and Hamburg; over-the-counter market in Berlin, Düsseldorf, Munich, Stuttgart, Tradegate Exchange |
| ISIN                                   | DE 0006095003  |
| Designated Sponsor                     | M.M. Warburg & CO Bank; Raiffeisen Bank International AG; Stifel Europe Bank AG  |
| Payment office                         | DZ Bank  |

## Encavis AG financial calendar

| Date                    | Financial event  |
|-------------------------|--|
| <b>2022</b>             |  |
| 15 August 2022          | Interim financial report for Q2/first half of 2022                                       |
| 24 August 2022          | Montega 8th HAMBURGER INVESTORENTAG – HIT, Hamburg, Germany                              |
| 5 to 6 September 2022   | Quirin Roadshow Skandinavien, Helsinki, Finland; Stockholm, Sweden, Copenhagen, Denmark  |
| 7 September 2022        | ODDO BHF Commerzbank Corporate Conference 2022, Frankfurt a. M., Germany                 |
| 7 September 2022        | Stifel Cross Sector Insight Conference, London, United Kingdom (UK)                      |
| 12 September 2022       | Interest payment on 2018 green bond  |
| 13 September 2022       | Hauck & Aufhäuser IB Roadshow, Paris, France   |
| 15 to 16 September 2022 | Berenberg/BNY Mellon/LSE European Investor Forum For Energy Leaders (EIFFEL), London, UK |
| 19 to 21 September 2022 | Berenberg/Goldman Sachs 11th German Corporate Conference, Munich, Germany                |
| 22 September 2022       | 11th BAADER Investment Conference, Munich, Germany                                       |
| 23 September 2022       | Bank Pekao virtual RES Energy Conference, Warsaw, Poland                                 |
| 29 September 2022       | Bernstein's 19th Pan European Annual Strategic Decisions Conference, London, UK          |
| 11 October 2022         | ODDO BHF Roadshow, Paris, France   |
| 17 to 18 October 2022   | Quirin's 22nd European Large & MidCap Event, Paris, France                               |
| 20 October 2022         | Berenberg Roadshow, Belgium and The Netherlands  |
| 15 November 2022        | Interim statement for Q3/9M 2022   |
| 17 November 2022        | BNP Paribas Exane 5th MidCap CEO Conference, Paris, France                               |
| 22 November 2022        | DZ Bank Equity Conference, Frankfurt a. M., Germany                                      |
| 24 November 2022        | Interest payment on hybrid convertible bond 2021   |
| 28 to 29 November 2022  | REUTERS Utility Scale Solar and Wind Europe, Munich, Germany                             |
| 28 to 30 November 2022  | Deutsches Eigenkapitalforum (Deutsche Börse), Frankfurt a. M., Germany                   |
| 7 December 2022         | CIC Market Solutions Forum, Paris, France  |
| 11 December 2022        | Interest payment on debenture bond 2015  |

# Interim Group management report

## General information

The Encavis Group (hereinafter referred to as “the Group” or “Encavis”) prepares the consolidated financial statements in accordance with the accounting principles of the International Financial Reporting Standards (IFRS). The interim consolidated financial statements were prepared in accordance with the provisions under IAS 34. The parent company is Encavis AG, with its registered office in Hamburg. It is responsible for the corporate strategy, portfolio and risk management and financing. At present, the share capital comes to EUR 161,030,176.00, divided into 161,030,176 no-par-value shares.

The average number of (undiluted) shares in circulation during the reporting period amounted to 160,477,059 (previous year: 138,437,234).

## Business activities

### Business model

Encavis AG, which is listed on the MDAX of the German stock exchange, makes use of the various opportunities to generate power using renewable energy. As an independent operator of environmentally friendly and emission-free power plant capacities, Encavis has continued to expand its generation portfolio since 2009. The company’s core business is the acquisition and operation of solar parks and onshore wind parks. In the acquisition of new installations, the company focuses on a mix of projects in development, construction-ready and turnkey projects, or existing installations that have guaranteed feed-in tariffs or for which long-term power purchase agreements have been concluded. The development projects or previously constructed installations are generally located in geographic regions that stand out due to their stable political and economic conditions as well as reliable investment and framework conditions.

Encavis also offers attractive opportunities to institutional investors through its subsidiary Encavis Asset Management AG to invest in installations that generate renewable energy. The Asset Management field covers all services in this area, i.e. the launching of funds, the individual design and structuring of other investments for professional investors in the field of renewable energy and the management of the investments held by these investors.

The Encavis portfolio is currently comprised of a total of 209 solar parks and 97 wind parks with a capacity of around 3.2 GW in Germany, Italy, France, The United Kingdom, Austria, Finland, Sweden, Denmark, The Netherlands, Spain and Ireland. Of these, the Group operates 34 solar parks and 57 wind parks for third parties in the Asset Management segment.

## Economic report

### Economic conditions

#### Upturn in the global economy halted by supply bottlenecks and high prices

Since spring, the outlook for the global economy situation has become tangibly bleaker. The Kiel Institute for the World Economy (IfW) lowered its forecasts for global production by 0.5 percentage points for March 2022 in its economic report published in mid-June 2022. According to the report, economic output is only expected to grow by 3.0% in the current financial year and by 3.2% in the next financial year. Key drivers that have further exacerbated high inflation and supply bottlenecks have been Russia’s attack on Ukraine and China’s strict zero-COVID policy and multiple lockdowns. Significant price increases have caused real wages to fall in advanced economies and many emerging markets. As a result, dwindling purchase power has reduced consumption among private households. In addition, the strict monetary policy implemented by central banks to date, which has led to not only higher interest rates but also reduced the value of assets, also had a dampening effect. Notably, the outlook for emerging nations in particular has significantly worsened. It has fallen from 7.0% in 2021 to 3.4% in 2022, with 4.1% forecast for 2023. Forecasts for the U.S. economy remain more optimistic, but nevertheless predict significantly slower growth than originally forecast by economists at the IfW. They expect GDP to increase by 2.1% in the current year and by 1.4% in 2023. At around 3.6%, the rate of unemployment has once again sunk to the level seen before the pandemic. However, after rising 8.2% in the current financial year and



predicted to rise another 4.0% next year, inflation will likely continue to remain significantly above the targets set by the Federal Reserve.

The brakes were put on the economic recovery in the Eurozone, which had started to gain momentum when certain pressures caused by the COVID-19 pandemic began to disappear. This can be attributed to the war in Ukraine, which has not least resulted in rising energy and commodity prices, high inflation, the brunt of which is borne by private households, and ongoing disruptions to supply chains, which have significantly affected industry value chains. Uncertainty is high, with correspondingly low consumption. Economists at the IfW consequently predict economic output to grow by a mere 3.1% for the remainder of this year, and 2.7% in the next year.

In terms of growth in the British economy, the IfW forecasts significantly weaker growth due to particularly high price increases of almost 10% in this market. Shrinking real wages, rising interest rates, growing uncertainty and high surcharges resulting from Brexit have put a strain on economic activity in The United Kingdom, particularly foreign trade. Nevertheless, the nation should be able to achieve 2.9% growth in the current year, with the economy then forecast to expand by around 0.4% in 2023.

IfW economists have determined that the German economy stagnated in Q2 2022 and expect GDP to grow by a mere 2.1% for the entire year. The prognosis for next year is 3.3% growth, 0.2 percentage points lower than forecast in spring 2022. According to the IfW, the key drivers that could lead to an upturn in the German economy remain intact, but their strength has been greatly diminished. This can particularly be attributed to the ongoing supply bottlenecks caused by the war in Ukraine and high inflation, which is predicted to reach 7.4% in the current year – both of these factors have put the brakes on any potential upturn.

#### **The European Central Bank (ECB) departs from its zero-interest policy for the first time in 11 years**

In light of rising inflationary pressure throughout the Eurozone, the ECB has raised the base interest rate for the first time since 2011. On 21 July 2022, the bank unexpectedly pushed its main refinancing rate up significantly by 50 basis points to 0.5%. This brought an end to the era of loose monetary policy, with further rate hikes announced for the upcoming months. In the future, the ECB Governing Council will decide on which measures need to be introduced to reach its inflation target of 2.0% at each meeting. At the end of June 2022, the average rate of inflation within the 19 Eurozone nations had reached a record high of 8.1%. In response, key interest may be adjusted at a far more regular rate and set higher than previously expected.

#### **Other current economic factors such as supply chain problems, interest rates, inflation and PPAs**

The avoidance of best-effort supply agreements at Encavis means that the disruption of global supply chains has not yet affected the operation or completion of parks. At present, the ongoing lockdowns at Chinese ports are not having any direct impact on current projects, but will lead to a slower recovery of already very strained supply chains.

Despite minor interest rate adjustments and further potential interest rate changes, interest rates remain low, which enables Encavis AG to continue to refinance its existing portfolio at significantly improved conditions.

The current high inflation in Europe does not have a significant impact on Encavis AG's business activities at present.

Consistently high demand for green power is also reflected in long-term power purchase agreements in the private sector, with the supply of these PPAs not remotely able to meet demand. Funding is available on the market, but the pipeline of developers is too small to make full use of it.

## **Industry-specific underlying conditions**

#### **Global energy transition developments have failed to gain enough pace**

While the global energy transition continues to progress, the extra installed capacities fall significantly short when it comes to meeting growing energy requirements around the globe or stopping climate change. In 2021, renewable energy plants with a 314 GW capacity were connected to the grid. This marks a 17% increase compared to 2020, equating to a rise in generation capacity of 7,793 terawatt-hours (TWh). These statistics were taken from the "Renewables 2022 Global Status Report" market report published by the renowned think tank REN21 (Renewable Energy Policy 21) in mid-June 2022. While the absolute figures may be impressive, experts warn that opportunities to switch to renewables are being missed. For instance, despite the record rate at which capacities are being increased, the percentage of renewables in terms of final energy consumption has practically stagnated: In 2009, 10.6% of energy consumed was from renewables, a figure which only increased by 2 percentage points to 12.6% in 2020. The percentage obtained from fossil fuels has remained virtually the same over this period, decreasing from 80.3% to 80.2%. One reason behind this is the heavy

government subsidies allocated to these types of power generation methods, which currently amount to EUR 5.6 trillion each year, corresponding to 7 % of global GDP.

According to the climate researchers from REN21, carbon-neutral energy needs to develop at three times the current pace in order to achieve global climate goals and reduce greenhouse gas emissions to zero by the middle of the century. This would require an annual increase of 825 GW, which primarily needs to be achieved through photovoltaic systems and wind power.

#### **Private-sector power purchase agreements continue to gain ground**

The increasing economic efficiency of renewable energies compared to conventional energy carriers, as well as companies' commitments to maintaining an eco-friendly energy balance (as outlined in the RE100 initiative, for example), is increasing the momentum on the private-sector power purchase agreements market. Another factor is the highly volatile price of electricity. Industrial companies therefore have a strong interest in securing carbon-neutral energy at predictable terms over a long period of time. According to Bloomberg New Energy Finance (BloombergNEF), companies acquired a record capacity of clean energy production amounting to over 23 GW through power purchase agreements. As before, technology firms continue to be the key electricity buyers for these kinds of contract. PPAs are playing an increasingly important role in the energy transition.

#### **Developments in European core markets**

Following extensive negotiations in the EU Parliament and member states, the EU Commission put together and adopted a new climate package at the end of June 2022, the legislative process for which should be completed during the second half of 2022. This package will support the implementation of the "Fit for 55" climate plan launched in summer 2021, which outlines how the EU aims to reduce carbon emissions by 55 % compared to the level emitted in 1990 by 2030. Up until now, the target was 40 %. The authority intends to tighten twelve existing laws and pass new ones to achieve that goal. This involves, for example, modifying the EU emissions trading system and expanding emissions trading to include the transportation and building sectors, extending carbon limits and matters related to funding. One of the key pillars of the programme is the development of renewable energies. EU member states have announced they will adhere to the Commission's proposals and increase the previously mandatory target of 32 % by 2030, as specified in the Renewable Energy Directive, to 40 %. In addition, framework conditions for ramping up green hydrogen are expected to improve in industry and transportation. The expansion of renewable energies has been categorised as an issue of overriding public European interest. By 2050, Europe intends to be the first continent in the world to be capable of complete climate neutrality and plans to have implemented the "Green Deal".

In a joint project, researchers from the Aarhus University in Denmark and TU Berlin discovered that an additional 400 GW of new photovoltaic and wind power capacities would be required each year in Europe between 2025 and 2035 to achieve climate neutrality by the middle of the century and the 1.5 degree target set by the Paris Agreement.

#### **Germany**

Around 49 % of gross electricity consumption in Germany was covered by green electricity in the first half of 2022, according to preliminary calculations from the Center for Solar Energy and Hydrogen Research Baden-Württemberg (ZSW) and the BDEW. Compared to the previous year, this equates to an increase of 6 percentage points achieved primarily by onshore photovoltaic systems and wind turbines, which produced around 20 % more energy respectively than the same period in the previous year. Overall, 139 billion kilowatt hours (kWh) of electricity was therefore generated from sun, wind and other renewable sources. Onshore wind power contributes around 59 billion kWh of electricity to this result, photovoltaic systems just under 33 billion kWh, biomass around 24 billion kWh, offshore wind farms around 12 billion kWh and hydroelectric power around 9 billion kWh. The amount of energy produced by fossil and nuclear energy sources fell compared to the previous year from 170 to 159 billion kWh in 2022.

#### **German parliament approves modified "Easter package" to accelerate the expansion of renewable energies**

At the start of July 2022, the parliament voted on the "Easter package" to accelerate the expansion of renewable energies. The 'law on immediate measures to accelerate the expansion of renewable energies and other measures in the energy sector' will enter into force on 1 January 2023. In order to stop the nation's reliance on the supply of fossil energy sources from Russia as quickly as possible and optimally ramp up climate protection, it was of pivotal importance that the law was launched prior to the summer break. The revised version of the Renewable Energy Act (EEG) from summer 2021 contains numerous measures aimed at increasing the share of wind, solar and hydroelectric energy to around 80 % of all energy consumed in 2030. The law classes the expansion of renewable energy as in the "overriding public interest" in order to simplifying the planning and approval of new facilities. In the future, it should be less

complicated to obtain new areas for the expansion of photovoltaic systems and wind energy, and ensure the communities are more closely involved. The framework conditions for the expansion of photovoltaic roof systems will also become simpler and more attractive. The EEG levy has been permanently abolished. In order to achieve the new expansion target for 2030, the trajectories and tender volumes will significantly increase and be based on the 1.5 degree target set by the Paris Agreement. Onshore wind energy needs to increase by 10 GW each year, meaning that around 115 GW wind capacities should be installed in Germany by 2030; a further 22 GW in capacities will need to be added by solar energy each year in order to achieve the target of around 215 GW installed solar capacities in Germany. The expansion targets for offshore wind energy need to be increased by at least 30 GW by 2030, at least 40 GW by 2035 and at least 70 GW by 2045. In order to achieve the planned expansion of onshore wind energy, 2% of land in Germany needs to be allocated to this, more than double the current amount. The law on wind energy land requirements (Windenergieflächenbedarfsgesetz – WindBG) sets out binding land-use targets for the German federal states according to a distribution key.

