

ANNUAL REPORT 2021/22

CONSOLIDATED FINANCIAL STATEMENTS



FOREWORD BY THE MANAGEMENT BOARD

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FOR THE FINANCIAL YEAR 2021/22

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BUILDING
ON
IDEAS

IMPRINT

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- swietelsky.at / swietelsky.de
- wir-swietelskys.at / wir-swietelskys.de
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- baupod.swietelsky.at
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TODAY

The SWIETELSKY Group is a leading construction company in Central and Eastern Europe. With the driving force of nearly 12,000 employees, more than EUR 3 billion in construction output, and a decentralised organizational structure, we are an international player, a national winner, and a local champion in all sectors of the construction industry.



MARKETS

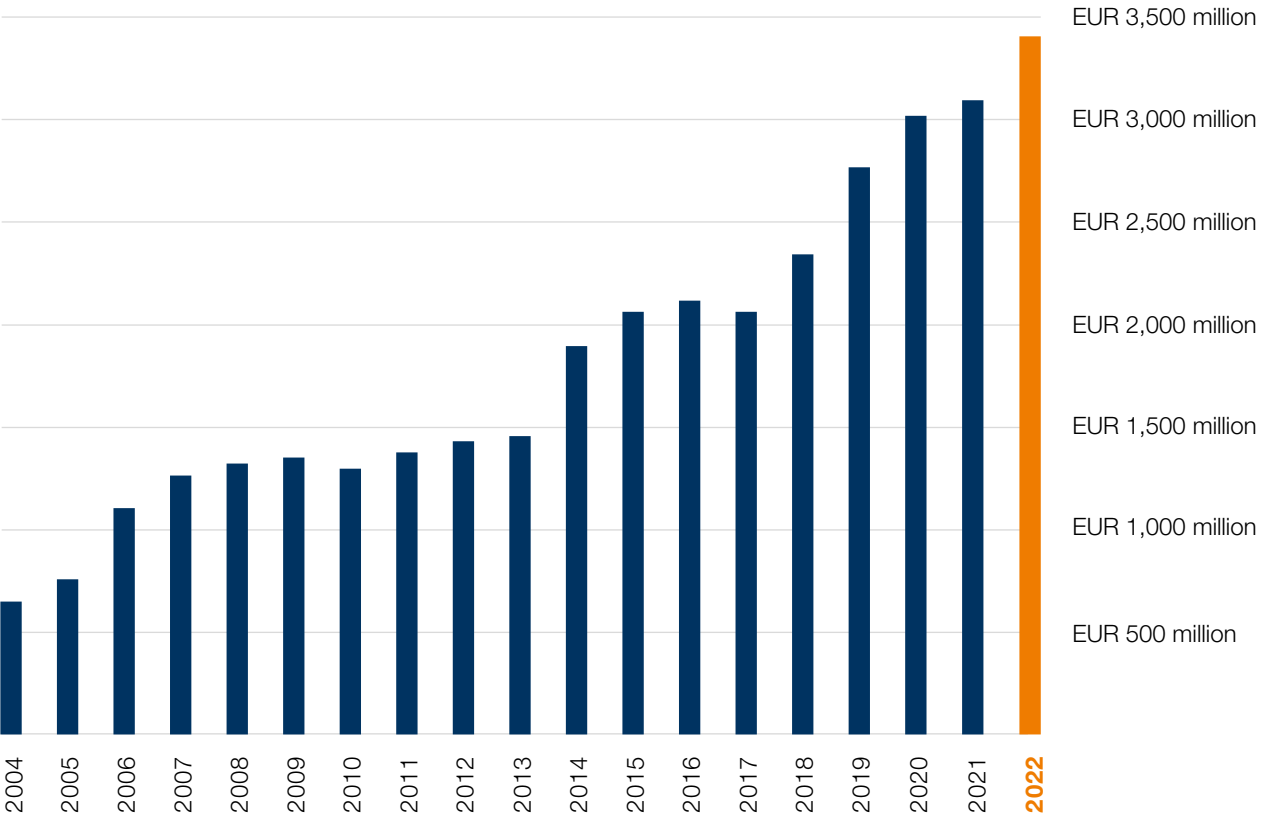
21 COUNTRIES

Subsidiaries in four core countries (Austria, Germany, Hungary, Czech Republic) and 17 other countries (Australia, Bosnia and Herzegovina, Croatia, Denmark, France, Great Britain, Italy, Latvia, Luxembourg, Netherlands, Norway, Poland, Romania, Sweden, Switzerland, Slovakia, Slovenia)

- Core market
- ▨ Other countries



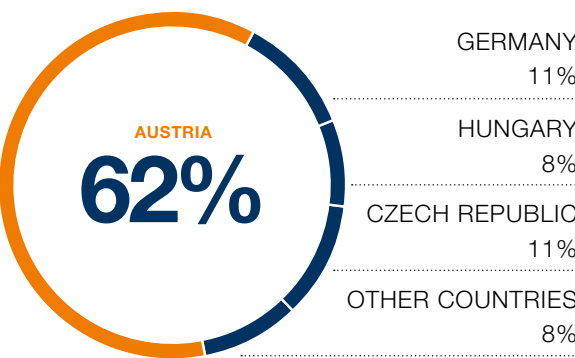
CONSTRUCTION OUTPUT DEVELOPMENT



AVERAGE NUMBER OF EMPLOYEES



CONSTRUCTION OUTPUT BY MARKET





Management Board (from left): Peter Gal, Dipl.-Ing. Karl Weidlinger, Dipl.-Ing. Klaus Bleckenwegner, Harald Gindl, MBA

FOREWORD BY THE MANAGEMENT BOARD

Ladies and gentlemen!

We are pleased to report that our past success continued over the last financial year. With construction output rising by ten percent, the EBITDA margin was up again slightly, while EBT was comparable to the last two years (EUR 147.2 million).

The equity ratio could be further increased to 35.4 percent despite the same propensity to invest. Our 2021-22 performance was strong overall, with core earnings significantly contributing to the bottom line. Strengthened by continuously high order backlogs, we are set up for the coming years.

The global economic outlook remains extremely uncertain. The importance of having built an optimal capital structure is now more apparent than ever as the construction sector is hit by jumps in building materials prices and a shortage of necessary raw materials. In light of recent developments, SWIETELSKY is benefiting from its strategy to diversify across markets and sectors, offer a broader range of products and services, and proactively managing projects and contract risks as it continues to prioritise profit above revenue. As we are faced with challenging market conditions, the goal is to continue to report solid earnings averaging that of the last few years.

We are also working hard to address the skills shortage in our industry while continuing to leverage SWIETELSKY's innovative power to do our part to help fight climate change – which is key to get an edge over the competition. Our actionable goals can be reviewed in our sustainability report, the second edition of which was published in December 2021.

CONSTRUCTION OUTPUT

YEAR-ON-YEAR

EUR 3,415,418,726

+10.0%

EBITDA

YEAR-ON-YEAR

EUR 252,159,568

+0.13%

ORDER BACKLOG

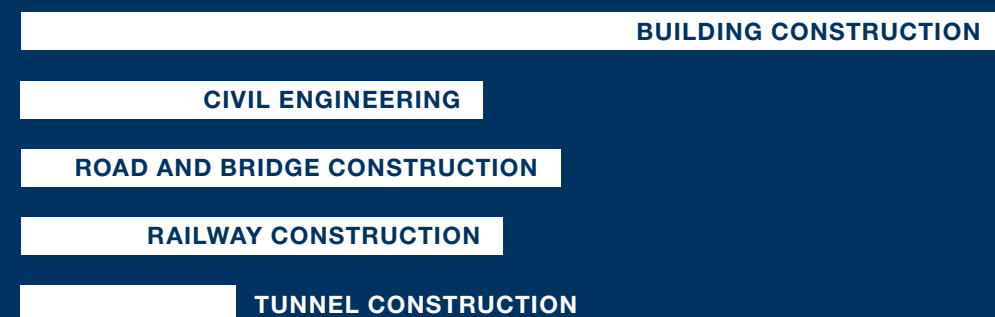
YEAR-ON-YEAR

EUR 3,248,348,974

-1.6%

RANGE OF SERVICES

CONSTRUCTION OUTPUT BY SECTOR



SWIETELSKY's activities span all branches of the building industry: Building construction, civil engineering, road and bridge construction, railway construction, and tunnel construction.

The Group offers projects of any dimension with the highest quality and flexibility, while always adhering to schedules. A decentralised organizational structure and a variety of branches and subsidiaries with different orientations ensure maximum efficiency.

OFFICES/OFFICE COMPLEXES
 SINGLE-FAMILY HOUSING
 SHOPPING CENTRES
 HEALTH FACILITIES
 ALPINE CONSTRUCTION PROJECTS/ MOUNTAIN HUTS
 HOTELS
 INDUSTRIAL BUILDINGS
 PUBLIC BUILDINGS
 REVITALISATIONS/CONVERSIONS
 STADIUMS
 RESIDENTIAL BUILDINGS/HOUSING DEVELOPMENTS

BUILDING CONSTRUCTION

**SWIETELSKY
 BUILDS
 WITH VISION**

SWIETELSKY is able to efficiently realise construction projects of any size, making us a trustworthy partner in addressing various target groups such as families building their own homes, public clients, housing cooperatives, private investors, project developers, industrial companies, and many more.

The client can always rely on the fact that SWIETELSKY builds on solid values. Reliability and economic longevity are characteristics that our clients hold in high regard. The immense variety of projects proves just how flexible SWIETELSKY is in its role as either a construction manager or general contractor. Having considerable expertise including in modern timber and hybrid construction, we see ourselves as a material-neutral builder able to meet any requirement.



Housing area, Dolní Chabry, Czech Republic



Housing, Vienna, Austria



Hotel Element, Lipno, Czech Republic

SWIETELSKY builds on solid values:
Reliability and economic longevity.



Housing area, Feldkirch, Austria



Distribution centre, Trenčín, Slovakia



Die Macherei, Munich, Germany



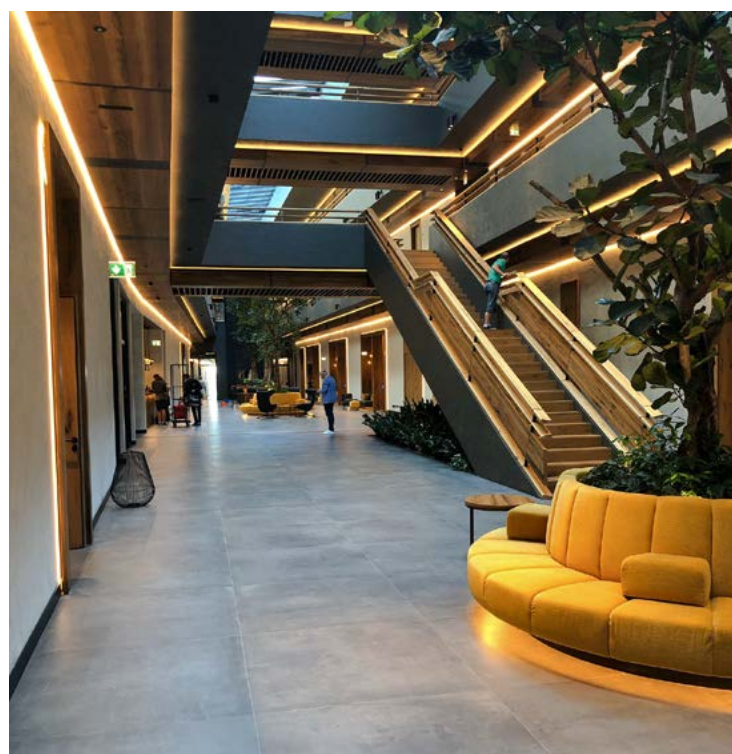
Housing complex, Krems, Austria



EXMANCO, Steyr, Austria

BUILDING CONSTRUCTION LIGHTHOUSE PROJECT 2021/22

Of the large number of different building construction projects in the financial year 2021/22, we would like to showcase one that is particularly special due to the specific structural challenges it posed.



“THE RESORT” BY SCHEIBLHOFFER ANDAU, AUSTRIA

SWIETELSKY assumed the building site management for the four-star superior wine hotel and spa in Andau (Burgenland, Austria). Renowned architect Arkan Zeytinoglu is the creative mind behind the 118-room hotel, which opened its doors in 2022. It was designed to resemble a village green, with restaurants and shops, the reception area and lobby, and the sauna and spa area docking onto the square. The internationally known Scheiblhof Winery attracts over 30,000 visitors every year. An additional 50,000 visitors are expected with the hotel launch, which has also led to the creation of around 140 jobs.





DEMOLITION WORKS
 ASPHALT OR CONCRETE RECYCLING
 OUTDOOR FACILITIES
 BIOGAS PLANTS
 EXCAVATED SOIL LANDFILL
 LANDFILLS AND RECYCLING PLANTS (INCL. SEWAGE TREATMENT PLANTS)
 EARTH EXCAVATION
 MILLING OF THE ASPHALT CONSTRUCTION
 SEWER STRUCTURES AND HYDRAULIC STRUCTURES
 POWER PLANTS
 NOISE PROTECTION
 PIPELINES
 SPECIAL COATINGS
 BLASTING OPERATIONS
 CABLE CARS, LIFTS, AVALANCHE BARRIERS AND GALLERIES
 TEST DRILLING AND BORING
 DEEP FOUNDATIONS, EXCAVATION PIT AND SLOPE STABILISATION
 PROVISION OF CONCRETE, GRAVEL, CRUSHED ROCK OR BALLAST MATERIAL

CIVIL ENGINEERING

**SWIETELSKY
 DRAWS ON
 PROFOUND
 TECHNICAL
 KNOW-HOW**

In civil engineering, SWIETELSKY ensures that space and the environment are optimally used while protecting natural surroundings. We specialise also in complex construction projects in difficult terrain, such as in the mountains or underground.

Through the use of state-of-the-art technologies and interdisciplinary knowledge, we are able to offer innovative, economical, and ecologically sustainable solutions. This applies to earthworks, hydraulic engineering, and foundation engineering as well as the construction of supply and disposal networks, waterways, dams and sewer systems. SWIETELSKY is particularly knowledgeable in special civil and underground construction.



Münchner Haus, Grainau, Germany



Flood span bridge, Mehrnbach, Austria



Rockfall hazard protective measures, Steinbach am Wald, Germany

Technology and know-how, including for complex construction projects in difficult terrain.



Power plant, Sellrain, Austria



Retention reservoir, Ogulin, Croatia

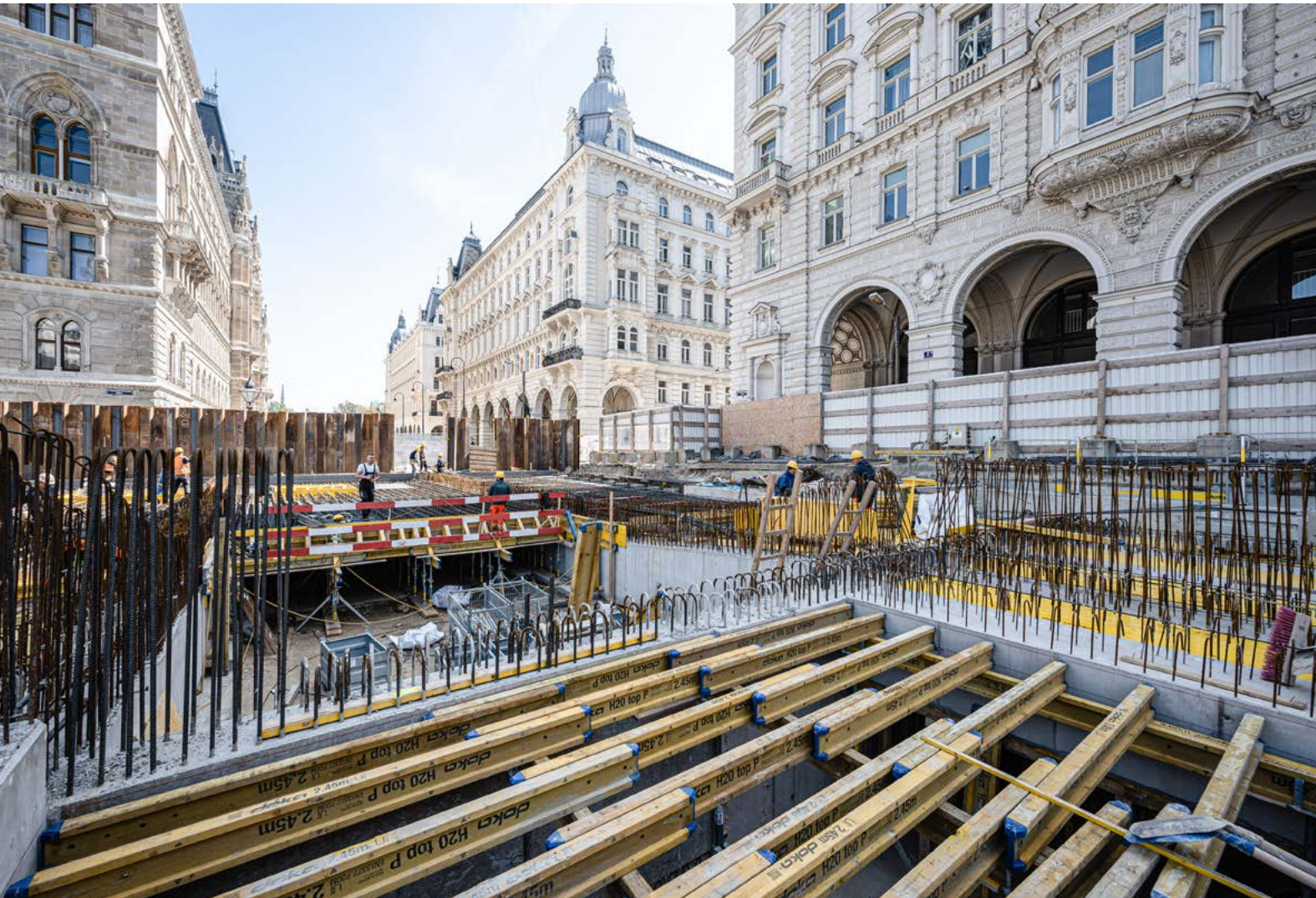


Dam rehabilitation, Eichgraben-Hutten, Austria



Civil engineering, Budapest, Hungary

Of the large number of different civil engineering projects in the financial year 2021/22, we would like to showcase one that is particularly special due to the specific structural challenges it posed.



©Arge U2xU5 Arge Rathausplatz-Frankhplatz

U2xU5 CONSORTIUM RAT- HAUSPLATZ-FRANKHPLATZ VIENNA, AUSTRIA

The major expansion of the U2 and U5 metro lines has been underway since last year, promising to serve 300 million additional passengers, add 30,000 new jobs and save 75,000 tonnes of CO₂ once completed after six years of construction. The U2 will then run on a new route to Matzleinsdorfer Platz, while the U5 will follow the former U2 route. Rathaus station will become a main interchange hub and a wholly new station – Frankhplatz station – will be added to the network. Wiener Linien has awarded a contract to SWIETELSKY as part of a consortium, who is pleased to contribute its civil engineering expertise to make the transport system more efficient.



ASPHALT PRODUCTION
VIEWING PLATFORMS
MOTORWAYS AND ROADS
BRIDGES
ADVENTURE TRAILS
AIRPORTS
FOREST ROADS AND AGRICULTURAL ROADS
SUSPENSION BRIDGES
ELEVATED HIGHWAYS
TOWN SQUARES
CAR PARKS

ROAD AND BRIDGE CONSTRUCTION

SWIETELSKY
BUILDS ON
COHESIVE
KNOWLEDGE

When SWIETELSKY first started, individual mobility was nothing more than a bold vision for millions of Europeans. Road construction pioneer Hellmuth Swietelsky made this dream his own personal mission. More than 80 years later, we have often pushed our own limits and successfully mastered every project dimension in road and bridge construction.

As an experienced, flexible and absolute quality-driven partner of the public sector, we have helped build and continuously develop infrastructure. With requirements changing over time, SWIETELSKY has always been at the forefront of development. We are therefore more in demand now than ever before when it comes to implementing modern solutions for growing urban spaces.



Road construction, Riedenburg, Germany



SWIETELSKY is a pioneer and visionary in the construction and development of road infrastructure.