An amendment to the federal law on nature protection (Bundesnaturschutzgesetz – BNatSchG), also enables landscape conservation areas to be included in the search for land suitable for the expansion of wind energy. The new law also contains national standards for species conservation assessments, making the approval process quicker and simpler.

### Denmark

Denmark is on the best path to achieving independence from fossil fuels through the exclusive use of renewable energies by 2050. Denmark has already significantly exceeded its original goal of expanding renewable energies to a 55% share of the overall energy mix by 2030, having already achieved 62% in 2020. In addition, a cross-party climate package was adopted, in which the CO<sub>2</sub> emissions are to be reduced by 70% in comparison to 1990 by the year 2030. By then, Denmark intends to cut CO<sub>2</sub> emissions by 3.4 million tonnes. To achieve this, reforms will be initiated to make renewable energies more affordable and fossil energy more expensive. Oil and gas heating in private households will be gradually eliminated and replaced by heat pumps and green district heating. Moreover, more charging stations for electric vehicles are planned, and the industrial sector is slated to increase its energy efficiency by utilising renewable energies or biogas. Since April 2022 however, the Danish government has temporarily increased the gas and oil production rates in the North Sea. This step, which is not in line with the original strategy, has only been initiated to reduce reliance on energy deliveries from Russia at a significantly quicker pace.

### Finland

Finland has been meeting the 2030 target set by the European Union of covering at least 40% of gross final energy consumption through renewable energies since the year before last. In 2021, renewable energies accounted for 45.4% of total net energy generation in the country. Just under half of this energy was generated using hydropower installations, 12.5% was through wind installations and around 10.3% with biomass. Finland installed new wind capacity of 671 MW in 2021 alone. Wind installations capable of achieving a nominal output of 2.47 GW had already been installed in Finland by the end of 2020.

### France

At the end of 2021, France had installed renewable energy installations with a total capacity of around 57.9 GW. Onshore wind installations accounted for 18.8 GW, whereas photovoltaic capacity was 13.1 GW, and hydropower 25.7 GW. The share of renewable energies in total energy consumption is to rise from 27% at present to 40% by 2030. Emmanuel Macron's government is once again pursuing ambitious targets for renewable energies with its climate and energy policies. It has also announced it will be reducing the share of nuclear energy in its energy mix. The target is to reduce the share of nuclear energy to 50% by 2035, and by a further 10% by 2040. The primary aim of the President of France is to turn France into Europe's leading producer of green hydrogen, enabling it to achieve another of its targets: cutting industrial CO<sub>2</sub> emissions by 35%. France is one of the most important energy markets in Europe, with it and Germany accounting for more than one third of energy generated and consumed in the continent.

A key element of the France 2030 strategy unveiled by Emmanuel Macron in October 2021 is decarbonising the economy. The investment in small nuclear reactors is the most important part of the plan, according to the President, stating that France is fortunate to have so many nuclear reactors, which employ some 200,000 people and emit a low amount of carbon. Macron believes that the fight against climate change can only be won with the help of nuclear energy. Accordingly, he plans to promote this sector despite the planned decommissioning of reactors. The French president provided further details on his plans in a speech in Belfort on 10 February 2022 to announce French state-owned utility Électricité de France's (EDF) takeover of General Electric's nuclear turbine unit. In order to achieve the goal of carbon neutrality by 2050, Macron's government has announced that six new nuclear power plants are to be constructed, with

an option for eight more. The first set of reactors will cost around EUR 50 billion, with construction starting in 2028 and the plant going online in 2035. EDF has also been tasked with reviewing an extension to the lifespan of all reactors for the next 50 years.

Macron is also keen on expanding renewable energy generation. The total output of all solar installations in France is to be increased from around 13.1 GW at the end of 2021 to 100 GW. The French government's multi-year expansion plan represents a clear commitment to solar energy and includes a total of 35 GW of installed photovoltaic output by 2028. Expansion of new wind capacity would also require more dynamic development. France plans to construct offshore wind installations with a total output of 40 GW by 2050; it does not currently operate any offshore wind parks. Installed onshore output would have to double from the current level of approximately 17.5 GW to 35 GW.

### United Kingdom

Since its exit from the EU, The United Kingdom is no longer bound by the European regulations and requirements regarding climate policy. The United Kingdom set its own targets for a low-carbon economy by 2050 in the 2008 "Climate Change Act". The government headed by the since resigned prime minister Boris Johnson has heavily promoted the expansion of renewable energies and plans to make the UK a world leader in affordable and clean energy production. In October 2021, the British prime minister stated that The United Kingdom would switch to fully renewable energy sources in the year 2035. Onshore and offshore wind power play a key role here. The expansion of offshore wind power capacities is to be expanded to 40 GW by 2030.

In 2020, more electricity was generated from renewable energies than fossil fuels in The United Kingdom for the first time. The share of overall electricity production reached 42%. The dynamic expansion of wind parks represents an important driving force behind the expansion of renewable energy in The United Kingdom. Last year, almost a quarter of Britain's electricity was produced by wind power stations, doubling the wind energy share compared to 2015.

The expansion of solar power is also progressing in The United Kingdom. In 2020, the first full calendar year without subsidies for photovoltaic systems, 545 MW of new photovoltaic capacity was installed – an increase of 27% compared to the previous year (2019). Of the new capacity in 2020, 60% was attributable free-standing photovoltaic systems. The remaining 40% consisted of roof-mounted systems, the majority of which were installed on commercial and industrial buildings.

### Ireland

The Irish government announced its Climate Action Plan 2021 (CAP21) at the start of November 2021. The plan specifies how the government plans to achieve its target of reducing greenhouse gas emissions by 51% by 2030 and making Ireland emission-free by 2050. In 2020, around 16.2% of gross energy consumption was covered by renewable energy sources. Ireland plans to primarily ramp up the expansion of wind energy with support from national subsidy schemes and incentives for green energy producers. To achieve this, wind capacities installed onshore will need to be increased by 8 GW by 2030 and by 5 GW for capacities installed offshore. At the end of 2020, the installed wind capacities amounted to around 4.3 GW. They produced approximately 38% of all energy in the country.

### Italy

Italy has continued to implement its 2030 climate and energy strategy. These plans include the end of coal energy production in the country by the year 2025 and increasing the proportion of renewable energies in energy consumption to around 27% by 2030. This would require the expansion of photovoltaic generation capacities to 50 GW and wind energy to 18.4 GW. As a result, photovoltaic systems would make up more than 50% of the total energy production capacity from renewable energy in Italy, followed by hydroelectric and wind energy.

Italy plans to increase installed photovoltaic capacity by roughly 50 GW by the year 2030. Solar installations had a nominal capacity of 22 GW at the end of 2021. This ranks the Italians second highest in Europe – behind Germany, but above France and The Netherlands. However, capacity expansion still needs to gain momentum. Existing regulations need to be simplified to accelerate the approval process.

### Netherlands

The Netherlands have entered into a commitment to greater climate prediction as part of a cross-party initiative. The climate legislation adopted at the end of June 2019 specifies a 49% reduction in greenhouse gas emissions by 2030 and a 95% reduction by 2050 compared to the reference year 1990. All coal-fired power plants in The Netherlands are to be shut down by 2030. The Netherlands commissioned solar installations with a total capacity of 3.3 GW in 2021,

equivalent to a year-on-year rise of 24%. Total solar capacity has risen to 13.1 GW, which equates to the highest capacity per capita in Europe at 765 watts, followed by Germany at 715 and Belgium at 596 watts per capita.

### Sweden

Sweden is the leader of the energy transition in Europe. At the end of 2020, the Swedes covered around 60% of their gross final energy consumption using renewable energies, the most in Europe, meaning it has already significantly exceeded the EU target of 40% by 2030. Sweden looks set to retain its undisputed number one spot for the foreseeable future, too. For the past two years, every one in two new cars purchased has been an electric car. In addition, a new law banning the sale of new vehicles with combustion engines will come into force in 2030. Not only has the Swedish government put in place the necessary infrastructure for the ban, it is also working towards covering 100% of its energy requirements through renewable energies by 2040. Hydroelectric power makes up the largest share of Sweden's renewable energies, at 45%, followed by wind power, bioenergy and photovoltaic. Capacity expansion is bolstered by high carbon prices that have been applied to fossil fuels. Wind energy is particularly on the rise. At the end of 2020, Sweden had installed nominal wind capacity of around 9.7 GW. Some 2.1 GW of onshore wind installations were added in 2021.

### Spain

Despite the looming energy crisis, Spain currently plans to stay on course to stop using nuclear energy. The reactors, which currently produce around 20% of Spanish energy, will be decommissioned between 2027 and 2035. In their place, the government will continue to rely on renewable energies and the nation has recently become the second most important photovoltaic market in Europe. Photovoltaic systems with a nominal capacity of approximately 3.8 GW were installed in 2021, equating to a slight year-on-year increase of 3.5 GW. Growth was fuelled by PPA-based systems, which made up 3.0 GW of capacity expansion. Solar power plants with a capacity of 2.9 GW were also allocated as part of two renewable energy auctions and should be installed for the most part by 2023. The Spanish market for roof-based installations is still at an early stage of development, but the Spanish stimulus package regards roof-based PV installations as a crucial part of the energy transition. The government approved investment of around EUR 450 million for home PV installations in Spanish regions in 2021.

### Austria

Austria already obtains over 80% of its overall energy requirements from regenerative energy sources – a figure it intends to increase to 100% by 2030. The Renewable Expansion Act (Erneuerbare-Ausbau-Gesetz - EAG) approved by an alliance between the Greens, the Austrian People's Party (Österreichische Volkspartei, ÖVP) and the Social Democratic Party of Austria (Sozialdemokratische Partei Österreichs, SPÖ) in July 2021, governs the further expansion of renewable energies. It is not just the remaining one-fifth currently produced by fossil energy sources that needs to be covered; the growing energy requirements due to increasing electrification and digitalisation also need to be satisfied. In response, renewable energy production needs to increase from around 65 billion kWh at present to 92 billion kWh by 2030, a rise of over 40%. The additional capacities amounting to a total of 27 billion kWh will be split as follows: photovoltaic 11 billion kWh, wind 10 billion kWh, water 5 billion kWh and biomass 1 billion kWh. The Austrian government will fund up to EUR 1 billion per year for the energy transition measures financed in part by a green electricity tax levied on all private households.

## Course of business

### Encavis AG connects generation capacity totalling 132 MW of renewable energy to the grid in the first half of 2022 and acquires five Danish wind energy installations (11.5 MW)

In the first half of 2022, Encavis AG connected generation capacity totalling 132 MW of renewable energy to the grid. This includes the two solar parks Hijken and Schaapsdijk with a combined generation capacity of 24 MWp, which were connected to the grid in The Netherlands. In addition, the two solar parks Groß Behnitz (25 MWp) in Brandenburg and Rødby Fjord (71 MWp) in Lolland in the south-west of Zealand (Denmark) came on stream as planned. In Groß Behnitz, state-of-the-art bifacial solar modules will deliver subsidy-free renewable energy that will be sold directly to a commercial/industrial customer under a long-term power purchase agreement. The electricity generated by the Rødby Fjord solar park in Denmark will also be sold to a tech company on the basis of a pay-as-produced structure under a ten-year power purchase agreement. Rødby Fjord will also benefit from a 20-year feed-in tariff from the Danish Ministry of Energy, Utilities and Climate.

At the end of March 2022, Encavis additionally acquired the Svoldrup wind park in Denmark, which is already connected to the grid. The park has a total generation capacity of 11.5 MW. Encavis has now acquired five of the total of six 126-metre-high Siemens SWT-2.3-93 wind turbines (2.3 MW each) of the wind park constructed back in 2010. They are in

very good condition and have reliably produced green power since the acquisition. The sixth wind turbine has been owned by Encavis since 2019. The wind park's electricity production is secured until the end of 2023 by pay-as-produced power purchase agreements. For the period after 2024, Encavis will enter into a long-term power purchase agreement with a new party.

#### **Isabella Pfaller and Thorsten Testorp newly appointed to the Supervisory Board**

At the Annual General Meeting on 19 May 2022, both independent candidates Isabella Pfaller, graduate mathematician, tax consultant, German public auditor and Member of the Management Board (CFO) of Versicherungskammer Bayern, and Thorsten Testorp, graduate economist and managing partner of B&L Real Estate GmbH, were newly appointed to the Supervisory Board. The Management Board and Supervisory Board expressed their particular thanks to previous Supervisory Board member Alexander Stuhlmann, Deputy Chair of the Supervisory Board and Chair of the Audit Committee, as well as Dr Cornelius Liedtke for their consistently reliable and constructive support in commitment to the company along with their personal and long-standing dedication to their roles on the Encavis AG Supervisory Board.

#### **Encavis AG once again enters MDAX**

Encavis AG once again entered MDAX on 20 June 2022. This stock index reflects the performance of the top 50 listed companies, which follow the 40 companies in the DAX in terms of market capitalisation in Germany. By including Encavis AG in this prestigious index, the stock market is honouring the impressive success story of Encavis AG. The introduction of the former Capital Stage AG to the Prime Standard of Deutsche Börse AG in 2013 was followed by its inclusion in the SDAX on 24 March 2014 – over eight years ago.

## **Segment development**

### **PV Parks segment**

Encavis' own solar park portfolio encompassed 175 solar parks with a total capacity of around 1.6 GW as at 30 June 2022. These solar parks are distributed throughout Germany, Italy, France, The United Kingdom, The Netherlands, Spain, Denmark and Sweden.

The Group's business activities are subject to seasonal influences, which leads to fluctuations in revenue and earnings during the course of the year. In terms of the PV Parks segment, which includes all solar parks in the company's own portfolio, the months from April to September generate more revenue than the autumn and winter months.