Motorway M4, Abony-Törökszentmiklós, Hungary



Bridge construction, Podbanské, Slovakia



Regional border D46, Vranovice, Czech Republic



Road reconstruction B13, Garching bei München, Germany

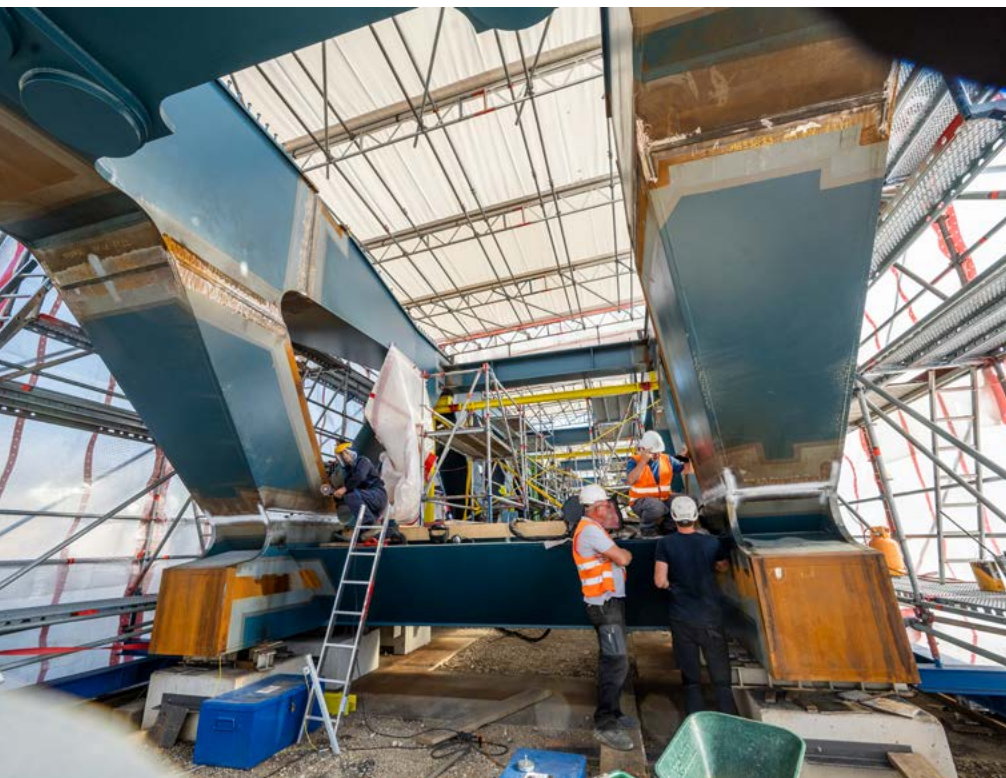


Road and bridge construction, Saxony, Germany

Of the large number of different bridge construction projects in the financial year 2021/22, we would like to showcase one that is particularly special due to the specific structural challenges it posed.

JAUNTAL BRIDGE RUDEN, AUSTRIA

The railway bridge extension project in the municipality of Ruden in Carinthia is being spearheaded by SWIETELSKY Ingenieurtiefbau as a member of a construction consortium. The award has a value of approx. 42.7 million euros. At 430 metres long and 96 metres above the water level of the Drau River, the Jauntal Bridge is one of the highest railway bridges in Europe and will be an integral part of the Koralm Railway. Built in 1961, the bridge's single-track line will be upgraded to a double-track line to seamlessly connect to the Koralm Railway and will incorporate a walkway and bike trail under the new support structure. The existing bridge piers can be repaired and will subsequently be used for the new construction. The bridge is scheduled to be reopened to rail traffic as early as June 2023.



CONVENTIONAL TRACK FORMATION REHABILITATION
 MECHANISED TRACK FORMATION REHABILITATION
 BALLASTED TRACK
 BALLASTED TURNOUTS
 SLAB-TRACK & TURNOUTS
 OVERHEADWIRES (OLE) OR OVERHEAD CATENARY SYSTEM (OCS)
 TRACTION CURRENT
 LOW VOLTAGE & TELECOMMUNICATION
 SIGNALING
 ACCREDITED ROLLING STOCK OPERATOR
 WORKSITE PROTECTION
 WORKSITE LOGISTIC
 CERTIFIED WORKSHOP RAIL FACILITY
 SURVEY
 PLANNING & PROJECT DELIVERY
 PLANT HIRE SERVICE

RAILWAY CONSTRUCTION

**SWIETELSKY
 PUTS
 INFRASTRUCTURE
 ON RAILS**

The principle of sustainability has shaped SWIETELSKY's thinking and activities throughout its history like no other. The founders already knew 80 years ago that without the railway as a means of transport, too much economic and ecological strain was going to be put on road traffic. Thus, the road construction pioneer became a railway construction pioneer also.

SWIETELSKY has created certain prerequisites in track construction to afford people and goods a quick, cheap, safe and comfortable transport. The company owes its state-of-the-art machinery and its own railway transport company to farsighted capital expenditures. By developing and using large machinery, SWIETELSKY has revolutionised railway construction in terms of efficiency and safety. Today, we are leading in Europe and also operating in Australia in this field.



Repair work, Prague, Czech Republic



Railway station reconstruction, Schwaz, Austria



Railway station reconstruction, Gols, Austria



Northern Railway Bridge, Vienna, Austria

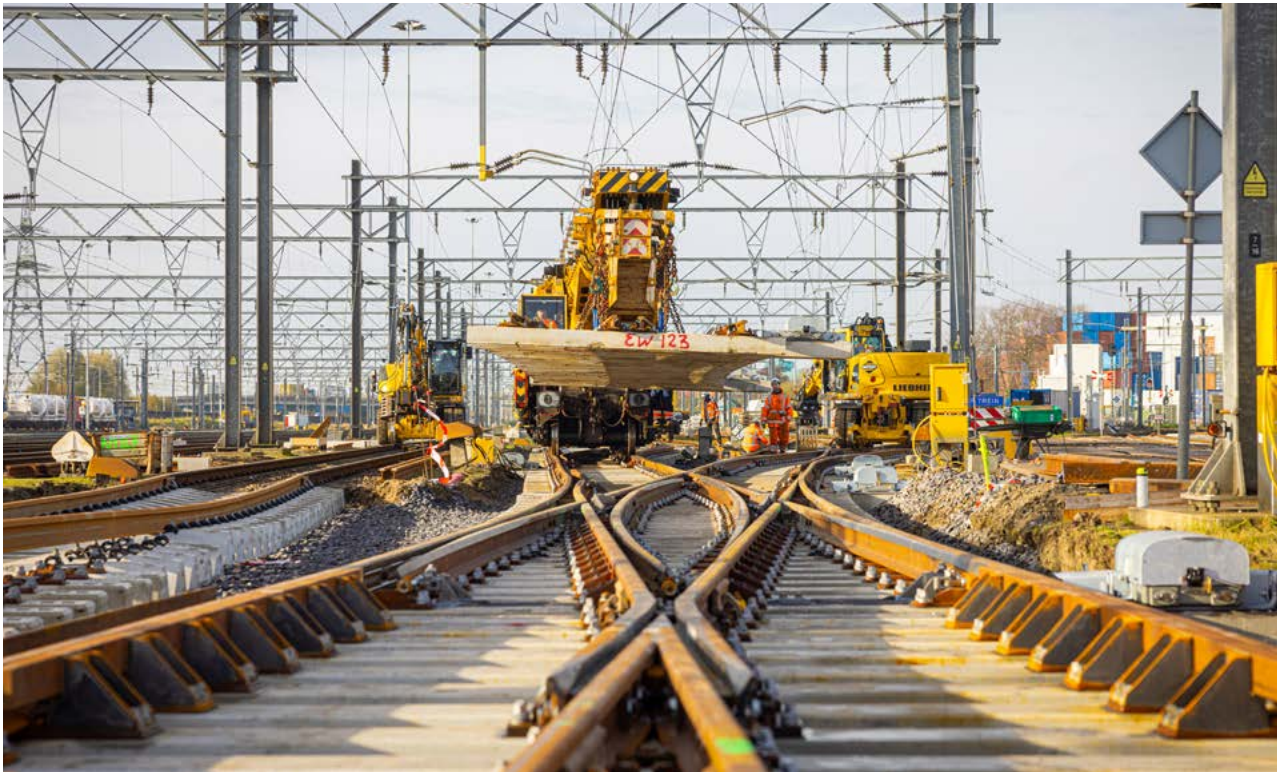
Experience, know-how and technology for maximum flexibility in railway construction.



Track doubling, Heerlen-Landgraaf, The Netherlands



Modernisation and electrification, Zaprešić-Zabok, Croatia



Track renewal, Waalhaven Rotterdam, The Netherlands

Of the large number of different railway construction projects in the financial year 2021/22, we would like to showcase one that is particularly special due to the specific structural challenges it posed.



NEW LINE WENDLINGEN-ULM, GERMANY

A megaproject in its own right, the new line between Wendlingen and Ulm is being led by SWIETELSKY as part of the formed Schwäbische Alb (ABSA) consortium. They are responsible for track construction and the railway engineering equipment. Once completed, the line will boast 120 kilometres of slab track, 60 of which are in tunnels, two large bridges, 24 points, 12 tunnels and a contract value of around EUR 250 million. The project will include the construction of 50 Hz systems, telecommunication systems and traction power systems, the laying of around 1,300 kilometres of cable, mechanical equipment with ventilation, technical rooms and signage plus 60 kilometres of handrail lighting. The first high-speed InterCity Express trains are set to run before the end of 2022, operating at a top speed of 250 km/h.



RAILWAY TUNNEL
GALLERIES, CAVERNS, SHAFTS
ROAD TUNNELS
SUBWAY TUNNEL

TUNNEL CONSTRUCTION

SWIETELSKY
UNDERSTANDS
BUILDING
PROJECTS

Railway and road tunnels do not only shorten distances but also make alpine zones more attractive as a habitat for humans and animals. Shifting traffic underground conserves natural resources and prevents noise development. When it comes to growing urban spaces, too, do subway tunnels guarantee environmentally friendly and efficient mobility.

As a pioneer in both road construction and railway construction, SWIETELSKY recognised the potential of tunnel construction early on. By participating in important infrastructure projects, the company was able to make its mark, becoming a leading specialist in this field as well. What distinguishes SWIETELSKY from its competitors is its decades of experience in dealing with geological characteristic, its skill in applying high-tech machines and processes, and its designers' engineering know-how.



Pumped storage power plant Tauernmoos, Uttendorf, Austria



Semmering Tunnel SBT 2.1, Steinhaus am Semmering, Austria



SWIETELSKY guarantees rapid driving and innovative building in tunnel construction.



Cross-platform interchange, U2xU5, Vienna, Austria

Of the large number of different tunnel construction projects in the financial year 2021/22, we would like to showcase one that is particularly special due to the specific structural challenges it posed.



POWER PLANT EXPANSION KÜHTAI, AUSTRIA

TIWAG, a Tyrolean hydropower company, has launched the Kühtai pumped storage plant project, an extension of the existing Sellrain-Silz power plant group. The construction site is in the province of Tyrol, approx. 30 km due west of Innsbruck and approx. 2,000 m above sea level. SWIETELSKY was awarded the contract for the Kühtai extension project's main construction lot as part of a bidding consortium. The contract has a net value of approx. EUR 425 million. Work is scheduled to be completed at the end of 2026. The expansion of the power plant facilities provides for an additional reservoir in Längental with a capacity of 31 million m³ plus an underground pumped storage plant as a second upper stage. The storage capacity can thus be increased by around 50%, with 216 million kWh more electricity generated per year using the additional water.



SPECIALTY COMPETENCY

Tourism is an essential engine for the economy. In the alpine region, where SWIETELSKY has always felt at home, mountain and hiking tourism plays an important role alongside skiing. We are continuously faced with new constructional challenges when bringing tourists closer to the alpine region's impressive landscapes, fascinating nature and distinctive features. SWIETELSKY has the know-how to be up to the task and is able to master all mountainous logistical and technical challenges.

ALPINE CON STRUC TION

TIMBER AND HYBRID CON STRUC TION

While timber construction is becoming the standard of contemporary architecture, planners and architects still have many unanswered questions. No one is better at addressing them than someone who has already completed countless timber construction projects ranging from new construction to conversion and hybrid construction. Under the SWIETimber brand, SWIETELSKY has bundled the knowledge of more than one hundred experts with experience in timber construction. We are thus able to meet any challenge in this market segment and see ourselves as a building material-neutral partner for our customers in planning and implementation.

FACADE CON STRUCTION

SWIETELSKY is your specialist for the coating, renovation and cleaning of facades, for exterior insulation finishing systems and for scaffolding. A particular strength of ours is our personalised consulting regarding the design, the selection of the materials and the practical implementation.

PROJECT DEVELOPMENT

For 35 years, the SWIETELSKY development team has stood for high-quality residential property planning, construction and marketing. Every customer can rely on the construction quality for which the name SWIETELSKY is a guarantee. Competent and reliable contact persons with decades of experience make dreams of a home come true. With great attention to detail and comprehensive knowledge of the market, we do not only implement projects but create sustainable value as well.

SWIETELSKY has specialty competency
in some market segments due to its
developed structure or strategic intentions.

CON STRUC TION OF SPORTS AND LEISURE FACILITIES

Being physically active in our free time is becoming increasingly important in our society. With its many years of experience, SWIETELSKY provides for optimal planning and construction of sports facilities as well as for indoor and outdoor renovations. The three main services offered in sports venue construction are gyms, sports facilities, and swimming pools.

METAL CON STRUC TION

SWIETELSKY offers its customers extensive experience and specialty competency in metal construction, such as in large-scale facade manufacturing. We excel at demanding projects that pose a technological challenge and require traditional and precise production combined with a high degree of planning and professional project management. We also execute smaller orders with a keen eye for detail, such as customised windows, doors, gates, grilles, conservatories, and the like.

Our 80 years of experience as the SWIETELSKY Group and the combined strength of a financially strong international construction group have given rise to the services that we can offer in general and full-service contracting. To ensure that big visions do not fail because of small details, we offer complete solutions from planning to project management and construction. Thus, the customer is assisted by a single contact person until the turnkey project is handed over – and beyond.

FULL-SERVICE AND GENERAL CONTRACTOR FOR CON STRUCTION

ENVIRON MENTAL ENGINEERING

Keeping air, water and soil clean are the tasks of today. SWIETELSKY has comprehensive knowledge in contaminated site remediation and in land recycling, provides complete services in landfill and plant construction, and is a specialist for special environmental processes. The increasing demand for renewable energy has led to innovative technical developments that SWIETELSKY has mastered. The company is, of course, also certified in accordance with the current standards for quality, work, environmental, and energy management.

WASTE DISPOSAL AND RECYCLING

In addition to its own construction sites, SWIETELSKY also offers other market participants and end customers attractive waste disposal and consulting services. We possess both the necessary competence and the right facilities for the proper disposal of both hazardous and non-hazardous waste as well as for the recycling of mineral building remains and the treatment of contaminated soils. Our range of services also includes the handling, collection, sorting and proper disposal of waste.

BUILDING SERVICES ENGINEERING

SWIETELSKY has a state-authorised testing facility for the quality control of construction materials and construction sites. We also provide comprehensive consulting services regarding waste and environmental issues, the transport of hazardous materials, radiation protection, as well as type testing and self-monitoring as part of factory production controlling for aggregates, recycling materials and asphalt. Our extensive laboratory experience and our detailed knowledge of the legal environment are the foundation of our competent consulting.

MECHANICAL ENGINEERING

Repairs, special customisations and machine testing are carried out at our machine garage. The garage is divided into the sections Garage (construction machines and motor vehicles), Crane, Electro and Metalworking. We also have specialists in facility management, fleet management and purchase and sale of equipment.

From design to installation to final assembly, we also advise you on all matters related to electrical and sanitation systems. Our technicians design, calculate and plan heating, sanitation, ventilation and air conditioning systems as well as control technology and photovoltaic installations.

LABOR ATORY AND TESTING FACILITY

LANDSCAPING AND GARDEN DESIGN

In landscaping and garden design, we create and maintain public and private green spaces, such as gardens, ponds and pools, and the green areas of residential buildings and complexes and of public and commercial buildings. We are also experts in greening park areas, cemeteries and roof, facade and infrastructure surfaces.

PREFABRI CATED HOUSES

At SWIETELSKY, we combine fast and precise industrial prefabrication with the many advantages of massive construction. That's why our prefabricated houses have lasting value. The harmony between nature and technology, which is immediately visible, creates an extraordinary atmosphere. No two houses are the same, because while designing the houses, our architects draw inspiration directly from our customers.

INDUSTRIAL FLOORING

SWIETELSKY has specialist competences in high-quality, durable industrial flooring and carefully selected additives and binding agents for every area of application. The choice of flooring surface adapted to the planned duration of use and the integration of appropriate materials or coloured chips results in floors that are perfectly suited to your needs.

SWIETELSKY provides excellent underground sewer maintenance. We use the latest technological processes and outstanding products for the highest quality requirements. This is another area where our specialised engineers and workforce contribute to protecting the environment.

SEWER MAINTENANCE



SUSTAINABLE MANAGEMENT

Sustainability has always been a part of SWIETELSKY's DNA. We think of it holistically and see it as the prerequisite for organic growth and long-term prosperity.

SUSTAINABILITY REPORT

In December 2021, the SWIETELSKY Group published its second group-wide sustainability report as part of our commitment to transparency beyond what is legally required. The report communicates our corporate sustainability performance and practices by disclosing all the necessary information and data.

STRATEGIC ACTION AREAS

In our revised 2021 Materiality Analysis, we identified the issues most relevant to us while considering their impact on the outside world, namely "Anti-Corruption", "Data Protection", "Compliance and Fair Business Partner". Green topics such as "Sustainable Building Materials", "Sustainable Design", "Sustainability Among Users", and "Life Cycle" are also action areas of great importance. From a business perspective, the importance of the topic "Employees" was rated very highly, too. The main sustainability issues are grouped into the following four strategic action areas.

FAIRNESS



The activities of the SWIETELSKY group are characterised by a sense of social and national responsibility. We maintain our excellent reputation as a reliable, competent and law-abiding business partner through regulatory compliance and a group code of ethics.

INNOVATION



The construction industry's future will be more complex. SWIETELSKY is aware of the importance of taking the impact of its activities on the environment and society into account before adopting project plans. With the aim of reducing its carbon footprint, SWIETELSKY seeks out innovative solutions, improves process flows and product optimisation along the entire life cycle.

ENVIRONMENT



SWIETELSKY aims to ensure the use of environmentally friendly processes, equipment and machines across all project phases. We continuously seek solutions for more efficient water, air, energy and soil use and look for ways to optimise material and logistics costs and reduce emissions where possible. Through our consistent consideration of these natural resources and the environment, we remain committed to doing our part to achieve the goals of the Paris Climate Agreement.

TOGETHERNESS



When we say, "We are Swietelskys", we are not referring to the founding family but to everyone who works at our company. That is because we want SWIETELSKY to feel like a big family in which we have each other's backs, encourage one another and stick together to shape our financial future as one team.

CONSOLIDATED FINANCIAL STATEMENTS FOR 2021/22

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR 2021/22

FIGURES IN THOUSAND EUR	Notes	2021/22	2020/21
Revenue	(1)	3,118,565	2,895,753
Changes in inventories		-2,835	880
Own work capitalised		8,375	15,934
Other operating income	(2)	25,949	15,498
Expenses for material and other purchased construction services	(3)	-1,957,042	-1,835,149
Employee benefits expenses	(4)	-787,719	-726,258
Other operating expenses	(6)	-190,712	-151,751
Share of results of associates	(7)	34,014	34,065
Net income from investments	(8)	3,564	2,849
Earnings before interest, tax, depreciation and amortisation (EBITDA)		252,159	251,821
Depreciation and amortisation	(5)	-102,791	-93,771
Earnings before interest and taxes (EBIT)		149,368	158,050
Interest and similar income		1,981	2,048
Interest and similar expenses		-4,045	-2,693
Interest income		-2,064	-645
Other financial result		-80	242
Earnings before tax (EBT)		147,224	157,647
Income tax	(9)	-39,069	-32,589
Earnings after tax		108,155	125,058
Attributable to: hybrid capital owners		204	1,725
Attributable to: shareholders of the parent company		107,951	123,333

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR 2021/22

FIGURES IN THOUSAND EUR	2021/22	2020/21
Earnings after tax	108,155	125,058
Items that cannot be reclassified in the income statement:		
Changes in revaluation reserves	-1,574	666
Changes in actuarial gains and losses	1,329	-3,459
Deferred taxes on neutral changes in equity	351	850
	106	-1,943
Items that can be reclassified in the income statement:		
Differences arising from currency translation	1,747	1,377
Changes in financial instruments	192	-41
Deferred taxes on neutral changes in equity	65	13
	2,004	1,349
Other income	2,110	-594
Total comprehensive income	110,265	124,464
Attributable to: hybrid capital owners	204	1,725
Attributable to: shareholders of the parent company	110,061	122,739

CONSOLIDATED BALANCE SHEET

AS OF 31 MARCH 2022

ASSETS

FIGURES IN THOUSAND EUR	Notes	31/3/2022	31/3/2021
Non-current assets			
Intangible assets	(10)	13,949	15,693
Property, plant and equipment	(10)	579,623	554,876
Investments in associates	(11)	14,674	13,921
Other financial assets	(11)	22,853	22,864
Trade receivables	(13)	3,111	2,141
Other receivables and assets	(13)	9,651	4,728
Deferred taxes	(15)	12,047	10,410
		655,908	624,633
Current assets			
Inventories	(12)	154,584	142,454
Trade receivables	(13)	513,627	385,197
Other receivables and assets	(13)	60,031	76,665
Cash and cash equivalents	(14)	407,730	484,952
		1,135,972	1,089,268
		1,791,880	1,713,901

EQUITY AND LIABILITIES

FIGURES IN THOUSAND EUR	Notes	31/3/2022	31/3/2021
Equity			
Share capital		7,705	7,705
Capital reserves		58,269	58,269
Hybrid capital		0	30,462
Revaluation reserves		9,838	10,842
Revenue reserves		558,351	488,230
	(16)	634,163	595,508
Non-current liabilities			
Provisions	(17)	29,607	34,913
Financial liabilities	(18)	102,851	98,471
Trade payables	(18)	37,216	32,286
Other liabilities	(18)	21,134	19,011
Deferred taxes	(15)	39,268	29,595
		230,076	214,276
Current liabilities			
Provisions	(17)	160,359	130,124
Financial liabilities	(18)	29,876	27,171
Trade payables	(18)	582,657	604,099
Other liabilities	(18)	154,749	142,723
		927,641	904,117
		1,791,880	1,713,901