The actual power fed into the grid in the first half of the 2022 financial year comes to 1,136 GWh (previous year: 928 GWh). Of the power fed into the grid, some 43 % (previous year: 46 %) is attributable to the solar parks in Spain, 15 % (previous year: 15 %) to the solar parks in Germany, 11 % (previous year: 13 %) to the solar parks in France, 10 % (previous year: 12 %) to the solar parks in Italy, 9 % (previous year: 7 %) to the solar parks in The Netherlands and 6 % (previous year: 7 %) to the solar parks in The United Kingdom and 5 % (previous year: 0 %) to the solar parks in Denmark as well as 1 % (previous year: 0 %) to the solar park in Sweden.

In the first half of the 2022 financial year, the following solar parks were acquired:

- Zonnepark Houten Oostrumsdijkje B.V., Netherlands, Group share 100 %
- Zonnepark Hijken B.V., Netherlands, Group share 100 %
- Zonnepark Ermelo Schaapsdijk B.V., Netherlands, Group share 100 %
- Solar Park Rødby Fjord ApS, Denmark, Group share 100 %
- Varberg Norra 3 MW AB, Sweden, Group share 54 %

### **Wind Parks segment**

Encavis's own wind park portfolio encompassed 40 wind parks with a total capacity of around 424 MW as at 30 June 2022. The wind parks are distributed throughout Germany, Italy, France, Denmark and Finland.

Due to weather conditions, the wind parks generate more revenue in the autumn and winter months than they do in summer.

The actual power fed into the grid by the wind parks segment in the first half of the 2022 financial year comes to 559 GWh (previous year: 483 GWh). Of this figure, some 50 % (previous year: 50 %) is attributable to the wind parks in Germany, 36 % (previous year: 30 %) to the wind parks in Denmark, 7 % (previous year: 2 %) to the wind park in Finland and 6 %

(previous year: 9%) to the wind parks in France, 1% (previous year: 1%) to the wind park in Italy. In the previous year, 8% of the fed-in power came from the wind parks in Austria, which were sold in December 2021.

In the first half of the 2022 financial year, five additional wind installations were acquired by the Danish company Nordbrise A/S (Svoldrup 1 to 5).

### PV Service segment

The segment contains the wholly owned subsidiary Encavis Technical Services GmbH. The company has taken over the technical operation of numerous German and Italian solar parks belonging to the Encavis Group. The Group volume under management amounted to approximately 280 MWp as at 30 June 2022.

Furthermore, Encavis Technical Services GmbH has taken over contracts for the technical operation of parks that do not belong to the Encavis Group since 2012. The parks are located in Thuringia and northern Italy. The non-Group volume under management amounts to approximately 9 MWp.

In the 2019 financial year, the company established Stern Energy GmbH and transferred all of its property, plant and equipment, as well as part of its agency agreements, as part of an asset deal. The shares in Stern Energy GmbH were sold to the associated entity Stern Energy S.p.A. in the first quarter of the 2020 financial year. This transaction ideally combines the expertise of both partners, Stern and Encavis, enabling a comprehensive range of technical operations services for the Group-owned and external parks in many countries throughout Europe. In Q2 2022, the shareholding in Stern Energy S.p.A. increased from 30% to 51% at present; however, full consolidation will not yet take place, as control over the company remains in the hands of a local management team.

### Asset Management segment

The Asset Management field covers all services for third-party investors, such as the launching of funds, the individual design and structuring of other investments for professional investors in the field of renewable energy and the management of the investments held by these investors. As at 30 June 2022, in total, the portfolio encompassed 34 solar parks and 56 wind parks in Germany, Italy, France, The United Kingdom, Finland, Sweden, Austria, The Netherlands and Ireland. In the Asset Management segment, revenue was on a par with the previous year at TEUR 6,651 (previous year: TEUR 6,836).

### Segment reporting

The following table contains information regarding the operating KPIs for the Group's business segments for the first half of 2022 and 2021:

| <b>In TEUR</b>   |                   |                 |                   |                         |
|--|-------------------|-----------------|-------------------|-------------------------|
|  | <b>Wind Parks</b> | <b>PV Parks</b> | <b>PV Service</b> | <b>Asset Management</b> |
| <b>Revenue</b>   | <b>56,669</b>     | <b>162,244</b>  | <b>2,239</b>      | <b>6,651</b>            |
| (previous year)  | (35,885)          | (118,496)       | (2,193)           | (6,836)                 |
| <b>Operating earnings before interest, taxes, depreciation and amortisation (operating EBITDA)</b> | <b>46,595</b>     | <b>127,585</b>  | <b>621</b>        | <b>906</b>              |
| (previous year)  | (27,885)          | (96,084)        | (605)             | (1,947)                 |
| <b>Operating EBITDA margin (%)</b>   | <b>82.22 %</b>    | <b>78.64 %</b>  | <b>27.75 %</b>    | <b>13.63 %</b>          |
| (previous year)  | (77.71 %)         | (81.09 %)       | (27.57 %)         | (28.49 %)               |
| <b>Operating depreciation and amortisation</b>   | <b>-12,789</b>    | <b>-47,232</b>  | <b>0</b>          | <b>-274</b>             |
| (previous year)  | (-14,036)         | (-38,735)       | (0)               | (-281)                  |
| <b>Operating earnings (operating EBIT)</b>   | <b>33,806</b>     | <b>80,353</b>   | <b>621</b>        | <b>632</b>              |
| (previous year)  | (13,849)          | (57,349)        | (605)             | (1,667)                 |

| In TEUR   |  |                                     |                |                |
|---|--|-------------------------------------|----------------|----------------|
|   | Total of reportable operating segments | Other companies and Group functions | Reconciliation | Total          |
| Revenue   | <b>227,801</b>                         | <b>744</b>                          | <b>-2,168</b>  | <b>226,378</b> |
| (previous year)   | (163,409)                              | (896)                               | (-2,123)       | (162,182)      |
| Operating earnings before interest, taxes, depreciation and amortisation (operating EBITDA) | <b>175,708</b>                         | <b>-5,120</b>                       | <b>-10</b>     | <b>170,578</b> |
| (previous year)   | (126,520)                              | (-4,216)                            | (4)            | (122,309)      |
| Operating EBITDA margin (%)   | <b>77.13 %</b>                         | -                                   | -              | <b>75.35 %</b> |
| (previous year)   | (77.43 %)                              | -                                   | -              | (75.41 %)      |
| Operating depreciation and amortisation   | <b>-60,296</b>                         | <b>-515</b>                         | <b>7</b>       | <b>-60,803</b> |
| (previous year)   | (-53,052)                              | (-523)                              | (7)            | (-53,567)      |
| Operating earnings (operating EBIT)   | <b>115,412</b>                         | <b>-5,635</b>                       | <b>-3</b>      | <b>109,774</b> |
| (previous year)   | (73,469)                               | (-4,739)                            | (12)           | (68,742)       |

The timing of the recognition of the revenue presented in the segment reporting is carried out in relation to the period.

## Financial performance, financial position and net assets

### Operating earnings (non-IFRS)

During the first six months of the 2022 financial year, the Group generated revenue of TEUR 226,378 (previous year: TEUR 162,182). Of this significant increase amounting to approx. 40 %, TEUR 43,748 can be attributed to the solar park portfolio, and TEUR 20,784 attributed to the wind park portfolio. The improvement over the same period of last year was driven primarily by greater electricity production thanks to more favourable weather conditions compared to the meteorologically very poor first half of 2021. In addition, the solar and wind parks in Germany, Denmark, The Netherlands and Sweden that have been newly acquired or put into operation since the third quarter of 2021 contributed TEUR 12,522 to this positive growth. Lastly, persistently high electricity prices also made a positive contribution to this development despite the large proportion of prices secured by long-term agreements. In the Asset Management segment, revenue was on a par with the previous year at TEUR 6,651 (previous year: TEUR 6,836).

Revenue is made up of revenue from feeding electricity into the grid, from the operation of parks owned by third parties and from additional revenue from Asset Management.

The Group generated other operating income of TEUR 5,433 (previous year: TEUR 3,870). This includes income from insurance compensation payments in the amount of TEUR 2,658 and non-period income of TEUR 880.

Operating personnel expenses came to TEUR 10,812 (previous year: TEUR 9,942).

Other operating expenses of TEUR 46,844 were incurred (previous year: TEUR 31,929). This comprises, in particular, the costs of operating solar and wind parks in the amount of TEUR 34,807 (previous year: TEUR 23,805). Other expenses also include TEUR 9,037 in costs for current operations (previous year: TEUR 8,124). The increase in these costs is related to the expansion of the existing portfolio and various investments to improve the capacities and efficiency of selected solar and wind parks.

Operating earnings before interest, taxes, depreciation and amortisation (EBITDA) came to TEUR 170,578 in the first half of 2022 (previous year: TEUR 122,309). This equates to an increase of TEUR 48,269 compared to the previous year. The operating EBITDA margin stood at around 75 % (previous year: 75 %).

Operating depreciation and amortisation of TEUR 60,803 (previous year: TEUR 53,568) chiefly comprises depreciation of the photovoltaic and wind power installations, as well as amortisation of rights of use from leases capitalised in accordance with IFRS 16. The year-on-year rise is due mainly to depreciation of the solar and wind parks newly acquired or put into operation in the second half of 2021 or in the first half of 2022.

Operating earnings before interest and taxes (operating EBIT) stood at TEUR 109,774, a year-on-year increase of roughly 60 % or TEUR 41,032 (previous year: TEUR 68,742). The operating EBIT margin stood at around 48 % (previous year: 42 %).

Operating financial earnings in the amount of TEUR -33,531 (previous year: TEUR -31,237) resulted primarily from interest rate expenses for the non-recourse loans for solar and wind parks, and other Group financing. The financial result



also comprises in particular interest expenses on the lease liabilities recognised in accordance with IFRS 16 and earnings from financial assets accounted for using the equity method.

The resulting operating earnings (operating EBT) amount to TEUR 76,244 (previous year: TEUR 37,505). The EBT margin stood at around 34 % (previous year: 23 %).

The operating tax expenses reported in the consolidated statement of comprehensive income in the first half of the 2022 financial year amounted to TEUR 19,870 (previous year: TEUR 7,615), mainly for effective tax payments in connection with solar and wind parks.

Altogether, Encavis generated consolidated operating earnings of TEUR 56,374 (previous year: TEUR 29,890). The operating EAT margin stood at around 25 % (previous year: 18 %).

### Calculating operating KPIs (adjusted for IFRS effects)

As outlined in the “Internal control system of Encavis” section of the 2021 annual report, Group IFRS accounting is influenced by non-cash measurement effects and the resulting depreciation and amortisation. Non-cash interest effects and deferred taxes also hamper a transparent assessment of the operating income situation pursuant to IFRS.

| In TEUR  | 01.01.-30.06.2022 | 01.01.-30.06.2021 |
|--|-------------------|-------------------|
| Revenue  | 226,378           | 162,182           |
| Other income   | 6,615             | 24,135            |
| Cost of materials  | -3,576            | -1,871            |
| Personnel expenses, of which TEUR -1,432 (previous year: TEUR -1,958) in share-based remuneration  | -10,812           | -9,942            |
| Other expenses   | -48,706           | -32,155           |
| <b>Adjusted for the following effects:</b>   |                   |                   |
| Other non-operating income   | -1,182            | -20,265           |
| Other non-operating expenses   | 1,862             | 226               |
| <b>Adjusted operating EBITDA</b>   | <b>170,578</b>    | <b>122,309</b>    |
| Depreciation and amortisation  | -81,397           | -76,020           |
| <b>Adjusted for the following effects:</b>   |                   |                   |
| Depreciation and amortisation of intangible assets (electricity feed-in contracts) acquired as part of business combinations   | 22,572            | 23,653            |
| Subsequent measurement of uncovered hidden reserves and liabilities on step-ups for property, plant and equipment and goodwill acquired as part of business combinations or asset acquisitions                                       | -1,978            | -1,201            |
| <b>Adjusted operating EBIT</b>   | <b>109,774</b>    | <b>68,742</b>     |
| Financial result   | -17,661           | -22,219           |
| <b>Adjusted for the following effects:</b>   |                   |                   |
| Other non-cash interest and similar expenses and income (mainly resulting from effects from currency translation, calculation of the effective rate, swap valuation and interest expenses from subsidised loans [government grants]) | -15,870           | -9,018            |
| <b>Adjusted operating EBT</b>  | <b>76,244</b>     | <b>37,505</b>     |
| Tax expenses   | -21,243           | -1,235            |
| <b>Adjusted for the following effects:</b>   |                   |                   |
| Deferred taxes (non-cash items) and other non-cash tax effects   | 1,373             | -6,380            |
| <b>Adjusted operating consolidated earnings</b>  | <b>56,374</b>     | <b>29,890</b>     |

The following IFRS KPIs deviate from the operating earnings position:

The Group generated other income of TEUR 6,615 (previous year: TEUR 24,135). In the same period of the previous year, this included TEUR 17,271 in non-recurring income relating to the initial consolidation of a Spanish solar park formerly accounted for using the equity method from the reconciliation statement.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) came to TEUR 169,898 in the first half of 2022 (previous year: TEUR 142,348). The EBITDA margin stood at around 75 % (previous year: 88 %).

Depreciation and amortisation of TEUR 81,397 (previous year: TEUR 76,020) chiefly comprises depreciation of the photovoltaic and wind power installations, as well as amortisation of assets (electricity feed-in contracts and exclusive

rights of use). The year-on-year rise is due mainly to depreciation of the solar and wind parks newly acquired or put into operation in the second half of 2021 or in the first half of 2022.

Earnings before interest and taxes (EBIT) amounted to TEUR 88,501 (previous year: TEUR 66,329). The EBIT margin stood at around 39% (previous year: 41%).

The financial result came to TEUR -17,661 (previous year: TEUR -22,219), while financial income amounted to TEUR 21,318 (previous year: TEUR 11,566). This includes, among other aspects, income in connection with the changes in the market values of interest rate swaps in the amount of TEUR 18,771 (previous year: TEUR 3,846) and interest income from the reversal of step-ups on bank loans and lease liabilities in the amount of TEUR 2,033 (previous year: TEUR 3,088). Financial expenses of TEUR 39,019 were incurred (previous year: TEUR 33,731). This includes in particular the interest expenses for the non-recourse loans to finance installations at park companies, interest expenses in connection with the mezzanine capital of Gothaer Versicherungen and interest expenses for further Group financing and various non-cash expenses. The financial result also includes results from financial assets accounted for using the equity method of TEUR 41 (previous year: TEUR -54).

The resulting earnings before taxes (EBT) amounted to TEUR 70,840 (previous year: TEUR 44,110).

The tax expenses reported in the consolidated statement of comprehensive income in the first half of the 2022 financial year amounted to TEUR 21,243 (previous year: TEUR 1,235) and consists of current and deferred taxes. Quarterly taxes are calculated in accordance with IAS 34.