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR 2021/22

FIGURES IN THOUSAND EUR	2021/22	2020/21
Earnings after tax	108,155	125,058
Deferred taxes	8,763	7,440
Non-cash effective results from associates	-753	-2,242
Non-cash effective results from initial consolidations	0	88
Depreciation/reversals of write-downs	102,791	94,155
Changes in non-current provisions	-3,977	2,796
Gains/losses on disposal of non-current assets	-10,678	-2,240
Consolidated cash flow from results	204,301	225,055
Changes to the items:		
Inventories	-11,829	-14,830
Trade receivables, contract assets and project consortiums	-126,509	5,175
Intra-group receivables and receivables from other non-current investees and investors	1,632	7,940
Other receivables and assets	10,163	-27,196
Current provisions	29,379	13,684
Trade payables, contract liabilities and project consortiums	-17,932	-77,164
Intra-group liabilities and liabilities to other non-current investees and investors	-617	-2,669
Other liabilities	13,526	4,274
Consolidated cash flow from operating activities	102,114	134,269

FIGURES IN THOUSAND EUR	Notes	2021/22	2020/21
Purchase of intangible assets and property, plant and equipment		-111,799	-99,858
Purchase of financial assets		-160	-2,302
Inflows from asset disposals		19,453	14,293
Changes in scope of consolidation		0	282
Consolidated cash flow from investing activities		-92,506	-87,585
Changes in liabilities to banks		13,816	-2,794
Changes in lease liabilities		-28,992	-24,211
Changes in group financing		26	-425
Redemption of hybrid capital		-31,406	0
Paid hybrid coupon		-204	-1,725
Distributions		-40,000	-13,600
Consolidated cash flow from financing activities		-86,760	-42,755
Consolidated cash flow from operating activities		102,114	134,269
Consolidated cash flow from investing activities		-92,506	-87,585
Consolidated cash flow from financing activities		-86,760	-42,755
Net change in liquid funds		-77,152	3,929
Liquid funds at the beginning of the period		465,099	462,352
Currency translation adjustment relating to liquid funds		-7	-1,182
Liquid funds at the end of the period	(19)	387,940	465,099

DEVELOPMENT OF EQUITY

FROM 1 APRIL 2020 TO 31 MARCH 2022

FIGURES IN THOUSAND EUR	Share capital	Capital reserves	Hybrid capital	Revaluation reserves	Revenue reserves	Currency translation	Group equity
As of 1 April 2020	7,705	58,269	30,462	10,240	392,019	-12,326	486,369
Earnings after tax	0	0	0	0	125,058	0	125,058
Differences arising from currency translation	0	0	0	-49	0	1,426	1,377
Changes in revaluation reserves	0	0	0	666	0	0	666
Changes in financial instruments	0	0	0	0	-41	0	-41
Changes in actuarial gains and losses	0	0	0	0	-3,459	0	-3,459
Deferred taxes on neutral changes in equity	0	0	0	-15	878	0	863
Total comprehensive income	0	0	0	602	122,436	1,426	124,464
Paid hybrid coupon	0	0	0	0	-1,725	0	-1,725
Distributions	0	0	0	0	-13,600	0	-13,600
As of 31 March 2021 = As of 1 April 2021	7,705	58,269	30,462	10,842	499,130	-10,900	595,508
Earnings after tax	0	0	0	0	108,155	0	108,155
Differences arising from currency translation	0	0	0	-87	0	1,834	1,747
Changes in revaluation reserves	0	0	0	-1,574	0	0	-1,574
Changes in financial instruments	0	0	0	0	192	0	192
Changes in actuarial gains and losses	0	0	0	0	1,329	0	1,329
Deferred taxes on neutral changes in equity	0	0	0	657	-241	0	416
Total comprehensive income	0	0	0	-1,004	109,435	1,834	110,265
Hybrid capital	0	0	-30,462	0	-944	0	-31,406
Paid hybrid coupon	0	0	0	0	-204	0	-204
Distributions	0	0	0	0	-40,000	0	-40,000
As of 31 March 2022	7,705	58,269	0	9,838	567,417	-9,066	634,163

General principles

Swietelsky AG, based in 4020 Linz, Edlbacherstraße 10, is the parent company of an international construction group whose business activities are split into five segments: Austria, Germany, Hungary, the Czech Republic and other countries.

Pursuant to Section 245a (2) of the Austrian Business Enterprise Code (UGB), the consolidated financial statements of Swietelsky AG, Linz, of 31 March 2022 were generated in line with the mandatory provisions of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the European Union. Additionally, the further duties of disclosure set out in Section 245a (1) UGB have been fulfilled. In addition to the statement of comprehensive income and the balance sheet, a cash

flow statement has been generated in line with IAS 7 and a statement of changes in equity has been prepared (IAS 1). The notes also contain a disclosure of business segments in line with IFRS 8.

In order to improve the clarity of the disclosures, various items in the balance sheet and income statement have been condensed. These items are broken down and explained in more detail in the notes. The income statement has been prepared using the total cost method (nature of expense format).

If not stated otherwise, the consolidated financial statements are set out in thousands of euros (kEUR), which can result in rounding differences. The term employee in the financial statements refers collectively to both male and female employees. Any other gender-specific designations should otherwise also be understood as referring to all sexes.

Amendments to the accounting standards

Standards/interpretations	Application date IASB	Application date EU
Amendments to IFRS 4 – Deferral of IFRS 9	1/1/2021	1/1/2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – IBOR-Reform, Phase II	1/1/2021	1/1/2021
Amendments to IFRS 16 Leases – Extension of Covid-19-Related Rent Concessions	1/4/2021	1/4/2021

The first-time adoption of the IFRS standards and IFRIC interpretations had only an immaterial impact on the consolidated financial statements as at 31 March 2022, as the changes were only applicable in individual cases.

Future amendments to the accounting standards

The following new or modified standards and interpretations already published by the IASB were not yet mandatory for financial years that started on or before 1 April 2021:

Standards/interpretations	Application date IASB	Application date EU
Annual Improvements to IFRS 2018 – 2020	1/1/2022	1/1/2022
Amendments to IFRS 3 – References to Conceptual Framework	1/1/2022	1/1/2022
Amendments to IAS 16 – Proceeds before Intended Use	1/1/2022	1/1/2022
Amendments to IAS 37 – Onerous Contracts: Cost to Fulfilling a Contract	1/1/2022	1/1/2022
IFRS 17 Insurance Contracts	1/1/2023	1/1/2023
Amendments to IAS 1 – Presentation of Financial Statements	1/1/2023	1/1/2023
Amendments to IAS 8 – Definition of Accounting Estimates	1/1/2023	1/1/2023
Amendments to IAS 1 – Classification of liabilities as current and non-current	1/1/2023	na
Amendments to IAS 12 Income Taxes: Deferred Tax related to assets and liabilities arising from a single transaction	1/1/2023	na
First-time application of IFRS 17 and IFRS 9	1/1/2023	na

The application of the new standards and interpretations is expected to have only a minor impact on the consolidated financial statements. There are no plans to apply the new standards and interpretations prematurely.

Basis of consolidation

Besides Swietelsky AG, all major domestic and foreign subsidiaries controlled by the parent company have been included in the consolidated financial statements of 31 March 2022.

For control, the following criteria must be met:

- The parent company has power over the investee.
- The returns of the investment are variable.
- The parent company has the ability to use its power over the investee to affect the amount of its returns.
- If there are indicators that at least one of these criteria has changed with regard to the investee, the parent company must re-assess whether or not it has control.

- Regardless of the majority of voting rights, power – and therefore control over an investee – can be acquired through other rights and contractual agreements which give the parent company the opportunity to influence the activities that affect the investee’s returns.

16 affiliated companies (previous year: 18) whose influence on the group’s net assets, financial and earnings position is of minor importance are not included. The decision to include an entity in the scope of consolidation is based on quantitative and qualitative considerations. Companies currently included in the consolidated financial statements can be found in the list of investments. The balance sheet date for all fully consolidated companies is 31 March 2022.

In the 2021/22 financial year, the basis of consolidation developed as follows:

	Full consolidation	Equity measurement
As at 1 April 2021	61	3
of which foreign companies	30	2
Initial consolidations	1	0
Deconsolidations	-3	0
As at 31 March 2022	59	3
of which foreign companies	31	2

Additions to scope of consolidation

Initial consolidation	Direct share	Date of acquisition
Centrum TGM s.r.o. (asset deal acc IFRS 3.2 (b))	100%	25/11/2021

Disposals from scope of consolidation

Deconsolidation		
SWIETELSKY - INTERNATIONAL Baugesellschaft m.b.H. in Liqu.		liquidation
HN-CW Errichtungsgesellschaft mbH in Liqu.		liquidation
J & K Fassadenprofi GmbH		merger

The deconsolidation of the companies only had an insignificant impact on the assets, liabilities and earnings. The company listed under merger was merged into an already fully consolidated company.

ACCOUNTING AND VALUATION METHODS

Consolidation methods

The financial statements of the domestic and foreign companies included in the basis of consolidation have been generated using standard accounting and valuation methods. The financial statements of the domestic and foreign group companies have been adapted; accordingly, negligible deviations have not been changed.

The capital consolidation was carried out using the acquisition method in accordance with the provisions of IFRS 3. The consideration transferred during the purchase and the identifiable net assets received have been measured at fair value. The resulting goodwill is subjected to an annual impairment test. The income from an acquisition at a price lower than the market value is recognised directly as profit or loss.

Regarding the other non-current equity investments included using the equity method, the same principles are used for capital consolidation as for fully consolidated companies, whereby the last available financial statements are used as the basis of the equity consolidation. Amendments to the IFRS accounting standards are made on the principle of materiality.

As part of the consolidation of debt, trade receivables, loans and other receivables are offset against the corresponding liabilities and provisions between the subsidiaries included in the consolidated financial statements.

Expenses and income from intra-group trade are eliminated. Intercompany profit and loss in the fixed and current assets resulting from intra-group trade is eliminated unless it is of lesser significance. The necessary taxes are deferred for consolidation measures recognised in net profit or loss.

Currency translation

The currency of the group is the Euro, Financial statements of foreign companies are translated into Euros in line with the concept of functional currency. For all companies this is the currency of the country as the companies run their business independently in financial, economic and organisational terms.

The translation of all balance sheet headings, except for those of the equity, is carried out based on the exchange rate on the balance sheet date. Income and expense items are translated using the average annual exchange rate. Goodwill from the capital consolidation is recognised as assets in the local currency and is also translated using the exchange rate on the balance sheet date.

In the financial year, currency translation differences of kEUR 1,747 (previous year: kEUR 1,377) were recorded in other comprehensive income as part of the capital consolidation and reported in the currency translation provision in equity. Differences resulting from currency translation between the exchange rate on the balance sheet date within the balance sheet and the average exchange rate used in the income statement were also recognised in other comprehensive income and offset against the currency translation provision in the equity. Revaluations under IAS 29 (Financial Reporting in Hyperinflationary Economies) were not carried out.

Intangible assets and property, plant and equipment

The goodwill resulting from mergers is subjected to an annual impairment test. In this test, the recoverable amount of a cash-generating unit is compared to the corresponding carrying amount. The cash-generating unit is the acquired legal entity and legal entities that benefit from the potential synergy of the merger, respectively.

As there are not normally market prices for individual entities, the present value of the net cash inflows is used to calculate the fair value less costs of disposal. It is calculated based on current forecasts in internal reports which in turn are based on experience and expectations in connection with future market developments. The detailed planning period is three years; planning years further in the future will be more heavily weighted. The discount rate for the future cash flows corresponds to the weighted average cost of capital (WACC) after taxes, which is calculated based on a peer group. The costs of capital ranged from 6% to 14%.

Acquired intangible assets and property, plant and equipment are initially recognised at acquisition or production cost. In accordance with IAS 23, the borrowing costs incurred are capitalised for property, plant and equipment classified as qualifying assets. The cost model is used for subsequent measurement: Acquisition or production costs less scheduled depreciation and impairment. The revaluation model is used for the land, land rights and buildings asset group, including buildings on third-party land. The comparative approach was used to calculate the fair values. Differences resulting from the revaluation are offset directly against equity, less deferred taxes.

The SWIETELSKY Group is a lessee of real estate properties, machines and equipment, as well as of vehicle fleets. Lease payments are primarily assessed with the implied interest rate of the lease agreement; alternatively, the Group's incremental borrowing rate is used. Payments for short-term leases and leases regarding low-value assets are recorded as expenses. Short-term leases are lease agreements with a term of up to twelve months.

The depreciation of limited-life asset is linear across the asset's foreseeable useful life. If, in connection with assets, indications of impairments arise and if the present values of future cash flows are lower than the carrying amounts, the assets will be written down to the lower fair value under IAS 36. Expenses for repairs and maintenance work which do not significantly extend the planned useful life of an asset are recognised as expenses in the period in which they arose.

The following assumed useful lives were used when calculating the depreciation rates:

Intangible assets

Software and licences2 – 4 years

Property, plant and equipment

Buildings10 – 50 years

Technical equipment and machinery2 – 20 years

Other equipment, operating and office equipment2 – 20 years

Government grants

Investment grants are shown as deferred income in other liabilities. The releases take place according to the useful life of the subsidised fixed assets and is shown in the other operating income. Grants were recognised when there is reasonable assurance that the grant will be received, and the group complies with the necessary conditions for receiving the grant. Many governments have responded to the Covid-19-pandemic by enacting various subsidy programmes to support businesses affected by the crisis. The SWIETELSKY Group has received short-time work compensation, investment subsidies, accelerated tax deductions and direct subsidies. These financial assistance measures had only a minor overall impact on the consolidated financial statements.

Financial assets

Financial assets are recognised in the consolidated balance sheet if SWIETELSKY has a contractual right to receive cash or other financial assets from another party. Regular way purchases and sales of financial assets are recognised using settlement date accounting. Financial assets that are not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs which are directly attributable to the acquisition. Transaction costs which arise upon the acquisition of financial assets measured at fair value through profit or loss are immediately recognised as an expense. Receivables bearing no interest or interest below the market rate are initially recognised at the present value of the expected future cash flows.

For purposes of subsequent measurement, financial assets are classified in one of the following categories in accordance with IFRS 9, with each category having its own measurement requirements. The classification is determined at initial recognition. For measurement and accounting purposes, financial assets are to be assigned to one of the following categories:

- Financial assets measured at amortised cost (AC)
- Financial assets measured at fair value through profit or loss (FVPL)
- Financial assets, classified as debt instruments under IAS 32, measured at fair value through other comprehensive income (FVOCI-debt)
- Financial assets, classified as equity instruments under IAS 32, measured at fair value through other comprehensive income (FVOCI-equity)

Derivative financial instruments and hedging

Derivative financial instruments are employed exclusively to mitigate risks arising from movements in currency exchange rates and are classified as measured at fair value at the date of contract conclusion. Derivative financial instruments are recognised at fair value and valued at fair value in subsequent periods. Unrealised gains or losses on the measurement are recognised in the income statement if the conditions for hedge accounting under IFRS 9 are not met. If these conditions are met, in connection with the hedging of future cash flows (cash flow hedge) from a recognised receivable, liability or highly anticipated transaction, the effective part of the fair value change in other compre-

hensive income and the ineffective part will be recognised immediately in the income statement.

Derivative financial instruments are stated under other financial assets or other financial liabilities. Derivative financial instruments are measured based on observable market data and non-observable market data. The fair value is determined using generally accepted methods of mathematical finance.

Inventories

Inventories are measured at historical cost or at their lower net realisable value. The historical costs include all direct costs and reasonable portions of the overheads accrued during production/acquisition. Sales costs and the costs of general management are not included in the historical costs. In accordance with IAS 23, the attributable borrowing costs have been capitalised for inventories classified as qualifying assets.

Contract assets and contract liabilities

Contract assets comprise contracts specifically negotiated for the construction of buildings (construction contracts). In the case of construction contracts, revenue is recognised over time. To determine revenue over a specific period, it is necessary to measure the stage of completion, which is based on the output generated at the reporting date (output method). If one of the parties has fulfilled its contractual obligations in part, the entity must recognise the contract as a contract asset or a contract liability, depending on whether the entity has rendered the service, or the customer has made the payment. If the measured service rendered as part of a construction contract should exceed the prepayments received, it will be recognised as an asset under receivables from construction contracts. If the opposite should happen, the service will be recognised as a liability under trade payables.

The allocation of the transaction price to each performance obligation from construction contracts with customers is made based on the work estimate for the respective stand-alone item. Contractual penalties or bonus payments during the construction period may lead to amendments of the transaction price. Payments for construction contracts are usually made parallel to the performance based on regular invoicing. Payments of advance consideration before the actual performance are common practice.

Impairment of financial assets

SWIETELSKY relies on expected credit losses in accordance with IFRS 9 to recognise impairment losses. The expected loss impairment model is based on financial instruments accounted for at amortised cost on non-current assets and debt instruments, which are accounted for at fair value in equity.

The impairment model of IFRS 9 calls for the formation of a risk provision in the amount of the twelve-month expected credit loss (stage 1). Should a significant increase in the credit risk occur, then the lifetime expected credit loss is recognised (stage 2). If there is objective evidence of actual impairment, then stage 3 applies. This does not necessarily result in the recognition of additional impairment, although an adjustment of cash flows to the net book value is required for financial instruments recognised under application of the effective interest method.

For trade receivables and contract assets, the simplification rules of IFRS 9 (simplified approach) were applied. This means that the valuation allowance for these assets is at least at the level of the credit losses expected over the term. The general impairment model applies to all other financial instruments mentioned above.

SWIETELSKY draws on all available information when evaluating the significant increase in the credit risk after the initial measurement and when estimating the expected credit loss. This includes historic data, future-oriented information and internal and external credit ratings.

Deferred taxes

The balance sheet liability method is used to calculate the tax accrual for all temporary differences between the carrying amounts of the balance sheet headings in the IFRS consolidated financial statements and the existing tax values in the various companies. Furthermore, the expected tax benefit from existing loss carryforwards is included in the calculation. Exceptions from this comprehensive tax accrual are differences from non-tax-deductible goodwill as well as temporary differences relating to investments in subsidiaries and associates, if the group can control the reversal of these differences yet does not intend to do so.

Deferred tax assets are only accounted for if it is likely that the tax benefit they contain can be realised. The calculation of deferred tax is based on the standard income tax rate in the country in question on the date of the probable reversal of the value difference. In the case of the Austrian companies, the future tax rate of 23% was used due to the statutory reduction in the corporate income tax rate.

Provisions

Due to the statutory provisions, provisions for severance payments have been made in Austria. Provisions for severance payments are calculated based on actuarial evaluations. In this regard, the probable entitlement over the term of employment of an employee is collected with consideration for salary increases in the future. The present value of the partial entitlement earned by the balance sheet date is accounted for as a provision. Pension provisions are calculated using the projected unit credit method. In the projected unit credit method, the discounted pension entitlement acquired by the balance sheet date is calculated.

Due to the applicability of IAS 19, changes to the calculation parameters (actuarial gains and losses) are recognised directly in other comprehensive income, minus deferred taxes.

The other provisions cover all identifiable risks and liabilities whose amounts or grounds are unknown. Essentially, these are provisions for guarantees, expected losses, remaining and subsequent work and process costs. Each is accounted for at the amount judged to be necessary on the balance sheet date to cover future payment obligations of the group. In each case, the amount proving to be the most probable after a careful examination of the matter is accounted for.

Unless they are of lesser significance, non-current provisions are recognised at their discounted settlement value on the balance sheet date. The settlement value also includes the cost increases to be considered on the balance sheet date.

Financial liabilities

The financial liabilities comprise non-derivative liabilities and derivatives with a negative fair value at the balance sheet date.

Non-derivative financial liabilities are recognised in the consolidated balance sheet if SWIETELSKY has a contractual obligation to transfer cash or other financial assets to another party. Initial recognition of non-derivative financial liabilities is made at fair value. As part of the subsequent measurement of non-derivative financial liabilities at amortised cost, any premiums, discounts or other differences between the cash inflow and the repayment amount are distributed over the financing term using the effective interest method and stated on an accruals basis in interest expense.

Financial liabilities that are not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs, which are directly attributable to the acquisition. Differing thereof transaction costs which arise upon the acquisition of financial liabilities measured at fair value are immediately recognised as an expense.

Contingent liabilities

Contingent liabilities are potential or existing liabilities for which an outflow of resources is not probable. They are not recognised in the balance sheet. The obligations disclosed under contingent liabilities correspond to the liabilities that exist on the balance sheet date.

Revenue recognition

Revenues from construction contracts are continuously recognised pursuant to IFRS 15. The output method based on the output generated at the reporting date is used for the revenue recognition over time. Addenda in the sense of construction contracts are services which cannot be billed due to the contractual agreements, as an agreement is yet to be reached with the client in connection with their chargeability and acknowledgement. Whereas costs are immediately recognised in net profit or loss when they are accrued, revenue from addenda is generally only realised after the client provides his/her written acknowledgement or with payment, if the payment is received before the written acknowledgement.

Revenue from trade, services for project consortia, other services and resulting from the sale of construction materials is recognised upon the transfer of power of disposal and the associated opportunities and risks, or upon the performance of the service. If the real estate projects are sold the revenue is recognised pro rata based on the degree of completion of the work.

Estimations and assumptions

Estimates and assumptions on the amount and identity of reported assets and liabilities, revenues and expenses, and information on contingent liabilities, are required for the consolidated financial statement, according to IFRS, and mainly relate to the verification of the value of assets and recognition and valuation of provisions.

For the assumptions and estimates about the future made on the balance sheet date, the circumstances availing at the time of the conclusion of the consolidated financial statement and a realistic estimate of the future development of the global and industry-specific environment are considered in the determination of the expected future business development. Changes to the circumstances away from these assumptions may result in deviations of the actual amounts from the estimated values. In the event of such a development, the assumptions, and if necessary, the carrying amounts of the affected assets and liabilities, will be adjusted to the new state of knowledge. At the time of the generation of the consolidated financial statement, there were no indications for the need to make significant changes to the fundamental assumptions and estimates.