Altogether, Encavis generated consolidated earnings of TEUR 49,598 (previous year: TEUR 42,875).

Consolidated earnings are made up of earnings attributable to shareholders of the parent company totalling TEUR 46,972 (previous year: TEUR 38,663), earnings attributable to non-controlling interests totalling TEUR 302 (previous year: TEUR 184) and earnings attributable to hybrid capital investors amounting to TEUR 2,324 (previous year: TEUR 4,027). Consolidated comprehensive income of TEUR -26,730 (previous year: TEUR 62,520) is made up of consolidated earnings and changes in other reserves shown in equity. In addition to the currency translation reserve in the amount of TEUR 86 (previous year: TEUR -448) other reserves also contain hedge reserves in the amount of TEUR -101,263 (previous year: TEUR 2,973), which in turn include amounts to be recognised in profit or loss in future over the remaining term of the respective underlying items for interest rate swaps previously held in a hedging relationship, as well as costs of hedging in the amount of TEUR -30 (previous year: TEUR 24). There were corresponding deferred tax effects of TEUR 24,847 (previous year: TEUR -744). Amounts recognised in equity will be reclassified in full to consolidated earnings once the corresponding hedged items have expired. In the reporting period, TEUR 17 (previous year: TEUR 0) from the hedge reserve was reclassified to consolidated earnings.

Undiluted earnings per share (after non-controlling interests) amounted to EUR 0.29 (previous year: EUR 0.28). The average number of shares in circulation (undiluted) in the reporting period amounted to 160,477,059 (previous year: 138,437,234). Diluted earnings per share amounted to EUR 0.27 (previous year: EUR 0.28). The average number of shares in circulation (diluted) in the reporting period amounted to 171,807,580 (previous year: 138,437,234).

### Financial position and cash flow

Changes in cash and cash equivalents amounted to TEUR -128,329 in the first half of 2022 (previous year: TEUR 10,011) and consisted of the following:

Cash flow from operating activities in the amount of TEUR 160,170 (previous year: TEUR 109,388) was primarily composed of the operating activities of the solar parks and wind parks and the resulting incoming payments. Also included here were changes in assets and liabilities not attributable to investing or financing activities.

Cash flow from investing activities amounted to TEUR -118,030 (previous year: TEUR -44,157) and primarily concerns the payments for the acquisition of three solar parks in The Netherlands and one solar park in Denmark, as well as payments for the acquisition of five wind turbines in Denmark and increasing the participating interest in Stern Energy S.p.A. to 51%.

Cash flow from financing activities amounted to TEUR -170,469 (previous year: TEUR -55,220) and resulted chiefly from regular loan repayments and interest paid less newly paid-out loans. This item also includes the change in restricted cash and cash equivalents, the payment of the cash dividend to the shareholders of Encavis AG and the dividend payment to the hybrid bondholders.

As at 30 June 2022, the Group had cash and cash equivalents of TEUR 0 (previous year: TEUR 387) in consideration of current account liabilities of TEUR 263,808 (30 June 2021: TEUR 177,206).

## Net assets

As at 30 June 2022, equity amounted to TEUR 999,106 (31 December 2021: TEUR 1,066,388). The decrease amounting to TEUR 67,282 or 6.3% is primarily the result of valuation effects for the Group's derivative financial instruments recognised in the hedge reserve. These valuation effects are non-cash items and reverse during the period of the underlying transactions, which will result in an increase in equity in future periods. As a result, the decline during the reporting period should only be viewed as temporary. The payment of the dividend for the previous financial year as well as the payment to hybrid capital investors had a similar lowering effect. The positive consolidated earnings for the reporting period had an offsetting effect. The equity ratio stood at 31.2% (31 December 2021: 33.2%).

The balance sheet total decreased from TEUR 3,215,888 as at 31 December 2021 to TEUR 3,204,009.

Goodwill amounted to TEUR 27,421 as at 30 June 2022 (31 December 2021: TEUR 27,466).

The Group's financial liabilities (primarily bank and lease liabilities) amounted to TEUR 1,868,765 as at 30 June 2022 (31 December 2021: TEUR 1,838,828). These comprised loans and lease agreements for the financing of solar parks and wind parks, as well as the mezzanine capital provided by Gothaer Versicherung in November 2014. They also contained liabilities from listed notes from the Grid Essence portfolio (United Kingdom) of TEUR 28,382, including accrued interest, and liabilities from debenture bonds and/or registered/bearer bonds, including accrued interest, in the amount of TEUR 153,820. Liabilities from lease obligations amounted to TEUR 196,209 (31 December 2021: TEUR 186,696).

## Events after the balance sheet date

### Encavis AG restructures Management Board for European energy transition.

At its meeting on 4 July 2022, the Supervisory Board of Encavis AG made the decision to restructure the Encavis AG Management Board. The previous Head of Operations and IT (COO), Mario Schirru (41) was appointed to the Management Board of Encavis AG on 1 August 2022. Mr Schirru is an acknowledged expert in the field of renewable energies and has worked for the Encavis Group for over eight years. As the former investment director, the Italian-born engineer acquired the necessary skills required to master the challenges presented by the European energy transition and the associated exponential growth at an early stage. As part of the restructuring of the Management Board of Encavis AG, the Chief Executive Officer (CEO) of Encavis AG, Dr Dierk Paskert (61), plans to depart from his position on 31 December 2022 and leave the Group early by mutual agreement. Member of the Management Board and Chief Financial Officer (CFO) of Encavis AG, Dr Christoph Husmann (57), who has played a key role in the strategic development of the company for the past eight years, has been appointed Spokesman of the Management Board with effect from 1 January 2023 and will continue to contribute to the fundamental business strategy.

### Encavis AG refinances solar park portfolio in The Netherlands

On 28 July 2022, Encavis announced that it has once again concluded a non-resource project (re)financing agreement to refinance a portfolio, this time for five solar parks with a production capacity of 74 MWp in The Netherlands. All installations are already in operation and benefit from the Dutch subsidy scheme SDE+, which involves a fixed feed-in tariff for around 15 years. The project financing agreement concluded with Rabobank for EUR 47.7 million, which matures on 30 June 2039, is broken down into a floating rate facility amounting to EUR 24.7 million, which is fully interest-hedged through an interest swap for the loan period; a fixed rate facility amounting to EUR 19.0 million; and a debt service reserve facility amounting to EUR 4.0 million. In total, the concluded refinancing agreement will provide Encavis AG with EUR 33 million in liquid assets. These consist of revenue from the value date of the floating rate facility (less transaction costs) and a distribution of EUR 9.2 million from the projects themselves. With this transaction, Encavis has once again optimised existing costs and structures for project financing, benefited from higher leverage ratios and leaner structures in operational portfolio management. All three refinancing transactions have been completely structured, arranged and managed by Encavis AG's own in-house Project Finance team, established in 2019. In all of the transactions, Encavis benefited from the ongoing low-interest environment and took advantage of the positive developments in the debt market, particularly for solar power installations, on behalf of the Encavis Group.

## Opportunities and risks

The material opportunities and risks to which the Encavis Group is exposed were described in detail in the consolidated management report for the 2021 financial year. There were no significant changes in this regard during the reporting period.

## Future outlook

The statements below include projections and assumptions which are not certain to materialise. If one or more of these projections and assumptions do not materialise, actual results and developments may differ materially from those described.

Please refer to the remarks on the economic and industry-specific underlying conditions in the first section of the condensed management report.

### Encavis on a clear course for growth with >> Fast Forward 2025

Today, Encavis is one of the largest independent power producers in the field of renewable energies in Europe. The positive framework conditions and the successful economic development of the company are the perfect prerequisites for further strengthening this position. In order to always make use of growth opportunities that present themselves and to further increase the efficiency of the company, Encavis introduced the >> Fast Forward 2025 strategy package on 8 January 2020. The plan for the next five years is focused on five areas:

1. Further investments in ready-to-build wind and solar parks as well as securing projects in earlier phases of development in coordination with strategic development partners while maintaining a long-term equity ratio of more than 24 %
2. Disposal of minority interests in wind and individual selected solar parks of up to 49 % to free up liquidity for investments in additional wind and solar parks
3. Reduction and continued optimisation of costs related to the operation and maintenance of solar parks
4. Optimisation and refinancing of SPV project financing
5. Introduction of Group-wide cash pooling, including all single entities

Within the framework of >> Fast Forward 2025, Encavis is focusing on the following target figures on the basis of the values for 2019:

1. Doubling the company's own contractually secured generation capacity from 1.7 GW to 3.4 GW
2. Increasing weather-adjusted revenue from EUR 260 million to EUR 440 million
3. Growing weather-adjusted operating EBITDA from EUR 210 million to EUR 330 million
4. A margin of operating EBITDA of 75 %
5. Increasing the operating earnings per share (operating EPS) from EUR 0.40 to EUR 0.70

The expected dynamic growth of Encavis can be seen not least in consideration of the corresponding annual growth rates (CAGR): the generation capacity is to increase by some 12 % annually by the year 2025. In the same period, revenue is to increase by approximately 9 % per annum, and an annual growth rate of operating EBITDA of 8 % is expected. Annual growth of the operating earnings per share (EPS) amounts to around 10 %.

With its current ownership of around 2 GW capacities, Encavis is right on track to reach 3.4 GW by 2025.

These assumptions are a base case that does not take any additional growth opportunities into account which may arise inorganically from mergers and acquisition transactions and potential equity transactions. Opportunities which could arise in the future from profitable business models in association with future battery storage capacities at the wind and solar parks were also not taken into consideration. A possible expansion into regions outside of Europe offers further potential for growth.

### Overall assessment of future development

In light of the Encavis Group's business strategy, which is geared towards qualitative growth, we again expect significant growth in the 2022 financial year. The successful entry into the PPA business and the continued rise in electricity prices will significantly increase revenue and profit.

Based on the existing portfolio as at 31 March 2022 and in anticipation of standard weather conditions for the 2022 financial year, the Management Board therefore expects an increase in revenue to over EUR 420 million (2021: EUR 332.7 million), Operating EBITDA is expected to increase to more than EUR 310 million (2021: EUR 256.4 million), The Group anticipates growth in operating EBIT to more than EUR 185 million (2021: EUR 149.1 million). The Group

expects operating cash flow to exceed EUR 280 million (2021: EUR 251.9 million), exceeding the very strong levels recorded in 2021. Operating earnings per share of EUR 0.55 is also expected (2021: EUR 0.48).

Technical availability of the installations is expected to remain at more than 95% in the 2022 financial year.

These predictions are based on the following assumptions:

- No significant retroactive changes to legislation
- No significant deviations from the multi-year weather forecasts

The Encavis Group will be able to cover the liquidity requirements of its business operations and other planned short-term investments from its existing liquidity portfolio together with the expected cash flows from operating activities in the 2022 financial year. Identification of attractive acquisition opportunities or possible business combinations or takeovers may lead to additional capital requirements during the course of the year. Other financing options – such as borrowing or, in the event of leaps in growth beyond the planned scale, mezzanine capital at Group or company level, as well as equity capital measures – are not ruled out should they be required, provided that they are economically advantageous.

#### In EUR million

|                                      | 2022e<br>(AR 2021) | 2022e<br>(August 2022) | 2021 (actual) |
|--------------------------------------|--------------------|------------------------|---------------|
| Revenue                              | >380               | >420                   | 332.7         |
| Operating EBITDA*                    | >285               | >310                   | 256.4         |
| Operating EBIT*                      | >166               | >185                   | 149.1         |
| Operating cash flow                  | >260               | >280                   | 251.9         |
| Operating earnings per share in EUR* | 0.51               | 0.55                   | 0.48          |

\* Operating; contains no IFRS-related, non-cash valuation effects.

## Dividend policy

The Management Board and Supervisory Board of Encavis want the shareholders to participate in the success of the company to an appropriate extent, which is why they proposed a dividend of EUR 0.30 for each dividend-entitled share at the Annual General Meeting on 19 May 2022. The Annual General Meeting approved the recommendation of the company by a large majority. In addition, the dividend was again offered as an optional dividend, which offers shareholders the greatest possible freedom of choice and, with an acceptance rate of 29.7%, was very well received. In total, 560,894 new shares were issued and a cash dividend of EUR 38,128,826.70 was distributed to the shareholders. The cash dividend was paid out on 23 June 2022, and the new shares were recorded in shareholders' securities accounts on 30 June 2022.

Hamburg, August 2022



Dr Dierk Paskert  
CEO



Dr Christoph Husmann  
CFO



Mario Schirru  
COO/CIO

## Condensed consolidated statement of comprehensive income (IFRS)

| In TEUR  | 01.01.-30.06.2022 | 01.01.-30.06.2021 | Q2/2022        | Q2/2021       |
|--|-------------------|-------------------|----------------|---------------|
| Revenue  | 226,378           | 162,182           | 135,992        | 103,250       |
| Other income   | 6,615             | 24,135            | 3,557          | 12,313        |
| <i>Of which income from the reversal of impairments for expected credit losses</i> | 113               | 1,843             | -6             | -21           |
| Cost of materials  | -3,576            | -1,871            | -2,086         | -1,105        |
| Personnel expenses   | -10,812           | -9,942            | -5,588         | -4,771        |
| <i>Of which in share-based remuneration</i>  | -1,432            | -1,958            | -631           | -725          |
| Other expenses   | -48,706           | -32,155           | -25,414        | -16,421       |
| <i>Of which impairment for expected credit losses</i>                              | -365              | -119              | -163           | -62           |
| <b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>     | <b>169,898</b>    | <b>142,348</b>    | <b>106,461</b> | <b>93,266</b> |
| Depreciation and amortisation  | -81,397           | -76,020           | -41,403        | -38,640       |
| <b>Earnings before interest and taxes (EBIT)</b>                                   | <b>88,501</b>     | <b>66,329</b>     | <b>65,058</b>  | <b>54,625</b> |
| Financial income   | 21,318            | 11,566            | 8,869          | 2,150         |
| Financial expenses   | -39,019           | -33,731           | -18,544        | -15,689       |
| Earnings from financial assets accounted for using the equity method               | 41                | -54               | -39            | -57           |
| <b>Earnings before taxes (EBT)</b>   | <b>70,840</b>     | <b>44,110</b>     | <b>55,344</b>  | <b>41,029</b> |
| Taxes on income  | -21,243           | -1,235            | -18,173        | 2,382         |
| <b>Consolidated earnings</b>   | <b>49,598</b>     | <b>42,875</b>     | <b>37,171</b>  | <b>43,411</b> |
| <b>Items that may be reclassified through profit or loss</b>                       |                   |                   |                |               |
| Currency translation differences   | 86                | -448              | 25             | 108           |
| Cash flow hedges – effective portion of changes in fair value                      | -101,263          | 2,973             | -5,094         | -4,575        |
| Cost of hedging measures   | -30               | 24                | 6              | 0             |
| Other comprehensive income from investments accounted for using the equity method  | 16                | 19                | 16             | 19            |
| Income tax relating to items that may be reclassified through profit or loss       | 24,847            | -744              | 1,044          | 1,136         |
| Reclassifications  | 17                | 17,820            | 17             | 0             |
| <b>Other comprehensive income</b>  | <b>-76,327</b>    | <b>19,645</b>     | <b>-3,987</b>  | <b>-3,313</b> |
| <b>Consolidated comprehensive income</b>   | <b>-26,730</b>    | <b>62,520</b>     | <b>33,184</b>  | <b>40,099</b> |
| <b>Consolidated earnings for the period</b>  |                   |                   |                |               |
| Attributable to Encavis AG shareholders  | 46,972            | 38,663            | 35,774         | 40,883        |
| Attributable to non-controlling interests  | 302               | 184               | 228            | 515           |
| Attributable to hybrid capital investors   | 2,324             | 4,027             | 1,169          | 2,014         |
| <b>Consolidated comprehensive income for the period</b>                            |                   |                   |                |               |
| Attributable to Encavis AG shareholders  | -29,341           | 58,307            | 31,801         | 37,570        |
| Attributable to non-controlling interests  | 287               | 185               | 214            | 515           |
| Attributable to hybrid capital investors   | 2,324             | 4,027             | 1,169          | 2,014         |
| <b>Earnings per share</b>  |                   |                   |                |               |
| Average number of shares in circulation in the reporting period                    |                   |                   |                |               |
| <i>Undiluted</i>   | 160,477,059       | 138,437,234       | 160,484,751    | 138,437,234   |
| <i>Diluted</i>   | 171,807,580       | 138,437,234       | 171,815,271    | 138,437,234   |
| Undiluted earnings per share (in EUR)  | 0.29              | 0.28              | 0.22           | 0.30          |
| Diluted earnings per share (in EUR)  | 0.27              | 0.28              | 0.21           | 0.30          |

## Condensed consolidated balance sheet (IFRS)

| Assets in TEUR   | 30.06.2022       | 31.12.2021       |
|--|------------------|------------------|
| Intangible assets                                      | 445,178          | 446,320          |
| Goodwill   | 27,421           | 27,466           |
| Property, plant and equipment                          | 2,201,203        | 2,174,952        |
| Financial assets accounted for using the equity method | 28,071           | 15,233           |
| Financial assets                                       | 4,773            | 4,875            |
| Other receivables                                      | 33,108           | 8,059            |
| Deferred tax assets                                    | 34,739           | 6,123            |
| <b>Total non-current assets</b>                        | <b>2,774,492</b> | <b>2,683,028</b> |
| Inventories  | 434              | 751              |
| Trade receivables                                      | 79,484           | 47,731           |
| Non-financial assets                                   | 4,041            | 6,046            |
| Receivables from income taxes                          | 21,687           | 24,760           |
| Other current receivables                              | 9,008            | 8,934            |
| Liquid assets  | 314,863          | 444,639          |
| <i>Cash and cash equivalents</i>                       | 263,808          | 394,228          |
| <i>Liquid assets with restrictions on disposition</i>  | 51,054           | 50,410           |
| <b>Total current assets</b>                            | <b>429,517</b>   | <b>532,860</b>   |
| <b>Balance sheet total</b>                             | <b>3,204,009</b> | <b>3,215,888</b> |
| <b>Equity and liabilities in TEUR</b>                  |                  |                  |
|  | 30.06.2022       | 31.12.2021       |
| Subscribed capital                                     | 161,030          | 160,469          |
| Capital reserves                                       | 625,709          | 616,363          |
| Other reserves   | -82,276          | -5,963           |
| Net retained profit                                    | 45,581           | 46,750           |
| <b>Equity attributable to Encavis AG shareholders</b>  | <b>750,044</b>   | <b>817,619</b>   |
| Equity attributable to non-controlling interests       | 2,783            | 2,464            |
| Equity attributable to hybrid capital investors        | 246,278          | 246,305          |
| <b>Total equity</b>                                    | <b>999,106</b>   | <b>1,066,388</b> |
| Non-current liabilities to non-controlling interests   | 38,689           | 36,768           |
| Non-current financial liabilities                      | 1,531,443        | 1,482,599        |
| Non-current lease liabilities                          | 183,287          | 176,068          |
| Other non-current liabilities                          | 5,287            | 5,845            |
| Non-current provisions                                 | 57,175           | 73,018           |
| Deferred tax liabilities                               | 130,505          | 125,431          |
| <b>Total non-current liabilities</b>                   | <b>1,946,386</b> | <b>1,899,729</b> |
| Current liabilities to non-controlling interests       | 87               | 102              |
| Liabilities from income taxes                          | 28,317           | 15,614           |
| Current financial liabilities                          | 141,113          | 169,533          |
| Current lease liabilities                              | 12,922           | 10,628           |
| Trade payables   | 35,170           | 28,686           |
| Other current liabilities                              | 18,351           | 12,047           |
| Current provisions                                     | 22,557           | 13,162           |
| <b>Total current liabilities</b>                       | <b>258,518</b>   | <b>249,772</b>   |
| <b>Balance sheet total</b>                             | <b>3,204,009</b> | <b>3,215,888</b> |

## Condensed consolidated cash flow statement (IFRS)

| In TEUR   | 01.01.-30.06.2022 | 01.01.-30.06.2021 |
|---|-------------------|-------------------|
| Consolidated earnings   | 49,598            | 42,875            |
| Impairments or reversals of impairments on fixed assets   | 81,397            | 76,020            |
| Profit/loss from the disposal of fixed assets   | 0                 | 142               |
| Other non-cash expenses/income  | 318               | -19,920           |
| Financial income/expenses   | 17,701            | 22,165            |
| Taxes on income (recognised in income statement)  | 21,243            | 1,235             |
| Taxes on income (paid)  | -4,309            | -6,470            |
| Increase/decrease in other assets/liabilities not attributable to investing or financing activities | -5,777            | -6,657            |
| <b>Cash flow from operating activities</b>  | <b>160,170</b>    | <b>109,388</b>    |
| Payments for the acquisition of consolidated entities, net of cash acquired                         | -82,253           | -26,683           |
| Proceeds from the sale of consolidated entities   | 1,520             | 0                 |
| Payments for investments in property, plant and equipment   | -24,843           | -17,595           |
| Payments for investments in intangible assets   | -41               | -25               |
| Payments for investments in financial assets  | -13,219           | -195              |
| Proceeds from the sale of financial assets  | 570               | 324               |
| Dividends received  | 237               | 16                |
| <b>Cash flow from investing activities</b>  | <b>-118,030</b>   | <b>-44,157</b>    |
| Loan proceeds   | 0                 | 76,198            |
| Loan repayments   | -94,249           | -72,868           |
| Repayment of lease liabilities  | -4,685            | -5,867            |
| Interest received   | 164               | 58                |
| Interest paid   | -27,608           | -30,612           |
| Payments for issuance costs   | -1,843            | -59               |
| Payments for the acquisition of shares without change of control                                    | -668              | -27               |
| Dividends paid to Encavis AG shareholders   | -38,129           | -26,878           |
| Dividends paid to hybrid capital investors  | -2,344            | -3,945            |
| Payments to non-controlling interests   | -235              | -546              |
| Change in cash with restrictions in disposition   | -872              | 9,324             |
| <b>Cash flow from financing activities</b>  | <b>-170,469</b>   | <b>-55,220</b>    |
| Change in cash and cash equivalents   | -128,329          | 10,011            |
| Change in cash due to exchange rate changes   | -289              | 328               |
| <b>Change in cash and cash equivalents</b>  | <b>-128,618</b>   | <b>10,339</b>     |
| Cash and cash equivalents   |                   |                   |
| As at 01.01.2022 (01.01.2021)   | 392,425           | 166,867           |
| As at 30.06.2022 (30.06.2021)   | 263,808           | 177,206           |



## Condensed consolidated statement of changes in equity (IFRS)

In TEUR

|  | Subscribed capital | Capital reserves | Other reserves               |                |                          |                               |
|--|--------------------|------------------|------------------------------|----------------|--------------------------|-------------------------------|
|  |                    |                  | Currency translation reserve | Hedge reserve  | Cost of hedging measures | Reserve from equity valuation |
| <b>As at 01.01.2021</b>                                      | <b>138,437</b>     | <b>479,561</b>   | <b>1,551</b>                 | <b>-15,074</b> | <b>-9</b>                | <b>-17,825</b>                |
| Consolidated earnings  |                    |                  |                              |                |                          |                               |
| Other comprehensive income*                                  |                    |                  | -449                         | 2,234          | 20                       | 19                            |
| Reclassifications to profit/loss                             |                    |                  |                              |                |                          | 17,820                        |
| <b>Consolidated comprehensive income for the period</b>      |                    |                  | <b>-449</b>                  | <b>2,234</b>   | <b>20</b>                | <b>17,839</b>                 |
| Dividend   |                    |                  |                              |                |                          |                               |
| Transactions with shareholders recognised directly in equity |                    | -27              |                              |                |                          |                               |
| Issuance costs   |                    | -58              |                              |                |                          |                               |
| Acquisition of shares from non-controlling interests         |                    |                  |                              |                |                          |                               |
| <b>As at 30.06.2021</b>                                      | <b>138,437</b>     | <b>479,475</b>   | <b>1,102</b>                 | <b>-12,840</b> | <b>10</b>                | <b>14</b>                     |
| <b>As at 01.01.2022</b>                                      | <b>160,469</b>     | <b>616,363</b>   | <b>882</b>                   | <b>-6,895</b>  | <b>-4</b>                | <b>54</b>                     |
| Consolidated earnings  |                    |                  |                              |                |                          |                               |
| Other comprehensive income*                                  |                    |                  | 100                          | -76,424        | -23                      | 16                            |
| Reclassifications to profit/loss                             |                    |                  |                              | 17             |                          |                               |
| <b>Consolidated comprehensive income for the period</b>      |                    |                  | <b>100</b>                   | <b>-76,407</b> | <b>-23</b>               | <b>16</b>                     |
| Dividend   |                    |                  |                              |                |                          |                               |
| Changes from capitalisation measures                         | 561                | 9,451            |                              |                |                          |                               |
| Issuance costs   |                    | -105             |                              |                |                          |                               |
| Acquisition of shares from non-controlling interests         |                    |                  |                              |                |                          |                               |
| <b>As at 30.06.2022</b>                                      | <b>161,030</b>     | <b>625,709</b>   | <b>982</b>                   | <b>-83,302</b> | <b>-27</b>               | <b>70</b>                     |

\* Excluding separately recognised effects from reclassifications.

## In TEUR

|   | Net<br>retained<br>profits | Equity<br>attributable<br>to Encavis AG<br>shareholders | Equity<br>attributable<br>to non-<br>controlling<br>interests | Equity<br>attributable<br>to hybrid<br>capital<br>investors | Total            |
|---|----------------------------|---|---|---|------------------|
| <b>As at 01.01.2021</b>   | <b>9,244</b>               | <b>595,885</b>  | <b>7,085</b>  | <b>148,591</b>  | <b>751,561</b>   |
| Consolidated earnings   | 38,663                     | 38,663  | 184   | 4,027   | 42,874           |
| Other comprehensive income*                                     |                            | 1,824   | 1   |   | 1,825            |
| Reclassifications to profit/loss                                |                            | 17,820  |   |   | 17,820           |
| <b>Consolidated comprehensive income<br/>for the period</b>     | <b>38,663</b>              | <b>58,307</b>   | <b>185</b>  | <b>4,027</b>  | <b>62,520</b>    |
| Dividend  | -26,878                    | -26,878   | -155  | -3,945  | -30,978          |
| Transactions with shareholders<br>recognised directly in equity |                            | -27   |   |   | -27              |
| Issuance costs  |                            | -58   |   |   | -58              |
| Acquisition of shares from non-<br>controlling interests        |                            |   | 8,522   |   | 8,522            |
| <b>As at 30.06.2021</b>   | <b>21,028</b>              | <b>627,229</b>  | <b>15,638</b>   | <b>148,673</b>  | <b>791,540</b>   |
| <b>As at 01.01.2022</b>   | <b>46,750</b>              | <b>817,619</b>  | <b>2,464</b>  | <b>246,305</b>  | <b>1,066,388</b> |
| Consolidated earnings   | 46,972                     | 46,972  | 302   | 2,324   | 49,598           |
| Other comprehensive income*                                     |                            | -76,331   | -14   |   | -76,344          |
| Reclassifications to profit/loss                                |                            | 17  |   |   | 17               |
| <b>Consolidated comprehensive income for<br/>the period</b>     | <b>46,972</b>              | <b>-29,341</b>  | <b>287</b>  | <b>2,324</b>  | <b>-26,730</b>   |
| Dividend  | -48,141                    | -48,141   | -135  | -2,344  | -50,620          |
| Changes resulting from capital measures                         |                            | 10,012  |   |   | 10,012           |
| Issuance costs  |                            | -105  |   | -7  | -112             |
| Acquisition of shares from non-<br>controlling interests        |                            |   | 168   |   | 168              |
| <b>As at 30.06.2022</b>   | <b>45,581</b>              | <b>750,044</b>  | <b>2,783</b>  | <b>246,278</b>  | <b>999,106</b>   |

\* Excluding separately recognised effects from reclassifications.

# Notes to the condensed interim consolidated financial statements

## General information

These condensed and unaudited interim consolidated financial statements have been prepared in accordance with section 37w, paragraph 3, of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*) and with IAS 34 “Interim Financial Reporting”. They do not include all the information that is required under IFRS for the consolidated financial statements as at the end of a financial year and should therefore only be read in conjunction with the consolidated financial statements as at 31 December 2021.

The interim financial statements and the interim management report have not been audited in accordance with section 317 of the German Commercial Code (*Handelsgesetzbuch – HGB*) nor reviewed by an auditor.

The condensed consolidated statement of comprehensive income and the condensed consolidated cash flow statement contain comparative figures for the first half of the previous year. The condensed consolidated balance sheet includes comparative figures as at the end of the previous financial year.

The interim financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) as applicable within the European Union.

The accounting policies applied are the same as those used for the most recent year-end consolidated financial statements. We published a detailed description of the methods applied in the notes to the consolidated financial statements for 2021. If there are any amendments to accounting policies, they will be explained in the individual notes.