Revenue from construction contracts and real estate development

Revenue from construction contracts is recognised over time. SWIETELSKY estimates the share of the overall order backlog that was already realised by the balance sheet date and the outstanding contract costs. Should the manufacturing costs exceed the recoverable proceeds, a provision for impending losses is identified. Especially with technically complex and demanding projects, there is always the risk that this estimate of overall costs deviates from the actually incurred costs. The above also applies to over-time recognition of revenue from real estate development.

Recoverability of goodwill

In accordance with the rules set out in IAS 36, every year SWIETELSKY checks whether the goodwill's have lost any value. The recoverable amount of the cash-generating unit is determined using the fair value less disposal costs. The calculation is based on the current forecast as well as on assumptions about future market development. Should the global market and the industry-specific conditions change for reasons that are beyond the control of SWIETELSKY, the actual values may deviate from the assumed values.

Other provisions

Regarding the other construction-related provisions, there is the risk that the actual costs for warranty, remaining performances or impending losses may be higher in individual cases. However, the provision item is composed of a number of individual projects, so that the risk is reduced to the individual consideration of the projects. The same also applies for provisions related to legal disputes.

CONSOLIDATED INCOME STATEMENT

COVID-19

As is generally known, on 11 March 2020 the WHO declared COVID-19 to be a pandemic. Consequently, most European governments, in particular the Austrian federal government, took comprehensive measures and imposed sometimes draconian restrictions on freedom of movement and the transport of goods, services and people across borders as well as nationally in order to stem the exponential spread of this disease. As these measures and restrictions – particularly in the period between mid-March and mid-April 2020 – led to an almost complete stoppage of operational construction activities in the short term, they also had an impact on the business operations of Swietelsky AG and its subsidiaries. In the last two financial years, this situation only led to a relatively mild impact on the company’s success.

Effects of the Ukraine Crisis

Since 24 February 2022, there have been military conflicts between Russia and Ukraine. SWIETELSKY has no branches, shareholdings or other assets in either Ukraine or Russia. There are no significant customer or supplier relationships with either country. The direct risk from the political conflict is therefore classified as low. In the financial year, there were no significant effects on the Group’s assets and financial position.

The conflict has a negative impact on the availability of materials and energy, which is reflected in the respective price development. SWIETELSKY takes mitigating measures and endeavours to coordinate price increases with its clients on an ongoing basis. Nevertheless, it is difficult to assess the extent to which the ongoing conflict in Ukraine, including its impact on energy and raw material prices, will affect the forecasts regarding performance and results. The situation is constantly monitored and analysed in order to be able to react as quickly as possible. At present, the resulting further economic risks are difficult to assess.

Climate Change

In times of great ecological challenges, the issue of sustainability is also of central importance for SWIETELSKY. Our industry in particular has a great responsibility in the transition to a climate-responsible economy. We therefore strive to align our activities in such a way that we can contribute to the solution and make our business model even more resilient to crises.

The current sustainability report, available for download at www.swietelsky.at, is intended to create transparency, document our efforts to date and at the same time provide a working basis for further efforts.

NOTES ON THE ITEMS

(1) Revenue

Revenue 2021/22

FIGURES IN THOUSAND EUR	Austria	Germany	Hungary	Czech Republic	Other countries	Group
Road construction	203,978	157,018	90,116	170,095	24,263	645,470
Railway construction	189,637	47,671	37,418	95,748	211,122	581,596
Building construction	816,551	72,122	140,622	83,787	9,773	1,122,855
Civil engineering	351,543	79,965	12,044	41,679	46,672	531,903
Tunnel construction	236,741	0	0	0	0	236,741
Revenue	1,798,450	356,776	280,200	391,309	291,830	3,118,565
over time	1,756,205	356,009	252,626	382,004	288,049	3,034,893
at a point in time	42,245	767	27,574	9,305	3,781	83,672

Revenue 2020/21

FIGURES IN THOUSAND EUR	Austria	Germany	Hungary	Czech Republic	Other countries	Group
Road construction	197,173	138,722	108,042	150,303	30,232	624,472
Railway construction	165,547	36,200	88,725	87,165	186,851	564,488
Building construction	746,993	68,864	74,419	72,384	13,808	976,467
Civil engineering	330,734	82,389	29,425	42,827	68,013	553,388
Tunnel construction	176,938	0	0	0	0	176,938
Revenue	1,617,385	326,175	300,611	352,679	298,903	2,895,753
over time	1,573,013	325,677	278,257	341,724	295,998	2,814,669
at a point in time	44,372	498	22,354	10,955	2,905	81,084

Revenues of kEUR 3,118,565 (previous year: kEUR 2,895,753) relate exclusively to proceeds from contracts with customers, including revenue from construction contracts, revenue from developer projects, trade to and services for project consortia, as well as other services. The revenue from the completion of contracts, which contain the partial profits recognised over a given period based on the degree of completion of each contract (the percentage of completion method), are kEUR 3,034,893 (previous year: kEUR 2,814,669).

Revenue provides only an incomplete picture of the construction output generated in the financial year. Additionally, therefore, the segment report illustrates the full output of the group which also contains the proportional services of the project consortia, unconsolidated companies and companies recognised at equity.

(2) Other operating income

FIGURES IN THOUSAND EUR	2021/22	2020/21
Profits from the sale of tangible fixed assets	10,678	2,240
Insurance refunds	6,053	5,060
Currency translation gains	3,518	2,863
Subsidies, bonus	3,149	2,577
Others under EUR 1 mio each	2,551	2,758
	25,949	15,498

Income from subsidies and bonuses essentially includes apprenticeship training bonuses, research subsidies and income from the reversal of investment grants.

(3) Expenses for material and other purchased construction services

The cost of purchased services concerns subcontractors and tradesmen, as well as planning services, equipment rentals and other third-party services:

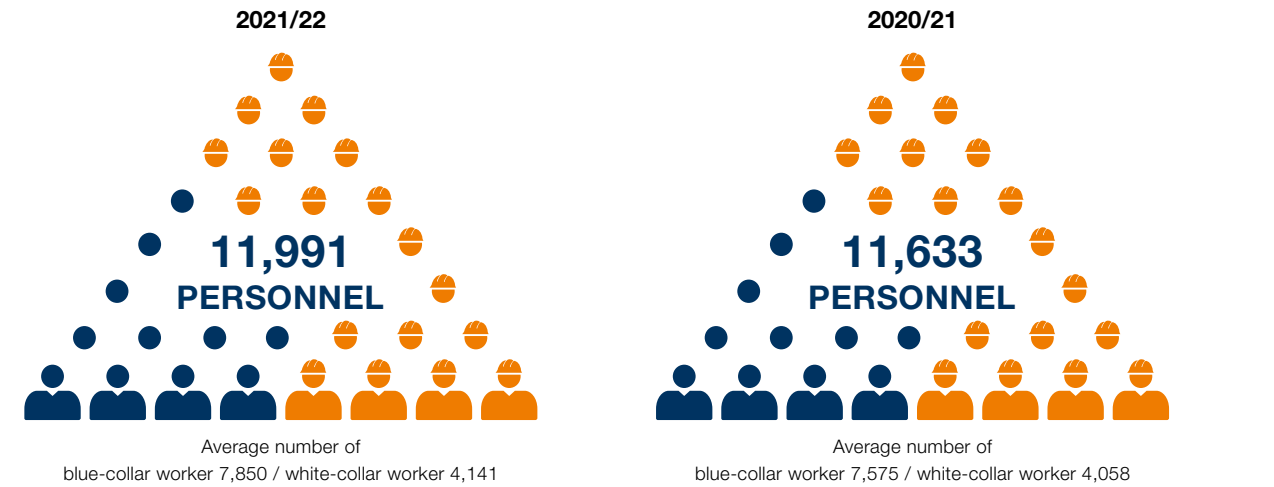
FIGURES IN THOUSAND EUR	2021/22	2020/21
Cost of materials	-744,460	-666,416
Cost of purchased services	-1,212,582	-1,168,733
	-1,957,042	-1,835,149

(4) Employee benefits expenses

FIGURES IN THOUSAND EUR	2021/22	2020/21
Wages	-339,242	-305,916
Salaries	-273,987	-259,526
Expenses for severance payments and payments into employee welfare funds	-16,831	-15,115
Post-employment benefit costs	-1,049	-854
Expenses for mandatory social security contributions and income-based contributions and compulsory contributions	-147,623	-136,914
Voluntary social security expenses	-8,987	-7,933
	-787,719	-726,258

Expenses for severance payments and payments into employee welfare and pension funds contain service costs and interest component of the addition to the provision. The expenses from defined pension schemes are kEUR 11,652 (previous year: kEUR 9,614). In the financial year, government grants of kEUR 3,389, mainly quarantine payments, were netted against employee benefits expenses through profit or loss. The subsidies in the previous year, kEUR 4,109, result from short-time work compensation in Austria due to COVID-19.

The average number of employees is as follows:



(5) Depreciation and amortisation

Scheduled depreciation and impairments of intangible assets, property, plant and equipment are set out in the statement of changes in fixed assets. As in the previous year, no impairment losses were recognised on property, plant and equipment in the financial year. As part of the annual impairment test of goodwill (see point 10), impairments of kEUR 701 were recorded (previous year: kEUR 0).

(6) Other operating expenses

FIGURES IN THOUSAND EUR	2021/22	2020/21
Operating taxes	-4,243	-4,312
Fees and charges	-11,222	-10,586
Rentals and leases	-15,920	-14,460
Maintenance and service	-19,151	-17,048
Insurance expenses	-18,824	-21,066
Projects, planning, monitoring	-9,276	-7,670
Vehicle expenses, fleet	-14,931	-11,540
Travel expenses	-15,040	-12,481
Advertising, public relations	-8,043	-9,344
Legal and tax advice, audits	-8,843	-7,527
Currency translation losses	-1,062	-2,215
Other provisions	-22,866	-3,185
Others under EUR 8 mio each	-41,291	-30,317
	-190,712	-151,751

Expenses for research and development result from several specific technical proposals, real projects on the market and the introduction of construction methods and products to the market and were therefore recognised as expenses in their entirety. The remaining other operating expenses include, among other things, expenses for claims, software licenses, liability letter costs and commissions as well as training expenses.

The expenses accrued for the financial year for the group auditor KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft total kEUR 354 (previous year: kEUR 317), of which kEUR 343 (previous year: kEUR 315) results from the audit of the consolidated financial statements (including the financial statements of various affiliated companies) and kEUR 11 (previous year: kEUR 2) results from other services.

(7) Share of results of associates

FIGURES IN THOUSAND EUR	2021/22	2020/21
Income from associated companies	4,003	4,492
Profit from project consortiums	32,588	29,882
Losses from project consortiums	-2,577	-309
	34,014	34,065

(8) Net income from investments

FIGURES IN THOUSAND EUR	2021/22	2020/21
Income from non-current equity investments	3,694	3,433
Losses from non-current equity investments	-130	-584
	3,564	2,849

(9) Income tax

Both the taxes on income paid or owed by the various companies and deferred taxes are recognised as taxes on income:

FIGURES IN THOUSAND EUR	2021/22	2020/21
Actual taxes	-30,391	-25,209
Deferred taxes	-8,678	-7,380
	-39,069	-32,589

The following tax components are recognised directly in equity in the statement of comprehensive income:

FIGURES IN THOUSAND EUR	2021/22	2020/21
Changes to financial instruments	65	13
Changes in actuarial gains and losses	-306	865
Changes to revaluation reserves	657	-15
	416	863

The causes of the difference between the Austrian group tax rate of 25% and the recognised group tax rate are as follows:

FIGURES IN THOUSAND EUR	2021/22	2020/21
Earnings before tax	147,224	157,647
Theoretical tax expenditure of 25%	36,806	39,412
Differences to foreign tax rates	-5,139	-4,915
Tax-neutral expenses and income	9,134	3,620
Changes in tax rates	-1,668	0
Tax-free investment income / equity measurement of associated companies	-1,462	-1,656
Changes to estimates of deferred taxes	273	-26
Aperiodic effects and other non-temporary differences	1,125	-3,846
Recognised income tax expense	39,069	32,589

CONSOLIDATED BALANCE SHEET

NOTES ON THE ITEMS

(10) Intangible assets and property, plant and equipment

The composition and development of the intangible assets, goodwill and property, plant and equipment are set out in the consolidated statement of changes in fixed assets. No borrowing costs were capitalised in the financial year, as no major qualifying assets were acquired or manufactured.

Goodwill

The goodwill on the balance sheet date results from the following mergers:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Swietelsky Vasuttechnika Kft.	4,458	4,458
Bahnbau Petri Hoch- und Tiefbau Gesellschaft m.b.H.	2,244	2,244
SWIETELSKY stavebni s.r.o.	1,157	1,157
Ing. Baierl Gesellschaft m.b.H.	700	700
Swietelsky Baugesellschaft m.b.H.	565	565
Metallbau Wastler GmbH	0	701
	9,124	9,825

The comparison of the carrying amounts with the recoverable amounts of the cash-generating units as part of the annual impairment test resulted in an impairment requirement of kEUR 701 (previous year: kEUR 0).

For the most significant goodwill, Swietelsky Vasuttechnika Kft., a change in material parameters (WACC and FCF) cannot lead to an underfunding, as the net debt is negative and the negative amount of which exceeds the carrying amount (equity + goodwill). This means that even if the DCF calculation results in an entity value of EUR 0, there is no underfunding.

Property, plant and equipment

The cumulative amount of the revaluations for the asset group of land, land rights and buildings, including buildings on third-party land, is kEUR 11,552 (previous year: kEUR 13,256) on the balance sheet date. The carrying amount that would result from measurement at amortised cost is kEUR 226,809 (previous year: kEUR 222,973).

The property, plant and equipment were revalued based on the independent appraisal of:

DI Erich Weismann	from 14/2/2022	for Austria
HUNGAVENT Pénzügyi és Befektetési Tanácsadó Kft	from 30/3/2022	for Hungary
SC LOUISIANA SRL	from 31/3/2021	for Romania

Leases

The development of the rights of use from leases can be found in the consolidated statement of changes in fixed assets. The cash outflows from leases are composed as follows:

FIGURES IN THOUSAND EUR	2021/22	2020/21
Interest expenses for lease liabilities	2,395	2,025
Redemption of lease liabilities	28,992	24,211
Short-term lease expenses	15,920	14,460
Total lease payments	47,307	40,696

As in the previous year, the expenses for low-value leasing contracts are of minor importance.

Restrictions on disposition/purchase obligations

As in the previous year, no restrictions on disposition or material obligations in connection with the acquisition of fixed assets that are not already accounted for in the consolidated financial statements exist as of the balance sheet date.

(11) Other financial assets and investments in associates

More detailed information on the group's investments (with shareholdings of over 20%) can be found in the list of investments.

Disclosures on associated companies

Associated companies are not listed on the stock exchange; the summarised financial information (100%) is as follows:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Revenue	54,077	101,203
Earnings after tax	8,639	8,644
Other income	2,727	-1,812
Total comprehensive income	11,365	6,831
Non-current assets	95,723	97,078
Current assets	26,148	30,195
Non-current liabilities	-71,074	-73,741
Current liabilities	-27,443	-35,044
Net assets	23,353	18,488

Disclosures on project consortia

Within the group, construction project consortia are classified as joint ventures and their results are recognised under share of results of associates. The table below shows the largest project consortia for the 2021/22 financial year.

Project consortium	(short)	Share in %
Arge ATCOST 21	ATCOST	15.00
Arge Tunnel Fröschnitzgraben	ATF	50.00
Arge Bahntechnik Schwäbische Alb	ABSA	50.00
Arge MTO	MTO	50.00
Arge SKW Kühtai	SKW	62.00

100% of the financial information has been disclosed.

FIGURES IN THOUSAND EUR	Revenue	Non-current assets	Current assets	thereof cash and cash equivalents	Non-current liabilities	Current liabilities
ATCOST	236,125	462	319,187	20,892	0	319,649
ATF	116,647	26,812	69,593	9,541	0	96,405
ABSA	122,999	5,302	41,852	25,101	0	47,154
MTO	47,896	1	13,660	5,454	0	13,661
SKW	117,744	43,179	153,082	513	0	196,261

In the financial year 2021/22, results from joint ventures in the amount of kEUR 20,529 from the above-mentioned joint ventures are reported in the results of associates.

The table below shows the largest project consortia for the 2020/21 financial year.

Project consortium	(short)	Share in %
Arge ATCOST 21	ATCOST	15.00
Arge Tunnel Fröschnitzgraben	ATF	50.00
Arge Bahntechnik Schwäbische Alb	ABSA	50.00
Arge MTO	MTO	50.00
Arge Tunnel Alaufstieg	ATA	21.00

100% of the financial information has been disclosed.

FIGURES IN THOUSAND EUR	Revenue	Non-current assets	Current assets	thereof cash and cash equivalents	Non-current liabilities	Current liabilities
ATCOST	178,688	2,112	273,688	8,014	0	275,800
ATF	127,667	64,190	73,804	2,622	0	137,994
ABSA	96,300	6,217	34,324	14,893	0	40,541
MTO	58,862	22	25,904	7,056	0	25,926
ATA	42,661	95	94,639	11,993	0	94,734

In the financial year 2020/21, results from joint ventures in the amount of kEUR 12,602 from the above-mentioned joint ventures are reported in the results of associates.

Services of project consortia were engaged as follows in the financial year:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Services rendered	142,445	142,465
Services received	17,502	8,854
Receivables as of 31 March	49,219	45,399
Liabilities as of 31 March	16,669	18,474

(12) Inventories

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Raw materials, consumables and supplies	57,728	42,972
Land for development and construction projects	92,994	93,448
Finished products and goods	3,862	6,034
	154,584	142,454

No significant value adjustments were made to the net realisable value of inventories during the financial year. No borrowing costs were capitalised in the financial year, as no major qualifying assets were acquired or manufactured.

(13) Trade receivables, other receivables and assets

FIGURES IN THOUSAND EUR	31/3/2022			31/3/2021		
Trade receivables	Total	of which current	of which non-current	Total	of which current	of which non-current
Contract assets	2,056,025	2,056,025	0	1,552,825	1,552,825	0
Advances received	-1,762,629	-1,762,629	0	-1,367,120	-1,367,120	0
	293,396	293,396	0	185,705	185,705	0
Other trade receivables	174,123	171,012	3,111	156,234	154,093	2,141
Receivables from project consortia	49,219	49,219	0	45,399	45,399	0
	516,738	513,627	3,111	387,338	385,197	2,141
of which financial assets	223,342	220,231	3,111	201,633	199,492	2,141
of which non-financial assets	293,396	293,396	0	185,705	185,705	0

The contract assets comprise the right to payment from construction contracts as well as from project developments for the work performed by the reporting date. If the advances received exceed the payment rights, presentation is made under contract liabilities. In the financial year, no costs of contract initiation or contract satisfaction were capitalised as separate assets.

In the financial year 2021/22, revenue was recognised in the amount of kEUR 129,182 (previous year: kEUR 174,460) that had been contained under contract liabilities at the beginning of the financial year. As at

31 March 2022, there are unsatisfied performance obligations (order backlog) in the amount of kEUR 3,248,349 (previous year: kEUR 3,300,864). The recognition of revenue from these performance obligations is expected with kEUR 2,251,671 (previous year: kEUR 2,130,554) in the following financial year and with kEUR 996,678 (previous year: kEUR 1,170,310) in the next five financial years.

As usual in the construction industry, the customer has the contractual right to retain part of the total amount of the invoice. As a rule, these retentions are, however, redeemed by collateral bank or group guarantees.

FIGURES IN THOUSAND EUR	31/3/2022			31/3/2021		
Other receivables and assets	Total	of which current	of which non-current	Total	of which current	of which non-current
Receivables from affiliated companies	1,373	1,373	0	2,871	2,871	0
Receivables from associated companies	4,132	192	3,940	4,085	145	3,940
Receivables from other non-current investees and investors	12,143	9,220	2,923	12,053	11,953	100
Other receivables and prepaid expenses	52,034	49,246	2,788	62,384	61,696	688
	69,682	60,031	9,651	81,393	76,665	4,728
of which financial assets	46,885	37,285	9,600	64,507	59,785	4,722
of which non-financial assets	22,797	22,746	51	16,886	16,880	6

The valuation allowances on other trade receivables were as follows in the financial year:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
As of 1 April	46,755	44,615
Currency translation	173	98
Addition/utilisation/release	-7,682	2,042
As of 31 March	39,246	46,755
Trade receivables before valuation allowance	555,984	434,093
Valuation allowances	-39,246	-46,755
Carrying amount on 31 March	516,738	387,338

The individual valuation allowances consist of numerous individual items, none of which is considered significant on its own. No significant valuation allowances existed for other financial receivables and other financial assets on the balance sheet date.

(14) Cash and cash equivalents

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Securities	19,790	49,853
Cash-in-hand, bank balances	387,940	435,099
	407,730	484,952

(15) Deferred taxes

Due to the currently applicable tax provisions, it can be assumed that differences between the amount of the equity interest and the proportional equity of subsidiaries included in the consolidated financial statements resulting from accumulated profits will essentially remain tax-free. As there is also no intent to sell, under IAS 12.39 no tax deferral was carried out.

Deferred taxes on loss carryforwards were capitalised in so far as they can likely be offset against taxable profits in the future. Tax write-downs on investments must be spread over a period of seven years in accordance with the Austrian Corporation Tax Act (KStG). The deferred taxes on open depreciation (one-seventh) of kEUR 341 (previous year: kEUR 492) are reported in the deferred tax assets from non-current assets.