## The reporting company

Encavis AG (hereafter known as “company” or together with its subsidiaries as “Group”) is a German joint stock company based in Hamburg. The Group’s main areas of activity are described in chapter 1 of the notes to the consolidated financial statements for the financial year ended 31 December 2021.

Subject to the interim consolidated financial statements are Encavis AG and its affiliates. For the group of consolidated companies, the reader is referred to section 18 of the notes to the consolidated financial statements as at 31 December 2021 and, with regard to the amendments in the first half of 2022, to the notes in the following section. The parent company of the Group, Encavis AG, was entered in the commercial register of Hamburg district court on 18 January 2002 under HRB 63197 and has its place of business in Grosse Elbstrasse 59, 22767 Hamburg.

Intra-Group transactions are conducted on arm’s-length terms.

## Significant accounting policies and consolidation principles

### Seasonal influences

The business activities of the Group are subject to seasonal influences, leading to fluctuations in revenue and results throughout the course of the year. Due to seasonal factors, revenue in the PV Parks segment is usually higher in the second and third quarters than in the first and fourth quarters of the financial year, while revenue and earnings in the Wind Parks segment are generally higher in the first and fourth quarters than in the second and third quarters of the financial year.

### New standards and amendments to standards and interpretations

In the first half of 2022, the Group applied the following new and/or revised IFRS standards and interpretations:

**New and amended standards and interpretations**

|        |   | Required to be applied for financial years beginning on or after the specified date | EU endorsement status (as at: 30.06.2022) | Status of application at Encavis |
|--------|---|---|---|----------------------------------|
| IFRS 3 | Amendment – References to the Framework Concept in IFRS 3   | 01.01.2022  | Adopted                                   | Applied                          |
| IAS 16 | Amendment – Clarification of Offsetting Proceeds from Sales during the Construction of Property, Plant and Equipment against Construction Costs | 01.01.2022  | Adopted                                   | Applied                          |
| IAS 37 | Amendment – Definition of Costs of Fulfilling a Contract  | 01.01.2022  | Adopted                                   | Applied                          |
| AIP    | Annual Improvements to IFRSs: 2018 – 2020 Cycle   | 01.01.2022  | Adopted                                   | Applied                          |

The new and amended standards/interpretations have no significant impact on these consolidated interim financial statements.

The Annual Improvements to IFRSs: 2018 – 2020 Cycle include changes to IFRS 1 (First-time Adoption of International Financial Reporting Standards for subsidiaries), IFRS 9 (clarification of Fees in the '10 per cent' Test for Derecognition of Financial Liabilities), IFRS 16 (Lease Incentives) and IAS 41 (taxation in fair value measurements). The clarification in IFRS 9 is relevant to Encavis, but does not have any major impact on this half-year report.

**Status of amended IFRS and interpretations which are not yet obligatory and which the Group has not applied before the effective date**

In addition to the statements in the consolidated statements as at 31 December 2021, the following amendments to standards were recognised by the IASB or IFRS IC for application by the European Commission in the first half of the current financial year:

**New and amended standards and interpretations**

|                                  |  | Required to be applied for financial years beginning on or after the specified date | EU endorsement status (as at: 30.06.2022) | Status of application at Encavis |
|----------------------------------|--|---|---|----------------------------------|
| IAS 1, IFRS Practice Statement 2 | Amendment – Disclosure of Accounting Policies  | 01.01.2023  | Adopted                                   | Not applied                      |
| IAS 8                            | Amendment – Definition of Accounting Estimates | 01.01.2023  | Adopted                                   | Not applied                      |

These new amendments adopted in EU law, whose application is not yet obligatory and which were not applied early within the Group, are relevant to Encavis. This is not expected to have any major implications for the Group's net assets, financial and earnings positions.

The amendment to IAS 1 and IFRS guidance document 2 specifies that accounting policies of a material rather than significant nature need to be disclosed in the notes. Encavis is still evaluating the extent to which this amendment will impact the presentation of the notes.

**Group of consolidated companies**

In the first six months of 2022, the following companies were included in the consolidated financial statements in addition to those mentioned in note 18 to the consolidated financial statements as at 31 December 2021:

**Companies additionally included in the group of consolidated companies in the first half of 2022**

|   | Registered office      | Interest in % |
|---|------------------------|---------------|
| <b>Fully consolidated Group companies</b> |                        |               |
| EnSol Nordic AS                           | Lillestrøm, Norway     | 90.00         |
| Solar Park Rødby Fjord ApS                | Søborg, Denmark        | 100.00        |
| Varberg Norra 3 MW AB                     | Varberg, Sweden        | 54.00         |
| Zonnepark Ermelo Schaapsdijk B.V.         | Rotterdam, Netherlands | 100.00        |
| Zonnepark Hijken B.V.                     | Rotterdam, Netherlands | 100.00        |
| Zonnepark Houten Oostrumsdijkje B.V.      | Rotterdam, Netherlands | 100.00        |

The shareholdings in the fully consolidated Group companies correspond to the proportion of voting rights.

### Acquisitions that do not meet the definition of a business

Encavis successfully expanded its international portfolio of production installations for renewable energies in the first half of 2022. None of the following transactions meet the definition of a business acquisition as defined in IFRS 3. All acquisitions were therefore presented as acquisitions of assets in the consolidated financial statements, regardless of when the plant was commissioned.

#### Zonnepark Houten Oostrumsdijkje B.V.

On 28 January 2022, Encavis acquired 100% of shares in the Zonnepark Houten Oostrumsdijkje B.V. solar park, located in The Netherlands, for a purchase price of TEUR 8,323. The company has a generation capacity of 16.1 MW and was commissioned in July 2021. The installation will benefit from the Dutch subsidy scheme, SDE+, for the first 15 years. A total of five solar installations were acquired from Statkraft as part of this transaction; the acquisitions of two of the installations were already completed at the end of December 2021.

The acquisition of Zonnepark Houten Oostrumsdijkje B.V. is recognised as an asset acquisition and not as a business combination as defined in IFRS 3. Following a review into whether an input or substantive process exists to allow an output to be created, it was found that no business exists as there is no organised workforce and the process of electricity generation is not unique. Given that this transaction constitutes the acquisition of assets and not the acquisition of a business, the difference between the purchase price and the revalued assets was allocated to acquired net assets and capitalised rather than being recognised as goodwill. Financial assets and liabilities were recognised at their fair values.

#### In TEUR

|                                       | Purchase price<br>allocation |
|---------------------------------------|------------------------------|
| Intangible assets                     | 3,833                        |
| Power generation installations        | 11,539                       |
| Right-of-use asset IFRS 16            | 2,861                        |
| Current assets                        | 75                           |
| Cash and cash equivalents             | 4,451                        |
| Liabilities and provisions            | 12,188                       |
| Lease liability IFRS 16               | 2,247                        |
| <b>Identified acquired net assets</b> | <b>8,323</b>                 |

#### Zonnepark Hijken B.V.

Also on 28 January 2022, Encavis acquired 100% of shares in the Zonnepark Hijken B.V. solar park, located in The Netherlands for a purchase price of TEUR 18,084. The company has a generation capacity of 15.9 MW and was commissioned at the start of 2022. The installation will benefit from the Dutch subsidy scheme, SDE+, for the first 15 years. A total of five solar installations were acquired from Statkraft as part of this transaction; the acquisitions of two of the installations were already completed at the end of December 2021.

The acquisition of Zonnepark Hijken B.V. is recognised as an asset acquisition and not as a business combination as defined in IFRS 3. Following a review into whether an input or substantive process exists to allow an output to be created, it was found that no business exists as there is no organised workforce and the process of electricity generation is not unique. Given that this transaction constitutes the acquisition of assets and not the acquisition of a business, the difference between the purchase price and the revalued assets was allocated to acquired net assets and capitalised rather than being recognised as goodwill. Financial assets and liabilities were recognised at their fair values.

**In TEUR**

|                                       | <b>Purchase price<br/>allocation</b> |
|---------------------------------------|--------------------------------------|
| Intangible assets                     | 3,169                                |
| Power generation installations        | 12,567                               |
| Right-of-use asset IFRS 16            | 2,499                                |
| Current assets                        | 1,364                                |
| Cash and cash equivalents             | 1,246                                |
| Liabilities and provisions            | 815                                  |
| Lease liability IFRS 16               | 1,946                                |
| <b>Identified acquired net assets</b> | <b>18,084</b>                        |

**Zonnepark Ermelo Schaapsdijk B.V.**

On 28 January 2022, Encavis also acquired 100% of shares in the Zonnepark Ermelo Schaapsdijk B.V. solar park, located in The Netherlands, for a purchase price of TEUR 6,803. The company has a generation capacity of 7.9 MW and was commissioned at the start of 2022. The installation will benefit from the Dutch subsidy scheme, SDE+, for the first 15 years. A total of five solar installations were acquired from Statkraft as part of this transaction; the acquisitions of two of the installations were already completed at the end of December 2021.

The acquisition of Zonnepark Ermelo Schaapsdijk B.V. is recognised as an asset acquisition and not as a business combination as defined in IFRS 3. Following a review into whether an input or substantive process exists to allow an output to be created, it was found that no business exists as there is no organised workforce and the process of electricity generation is not unique. Given that this transaction constitutes the acquisition of assets and not the acquisition of a business, the difference between the purchase price and the revalued assets was allocated to acquired net assets and capitalised rather than being recognised as goodwill. Financial assets and liabilities were recognised at their fair values.

**In TEUR**

|                                       | <b>Purchase price<br/>allocation</b> |
|---------------------------------------|--------------------------------------|
| Intangible assets                     | 502                                  |
| Power generation installations        | 4,666                                |
| Right-of-use asset IFRS 16            | 1,101                                |
| Current assets                        | 876                                  |
| Cash and cash equivalents             | 1,077                                |
| Liabilities and provisions            | 623                                  |
| Lease liability IFRS 16               | 797                                  |
| <b>Identified acquired net assets</b> | <b>6,803</b>                         |

**Solar Park Rødby Fjord ApS**

On 28 December 2021, Encavis AG announced that it had signed the purchase agreement for 100% of the shares in Solar Park Rødby Fjord ApS on Lolland in the southwestern part of Zealand (Denmark). The solar park offers a generation capacity of 71 MWp and was connected to the grid in the first quarter of 2022. Initial consolidation took place on 14 February 2022. The purchase price was TEUR 9,961. European Energy developed, constructed and sold the solar park to Encavis. The electricity produced will be sold to reputable tech-companies on the basis of a pay-as-produced structure under ten-year power purchase agreements. Rødby Fjord will also benefit from a 20-year feed-in tariff from the Danish Ministry of Energy, Utilities and Climate.

The acquisition of Solar Park Rødby Fjord ApS is recognised as an asset acquisition and not as a business combination as defined in IFRS 3. Following a review into whether an input or substantive process exists to allow an output to be created, it was found that no business exists as there is no organised workforce and the process of electricity generation is not unique. Given that this transaction constitutes the acquisition of assets and not the acquisition of a business, the difference between the purchase price and the revalued assets was allocated to acquired net assets and capitalised rather than being recognised as goodwill. Financial assets and liabilities were recognised at their fair values.

**In TEUR**

|                                       | Purchase price allocation |
|---------------------------------------|---------------------------|
| Intangible assets                     | 14,759                    |
| Power generation installations        | 29,395                    |
| Right-of-use asset IFRS 16            | 5,885                     |
| Financial assets                      | 642                       |
| Non-current assets                    | 60                        |
| Current assets                        | 1,189                     |
| Cash and cash equivalents             | 44                        |
| Liabilities and provisions            | 38,497                    |
| Lease liability IFRS 16               | 3,516                     |
| <b>Identified acquired net assets</b> | <b>9,961</b>              |

**Varberg Norra 3 MW AB and intermediate holding company EnSol Nordic AS**

On 1 April 2022, Encavis acquired 90% of the shares in the Norwegian intermediate holding company EnSol Nordic AS, which in turn holds 60% of the shares in Solarpark Varberg Norra 3 MW AB, located on the west coast of Sweden. The purchase price for the shares was TEUR 1,599. Of the identified net assets amounting to TEUR 1,767, TEUR 168 is attributed to minority shareholdings. The company has a generation capacity of 5 MW and was connected to the grid back in autumn 2021. As a result of the development partnership established with the Norwegian Solgrid AS at the end of 2021, additional Swedish solar projects with a total generation capacity of around 100 MW will follow.

The acquisition of Varberg Norra 3 MW AB is not presented as a business combination within the meaning of IFRS 3, but rather as an acquisition of assets. Following a review into whether an input or substantive process exists to allow an output to be created, it was found that no business exists as there is no organised workforce and the process of electricity generation is not unique. Given that this transaction constitutes the acquisition of assets and not the acquisition of a business, the difference between the purchase price and the revalued assets was allocated to acquired net assets through the recognition of an increase in shareholding rather than being recognised as negative goodwill. Financial assets and liabilities were recognised at their fair values.

**In TEUR**

|                                       | Purchase price allocation |
|---------------------------------------|---------------------------|
| Power generation installations        | 2,392                     |
| Right-of-use asset IFRS 16            | 201                       |
| Current assets                        | 87                        |
| Cash and cash equivalents             | 1,744                     |
| Liabilities and provisions            | 2,584                     |
| Lease liability IFRS 16               | 73                        |
| <b>Identified acquired net assets</b> | <b>1,767</b>              |

**Critical accounting judgements and key sources of estimation uncertainties**

Within the scope of preparing the consolidated financial statements, in certain cases estimates and assumptions are made that affect how accounting methods are applied as well as which amount of assets, liabilities, income and expenses are recorded. The actual values may differ from these estimates. The estimates and underlying assumptions undergo continuous reviews. The adapted estimates are accounted for on a prospective basis.

In the following section, the main assumptions for the future and other key sources of estimation uncertainties at the end of the reporting period will be listed which may give rise to a significant risk that calls for a material adjustment to assets and liabilities in the next financial year.

**Economic life of property, plant and equipment and intangible assets**

When measuring property, plant and equipment and intangible assets, the expected useful life of the assets must be estimated; in doing so, we take into account contractual agreements, knowledge of the industry and management

estimates. Further disclosures can be found in the notes to the consolidated financial statements as at 31 December 2021.

**Impairment of goodwill**

In order to determine whether goodwill is impaired, it is necessary to calculate the value in use of the group of cash-generating units to which the goodwill is allocated. Calculating the value in use requires an estimate of future cash flows from the group of cash-generating units as well as an appropriate capitalisation interest rate for the calculation of the present value. A material impairment may result if the actual expected future cash flows are less than previously estimated.