Temporary differences between the valuation of the balance sheet items in the IFRS financial statements and the existing tax value have the following effects on deferred taxes recognised in the balance sheet:

FIGURES IN THOUSAND EUR	31/3/2022		31/3/2021	
	Assets	Liabilities	Assets	Liabilities
Non-current assets	259	23,110	314	25,272
Current assets	1,847	15,912	3,022	16,042
	2,106	39,022	3,336	41,314
Non-current liabilities	6,583	0	25,278	0
Current liabilities	17,422	14,733	11,370	18,053
Tax losses carried forward	423	0	198	0
Deferred tax assets and liabilities	26,534	53,755	40,182	59,367
Offsetting of deferred tax assets and liabilities with the same tax authority	-14,487	-14,487	-29,772	-29,772
Deferred taxes offset	12,047	39,268	10,410	29,595

(16) Equity

The share capital of Swietelsky AG amounts to EUR 7,705,000.01 and it is shared into 7,705,000.00 registered shares.

In the financial year 2007/08, hybrid bonds with a nominal value of kEUR 70,000 were placed. Interest: 7.75% for the first 5 years, then 3-month EURIBOR plus 5.85%; duration unlimited; listing: Vienna Stock Exchange – Corporates Prime market segment, trading in the third market – Multi-lateral Trading Facility (MTF) since 5 May 2016 (before till 4 May 2016 on the regulated OTC market). The yield from

the issuance of the hybrid bond is recognised as a portion of equity as this instrument meets the criteria for equity under IAS 32. In line with this, the coupons to be paid are also recognised as part of the appropriation of net profit.

Repurchases of the hybrid bond by the balance sheet date have been made in the nominal value of kEUR 38,594, so far. In accordance with IAS 32.33, the own repurchased equity instruments are deducted from the equity. Fees paid are recognised directly in the equity. The various components of the equity and the changes they have undergone can be found in the statement of changes in equity. The hybrid bond was fully repaid on 17 May 2021.

(17) Provisions

FIGURES IN THOUSAND EUR	Balance as of 1/4/2021	Currency translation	Changes to the basis of consolidation	Additions	Reversal	Utilisation	Balance as of 31/3/2022
Provision for:							
Severance payments	34,568	0	0	2,041	0	7,453	29,156
Pensions	221	0	0	12	33	11	189
Other	124	0	0	150	12	0	262
Non-current provisions	34,913	0	0	2,203	45	7,464	29,607
Taxes	32,005	114	0	21,048	1,965	15,397	35,805
Other:							
Construction-related	79,856	735	0	36,592	14,620	26,515	76,048
Other	18,263	7	0	30,478	98	144	48,506
Current provisions	130,124	856	0	88,118	16,683	42,056	160,359
Total	165,037	856	0	90,321	16,728	49,520	189,966

FIGURES IN THOUSAND EUR	Balance as of 1/4/2020	Currency translation	Changes to the basis of consolidation	Additions	Reversal	Utilisation	Balance as of 31/3/2021
Provision for:							
Severance payments	28,459	0	0	8,161	0	2,052	34,568
Pensions	199	0	0	34	0	12	221
Other	0	0	0	124	0	0	124
Non-current provisions	28,658	0	0	8,319	0	2,064	34,913
Taxes	24,354	59	0	23,837	2,569	13,676	32,005
Other:							
Construction-related	73,205	417	43	32,991	10,525	16,275	79,856
Other	18,367	-4	0	485	14	571	18,263
Current provisions	115,926	472	43	57,313	13,108	30,522	130,124
Total	144,584	472	43	65,632	13,108	32,586	165,037

The development of the provisions for severance payments is shown below:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Present value of the defined benefit obligation (DBO) on 1 April	34,568	28,459
Service cost	4,507	4,835
Interest expense	345	499
Severance payments	-8,967	-2,662
Actuarial gains and losses	-1,297	3,437
Present value of the defined benefit obligation (DBO) on 31 March	29,156	34,568

The amount of provisions for severance payments is calculated using actuarial methods on basis of the pension tables set out in AVOE 2018-P (employees). A discount rate of 1.94% (previous year: 1.00%) and a salary-related promise of salary increase of 2.75% (previous year: 2.50%) was used as the basis.

In the financial year 2021/22, as in the previous year, all actuarial losses resulted from financial assumptions – none were caused by demographic assumptions. On the balance sheet date, severance payment obligations had a weighted duration of approximately 11 years (previous year: 11 years).

In the following sensitivity analysis, effects of changes in the essential parameters on the carrying amounts are described:

Changes:	Parameters			DBO
Interest rate	-1.00%	+1.00%	+11.50%	-9.90%
Salary increase	-0.50%	+0.50%	-5.10%	+5.40%

The development of provisions for pensions is shown below:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Present value of the defined benefit obligation (DBO) on 1 April	221	199
Service cost	9	9
Interest expense	3	3
Pension payments	-10	-12
Actuarial gains and losses	-34	22
Present value of the defined benefit obligation (DBO) on 31 March	189	221

The amount of provisions for pensions is calculated using actuarial methods based on the pension tables set out in AVOE 2018-P (employees). A discount rate of 2.10% (previous year: 1.36%) and an increase in the pension commitment of 1.00% (previous year: 1.00%) was used as the basis. In the 2021/22 financial year, as in the previous year, all actuarial losses resulted from financial assumptions – none were caused by demographic assumptions. On the balance sheet date, the DBO had a weighted duration of approximately 17 years (previous year: 17 years).

The pension provision is formed for obligations from entitlements and ongoing payments to active and former employees and their survivors. Obligations mainly concern retirement pensions. Individual commitments are normally based on the length of service of the employee on the date of the commitment (including the employee’s position and remuneration). No new commitments have been entered since 1993. The company pension scheme consists of an unfunded defined-benefit pension system. Defined-benefit pension plans oblige the company to render promised services to active and former employees.

In the following sensitivity analysis, effects of changes in essential parameters on the carrying amounts are described:

CHANGES:	Parameters			DBO
Interest rate	-1.00%	+1.00%	+18.30%	-14.60%
Pension increase	-0.25%	+0.25%	-2.70%	+2.80%

Construction-related provisions essentially contain provisions for guarantee obligations, contingent losses, obligations from remaining and subsequent work and costs of litigation.

provisions for possible subsequent claims by clients. It is very difficult to estimate the amount that will actually be used, and it may therefore deviate from the amount provided for.

Since May 2017, due to searches of the premises of more than 50 Austrian construction companies, we know that, among others, Swietelsky AG has been affected by proceedings carried out by the Austrian Federal Competition Authority and the Central Public Prosecutor’s Office for Combating Economic Crimes and Corruption. The action is based on a reasonable suspicion that illegal anticompetitive horizontal agreements allegedly took place in a number of tender procedures between the affected companies. The processing of the complex facts has so far revealed that companies of the SWIETELSKY Group were also involved in horizontal price agreements in the period from 2005 to 2017. Swietelsky AG is in regular contact with the Austrian Federal Competition Authority in this regard. In the current reporting period, the provisions were adjusted accordingly based on the ongoing talks with the Austrian Federal Competition Authority. SWIETELSKY has made appropriate

In April 2018 another proceeding by the Central Public Prosecutor’s Office for Combating Economic Crimes and Corruption became known. The subject of these investigations is primarily the suspicion that predominantly former employees of Swietelsky AG may have acted corruptly in connection with Romanian construction projects. Within the framework of the responsibility of legal entities, SWIETELSKY is accused of being associated with their employees’ criminal acts, it is not possible to predict with reasonable certainty what the outcome of the investigation will be or to quantify – even only roughly or indicatively – the pecuniary consequences for SWIETELSKY at the present state of knowledge. SWIETELSKY assumes, however, that there will be no burden on the group.

The estimated costs of legal representation for both proceedings have been considered in provisions.

(18) Liabilities

FIGURES IN THOUSAND EUR				31/3/2022	31/3/2021	
Financial liabilities	Total	of which current	of which non-current	Total	of which current	of which non-current
Liabilities to banks	20,166	3,359	16,807	6,120	2,226	3,894
Lease liabilities	112,561	26,517	86,044	119,522	24,945	94,577
	132,727	29,876	102,851	125,642	27,171	98,471

No physical securities were supplied to safeguard liabilities to banks.

NOTES ON THE CASH FLOW STATEMENT

FIGURES IN THOUSAND EUR 31/3/2022 31/3/2021

Trade payables:	Total	of which current	of which non-current	Total	of which current	of which non-current
Contract liabilities	-644,363	-644,363	0	-739,044	-739,044	0
Advances received	797,976	797,976	0	949,843	949,843	0
	153,613	153,613	0	210,799	210,799	0
Other trade payables	449,591	412,375	37,216	407,112	374,826	32,286
Liabilities to project consortia	16,669	16,669	0	18,474	18,474	0
	619,873	582,657	37,216	636,385	604,099	32,286
<i>of which financial liabilities</i>	466,260	429,044	37,216	425,586	393,300	32,286
<i>of which non-financial assets</i>	153,613	153,613	0	210,799	210,799	0
Other liabilities:						
Liabilities to affiliated companies	854	854	0	1	1	0
Liabilities to associated companies	518	518	0	1,820	1,820	0
Liabilities from other non-current investees and investors	1,178	1,178	0	1,347	1,347	0
Other liabilities	173,333	152,199	21,134	158,566	139,555	19,011
	175,883	154,749	21,134	161,734	142,723	19,011
<i>of which taxes</i>	18,645	18,645	0	13,540	13,540	0
<i>of which social security</i>	7,997	7,997	0	8,140	8,140	0
<i>of which personnel-related liabilities</i>	128,619	113,177	15,442	121,267	105,982	15,285
<i>of which financial liabilities</i>	17,981	14,236	3,745	17,622	14,165	3,457
<i>of which non-financial liabilities</i>	157,902	140,513	17,389	144,112	128,558	15,554

The cash flow statement was generated using the indirect method, and is separated into cash flows resulting from business, investment and financing activities. The effects of changes to the scope of consolidation have been eliminated and are recognised in the cash flow from investment activities.

(19) Cash and cash equivalents

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Securities (Bundesschatzscheine)	0	30,000
Cash-in-hand, bank balances	387,940	435,099
Liquid funds	387,940	465,099
Other Securities	19,790	19,853
Cash and cash equivalents	407,730	484,952

The cash flow from operating activities comprised the following items in the reporting year:

FIGURES IN THOUSAND EUR	31/3/2022	31/3/2021
Interest paid (including hybrid interest)	3,333	6,754
Interest received (including hybrid interest)	1,559	3,045
Tax paid	29,470	19,693

NOTES ON THE FINANCIAL INSTRUMENTS AND ON CAPITAL MANAGEMENT

The SWIETELSKY Group holds primary financial instruments, essentially non-current financial assets, trade receivables, bank balances, financial liabilities and trade payables. The list of primary financial instruments can be found in the balance sheet.

(20) Financial instruments, financial risk and capital management

Financial assets and liabilities at the balance sheet date are as follows:

ASSETS

FIGURES IN THOUSAND EUR	Category to IFRS 9	Carrying amount 31/3/2022	Carrying amount 31/3/2021
Assets not measured at fair value:			
Other financial assets	AC	16,867	16,433
Loans	AC	5,986	6,431
Trade receivables	AC	223,342	201,633
Other financial receivables	AC	46,885	64,507
Cash-in-hand, bank balances	AC	387,940	435,099
Assets measured at fair value:			
Derivatives for hedging purposes	FVOCI	0	0
Securities	FVPL	19,790	49,853
Total financial assets		700,810	773,956

LIABILITIES

FIGURES IN THOUSAND EUR	Category to IFRS 9	Carrying amount 31/3/2022	Carrying amount 31/3/2021
Liabilities not measured at fair value:			
Financial liabilities	AC	132,727	125,642
Trade payables	AC	466,260	425,586
Other financial liabilities	AC	17,981	16,965
Liabilities measured at fair value:			
Derivatives for hedging purposes	FVOCI	0	657
Total financial obligations		616,968	568,850
	AC	64,052	155,910
	FVPL	19,790	49,853
	FVOCI	0	-657

Amortised Cost (AC)
Fair Value through Profit & Loss (FVPL)
Fair Value Other Comprehensive Income (FVOCI)

The net result from financial instruments by class or category is composed as follows:

FIGURES IN THOUSAND EUR	AC	FVOCI	FLAC	FVPL	Total
2021/22					
Interest and similar income/expenses	1,981	0	-4,045	0	-2,064
Impairment losses and reversal of impairment losses	-7,509	0	0	0	-7,509
Fair value measurement	0	192	0	-80	112
Results from disposal	0	0	0	0	0
Net result	-5,528	192	-4,045	-80	-9,461
2020/21					
Interest and similar income/expenses	2,048	0	-2,693	0	-645
Impairment losses and reversal of impairment losses	2,140	0	0	0	2,140
Fair value measurement	0	-41	0	242	201
Results from disposal	0	0	0	0	0
Net result	4,188	-41	-2,693	242	1,696

Amortised Cost (AC)

Fair Value through Profit & Loss (FVPL)

Fair Value Other Comprehensive Income (FVOCI)

Financial Liabilities at amortised Cost (FLAC)

Dividends and expenses from investments recognised as investment income are not a component of the net result. Impairments, reversals of impairment losses and results of financial assets and liabilities at amortised cost are recognised in other operating income and other operating expenses.

Principles of financial risk management

The SWIETELSKY Group faces credit, market and liquidity risks in connection with its assets, liabilities and scheduled transactions. The goal of financial risk management is to control and limit these risks.

Principles of financial risk management are defined by the management and monitored by the supervisory board. The group treasury and the decentralised treasury units are responsible for implementing financial risk management. Individual risks are minimised by means of derivative financial instruments. The use of derivative financial instruments by the group is subject to corresponding approval and control procedures.

As in the previous year, the derivatives in the financial year were closed to hedge currency risk. As in the previous year, there were no derivatives for which no hedging relationships could be established.

Interest rate risk

Essentially, interest rate risk results from bank balances and liabilities to banks which are subject to variable interest rates. This is because the risk exists in rising interest costs or falling interest received resulting from an adverse change in market interest rates.

Bank balances subject to variable interest rates

FIGURES IN THOUSAND EUR	Carrying amount 31/3/2022	Average interest rate 2021/22	Carrying amount 31/3/2021	Average interest rate 2020/21
EUR	231,012	0.01%	192,526	0.01%
HUF	75,326	0.00%	137,941	0.00%
RON	22,290	0.00%	28,784	0.00%
CZK	29,679	0.55%	40,943	0.01%
GBP	6,106	0.01%	4,894	0.11%
PLN	12,691	0.62%	7,101	0.00%
HRK	4,435	0.01%	7,894	0.01%
DKK	2,228	-0.50%	11,626	-0.06%
Other	4,173	0.00%	3,390	0.01%
	387,940		435,099	

Liabilities to banks subject to variable interest rates

FIGURES IN THOUSAND EUR	Carrying amount 31/3/2022	Average interest rate 2021/22	Carrying amount 31/3/2021	Average interest rate 2020/21
AUD	10,346	1.93%	5,840	2.14%
GBP	9,799	1.86%	0	0.00%
RON	0	0.00%	253	4.03%
Other	21	0.00%	27	0.00%
	20,166		6,120	

If the market interest rate on 31 March 2022 were 50 basis points higher, the earnings after tax and equity would have been kEUR 1,403 (previous year: kEUR 1,609) higher. A drop in the market interest rate by 50 basis points would have caused an equal reduction in earnings after tax and equity.

Calculations were made based on these financial assets and liabilities on the balance sheet date. It was assumed that the risk on the balance sheet date essentially represents the risk during the financial year. The group tax rate of 25% is used as the tax rate. In the analysis, all other variables – especially exchange rates – are assumed to be constant.

Foreign exchange risk

Essentially, risk results from bank balances, liabilities to banks in foreign currencies and trade payables and receivables in Euros in connection with subsidiaries whose functional currencies are not the Euro. However, the decentralised

structure of the group means that most foreign currency items are naturally closed because most receivables and liabilities from business activities are recognised in the same currency. The credit financing and assessment of the group companies mainly took place in the currency of the country in question.

Performance of the major group currencies

Currency		Closing rate 31/3/2022 1 Euro =	Closing rate 31/3/2021 1 Euro =	Average rate of exchange 2021/22 1 Euro =	Average rate of exchange 2020/21 1 Euro =
Australian dollar	AUD	1.4820	1.5409	1.5722	1.6198
Swiss franc	CHF	1.0265	1.1065	1.0647	1.0788
Czech crown	CZK	24.4450	26.1280	25.2698	26.5293
Danish crown	DKK	7.4382	7.4375	7.4377	7.4448
British pound	GBP	0.8450	0.8525	0.8502	0.8913
Croatian kuna	HRK	7.5720	7.5740	7.5221	7.5584
Hungarian forint	HUF	370.6000	363.3000	360.0867	357.9717
Norwegian crown	NOK	9.6990	9.9918	10.0781	10.6645
Polish zloty	PLN	4.6580	4.6622	4.5950	4.5111
Romanian leu	RON	4.9470	4.9258	4.9392	4.8632
Swedish crown	SEK	10.336	10.224	10.2373	10.3159

A 10% appreciation or devaluation of the Euro on 31 March 2022 would have resulted in a change in earnings after tax and equity of kEUR 1,963 (previous year: kEUR 1,080).

Calculations were carried out based on the portfolio of financial assets and liabilities on the balance sheet date. Foreign exchange risks from euro items in subsidiaries whose currencies are not the euro were attributed to the foreign exchange risk of the functional currency of each subsidiary. Differences caused by the translation of financial statements into the group currency because of the exchange rates have not been changed. The group tax rate of 25% is used as the tax rate. In the analysis, all other variables – especially interest rates – are assumed to be constant.

In the financial year 2018/19, SWIETELSKY concluded foreign currency forward transactions in GBP in the amount of kEUR 22,067 for hedging future payments, in the period from 2019 to 2021, and designated them as a cash flow hedge. At the time of the transaction, the relationship between the underlying and the hedging transaction, including the risk management objectives and the corporate strategy underlying the hedging relationships, was documented. Thereafter, it is regularly demonstrated that foreign exchange forward contracts are effective in terms of currency risk. In the 2021/22 financial year, no changes in the value of the hedging relationship were recognised in the income statements (previous year: kEUR -600). The changes in value of kEUR 192 (previous year: kEUR -41) and the related deferred taxes in the amount of kEUR -65 (previous year: kEUR 13) were recognised in equity (change in financial instruments).

Other market price risks

Besides foreign exchange and interest rate risks, the SWIETELSKY Group is exposed to other price risks resulting from financial assets and liabilities, which are however of lesser significance to the group.

Credit risk

Due to the wide dispersion of and ongoing credit checks on our customers, credit risk of receivables from customers can be classified as low. Likewise, the default risk for the other primary financial instruments recognised as assets is to be considered low as the financial partners of the group are all financial institutes with the highest levels of credit-worthiness. The carrying amounts of the financial assets classed as assets represent the maximum default risk.

Receivables from contract assets of kEUR 293,396 (previous year: kEUR 185,705) and receivables from project consortia amounting to kEUR 49,219 (previous year: kEUR 45,399) relate to ongoing construction projects and are therefore largely not yet due. From the other receivables from deliveries and services in the amount of kEUR 174,123 (previous year: kEUR 156,234), only a negligible amount is overdue and not impaired.

Additionally, as is standard in the industry, project consortia in which companies of the SWIETELSKY Group hold a stake are jointly and severally liable with the other partners and there are bank guarantees, mainly for tender, contractual fulfilment and guarantee obligations and advance payments. Counter-liabilities for performance guarantees where an outflow of resources is improbable exist to the value of kEUR 138,273 (previous year: kEUR 140,854) on 31 March 2022. Additionally, a derived credit risk of kEUR 3,570 (previous year: kEUR 4,126) resulting from the liabilities for associated companies and other investments assumed through payment guarantees.

Liquidity risks

A major goal of financial risk management in the SWIETELSKY Group is always to ensure liquidity and financial flexibility. For this purpose, a liquidity reserve has been organised in the form of unused credit lines (cash and guarantee credit), and in the form of cash reserves, if necessary, at creditworthy banks. Most of these unused credit lines have a term of up to 12 months and are continuously prolonged. The group's liquidity needs in the medium and long terms are ensured by bank loans.

The following contractually agreed payment obligations will result from the financial liabilities (interest and amortisation payments) in the coming years:

FIGURES IN THOUSAND EUR	Carrying amount 31/3/2022	Cash flows 1/4/2022 – 31/3/2023	Cash flows 1/4/2023 – 31/3/2027	Cash flows from 1/4/2027
Liabilities to banks	20,166	3,359	11,461	6,357
Lease liabilities	112,561	28,709	65,278	33,355
Trade payables	619,873	582,657	37,216	0
Other financial liabilities	17,981	14,236	3,745	0
	770,581	628,961	117,700	39,712

FIGURES IN THOUSAND EUR	Carrying amount 31/3/2021	Cash flows 1/4/2021 – 31/3/2022	Cash flows 1/4/2022 – 31/3/2026	Cash flows from 1/4/2026
Liabilities to banks	6,120	2,226	4,033	0
Lease liabilities	119,522	27,222	71,193	36,800
Trade payables	636,385	604,099	32,286	0
Other financial liabilities	17,622	14,165	3,457	0
	779,649	647,712	110,969	36,800

Interest payments were calculated based on the most recently fixed interest rates on or before 31 March 2022 and 31 March 2021. Planned figures for new liabilities in the future are not included. Financial liabilities that can be repaid at any time are always allocated to the earliest maturity bucket.

Fair value hierarchy

The following tables list the financial assets and liabilities measured at fair value and the financial assets and liabilities not measured at fair value by their valuation methods in line with the three-level fair value hierarchy of the IFRS. The various levels reflect the significance of the input factors used for the measured and are defined as follows:

Level 1: Level 1 inputs are quoted prices in active markets for identical assets or liabilities. SWIETELSKY Group currently holds bonds, investment funds and (few) shares that are attributable to this Level and whose fair value matches the market or calculated value.

Level 2: Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. derived from prices). Liability insurance measured at the redemption value of the reserve on the balance sheet date is attributable to this level.

Level 3: Level 3 inputs are input factors for the asset or liability which are not based on observable market data (unobservable input factors). In so far as relevant, non-current financial assets, bonds, liabilities to banks and lease liabilities leases are assigned to this level if no market prices are available. The fair values are calculated using the discounted cash flow method and therefore represent the present values of the associated payments with consideration for the current market parameters (especially interest rates, exchange rates, the creditworthiness of the counterparty in connection with receivables and the default risk in connection with liabilities).

If the input factors used to determine the fair value of a financial asset or financial liability can be assigned to various levels of the fair value hierarchy, the entire measurement at fair value will be assigned to the level of the fair value hierarchy corresponding to the lowest essential input factor for the measurement.

The group recognises reclassifications between the various levels of the fair value hierarchy at the end of the reporting period in which the change took place. No reclassifications between levels were carried out during the financial year.

Carrying amounts, fair values and fair value-hierarchy of the financial assets and financial liabilities measured at fair value

FIGURES IN THOUSAND EUR	31/3/2022	Carrying amount	Fair Value	Level 1	Level 2	Level 3
ASSETS						
Securities		19,790	19,790	19,546	244	0
Derivatives for hedging purposes		0	0	0	0	0
LIABILITIES						
Derivatives for hedging purposes		0	0	0	0	0

FIGURES IN THOUSAND EUR	31/3/2021	Carrying amount	Fair Value	Level 1	Level 2	Level 3
ASSETS						
Securities		49,853	49,853	49,626	227	0
Derivatives for hedging purposes		0	0	0	0	0
LIABILITIES						
Derivatives for hedging purposes		657	657	0	657	0

Carrying amounts, fair values and fair value-hierarchy of the financial assets and financial liabilities not measured at fair value

The cash and cash equivalents, trade receivables, other financial receivables, trade payables and other financial liabilities have mostly short residual terms. Liabilities to banks and liabilities from finance leases are subject to variable interest rates. Therefore, with these financial instruments the management assumes that the carrying amount is a reasonable approximation of the fair value.

Offsetting of financial assets and financial liabilities

In the SWIETELSKY Group, financial assets and financial liabilities are not offset against one another in the balance sheet. Offsetting agreements only exist in connection with derivative financial instruments.

Capital management

The goal of capital management is to achieve a strong capital basis that continues to generate a rate of return for the shareholders that matches the risk situation of the Group, supports the future development of the Group and can be put to good use for other interest groups as well. The management exclusively considers the booked equity as capital in accordance with IFRS. The equity ratio on the balance sheet date was 35% (previous year: 35%).

The capital management strategy of the Group aims for the group companies to have a large enough equity base to meet the local requirements. All external capital requirements were met in the reporting year.

(21) Disclosure of business segments

Division of segments

The segments are divided based on internal reporting (the management approach). As the construction market is highly region-based, SWIETELSKY is mainly run from a regional perspective. The group's internal organisational and management structures, and therefore also the internal reports, follow these regional divisions and are therefore reported to the chief operating decision maker.

The operative business of the SWIETELSKY Group is split into five segments: Austria, Germany, Hungary, Czech Republic and other countries. The segment entitled other countries contains Romania, Croatia, Slovakia, Poland, Latvia, Great Britain, Switzerland, Norway, the Netherlands, Denmark, Sweden and Australia. The segments are defined by the country in which the headquarters of the company are located. The services within and between the segments are billed at market prices.

The following construction output were rendered in the segments:

Austria	Germany	Hungary	Czech Republic	Other countries
Road construction	Road construction	Road construction	Road construction	Road construction
Railway construction	Railway construction	Railway construction	Railway construction	Railway construction
Building construction	Building construction	Building construction	Building construction	Building construction
Civil engineering	Civil engineering	Civil engineering	Civil engineering	Civil engineering
Tunnel construction	x	x	x	x

Segment report

The disclosure of business segments takes place based on internal reporting and is further reconciled to the revenue and EBT of the individual business segments. External construction output are services rendered in the segment in question with no internal cost allocation. The segment investments contain additions to intangible assets, property, plant and equipment and non-current financial assets. No segment assets have been disclosed as this is not a component of regular management reports.

Information on major customers

In the same way as last year, no external customer generated more than 10% of the group's turnover.

SEGMENT INFORMATION 2021/22

FIGURES IN THOUSAND EUR	Austria	Germany	Hungary	Czech Republic	Other countries	Consolidation	Group
Construction output	2,080,369	392,469	275,231	377,106	290,244	0	3,415,419
Reconciliation with IFRS financial statements							-296,854
Revenue	1,942,385	370,540	309,002	395,759	293,909	-193,030	3,118,565
Segment result	88,899	15,156	28,285	23,751	4,782	0	160,873
<i>Included in the segment result:</i>							
Interest income	4,709	66	111	234	72		
Interest expense	-2,584	-745	-119	-172	-647		
Depreciation and amortisation	-46,236	-11,553	-3,602	-5,210	-8,371		
Share of results of associates	29,802	5,309	0	0	326		
Reconciliation with IFRS financial statements							-13,649
Earnings before tax (EBT)	112,396	21,333	27,456	21,260	7,539	-42,760	147,224
Investments	81,450	16,810	3,142	24,178	12,926	0	138,506
Order backlog	1,996,529	229,095	264,083	257,356	501,286	0	3,248,349

SEGMENT INFORMATION 2020/21

FIGURES IN THOUSAND EUR	Austria	Germany	Hungary	Czech Republic	Other countries	Consolidation	Group
Construction output	1,817,095	362,761	294,325	340,209	290,122	0	3,104,512
Reconciliation with IFRS financial statements							-208,759
Revenue	1,743,462	337,511	326,558	363,450	301,785	-177,013	2,895,753
Segment result	83,217	13,878	24,521	22,090	14,840	0	158,546
<i>Included in the segment result:</i>							
Interest income	5,712	17	901	136	44		
Interest expense	-5,648	-830	-35	-159	-546		
Depreciation and amortisation	-41,527	-12,358	-3,267	-4,560	-6,951		
Share of results of associates	30,584	5,545	0	2,940	-18		
Reconciliation with IFRS financial statements							-899
Earnings before tax (EBT)	110,048	18,529	24,903	19,693	15,049	-30,575	157,647
Investments	100,556	19,444	5,317	6,898	33,253	0	165,468
Order backlog	2,064,018	240,166	326,486	279,557	390,637	0	3,300,864

The major reconciliation items are the result of unconsolidated companies, project consortia and IFRS measurements.

Reconciliation of the construction output with revenue:

FIGURES IN THOUSAND EUR	2021/22	2020/21
Other non-current equity investments, project consortia	-302,339	-207,605
IFRS measurements	5,485	-1,154
Reconciliation	-296,854	-208,759

Reconciliation of the segment result with earnings before tax (EBT):

FIGURES IN THOUSAND EUR	2021/22	2020/21
Investment income	-2,056	-5,916
IFRS measurements	-11,593	5,017
Reconciliation	-13,649	-899

(22) Disclosures on related parties

Thumersbacher Geräteverleih GmbH is a shareholder of Swietelsky AG which renders machine and equipment rental services and consultancy services for the group at standard market rates.

Dr. Günther Grassner (Chairman of the supervisory board) was until 31/12/2020 a partner of the office RECHTSANWÄLTE GRASSNER LENZ THEWANGER + PARTNER, Linz, which renders consultancy services for the group at standard market rates. Dr. Norbert Nagele (Vice-chairman of the supervisory board) is a partner of the office HASLINGER/NAGELE & PARTNER RECHTSANWÄLTE GMBH which renders consultancy services for the group at standard market rates.

	Services rendered		Receivables	
FIGURES IN THOUSAND EUR	2021/22	2020/21	31/3/2022	31/3/2021
Thumersbacher Geräteverleih GmbH	1,821	253	382	48
RECHTSANWÄLTE GRASSNER LENZ THEWANGER + PARTNER	-	41	-	0
Catharine Brustmann	1,837	220	83	328

	Services received		Liabilities	
FIGURES IN THOUSAND EUR	2021/22	2020/21	31/3/2022	31/3/2021
Thumersbacher Geräteverleih GmbH	4	4	0	0
RECHTSANWÄLTE GRASSNER LENZ THEWANGER + PARTNER	-	527	-	41
HASLINGER/NAGELE & PARTNER RECHTSANWÄLTE GMBH	84	82	2	0

As of the balance sheet date, there were no offset claims or obligations to the shareholders due to advance profits. A subordinated bond (hybrid bond) of kEUR 8,330 was subscribed by Thumersbacher Geräteverleih GmbH. The hybrid bond was fully repaid on 17 May 2021.

(23) Notes on the Management and Supervisory Boards

Management Board

Dipl.-Ing. Klaus Bleckenwegner (since 1/4/2022)
Peter Gal
Harald Gindl, MBA
Adolf Scheuchenpflug (until 31/3/2022)
Dipl.-Ing. Karl Weidlinger

Supervisory Board

Dr. Günther Grassner, Chairman (since 1/4/2022; before Vice-chairman)
Dr. Norbert Nagele, Vice-chairman (since 1/4/2022; before Chairman)
Ing. Franz Rohr
Mag. Karl Schlögl
Dr. Stefan Ebner
Dr. Werner Bick
Andrea Steinkellner
Bruno Wyhs (until 31/1/2022)
Manuel Madurski

Salary expenses include the total remuneration of the Management Board, short-term benefits, in the amount of kEUR 10,691 (previous year: kEUR 11,047). The severance payments, post-employment benefits, for Management Board members amount to kEUR 2,975 (previous year: kEUR 4,815). Remuneration of kEUR 623 (previous year: kEUR 591) was granted to the members of the Supervisory Board.

(24) Date of approval for publication

In Austrian companies organised as corporations limited by shares, the consolidated financial statements prepared by the Management Board are approved by the Supervisory Board. The meeting of the supervisory board of Swietelsky AG to approve the consolidated financial statements of 31 March 2022 will take place on 26 July 2022.

(25) Extraordinary events after the closing of the financial year

No extraordinary events took place after the closing of the financial year.

Linz, 11 July 2022

Management Board


Dipl.-Ing. Klaus Bleckenwegner Peter Gal Harald Gindl, MBA Dipl.-Ing. Karl Weidlinger

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS

AS OF 31 MARCH 2022

FIGURES IN THOUSAND EUR	Historical costs						Cumulative depreciation					Carrying amounts		
	As of 1/4/2021	Currency translation	Reclassifi- cations	Additions	Disposals	As of 31/3/2022	As of 1/4/2021	Currency translation	Reclassifi- cations	Additions	Disposals	As of 31/3/2022	As of 31/3/2022	As of 31/3/2021
I. Intangible assets:														
1. Software and licences	18,620	9	8	1,741	651	19,727	12,753	7	0	2,825	646	14,938	4,789	5,867
2. Goodwill	13,836	0	0	0	1,826	12,009	4,011	0	0	701	1,826	2,885	9,124	9,825
3. Prepayments	0	0	-5	41	0	36	0	0	0	0	0	0	36	0
	32,456	9	3	1,782	2,478	31,772	16,763	7	0	3,525	2,473	17,823	13,949	15,693
II. Property, plant and equipment:														
1. Land, land rights and buildings, including buildings on third-party land (basic value kEUR 70,219; previous year: kEUR 62,379)	304,760	882	-2,713	25,484	14,136	314,277	68,532	418	-5	13,072	6,101	75,916	238,361	236,228
<i>thereof Right of use Assets IFRS 16</i>	60,266	301	206	4,280	4,435	60,618	10,431	91	44	6,911	2,480	14,997	45,621	49,835
2. Technical equipment and machinery	584,373	4,390	16,937	61,918	14,533	653,084	364,778	2,881	2,990	61,865	13,530	418,983	234,100	219,595
<i>thereof Right of use Assets IFRS 16</i>	42,096	172	0	2,838	1,464	43,642	8,202	36	0	6,879	1,555	13,561	30,080	33,894
3. Other equipment, operating and office equipment	147,785	440	-4,189	27,431	12,229	159,238	79,957	230	-3,034	24,329	10,484	90,998	68,241	67,828
<i>thereof Right of use Assets IFRS 16</i>	55,888	463	-206	16,999	7,035	66,108	21,160	252	-44	14,928	6,280	30,017	36,092	34,728
4. Assets under construction	31,224	57	-10,037	17,727	50	38,922	0	0	49	0	49	0	38,922	31,224
	1,068,142	5,770	-3	132,561	40,949	1,165,521	513,267	3,529	0	99,266	30,164	585,898	579,624	554,876
<i>thereof Right of use Assets IFRS 16</i>	158,249	936	0	24,118	12,934	170,368	39,793	379	0	28,717	10,315	58,575	111,793	118,456
	1,100,598	5,779	0	134,343	43,426	1,197,293	530,031	3,536	0	102,791	32,637	603,721	593,573	570,569

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS

AS OF 31 MARCH 2021

FIGURES IN THOUSAND EUR	Historical costs						Cumulative depreciation					Carrying amounts		
	As of 1/4/2020	Currency translation	Reclassifi- cations	Additions	Disposals	As of 31/3/2021	As of 1/4/2020	Currency translation	Reclassifi- cations	Additions	Disposals	As of 31/3/2021	As of 31/3/2021	As of 31/3/2020
I. Intangible assets:														
1. Software and licences	17,788	4	35	1,165	372	18,620	10,615	3	0	2,483	348	12,753	5,867	7,172
2. Goodwill	13,836	0	0	0	0	13,836	4,011	0	0	0	0	4,011	9,825	9,825
	31,623	4	35	1,165	372	32,456	14,626	3	0	2,483	348	16,763	15,693	16,997
II. Property, plant and equipment:														
1. Land, land rights and buildings, including buildings on third-party land (basic value kEUR 62,379; previous year: kEUR 56,688)	278,141	739	10,809	26,197	11,126	304,760	63,026	281	0	12,126	6,901	68,532	236,228	215,115
<i>thereof Right of use Assets IFRS 16</i>	53,911	326	0	12,744	6,714	60,266	5,505	61	0	6,302	1,437	10,431	49,835	48,406
2. Technical equipment and machinery	502,167	5,602	16,810	74,546	14,753	584,373	316,484	3,319	-19	56,486	11,492	364,778	219,595	185,684
<i>thereof Right of use Assets IFRS 16</i>	15,503	333	0	27,860	1,600	42,096	3,617	91	0	5,209	715	8,202	33,894	11,886
3. Other equipment, operating and office equipment	126,967	263	1,832	27,671	8,948	147,785	64,295	98	19	22,676	7,131	79,957	67,828	62,672
<i>thereof Right of use Assets IFRS 16</i>	42,886	267	0	17,547	4,813	55,888	11,135	103	0	13,844	3,923	21,160	34,728	31,751
4. Assets under construction	40,290	132	-29,486	29,095	8,805	31,224	0	0	0	0	0	0	31,224	40,290
	947,566	6,736	-35	157,509	43,633	1,068,142	443,805	3,698	0	91,288	25,523	513,267	554,876	503,761
<i>thereof Right of use Assets IFRS 16</i>	112,300	925	0	58,151	13,127	158,249	20,257	255	0	25,356	6,075	39,793	118,456	92,043
	979,189	6,740	0	158,674	44,005	1,100,598	458,431	3,701	0	93,770	25,871	530,031	570,569	520,758

LIST OF INVESTMENTS

AS OF 31 MARCH 2022

Fully consolidated companies			Currency	Registered capital	Group share
A.S.T. Baugesellschaft m.b.H.	AT	Zirl	KEUR	35	100%
Bahnbau Petri Hoch- und Tiefbau Gesellschaft m.b.H.	AT	Fischamend	KEUR	40	100%
Baumeister Karl Sedlmayer Gesellschaft mit beschränkter Haftung	AT	Grafenwörth	KEUR	400	100%
C. Peters Baugesellschaft m.b.H.	AT	Linz	KEUR	105	100%
Duswald Bau GmbH	AT	Neumarkt im Hausruckkreis	KEUR	37	100%
Georg Fessler GmbH	AT	Zwettl	KEUR	150	100%
HTB Baugesellschaft m.b.H.	AT	Arzl im Pitztal	KEUR	40	100%
Ing. Baierl Gesellschaft m.b.H.	AT	Steinakirchen am Forst	KEUR	86	100%
Jos. Ertl GmbH	AT	Hörsching	KEUR	105	100%
Kallinger Bau GmbH	AT	Fischamend	KEUR	35	100%
Klaus Hennerbichler GmbH	AT	Hagenberg im Mühlkreis	KEUR	37	100%
Kontinentale Baugesellschaft m.b.H.	AT	Waidhofen an der Thaya	KEUR	75	100%
Metallbau Wastler GmbH	AT	Linz	KEUR	73	100%
Romberger Fertigteile GmbH	AT	Gurten	KEUR	900	100%
RTS Rail Transport Service GmbH	AT	Graz	KEUR	100	100%
Swietelsky Bauträger Ges.m.b.H.	AT	Linz	KEUR	85	100%
Swietelsky Developments GmbH	AT	Vienna	KEUR	35	100%
Swietelsky Energie GmbH	AT	Traun	KEUR	37	100%
Swietelsky Immobilien GmbH in Liqu.	AT	Vienna	KEUR	40	100%
Swietelsky Liegenschaftsverwaltung Bauhof Asten GmbH	AT	Linz	KEUR	35	100%
Swietelsky Liegenschaftsverwaltung Fischamend GmbH	AT	Linz	KEUR	40	100%
Swietelsky Liegenschaftsverwaltung Klagenfurt GmbH	AT	Linz	KEUR	10	100%
Swietelsky Liegenschaftsverwaltung Trumau GmbH	AT	Linz	KEUR	10	100%
Swietelsky Tunnelbau GmbH	AT	Salzburg	KEUR	35	100%
Swietelsky Tunnelbau GmbH & Co KG	AT	Salzburg	KEUR	35	100%
Transportbeton und Asphaltgesellschaft m.b.H.	AT	Zams	KEUR	73	100%

Fully consolidated companies			Currency	Registered capital	Group share
Wohnanlage Harterhofweg 99 GmbH	AT	Innsbruck	KEUR	35	100%
SWIETELSKY RAIL (AUSTRALIA) PTY LTD	AU	Potts Point NSW 2011	kAUD	5,400	100%
Swietelsky Rail Schweiz AG	CH	Rotkreuz	kCHF	100	100%
Centrum TGM s.r.o.	CZ	Praha 8	kCZK	100	100%
JB Stavební s.r.o.	CZ	Brno	kCZK	200	100%
Swietelsky Rail CZ s.r.o.	CZ	České Budějovice	kCZK	200	100%
SWIETELSKY Real Estate CZ s.r.o.	CZ	České Budějovice	kCZK	200	100%
SWIETELSKY stavební s.r.o.	CZ	České Budějovice	kCZK	250,000	100%
Vydrovka Office Center s.r.o	CZ	Praha 8	kCZK	20	100%
Detect Rail Technologies GmbH	DE	Schönhausen (Elbe)	KEUR	25	100%
RTS Rail Transport Service Germany GmbH	DE	Munich	KEUR	25	100%
SWIETELSKY Baugesellschaft m.b.H.	DE	Traunstein	KEUR	1,600	100%
SWIETELSKY Umwelttechnik GmbH	DE	Traunstein	KEUR	25	100%
Wadle Bauunternehmung GmbH	DE	Essenbach	KEUR	25	100%
Swietelsky Rail Danmark ApS	DK	Copenhagen	kDKK	700	100%
SWIETELSKY CONSTRUCTION COMPANY LTD.	GB	Reading	kGBP	100	100%
Swietelsky d.o.o.	HR	Zagreb	kHRK	5,812	100%
CELL-BahnBau Danubia Kft.	HU	Celldömölk	kHUF	6,000	100%
DS VASÚT Kft.	HU	Celldömölk	kHUF	17,000	100%
Mandarinó Kft.	HU	Budapest	kHUF	3,000	100%
SWIETELSKY Építő Kft.	HU	Budapest	kHUF	5,001	100%
SWIETELSKY Magyarország Kft.	HU	Budapest	kHUF	1,579,120	100%
Swietelsky Vasúttechnika Kft.	HU	Celldömölk	kHUF	3,000	100%
Vasútgép Kft.	HU	Celldömölk	kHUF	3,000	100%
Swietelsky Rail Benelux B.V.	NL	JR Oisterwijk	KEUR	18	100%
Swietelsky Rail Norway AS	NO	Drammen	kNOK	800	100%
Swietelsky Rail Polska Spolka Z o.o.	PL	Krakow	kPLN	50	100%
Swietelsky Spolka Z o.o.	PL	Lublin	kPLN	880	100%
S.C. DRUMSERV SA	RO	Tirgu Mures	kRON	7,082	100%
Swietelsky Constructii Feroviare S.R.L.	RO	Bucharest	kRON	699	100%

<i>Fully consolidated companies</i>			Currency	Registered capital	Group share
Swietelsky Rail Sweden AB	SE	Stockholm	kSEK	25	100%
Swietelsky-Slovakia spol. s r.o.	SK	Bratislava	KEUR	89	100%