**Business combinations**

All identifiable assets and liabilities are recognised at their fair values at the time of initial consolidation within the scope of business combinations. The recognised fair values are subject to estimation uncertainties. If intangible assets are identified, the fair value must be estimated using generally accepted valuation methods. The valuations are based on the company's plans, which are based on estimates by management while taking contractual agreements into account. In the reporting period, discount rates (WACC) of between 3.44% and 4.13% were applied in connection with the valuation of intangible assets. No valuations of intangible assets were performed in the comparative period.

The reader is referred to the discussion in note 8 of the notes to the consolidated financial statements as at 31 December 2021 for details of the assumptions made when determining the fair value of financial assets. The measurement methods and input factors applied have not changed since 31 December 2021.



## Additional disclosures related to financial assets and liabilities

### Carrying amounts, recognised amounts and fair value according to classes and valuation categories under IFRS 9

| Classes of financial instruments in TEUR  | Measurement category under IFRS 9* | Carrying amount under IFRS 9                  |                      |   |                                   |                              | Fair value as at 30.06.2022 (31.12.2021) |
|---|------------------------------------|---|----------------------|---|-----------------------------------|------------------------------|--|
|   |                                    | Carrying amount as at 30.06.2022 (31.12.2021) | Amortised cost       | Fair value through other comprehensive income | Fair value through profit or loss | Carrying amount under IAS 28 |  |
| <b>Financial assets</b>   |                                    |   |                      |   |                                   |                              |  |
| Non-current financial assets<br>(31.12.2021)  | FVPL                               | 3,578<br>(3,639)                              |                      |   | 3,578<br>(3,639)                  |                              | 3,578<br>(3,639)                         |
| Non-current receivables from contingent consideration<br>(31.12.2021)                       | FVPL                               | 329<br>(325)                                  |                      |   | 329<br>(325)                      |                              | 329<br>(325)                             |
| Current receivables from contingent consideration<br>(31.12.2021)                           | FVPL                               | 135<br>(1,655)                                |                      |   | 135<br>(1,655)                    |                              | 135<br>(1,655)                           |
| Financial assets accounted for using the equity method<br>(31.12.2021)                      | n/a                                | 28,071<br>(15,233)                            |                      |   |                                   | 28,071<br>(15,233)           | 28,071<br>(15,233)                       |
| Loans to associated entities and other loans<br>(31.12.2021)                                | AC                                 | 1,195<br>(1,236)                              | 1,195<br>(1,236)     |   |                                   |                              | 1,195<br>(1,236)                         |
| Other non-current receivables<br>(31.12.2021)   | AC                                 | 3,975<br>(3,930)                              | 3,975<br>(3,930)     |   |                                   |                              | 3,975<br>(3,930)                         |
| Trade receivables<br>(31.12.2021)   | AC                                 | 79,484<br>(47,731)                            | 79,484<br>(47,731)   |   |                                   |                              | 79,484<br>(47,731)                       |
| Other current receivables<br>(31.12.2021)   | AC                                 | 3,147<br>(4,235)                              | 3,147<br>(4,235)     |   |                                   |                              | 3,147<br>(4,235)                         |
| Liquid assets<br>(31.12.2021)   | AC                                 | 314,863<br>(444,639)                          | 314,863<br>(444,639) |   |                                   |                              | 314,863<br>(444,639)                     |
| <b>Derivative financial assets</b>  |                                    |   |                      |   |                                   |                              |  |
| Derivatives not in a hedging relationship (swap, forward exchange contract)<br>(31.12.2021) | FVPL                               | 12,114<br>(798)                               |                      |   | 12,114<br>(798)                   |                              | 12,114<br>(798)                          |
| Derivatives in a hedging relationship (swap)<br>(31.12.2021)                                | FVOCI                              | 14,785<br>(1,047)                             |                      | 14,785<br>(1,047)                             |                                   |                              | 14,785<br>(1,047)                        |

\* FVPL: Fair Value through P&L; AC: amortised cost (financial assets/liabilities recognised at amortised cost); FVOCI: derivative financial instruments measured as part of hedging relationships (presented in other non-current receivables and/or non-current financial liabilities). Non-current financial assets, loans to associates and other loans have been aggregated and presented under the line item for financial assets in the balance sheet. The financial liabilities were presented here separately in the following categories compared to the balance sheet: financial liabilities, liabilities from contingent consideration, other financial liabilities, derivatives in a hedging relationship and derivatives not in a hedging relationship.

| Classes of financial instruments in TEUR  | Measurement category under IFRS 9* | Carrying amount under IFRS 9                  |                          |   |                                   | Carrying amount under IFRS 16 | Fair value as at 30.06.2022 (31.12.2021) |
|---|------------------------------------|---|--------------------------|---|-----------------------------------|-------------------------------|--|
|   |                                    | Carrying amount as at 30.06.2022 (31.12.2021) | Amortised cost           | Fair value through other comprehensive income | Fair value through profit or loss |                               |  |
| <b>Financial liabilities</b>  |                                    |   |                          |   |                                   |                               |  |
| Current liabilities from contingent consideration<br>(31.12.2021)                           | FVPL                               | 609<br>(609)                                  |                          |   | 609<br>(609)                      |                               | 609<br>(609)                             |
| Lease liabilities**<br>(31.12.2021)   | n/a                                | 196,209<br>(186,696)                          |                          |   |                                   | 196,209<br>(186,696)          | -<br>(-)                                 |
| Financial liabilities<br>(31.12.2021)   | AC                                 | 1,486,363<br>(1,576,959)                      | 1,486,363<br>(1,576,959) |   |                                   |                               | 1,461,534<br>(1,703,341)                 |
| Liabilities to non-controlling interests<br>(31.12.2021)                                    | AC                                 | 38,776<br>(36,871)                            | 38,776<br>(36,871)       |   |                                   |                               | 38,776<br>(36,871)                       |
| Trade payables<br>(31.12.2021)  | AC                                 | 35,170<br>(28,686)                            | 35,170<br>(28,686)       |   |                                   |                               | 35,170<br>(28,686)                       |
| Other financial liabilities<br>(31.12.2021)   | AC                                 | 43<br>(43)                                    | 43<br>(43)               |   |                                   |                               | 43<br>(43)                               |
| <b>Derivative financial liabilities</b>   |                                    |   |                          |   |                                   |                               |  |
| Derivatives not in a hedging relationship (swap, forward exchange contract)<br>(31.12.2021) | FVPL                               | 1,105<br>(3,316)                              |                          |   | 1,105<br>(3,316)                  |                               | 1,105<br>(3,316)                         |
| Derivatives in a hedging relationship (swap)<br>(31.12.2021)                                | FVOCI                              | 4,821<br>(20,960)                             |                          | 4,821<br>(20,960)                             |                                   |                               | 4,821<br>(20,960)                        |
| Derivatives in a hedging relationship (PPA)<br>(31.12.2021)                                 | FVOCI                              | 179,613<br>(50,238)                           |                          | 179,613<br>(50,238)                           |                                   |                               | 179,613<br>(50,238)                      |
| <b>Of which aggregated by measurement categories pursuant to IFRS 9</b>                     |                                    |   |                          |   |                                   |                               |  |
| Financial assets measured at amortised cost<br>(31.12.2021)                                 | AC                                 | 402,663<br>(501,770)                          | 402,663<br>(501,770)     |   |                                   |                               | 402,663<br>(501,770)                     |
| Financial assets measured at fair value through profit or loss<br>(31.12.2021)              | FVPL                               | 16,156<br>(6,417)                             |                          |   | 16,156<br>(6,417)                 |                               | 16,156<br>(6,417)                        |
| Financial liabilities measured at amortised cost<br>(31.12.2021)                            | AC                                 | 1,560,351<br>(1,642,559)                      | 1,560,351<br>(1,642,559) |   |                                   |                               | 1,535,522<br>(1,768,941)                 |
| Financial liabilities measured at fair value through profit or loss<br>(31.12.2021)         | FVPL                               | 1,714<br>(3,925)                              |                          |   | 1,714<br>(3,925)                  |                               | 1,714<br>(3,925)                         |

\*\* The relief provision of IFRS 7.29 was applied to the disclosures on the fair values of lease liabilities.

## Fair value hierarchy

| Fair value hierarchy in TEUR as at 30.06.2022<br>(31.12.2021)                               | Level |                     |                  |
|---|-------|---------------------|------------------|
|   | 1     | 2                   | 3                |
| <b>Assets</b>   |       |                     |                  |
| Non-current financial assets<br>(31.12.2021)  |       |                     | 3,578<br>(3,639) |
| Non-current receivables from contingent consideration<br>(31.12.2021)                       |       |                     | 329<br>(325)     |
| Current receivables from contingent consideration<br>(31.12.2021)                           |       |                     | 135<br>(1,655)   |
| <b>Derivative financial assets:</b>   |       |                     |                  |
| Derivatives not in a hedging relationship (swap, forward exchange contract)<br>(31.12.2021) |       | 12,114<br>(798)     |                  |
| Derivatives in a hedging relationship (swap)<br>(31.12.2021)                                |       | 14,785<br>(1,047)   |                  |
| <b>Liabilities</b>  |       |                     |                  |
| Current liabilities from contingent consideration<br>(31.12.2021)                           |       |                     | 609<br>(609)     |
| <b>Derivative financial liabilities:</b>  |       |                     |                  |
| Derivatives not in a hedging relationship (swap, forward exchange contract)<br>(31.12.2021) |       | 1,105<br>(3,316)    |                  |
| Derivatives in a hedging relationship (swap)<br>(31.12.2021)                                |       | 4,821<br>(20,960)   |                  |
| Derivatives in a hedging relationship (PPA)<br>(31.12.2021)                                 |       | 179,613<br>(50,238) |                  |

Interest rate and currency hedges are measured using market-yield and foreign exchange (FX) forward curves on the basis of recognised mathematical models (present value calculations). The market values recognised in the balance sheet thus correspond to level 2 of the IFRS 13 fair value hierarchy.

The receivables from contingent consideration carried at fair value in the consolidated balance sheet as well as the liabilities from contingent consideration are based on Level 3 information and input factors.

Changes between levels occurred in neither the current nor previous financial year.

The following table shows the level of the fair value hierarchy to which the measurement of fair value has been assigned in its entirety for each class of asset and liability not measured at fair value in the balance sheet and for which fair value does not approximate the carrying amount.

| Fair value hierarchy in TEUR as at 30.06.2022<br>(31.12.2021) | Level |                          |   |
|---|-------|--------------------------|---|
|   | 1     | 2                        | 3 |
| <b>Liabilities</b>  |       |                          |   |
| <b>Financial liabilities measured at amortised cost</b>       |       |                          |   |
| Financial liabilities<br>(31.12.2021)                         |       | 1,461,534<br>(1,703,341) |   |

The following tables show the valuation methods that were used to determine fair values.

#### Financial instruments measured at fair value

| Type  | Valuation method  | Significant, unobservable input factors  |
|---|---|--|
|   |   | <b>Expected distributions</b>  |
| Non-current financial assets: mezzanine capital | Discounted cash flows: The fair values are determined on the basis of the future expected cash flows discounted using the standard observable market data of the corresponding yield curves | The estimated fair value of the mezzanine capital would increase (decrease) if the distributions would be higher (lower) and/or would be made at an earlier (later) date.                              |
| Interest rate swaps                             | Discounted cash flows: The fair values are determined on the basis of the future expected cash flows discounted using the standard observable market data of the corresponding yield curves | Not applicable   |
|   |   | <b>Date of the addition of the other wind installations</b>  |
|   |   | The estimated fair value of the receivables from contingent consideration would increase (decrease) if the additional wind installations were added at an earlier (later) date                         |
|   |   | <b>Tax benefit</b>   |
| Receivables from contingent consideration       | Discounted cash flows on the basis of contractually fixed mechanisms  | The estimated fair value of the receivable from contingent consideration would increase (decrease) if the tax benefit were higher (lower)  |
|   |   | <b>Generation of additional revenue</b>  |
|   |   | The estimated fair value of the receivable from contingent consideration would increase (decrease) if the additional revenue of the wind installations from electricity production were higher (lower) |
|   |   | <b>Performance of the installations</b>  |
| Liabilities from contingent consideration       | Discounted cash flows on the basis of contractually fixed mechanisms  | The estimated fair value of liabilities from contingent consideration would increase (decrease) if the solar park's performance were higher (lower).   |

#### Financial instruments not measured at fair value

| Type                  | Valuation method   | Significant, unobservable input factors |
|-----------------------|--|---|
| Financial liabilities | Discounted cash flows: The fair values are determined on the basis of the future expected cash flows discounted with equivalent terms using standard observable market interest rates and taking an appropriate risk premium into account. | Not applicable                          |

For financial instruments with short-term maturities, including cash and cash equivalents, trade receivables, trade payables and other current receivables and current liabilities, it is assumed that their fair values approximate their carrying amounts. The relief provision of IFRS 7.29 was applied to the disclosures relating to the fair values of lease liabilities, on the basis of which the fair value was not determined.

The following overview shows a detailed reconciliation of Level 3 assets and liabilities regularly measured at fair value.

| In TEUR  | 2022         | 2021         |
|--|--------------|--------------|
| <b>Non-current financial assets</b>                          |              |              |
| As at 01.01.   | 3,639        | 2,434        |
| Acquisitions (incl. additions)                               | 208          | 1,377        |
| Sales (incl. disposals)                                      | -269         | -24          |
| Unrealised profit (+)/loss (-) in consolidated earnings      | 0            | -30          |
| <b>As at 30.06.</b>  | <b>3,578</b> | <b>3,757</b> |
| <b>Non-current receivables from contingent consideration</b> |              |              |
| As at 01.01.   | 325          | 453          |
| Unrealised profit (+)/loss (-) in consolidated earnings      | 4            | 3            |
| <b>As at 30.06.</b>  | <b>329</b>   | <b>456</b>   |
| <b>Current receivables from contingent consideration</b>     |              |              |
| As at 01.01.   | 1,655        | 0            |
| Sales (incl. disposals)                                      | -1,520       | 0            |
| <b>As at 30.06.</b>  | <b>135</b>   | <b>0</b>     |
| <b>Current liabilities from contingent consideration</b>     |              |              |
| As at 01.01.   | 609          | 609          |
| <b>As at 30.06.</b>  | <b>609</b>   | <b>609</b>   |

The non-current earn-out receivables concern the sale of Stern Energy GmbH during the 2020 financial year. Interest of TEUR 3 and 4 was accrued for the amount during the first half of 2021 and the first half of 2022 respectively.