<i>Associated companies</i>			Currency	Registered capital	Group share
Umfahrung Zwettl Errichtungs- und Betriebsgesellschaft m.b.H.	AT	Linz	KEUR	35	50%
Eurailpool GmbH	DE	Ismaning	KEUR	5,000	50%
Swietelsky-Faber GmbH Kanalsanierung	DE	Schlierschied	KEUR	50	50%

<i>Other non-current equity investments – not consolidated</i>			Currency	Registered capital	Group share
Baldauf Fliesen und Baustoffe Gesellschaft m.b.H.	AT	Linz	KEUR	40	100%
Diks und Swiera Immobilienreuhand GmbH	AT	Feldkirch	KEUR	36	100%
Swietelsky Liegenschaftsentwicklungs GmbH	AT	Linz	KEUR	35	100%
TB Betonwerk Zams GmbH	AT	Zams	KEUR	35	52%
ASB Nörsach GmbH	AT	Linz	KEUR	35	50%
ASW - Asphaltmisanlage Zams GmbH	AT	Zams	KEUR	36	50%
ASW - Asphaltmisanlage Zams GmbH & Co. KG	AT	Zams	KEUR	150	50%
AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H.	AT	Graz-St.Peter	KEUR	35	50%
AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H. & Co. KG	AT	Graz-St.Peter	KEUR	40	50%
Hausruck Baugesellschaft m.b.H.	AT	Schlüßlberg	KEUR	240	50%
PAM-Pongauer Asphaltmisanlagen GmbH	AT	St. Johann im Pongau	KEUR	36	50%
PAM-Pongauer Asphaltmisanlagen GmbH & Co KG	AT	St. Johann im Pongau	KEUR	36	50%
SWIETELSKY-FABER Kanalsanierung GmbH	AT	Leonding	KEUR	35	50%
Asphaltmischwerk Weißbach GmbH & Co. Nfg. KG	AT	Weißbach bei Lofer	KEUR	73	45%
AWB Asphaltmischwerk Weißbach Betriebs-GmbH	AT	Vienna	KEUR	35	45%
Asphaltwerk Seibersdorf GmbH	AT	Linz	KEUR	35	40%
Kieswerk-Betriebs-Gesellschaft m.b.H.	AT	Zams	KEUR	40	38%

<i>Other non-current equity investments – not consolidated</i>			Currency	Registered capital	Group share
Pinzgau Beton GmbH	AT	Salzburg	KEUR	40	37%
Pinzgau Beton GmbH & Co KG	AT	Salzburg	KEUR	40	37%
Gaspix Beteiligungsverwaltungs GmbH	AT	Zirl	KEUR	35	36%
RBA - Recycling- und Betonanlagen Ges.m.b.H. & Co. Nfg. KG	AT	Zirl	KEUR	581	36%
AMS - Asphaltmischwerk Süd Gesellschaft m.b.H.	AT	Linz	KEUR	36	35%
FMA Asphaltwerk GmbH	AT	Feldbach	KEUR	35	35%
FMA Asphaltwerk GmbH & Co KG	AT	Feldbach	KEUR	44	35%
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	AT	Linz	KEUR	44	33%
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co. KG	AT	Linz	KEUR	654	33%
AMW Asphaltwerk GmbH.	AT	Weitendorf	KEUR	727	33%
AMW Leopoldau GmbH & Co OG	AT	Vienna	KEUR	70	33%
AWT Asphaltwerk GmbH	AT	Stadtschlaining	KEUR	700	33%
GT Baustoff Recycling GmbH	AT	Grafenstein	KEUR	60	33%
TAM Traisental Asphaltmischwerk Ges.m.b.H.	AT	Nußdorf ob der Traisen	kATS	600	33%
TAM Traisental Asphaltmischwerk Ges.m.b.H. & Co KG	AT	Nußdorf ob der Traisen	kATS	1,000	33%
TB Transportbeton GmbH	AT	Linz	KEUR	36	33%
AHRENTAL ABBAU- UND AUFBEREITUNGSGESELLSCHAFT M.B.H.	AT	Hall in Tirol	KEUR	35	30%
AMA Linz GmbH	AT	Linz	KEUR	35	30%
Kieswerk - Betriebs - Gesellschaft m.b.H. & Co. Kommanditgesellschaft	AT	Zams	KEUR	80	29%
Petschl Frästechnik GmbH	AT	Arbing	KEUR	450	29%
ASW - Asphaltmisanlage Innsbruck GmbH	AT	Innsbruck	KEUR	36	26%
ASW - Asphaltmisanlage Innsbruck GmbH & Co KG	AT	Innsbruck	KEUR	150	26%
Hemmelmair Frästechnik GmbH	AT	Linz	KEUR	73	25%
VAM - Valentiner Asphaltmischwerk Gesellschaft m.b.H.	AT	Linz	KEUR	36	25%
VAM - Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co. KG	AT	Linz	KEUR	73	25%
Swietelsky d.o.o.	BA	Sarajevo	kBAM	2	100%
HTB Bau AG	CH	Scuol	kCHF	100	100%

GROUP MANAGEMENT REPORT

FOR THE FINANCIAL YEAR 2021/22

Other non-current equity investments – not consolidated			Currency	Registered capital	Group share
Strakonická obalovna s.r.o.	CZ	Sousedovice	kCZK	24,258	51%
Obalovna Lipník s.r.o.	CZ	České Budějovice	kCZK	30,000	50%
Obalovna Ostrava s.r.o.	CZ	České Budějovice	kCZK	17,930	50%
Obalovna Středokluky s.r.o.	CZ	Praha 10	kCZK	5,000	50%
Obalovna Tábor s.r.o.	CZ	České Budějovice	kCZK	5,000	50%
SČO s.r.o.	CZ	České Budějovice	kCZK	10,000	50%
Západočeská obalovna s.r.o.	CZ	Plzeň - Koterov	kCZK	40,000	50%
TBG SWIETELSKY s.r.o.	CZ	České Budějovice	kCZK	10,000	49%
Chebská obalovna, spol. s r.o.	CZ	Štěnovice	kCZK	17,744	33%
Obalovna Louny s.r.o.	CZ	České Budějovice	kCZK	30,000	33%
Obalovna Týniště s.r.o.	CZ	České Budějovice	kCZK	30,000	33%
Brněnská obalovna, s.r.o.	CZ	Brno	kCZK	24,000	25%
Hrušecká obalovna, s.r.o.	CZ	Hrušky	kCZK	1,540	20%
RPM Wiebe & Swietelsky & Co KG	DE	Achim	KEUR	1,000	49%
RPM Wiebe & Swietelsky Beteiligungs-GmbH	DE	Achim	KEUR	26	49%
SWIETELSKY TRAVAUX FERROVIAIRES	FR	Metz	KEUR	5	100%
FSP (2004) LIMITED	GB	Blantyre	GBP	100	50%
BELVÁROS TETÖTÉR Kft.	HU	Budapest	kHUF	3,000	100%
G.K.S. SWIETELSKY Kft.	HU	Dunakeszi	kHUF	3,000	100%
Harmatház Kft.	HU	Budapest	kHUF	3,000	100%
ZED-TBM Kft.	HU	Budapest	kHUF	3,001	100%
EULAB Kft.	HU	Dunakeszi	kHUF	80,000	50%
Cosbau S.r.l. in Liquidazione	IT	Nalles	KEUR	6,000	28%
Swietelsky Rail Luxembourg S.à.r.l.	LU	Windhoff	KEUR	13	100%
SWIETELSKY-FABER NEDERLAND RELINING BV	NL	KK DRUTEN	KEUR	18	50%
S.C. AMFIBOSWIN SRL	RO	Sibiu	kRON	11,757	57%
Swietelsky gradbeno d.o.o.	SI	Laibach	KEUR	9	100%
Športfinal s.r.o	SK	Bratislava	KEUR	7	100%
Obaľovačka Martin, s.r.o.	SK	Bratislava	KEUR	50	50%

I. Macroeconomic Environment

After a strong recovery of global economic growth in the summer of 2021, there was a slowdown towards the end of the year, which was mainly driven by high COVID-19 infection numbers, ongoing global supply chain issues and new uncertainties regarding the Omicron-variant. Ultimately, the global economy recorded growth of around 6% in 2021, with India (9%) and China (7.9%) in particular posting gains. The economy of the United States developed significantly positively as well, with a plus of 5.8%.

In the euro area, the economy likewise recovered strongly in 2021, growing by 5.2%, albeit with declining momentum towards the end of the year. In the fourth quarter, GDP grew by only 0.3% compared to the previous quarter, after having grown by 2% in each of the previous two quarters. Heterogeneity was particularly great in this regard. While the economy in Germany shrank by 0.3%, it grew by 2% in Spain. There have been significant increases in inflation in the euro area since the middle of last year, driven mainly by energy and food prices. The last inflation rate was 7.5% as of April 2022.

The economies of the Euroconstruct-countries grew by a total of 5.5% in 2021, but have not quite reached the level before the outbreak of the COVID-19 pandemic. Although the growth of the EC-4 countries was slightly below average at 5.2%, their decline of -3.6% in 2020 was also significantly lower than that of the EC-15 countries (-6.4%). The Nordic countries (Norway, Sweden, Finland and Denmark) developed very positively, exceeding the 2019 level again. Large economies such as Germany (+2.9%), the UK (+7.5%), France (+7.0%) and Italy (+6.6%), despite their growth, have not yet been able to reach the 2019 performance level.

The increase in economic output has not had such a marked effect on unemployment figures in 2021. The current figures for the unemployed in the Euroconstruct-countries show an increase from around 15.1 million to 18.1 million. This figure fell only slightly to 17.8 million in 2021. Only in the years 2022 to 2024 is a further, now noticeable decline in unemployment expected and the number of unemployed will be below the values before the outbreak of the COVID-19 pandemic.

The construction industry as a whole in the Euroconstruct-countries increased significantly in 2021 and was able to match the output volume of 2019. After a decline of 4.4% in 2020, an overall increase of 5.6% to EUR 1,854 billion was achieved in 2021. The development varied greatly in the individual countries. While Italy (+18.4%), the UK (+11.9%) and France (+6.7%) were able to catch up strongly, the construction industry remained in recession in Slovakia (-4.7%), Ireland (-4.2%) and Germany (-1.2%).

Civil engineering, which is mainly financed by the public sector, increased significantly by 4.7% in 2021, although it only declined by 0.4% in 2020. At EUR 402.6 billion, it is above the level of 2019 (EUR 386.1 billion). Building construction also managed to exceed the 2019 figure of EUR 1,451.5 billion, albeit only just (2019: EUR 1,451.3 billion). Overall, it grew by 5.8% in 2021, but to very different degrees depending on the country.

Markets

SWIETELSKY distinguishes between 4 core markets (Austria, Germany, Hungary, Czech Republic) and other countries.

Austria

The Austrian economy grew by around 4.5% (WIFO) and 4.6% (ONB) in 2021. The main growth drivers were export-oriented industry, whereas private consumer spending and spending by foreign guests declined. Exports as well as imports expanded strongly, but material bottlenecks and delivery delays dampened growth in the second half of the year. The high price increase for raw materials and energy significantly worsened the price exchange ratio in merchandise trade and weighed on the trade balance, as did shifts in demand towards import-intensive consumer goods and pharmaceuticals.

The industrial cycle developed quite dynamically from March onwards, and capacity utilisation increased considerably. As a result of the disruptions in international container transport, supply bottlenecks became the most important obstacle to production for Austrian manufacturers of material goods in the course of the year. These slowed down the favourable industrial cycle, but did not bring it to a standstill. Investment activity recovered in 2021. The individual sub-sectors developed robustly, with both equipment investment and investment in intangible assets expanding. However, the pre-crisis level of investment overall was not yet reached in 2021. In tourism, there was a further year-on-year decline in overnight stays of 36% for 2021 as a whole, after a decline of these by 19% had already been recorded in 2020. In addition, the Omicron-variant prompted another lockdown in the autumn, affecting a large part of the trade and service sector.

The Austrian construction industry grew by 3.1% overall in 2021, which is still well below the Euroconstruct-average of 5.6%. Even in absolute terms, total construction output of EUR 50.3 billion did not quite match the figure for 2019 (EUR 50.6 billion). Building construction, which is stronger in volume terms, increased by 3.0% and reached a total construction output of EUR 41.0 billion. Residential construction was an important pillar in this sector during the COVID-19 pandemic and was less negatively affected than other sectors of the industry. A significant decline in building

permits, rising prices and a flattening of population growth slowed down the positive development. Other building construction could only partially make up for the decline in 2020 (-8.7%) (2021: 4.2%). Increased construction costs and supply chain problems also had a negative impact on the development.

Civil engineering increased by 3.9% and achieved a total output of EUR 9.3 billion. The growth drivers here were investments in telecommunication (7.6%), railway facilities (5.3%) and energy supply (4.0%). Investments in railway facilities in particular make an important contribution to achieving Austria's climate targets.

As in the previous year, SWIETELSKY was able to significantly increase its construction output in Austria. The increase in output amounted to 14.5% or EUR 263.3 million and affected all sectors, albeit to varying degrees. Above all, tunnel construction (38%) and railway superstructure (18%) recorded notable increases. At EUR 2,080.4 million, Austrian construction output accounted for 62% of the Group's total construction output. The share of building construction (45%) and the share of road and railway superstructure (22%) remained at the previous year's level. Tunnel construction was able to increase its share of output from 11% to 13% at the expense of civil engineering (now 20%).

Germany

Germany's gross domestic product (GDP) increased by 2.9% overall in 2021 and thus did not manage to compensate for the decline in 2020 (2020: -4.6%). Foreign trade and investment in equipment saw the strongest growth. Private consumption remained subdued, growing by only 0.4%. The service sectors, which benefited from the gradual lifting of Corona restrictions in early summer and were able to noticeably increase their sales again, also contributed to the recovery. The manufacturing sector was in a "bottleneck" recession last year. Although new orders rose almost continuously until the summer and order books were fuller than ever before, supply bottlenecks for important industrial intermediate products caused value added in the manufacturing sector to shrink for the third quarter in a row.

With a total construction volume of EUR 427.1 billion, the German construction industry continues to have by far the largest output share of all Euroconstruct-countries and was down slightly overall by -1.2%. The decline affected all sectors: Residential construction, the largest sector in terms of volume, lost only 0.4% for a construction output of EUR 246.3 billion. Other building construction was much more strongly affected, recording a decline of -3.1%. Civil engineering as a whole declined by 1.2% to EUR 76.8 billion, with only the energy supply and telecommunication sectors providing positive impulses. The other areas of civil engineering – especially road construction – lost ground.

SWIETELSKY achieved an output of EUR 392.5 million in the past financial year, which corresponds to an increase of around 8.2%. The decline in 2020/21 (-6.9%) was recovered and thus the output volume of 2019/20 (EUR 389.6 million) was slightly exceeded. Above all, the output level of the most important area in terms of volume, road construction, rose by 11.7% to EUR 169.7 million. There was also a significant increase in railway superstructure, which recorded an increase of 30.3% to an output of EUR 52.4 million.

Hungary

Hungary's economy grew by 7.1% last year – this shows that the Hungarian economy has weathered the COVID-crisis well and that the recovery is on stable footing. The country also performed well in the EU comparison. The success can be explained by tax cuts that supported families and businesses, as well as massive investment promotion.

Investments managed by the Hungarian Investment Promotion Agency were characterised by unprecedented activity in 2021. Investment projects worth around EUR 5.9 billion were completed, exceeding the previous record set in 2019 by over half a billion euros. A total of eight projects worth over EUR 100 million were completed in 2021. Positive impetus was also provided by private consumption, which benefited from government measures to strengthen household incomes in 2021. These included extensive tax rebates, for example for large families and young workers, as well as a bonus payment for pensioners.

The output of the Hungarian construction industry grew by 6.7% to EUR 18.5 billion last year, roughly offsetting the decline in 2020 (-6.6%). The development in the individual sectors was very heterogeneous. New residential construction declined again significantly by -10.0% (2020: -11.1%). New construction in other building construction, on the other hand, increased by 17.8%. Due to double-digit increases in renovations, building construction grew by 10.7% overall and achieved an output volume of EUR 13.0 billion. Civil engineering is still in recession with -1.7% or an output volume of EUR 5.5 billion, as road construction in particular declined.

SWIETELSKY recorded a decline in output of around 6.5% in Hungary in 2021/22. The significant declines in the road construction, railway superstructure and civil engineering segments could not be compensated for by increases in building construction output. Of the total construction output of EUR 275.2 million, about 45.5% is accounted for by road and railway superstructure and about 50.2% by the strongly increased building construction. The share of civil engineering decreased to about 4.3%.

Czech Republic

The Czech economy experienced a stronger recovery in 2021 than originally forecast, at 3.3%. Growth drivers were private consumption, strong investment activity and exports. However, the Czech economy did not yet reach the pre-Corona level (2020: -5.8%).

With an unemployment rate of 2.8%, the Czech Republic recorded the lowest unemployment rate in the EU in 2021. Labour shortage affected primarily the production sector and information and communication technology. The catering and accommodation sector as well as the service sector suffer particularly, as many former employees have left these industries. The automotive sector is the key industry of the Czech economy, accounting for 25% of industrial output. The three Czech car producers Škoda Auto, Toyota and Hyundai built a total of 1,105,000 passenger cars in 2021 (of which 11% were electric cars; export ratio: 91%). This is 4.1% less than in 2020 and almost 23% less than in 2019, the best production year ever.

The Czech construction industry grew by 2.1% overall to EUR 25.9 billion output in 2021, with very different developments in the individual sectors. Civil engineering supported by the public sector remained unchanged at 0.0%. New residential construction made up for the decline in 2020 (-6.7%) and grew strongly (2021: 17.0%). New construction in other building construction grew by 3.0%. The renovation sector was clearly negative with -11.7% for the entire building construction.

SWIETELSKY was able to increase its output in the Czech Republic significantly above the industry average. Overall, output increased by EUR 36.9 million or 10.9%. Apart from civil engineering with a minus of 2.8%, all areas developed positively. The performance shares are distributed as follows: 67.9% for road and railway superstructure, 21.4% for building construction and 10.7% for civil engineering, and have thus changed only slightly compared to the previous year.

Other countries

SWIETELSKY is also active outside the core markets listed, either through project-related operating sites or subsidiaries. In addition to subsidiaries in Great Britain, the Netherlands, Denmark, Norway, Sweden, Switzerland and Australia, this primarily concerns the CEE region.

In Romania, Croatia, Norway, Poland, Latvia, Great Britain, Slovakia, Italy, the Netherlands, Denmark, Sweden, Switzerland and Australia, the SWIETELSKY Group generated EUR 290.2 million or 8.5% of its total construction output.