The current contingent purchase price receivables in the amount of TEUR 135 relate to the acquisition of the wind park UGE Markendorf Eins GmbH & Co. KG from the 2017 financial year. In the course of the sale of the Austrian wind park portfolio in December 2021, a contingent purchase price receivable of TEUR 1,520 was recognised as a current earn-out receivable. The amount of the additional payment depends on the additional revenue generated by the wind installations in the first quarter of 2022 compared to the subsidy rates. The receivable was settled in full in the first half of 2022.

The current earn-out liability was recognised with the acquisition of the solar park in Boizenburg during the 2018 financial year. The payment is mainly related to the performance of the park after planned repairs. The Group expects payment to be made within the current financial year.

The following interest income and interest expenses originate from financial instruments not measured at fair value through profit or loss:

| In TEUR           | 01.01.-30.06.2022 | 01.01.-30.06.2021 |
|-------------------|-------------------|-------------------|
| Interest income   | 2,090             | 3,111             |
| Interest expenses | -31,817           | -29,502           |
| <b>Total</b>      | <b>-29,727</b>    | <b>-26,391</b>    |

Not included, in particular, are interest income and interest expenses from derivatives and interest income and interest expenses from assets and liabilities outside of the scope of IFRS 7. In accordance with IFRS 7.20 (b), interest expenses include interest expenses in connection with IFRS 16, as the lease liabilities are classified as financial liabilities not measured at fair value through profit or loss.

### Interest rate swaps

The fair value of interest rate swaps on the balance sheet date is determined by discounting future cash flows using the yield curves on the balance sheet date and the credit risk associated with the contracts.

As at the balance sheet date, the Group held a total of 92 (31 December 2021: 93) interest rate swaps, under which the Group receives interest at a variable rate and pays interest at a fixed rate. As a general rule, these are amortising interest rate swaps, whose nominal volume is reduced at regular, defined intervals. The following table shows the nominal volumes as at the reporting date, the average (volume-weighted) fixed interest rate and the fair value. The Group differentiates between interest rate swaps that are part of an effective hedging relationship pursuant to IFRS 9 and those that are not.

| In TEUR                                       | 30.06.2022     | 31.12.2021     |
|---|----------------|----------------|
| <b>Nominal volume in TEUR</b>                 | <b>674,406</b> | <b>677,438</b> |
| <i>Of which in a hedging relationship</i>     | 410,505        | 423,427        |
| <i>Of which not in a hedging relationship</i> | 263,901        | 254,011        |
| Average interest rate in %                    | 1.41           | 1.44           |
| Average remaining term in years               | 7.68           | 8.16           |
| <b>Fair value in TEUR</b>                     | <b>20,970</b>  | <b>-22,418</b> |
| <i>Of which in a hedging relationship</i>     | 9,964          | -19,913        |
| <i>Of which not in a hedging relationship</i> | 11,006         | -2,505         |

The ineffective portion of the swaps in a hedging relationship was recognised as income of TEUR 3,399 through profit or loss (previous year: TEUR 668). The market value of swaps that are not in a hedging relationship was recognised as income of TEUR 13,510 through profit or loss (previous year: TEUR 2,615). The effective share in the current financial year of TEUR 26,634 (previous year: TEUR 5,292) was adjusted for deferred tax effects in the amount of TEUR -7,136 (previous year: TEUR -1,320) and recognised in equity. For the interest rate swaps for which no more evidence of their effectiveness pursuant to IAS 39 could be provided prior to 1 January 2018 (applicable period of IAS 39), the changes in value formerly recognised in the hedge accounting reserves with no effect on profit or loss in the amount of TEUR 12 (previous year: TEUR 12), taking into account the deferred tax liabilities in the amount of TEUR -4 (previous year: TEUR -3), were amortised on schedule through profit or loss. In addition, during the reporting period, TEUR 17 (previous year: TEUR 0) from the hedge reserve was reclassified to consolidated earnings as a result of the early termination of an interest rate swap that was previously in a hedging relationship.

### Power purchase agreements

The ineffective portion of the measurement of the PPAs was recognised as expenses of TEUR 1,351 through profit or loss (previous year: income of TEUR 32). The effective portion in the current financial year of TEUR -127,884 (previous year: TEUR -2,309) was adjusted for deferred tax effects in the amount of TEUR 31,971 (previous year: TEUR 577) and recognised in equity.

### Principles of risk management

With regard to its financial assets and liabilities and planned transactions, Encavis is mainly exposed to risk from interest rate changes. The aim of financial risk management is to limit this market risk by means of ongoing activities. Derivative hedging instruments are used to this end, depending on the risk assessment. In order to minimise default risk, interest rate hedging instruments are only concluded with renowned banks with corresponding credit ratings. As a general rule, only risks that impact the Group's cash flow are hedged.

The risks facing the Encavis Group, as well as the extent of these risks, have either not changed or not changed significantly compared with the 2021 consolidated financial statements.

## Equity

As at 30 June 2022, equity amounted to TEUR 999,106 (31 December 2021: TEUR 1,066,388). The decrease of TEUR 67,282, or 6.3%, is primarily the result of valuation effects for the Group's derivative financial instruments

recognised in the hedge reserve. The payment of the dividend for the previous financial year as well as the payment to hybrid capital investors had a similar lowering effect. The positive consolidated earnings for the reporting period had an offsetting effect. The equity ratio was 31.2% (31 December 2021: 33.2%).

The Management Board and Supervisory Board of Encavis AG want the shareholders to share in the success of the company to an appropriate extent. With this in mind, the Supervisory and Management Boards of Encavis AG proposed, at the Annual General Meeting on 19 May 2022, to pay out a dividend of EUR 0.30 for each dividend-entitled share. This represents a year-on-year increase of 7.1% (dividend for the 2020 financial year: EUR 0.28). The proposal by the Management Board and Supervisory Board was approved by a clear majority.

The Management Board and Supervisory Board wish to give Encavis AG shareholders the greatest possible freedom of choice in connection with the dividend. As a result, the dividend issued by Encavis AG was once again structured as an optional dividend. As such, the company's shareholders had the choice of receiving the dividend entirely in cash or a portion of the dividend in cash for payment of the tax liability and the remaining portion of the dividend in the form of shares in the company.

The dividend was paid on 23 June 2022. Encavis AG gave the option of receiving the dividend either wholly or partially in cash or in the form of shares. The acceptance rate of 29.7% is seen as a sign of the shareholders' confidence in the company. In total, 560,894 new bearer shares were issued on 30 June 2022. The new shares have dividend rights from 1 January 2022 onwards. Share capital increased from EUR 160,469,282.00 to EUR 161,030,176.00.

As at the reporting date, share capital therefore comes to EUR 161,030,176.00, divided into 161,030,176 shares with a nominal value of EUR 1.00 per share.

## Related-party disclosures

In the course of normal business, the parent company Encavis AG maintains relationships with subsidiaries and with other related companies (associated entities and companies with the same staff in key positions) and individuals (majority shareholders and members of the Supervisory Board and Management Board as well as their relatives).

### Associated entities

Transactions with associated entities are carried out under the same conditions as those with independent business partners. Outstanding items as at the reporting date are unsecured and (with the exception of loans) interest-free, and settlement is made in cash. No guarantees were provided to or by related parties with regard to receivables or liabilities.

| In TEUR                              |                                   |                   |             |             |                              |
|--------------------------------------|-----------------------------------|-------------------|-------------|-------------|------------------------------|
|                                      | Services provided, incl. interest | Services received | Receivables | Liabilities | Loans issued, incl. interest |
| CHORUS IPP Europe GmbH               | 623                               |                   | 72          |             |                              |
| Gnannenweiler Windnetz GmbH & Co. KG |                                   | 23                |             |             |                              |
| Pexapark AG                          |                                   | 549               |             | 73          |                              |
| Stern Energy S.p.A.                  | 2                                 | 1,332             |             | 423         |                              |
| Stern PV 2 Srl                       | 13                                |                   |             |             | 547                          |
| Stern PV 3 Srl                       | 11                                |                   |             |             | 444                          |
| Stern PV 4 Srl                       | 5                                 |                   |             |             | 235                          |
| <b>Total</b>                         | <b>654</b>                        | <b>1,904</b>      | <b>72</b>   | <b>496</b>  | <b>1,226</b>                 |
| (01.01.2021 to 30.06.2021)           | (292)                             | (1,957)           |             |             |                              |
| (31.12.2021)                         |                                   |                   | (73)        | (533)       | (1,267)                      |

In May 2022, the shares in Stern Energy S.p.A. were increased by TEUR 12,763, from 30% to 51%. Despite the majority interest, the company has not been fully consolidated due to contractual agreements, even after the increase.

### Joint arrangements

The participating interest in Richelbach Solar GbR in the amount of TEUR 120 as at 30 June 2022 (31 December 2021: TEUR 120) is classified as a joint operation pursuant to IFRS 11. Encavis recognises its interest in the joint operation through the recognition of its share in the assets, liabilities, income and expenses in accordance with its contractually assumed rights and obligations.

### Other related companies and individuals

As at the reporting date, rental agreements at arm's-length terms exist with B&L Holzhafen West GmbH & Co. KG, a company related to Supervisory Board member Albert Büll, for office space for Encavis AG. In the first half of 2022, the sum of the transactions with B&L Holzhafen West GmbH & Co. KG amounted to TEUR 476 (previous year: TEUR 396). As at the balance sheet date, there were no outstanding balances from transactions with B&L Holzhafen West GmbH & Co. KG.

For the company Encavis GmbH, there is a rental agreement regarding the Asset Management segment's office space in Neubiberg in place with PELABA Vermögensverwaltungs GmbH & Co. KG, a company related to Encavis Asset Management AG Supervisory Board member Peter Heidecker. The rental agreement had a fixed term until the end of 2019 and has been renewed automatically by one year each year since then, unless either of the parties terminates it with a notice period of six months. The agreement therefore runs until at least the end of 2023. The monthly rent is based on customary market conditions. In the first half of 2022, the sum of the transactions with PELABA Vermögensverwaltungs GmbH & Co. KG amounted to TEUR 96 (previous year: TEUR 77). As at the balance sheet date, there were no outstanding balances from transactions with PELABA Vermögensverwaltungs GmbH & Co. KG.

## Other disclosures

### Employees

In the first half of 2022, apart from the Management Board members, the Group had 153 employees on average (previous year: 140), determined on the basis of the figures on the respective reporting dates. The average number of employees is shown below broken down by function:

#### Average number of employees per function

|                                   | Encavis AG | Encavis Asset Management AG | Encavis GmbH | Total      |
|-----------------------------------|------------|-----------------------------|--------------|------------|
| Finance                           | 20         |                             |              | 20         |
| (previous year)                   | (21)       |                             |              | (21)       |
| Operations                        | 23         |                             |              | 23         |
| (previous year)                   | (25)       |                             |              | (25)       |
| Staff                             | 30         |                             |              | 30         |
| (previous year)                   | (25)       |                             |              | (25)       |
| Investment                        | 13         |                             |              | 13         |
| (previous year)                   | (9)        |                             |              | (9)        |
| Corporate Finance/Project Finance | 6          |                             |              | 6          |
| (previous year)                   | (6)        |                             |              | (6)        |
| Asset Management                  |            | 42                          | 19           | 61         |
| (previous year)                   |            | (39)                        | (16)         | (55)       |
| <b>Total</b>                      | <b>92</b>  | <b>42</b>                   | <b>19</b>    | <b>153</b> |
| (previous year)                   | (86)       | (39)                        | (16)         | (140)      |

### Leases

The following table provides an overview of the capitalised rights of use per asset class recognised under property, plant and equipment as at 30 June 2022:

#### Right of use in TEUR

|                                | 30.06.2022     | 31.12.2021     |
|--------------------------------|----------------|----------------|
| Land                           | 198,867        | 204,355        |
| Buildings                      | 7,050          | 7,467          |
| Power generation installations | 28,508         | 29,444         |
| Vehicles                       | 141            | 147            |
| <b>Total</b>                   | <b>234,565</b> | <b>241,413</b> |



Capitalised asset retirement costs included in the rights of use for land were significantly reduced by the rise in interest rates. This effect has exceeded the offsetting increase from company acquisitions, new contracts and valuation effects, which is why the carrying amount of the rights of use has decreased overall.

Lease liabilities as at 30 June 2022 are as follows:

| <b>Lease liabilities in TEUR</b> |                   |                   |
|----------------------------------|-------------------|-------------------|
|                                  | <b>30.06.2022</b> | <b>31.12.2021</b> |
| Non-current                      | 183,287           | 176,068           |
| Current                          | 12,922            | 10,628            |
| <b>Total</b>                     | <b>196,209</b>    | <b>186,696</b>    |

The increase in lease liabilities can primarily be attributed to company acquisitions, new contracts and valuation effects.

#### Events after the balance sheet date

For the significant events after the end of the reporting period, the reader is referred to the section “Events after the balance sheet date” in the interim Group management report.

#### Notification requirements

Notifications in accordance with section 21, paragraph 1, or paragraph 1a, of the Securities Trading Act (WpHG) are shown on the Encavis AG website at <https://www.encavis.com/en/sustainability/governance/>.

## Forward-looking statements and forecasts

This report includes forward-looking statements based on current expectations, assumptions and forecasts by the Management Board and the information available to it. Known or unknown risks, uncertainties and influences may mean that the actual results, the financial position or the company’s development differ from the estimates provided here. We assume no obligation to update the forward-looking statements made in this report.

Rounding differences may occur in percentages and figures in this report.

## Contact

All relevant information relating to Encavis AG is published and provided on the company’s website [www.encavis.com](http://www.encavis.com) under “Investor Relations” in the interest of transparent capital market communications.

Encavis AG also uses social media such as LinkedIn (<https://linkedin.com/company/encavis-ag>) and Twitter (<https://twitter.com/encavis>) to share company news and information quickly and transparently.

The Investor Relations department is at the disposal of all existing and potential shareholders at any time for questions and suggestions on the share and the company.

We look forward to hearing from you!

#### Encavis AG

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## Assurance of the legal representatives

We declare that, to the best of our knowledge and according to the applicable accounting standards, the half-yearly financial reporting as at 30 June 2022, in connection with the annual report for 2021, gives a true and fair view of the earnings, net assets and financial positions of the Group, and that the situation of the Group is presented in a true and fair way as to suitably describe the principal opportunities and risks associated with the expected development of the Group.

Hamburg, August 2022

Encavis AG

Management Board



Dr Dierk Paskert

CEO



Dr Christoph Husmann

CFO



Mario Schirru

COO/CIO

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