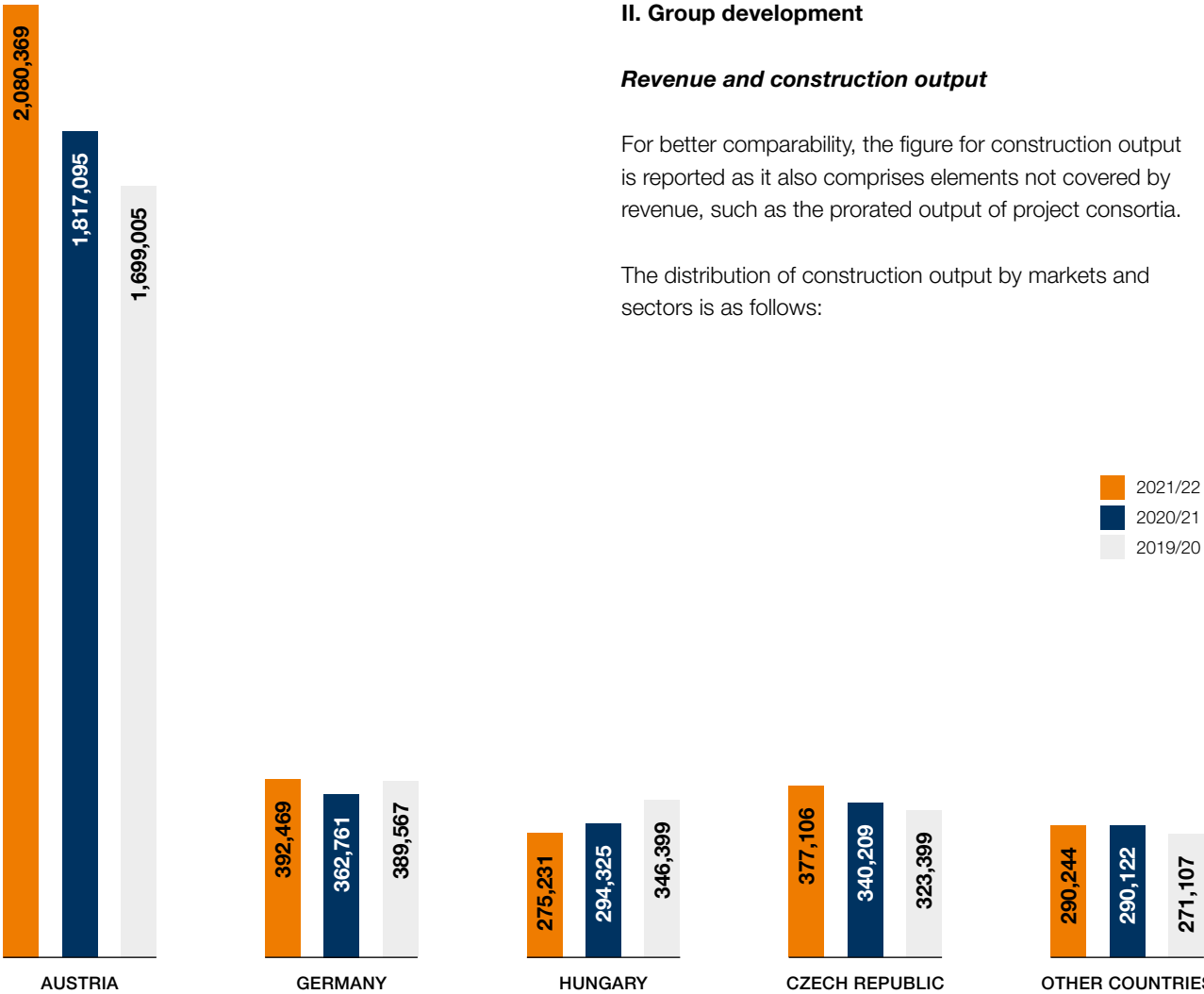
CONSTRUCTION OUTPUT BY MARKET

II. Group development

Revenue and construction output

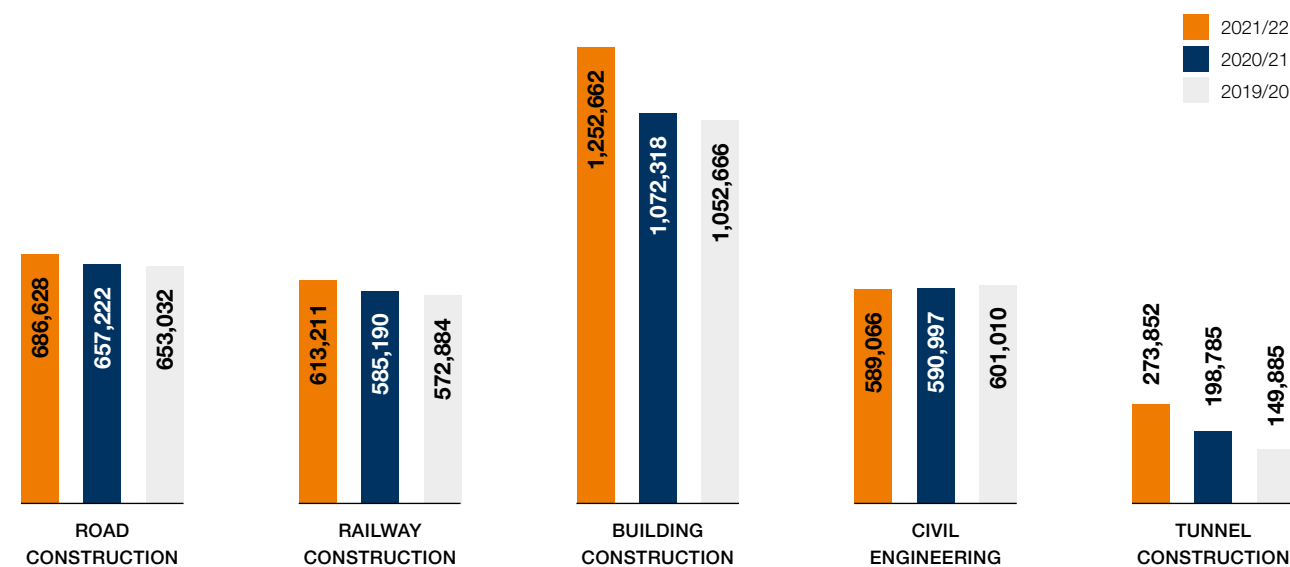
For better comparability, the figure for construction output is reported as it also comprises elements not covered by revenue, such as the prorated output of project consortia.

The distribution of construction output by markets and sectors is as follows:



FIGURES IN THOUSAND EUR	2021/22	%	2020/21	%	2019/20	%
by market:						
Austria	2,080,369	62	1,817,095	59	1,699,005	56
Germany	392,469	11	362,761	12	389,567	13
Hungary	275,231	8	294,325	9	346,399	11
Czech Republic	377,106	11	340,209	11	323,399	11
Other countries	290,244	8	290,122	9	271,107	9
Total	3,415,419	100	3,104,512	100	3,029,477	100

CONSTRUCTION OUTPUT BY SECTOR



FIGURES IN THOUSAND EUR

by sector:

	2021/22	%	2020/21	%	2019/20	%
Road construction	686,628	20	657,222	21	653,032	22
Railway construction	613,211	18	585,190	19	572,884	19
Building construction	1,252,662	37	1,072,318	35	1,052,666	35
Civil engineering	589,066	17	590,997	19	601,010	20
Tunnel construction	273,852	8	198,785	6	149,885	4
Total	3,415,419	100	3,104,512	100	3,029,477	100

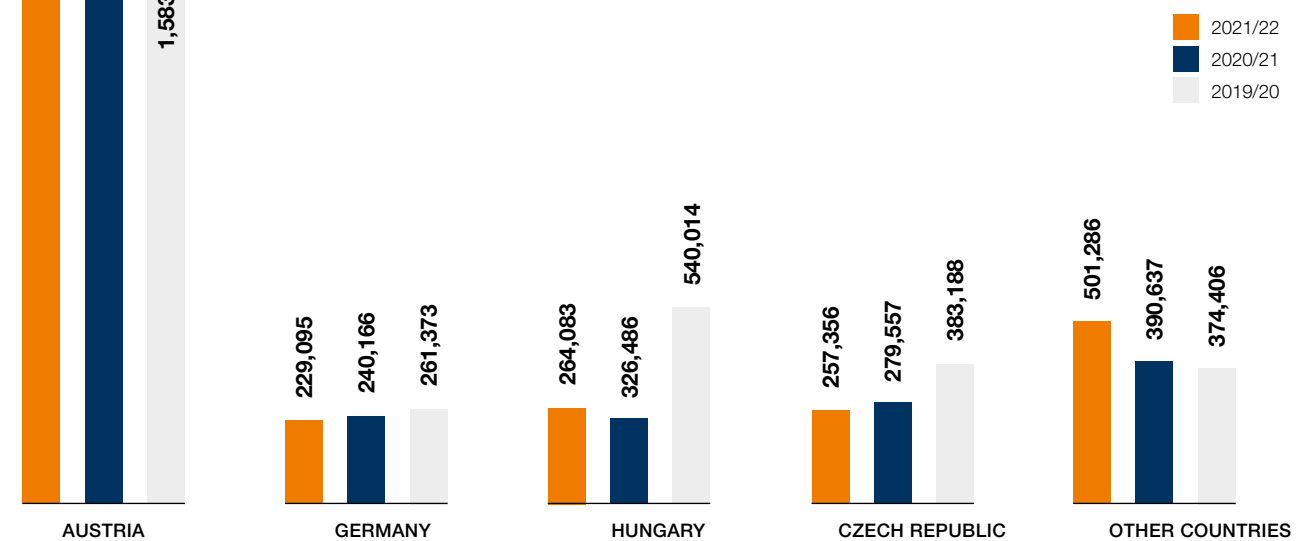
Analogous to construction output, the revenue reported in the IFRS financial statements was EUR 3,118.6 million, around EUR 222.8 million or 7.7% above the previous year. At EUR -2.8 million, the change in inventory from the erection of own building projects was also marginal this year. Capitalised own contributions from project constructions fell by EUR 7.6 million to EUR 8.4 million.

Other operating income increased to EUR 25.9 million (2020/21: EUR 15.5 million). Expenses for materials and other purchased construction output increased by EUR 121.9 million as a result of the output development. Employee benefits expenses increased by EUR 61.5 million to EUR 787.7 million in line with the increased number of employees.

ORDER BACKLOG BY MARKET

Order backlog

The Group's order backlog decreased to EUR 3,248 million (-1.6%), mainly due to the planned completion of major projects in tunnel construction and declines in housing and residential construction and civil engineering. Growth was achieved in the areas of other building construction, railway construction and road construction.



FIGURES IN THOUSAND EUR

by market:

	2021/22	%	2020/21	%	2019/20	%
Austria	1,996,529	62	2,064,018	63	1,583,616	51
Germany	229,095	7	240,166	7	261,373	8
Hungary	264,083	8	326,486	10	540,014	17
Czech Republic	257,356	8	279,557	8	383,188	12
Other countries	501,286	15	390,637	12	374,406	12
Total	3,248,349	100	3,300,864	100	3,142,597	100

Earnings position

The past financial year 2021/22 was again very positive and was able to build on the successful previous year. Earnings before interest, taxes, depreciation and amortization remained almost unchanged compared to the previous year at EUR 252.2 million (2020/21: EUR 251.8 million), with the earnings contributions from all core markets being very pleasing.

At EUR 149.4 million, an EBIT was achieved that was slightly below the level of the previous year, but significantly above the 2019/20 financial year. The tax burden increased from EUR 32.6 million to EUR 39.1 million and results in a group tax rate of 26.5% (2020/21: 20.7%). Ultimately, there is a result after taxes of EUR 108.2 million, which corresponds to the average of the last two financial years.

Financial position

FIGURES IN THOUSAND EUR	2021/22	%	2020/21	%	2019/20	%
Non-current assets	655,908	37	624,633	36	575,540	35
Current assets	1,135,972	63	1,089,268	64	1,047,006	65
ASSETS	1,791,880	100	1,713,901	100	1,622,546	100
Equity	634,163	35	595,508	35	486,369	30
Non-current liabilities	230,076	13	214,276	13	173,290	11
Current liabilities	927,641	52	904,117	52	962,887	59
EQUITY and LIABILITIES	1,791,880	100	1,713,901	100	1,622,546	100
Net Debt						
Financial liabilities	132,727		125,642		99,650	
Provision for post employment benefits	29,474		34,913		28,658	
Cash and cash equivalents	-407,730		-484,952		-481,946	
Net debt	-245,529		-324,397		-353,638	
Gearing	-0,39		-0,54		-0,73	

Net debt = interest-bearing debt + non-current provisions – cash and cash equivalents
Gearing = net debt/equity

With a total volume of EUR 134.3 million, investments in intangible assets and property, plant and equipment were slightly lower in the past financial year than in previous years (2019/20: EUR 154.4 million and 2020/21: EUR 158.7 million). Around EUR 4.2 million was invested in financial assets. Of the total investments, around EUR 81.4 million is attributable to Austrian Group companies, EUR 24.2 million to investments in the Czech Republic, EUR 16.8 million to Germany and EUR 3.1 million to Hungary. A total of around EUR 12.9 million was invested in the other markets. At EUR 593.6 million, the carrying amounts were – taking into account asset disposals and depreciation – EUR 23.0 million higher than in the previous year (EUR 570.6 million) and represent around one third of total assets.

Despite a distribution of EUR 40.0 million to the shareholders of Swietelsky AG and payments of the hybrid coupons and repayment of the hybrid capital in total of EUR 31.6 million, equity continued to grow to EUR 634.2 million. The equity ratio was thus increased to 35.4%. Overall, total assets increased by EUR 78.0 million to EUR 1,791.9 million, with own funds increasing by EUR 38.7 million and liabilities by EUR 39.3 million. Cash and cash equivalents significantly exceed interest-bearing debt and long-term provisions.

Selected key figures and financial performance indicators

FIGURES IN THOUSAND EUR	2021/22	2020/21	2019/20
Construction output	3,415,419	3,104,512	3,029,477
Revenue	3,118,565	2,895,753	2,830,952
Order backlog	3,248,349	3,300,864	3,142,597
Staff (annual average)	11,991	11,633	11,038
Construction output/staff	285	267	274
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	252,159	251,821	202,680
Earnings before interest and taxes (EBIT)	149,368	158,050	117,827
Interest income	-2,064	-645	-2,485
Earnings before tax (EBT)	147,224	157,647	115,134
Earnings after tax	108,155	125,058	90,567
Operating Cash flow	204,301	225,055	169,901
Cash flow/Construction output	6.0%	7.2%	5.6%
Return on sales (ROS)	4.8%	5.5%	4.2%
Return on equity (ROE)	23.9%	29.1%	25.0%
Return on investment (ROI)	8.5%	9.5%	7.6%
Total assets	1,791,880	1,713,901	1,622,546
Equity	634,163	595,508	486,369
Equity ratio	35.4%	34.7%	30.0%

ROS = EBIT/Revenue
ROE = EBT/Ø Equity
ROI = EBIT/Ø Total capital

III. Risk Management

Responsible handling of our risks serves the ultimate goal of a long-term increase in company value. In the course of our risk management it must be ensured that both external risks – in particular those in the entrepreneurial environment – and internal inherent in processes and procedures, are evaluated and minimised. Existing and anticipated risks are expertly evaluated through our total value added process and systematically handled from an income return perspective, according to the company principle of “putting earnings before sales”.

We make a distinction between core risks, which we accept ourselves, and other risks, which we are able to insure against or transfer to others.

Market risk

The construction sector as a whole is, depending on markets and divisions, vulnerable to diverse fluctuations. Unemployment, consumer behaviour, conditions on the financial and capital markets as well as the political climate, have an effect on our development. However, changing framework conditions also offer opportunities which SWIETELSKY has often been able to exploit in the past through its flexible organisation.

SWIETELSKY offers a broad range of services and strives to further diversify its portfolio with respect to products, services and markets and to spread risks optimally. Thanks to our entrepreneurial staff, we regard ourselves as in a good position to actively tackle this risk.

Operational risks

Project and contract risks accrue from the SWIETELSKY Group’s traditional building and project business. All projects are audited and plausibility-checked throughout the tendering process up until the conclusion of contract for technical, commercial and legal risks. Guidelines and procedures for auditing in compliance with ISO 9001 ensure uniform calculation of project costs. Clear competence standards for transactions requiring approval safeguard the technical and economic evaluation and analysis of tenders.

When taking on projects, costing guidelines and procedures regulate uniform calculation of project costs. Order processing is controlled via monthly variance analyses and constantly supervised by central controlling. In the performance phase there is a risk that tight completion schedules cannot be adhered to. Insofar as these missed deadlines affect our business, the threat of contractual penalties exists.

We manage warranty risks by conducting consistent quality management and, where necessary, demanding securities or guarantees from contractors.

SWIETELSKY strives to avoid legal disputes. However, as this aim is not always achievable, domestic and overseas entities may become involved in legal or arbitration procedures, the outcome of which is naturally difficult to predict. We operate on the assumption that, following due diligence for all pending litigation, appropriate financial provisions are established.

Human resource risk

Human resource risks arise from employee turnover, the resulting loss of knowhow and the lack of specialist and management staff and suitable trainees. SWIETELSKY therefore strives to further develop their employees’ qualifications and to support the internal career opportunities within the SWIETELSKY Group. Monetary incentive systems make SWIETELSKY an attractive prospect, especially to business-minded employees. Additional initiatives for health promotion and the improvement of working conditions and employee satisfaction contribute to the company’s reputation. As a consequence of the coronavirus pandemic, SWIETELSKY was unexpectedly confronted with completely new personnel risks. Great importance has been placed on ensuring the best possible protection for our employees. The focus was on clear regulations on the necessary protective measures. In addition, regular corona-tests were offered. In the spring of 2021, the readiness for a COVID-19 vaccination was raised and from April 2021 the employees could register for it. In the end, more than 1,500 employees in Austria took advantage of the company’s internal vaccination offer. The vaccinations took place from June 2021.

Procurement risk

SWIETELSKY strives to cooperate on a long-term basis with its partners. In central procurement, framework contracts and framework price agreements are closed with selected suppliers. The operative units can reach these suppliers if needed using a central procurement portal. Through observation of the market for energy and raw materials and constant monitoring processes, we attempt to minimise the risk of possible losses due to price increases in this area, whereby primary measures (for example physical procurement and threshold agreements in construction contracts) provide a fundamental advantage over derivative instruments. Unchanged from previous years is a partial shortage of various building materials such as wood, construction steel, petroleum-based plastics and insulation materials. This leads to delivery time delays and increases in construction costs.

Financial risks

SWIETELSKY has solid and long-term financial structures and uses conservative financing instruments. A liquidity risk could arise if the ability to pay and to borrow is affected. Our financial resources contain adequate growth and liquidity reserves, and the corresponding lines are spread out. All Group companies have access to sufficient cash and guarantee credit capacities to finance operations as well as new projects.

The high down payments, mostly from public funds, that are routine in some countries strengthen our liquidity. As a result of the processing of orders with substantial advance payments, liquidity has been reduced, especially in Hungary.

Despite the rising interest rates towards the end of the financial year, banks continue increasingly charging negative interest. Through the broad distribution of our bank balances among different institutions and the agreement of base amounts up to which no negative interest is incurred, we are still able to mostly avoid this. Nevertheless, owing to our high credit balances, the interest-free base amounts are being exceeded on a regular basis and this results in the payment of negative interest.

The gradual general economic recovery, expected by the end of pandemic measures, has been called into question by developments in world politics and the resulting increasing distortions in global commodity and financial markets. With rising inflation, driven by the scarcity in the energy sector, interest rates and thus credit and investment costs would also rise. Against this backdrop, we are relying on our unchanged high credit rating and continue to pay particular attention to the development of our liquidity.

Our centralised debtor management continuously checks the creditworthiness of our clients, monitors payment agreements and ensures that payments are received. The interest risk is limited centrally by the Group’s financial management through hedging transactions. Foreign exchange risks are minimised through foreign exchange forwards. A corresponding control system monitors the observance of internal guidelines.

IT Risk

Due to the increasing digitalisation of the construction process, it is becoming more and more dependent on a high-performance, uniform and secure IT infrastructure throughout the Group. Against this background, information security is also seen as an essential prerequisite for successful digitalisation. As part of the Information Security Management System (ISMS) implemented at SWIETELSKY and certified in accordance with ISO 27001, risk management identifies and evaluates significant risks in the IT environment and ensures that effective processes and tools are used to minimise and avoid risks. Risks exist here with regard to the three protection goals of confidentiality, integrity and availability.

The risks include, in particular, unauthorised access, modification and extraction of sensitive electronic company or customer data as well as the lack of availability of the systems as a result of disruptions and disasters. Extensive expertise in prevention, detection and response is pooled to ensure continuous improvement as part of the management process. External audits and partners support this process and are important elements in identifying new hazards at an early stage. Awareness-raising measures and training for employees complement the technical measures and help to create and raise awareness of information security.

Misconduct Risk and Compliance

SWIETELSKY wishes to continue to be seen as a reliable and competent partner by its clients, suppliers and all private and public business partners in the future. SWIETELSKY considers such a positive awareness to be of the utmost importance, as it is a decisive factor for the company's success. Every single person is responsible for always behaving legally, fairly, respectfully and with integrity towards colleagues, clients and contractors, but also towards competitors. They are aided in this by a written code of conduct that reflects the guiding principles of our values. Observing this code of conduct is an obligation for every SWIETELSKY employee, regardless of their position. This code of conduct is the basis for behaviour that is irreproachable morally, ethically and legally, and it is available in the respective language of the country in each of our core markets. In addition, we have a generally comprehensible, multilingual illustrated brochure containing the rules of the code of conduct and a Group directive regarding competition law.

With the implemented compliance management system, which is certified according to the ISO standards 37301 and 37001, SWIETELSKY primarily relies on internal communication, education and training. An e-training course, which is mandatory for every employee and whose positive completion is verified, has been implemented. These measures and the code of conduct are intended to make a significant contribution to anchoring the values in the company. The management board continues to attach great importance to this and has embraced a zero-tolerance policy regarding misconduct in this area. SWIETELSKY is continuously improving this system and investing in the necessary resources to do so. Compliance is an essential part of the Group's sustainability strategy.

IV. Report on essential characteristics of the internal control and risk management system with regard to the financial reporting process

Introduction

The aim of the internal control system is to support management to be in the position to ensure effective and continuously improving internal controls with regard to financial reporting. It is aimed on one hand at adherence to guidelines and regulations and on the other hand at creation of advantageous conditions for specific control measures in key accounting procedures. The accuracy and reliability of financial reporting is of prime importance, both for management decisions and for the provision of information to creditors and lending banks.

The internal control system comprises, in addition to assessment of operational risks, adherence to legal and proprietary standards and processes of the SWIETELSKY Group. Its aim is the uniform mapping of business transactions, thereby supporting management via decision-relevant information. This is implemented through ensuring comparability of data via both relevant statutory provisions and internal guidelines. Relevant requirements for ensuring correctness of internal and external financial reporting are recorded in internal accounting and valuation regulations.

Control environment

The implementation of the internal control system with regard to the financial reporting process is stipulated in internal guidelines. Responsibilities for the internal control system are adapted to the corporate structure, in order to ensure a satisfactory controlling environment which meets requirements.

Risk assessment

Risks relating to the financial reporting process are raised and monitored by management. The focus here is on significant risks. For preparation of financial statements, regular estimates must be made, whereby there is an intrinsic risk that future growth will deviate from these estimates. This particularly affects the following issues and items on the company financial statement: valuation of unfinished con-

struction projects; valuation of provisions, including social capital provisions; outcomes of legal disputes; collectability of receivables and intrinsic value of investments and goodwill. In individual cases external experts are consulted or delegation made to publicly available sources, in order to avoid the risk of misjudgement.

Control measures

All control measures are applied in the ongoing business process, in order to ensure that errors or discrepancies in financial reporting are avoided. Control measures range from reviews of interim results by management through to reconciliation of accounts and monitoring of cost centres.

A clear separation of functions, various control and plausibility checks and a continuous application of the “four-eyes principle” ensure accurate and reliable accounting. The departments and areas involved in the financial reporting process are appropriately equipped both in terms of expertise and personnel. The staff deployed are carefully selected, trained and receive ongoing further training.

Since the SWIETELSKY Group comprises several decentralised units, the internal control system must also be decentralised, while the processes performed by the controlling department are overseen centrally. Responsibility for the organisation and practical application of control measures lies with the individual manager of the accountable area in the respective reporting levels.

Due to legal and economic demands and the decentralised structure, particular attention is paid to the IT systems used within the Group. All business processes rely significantly on the secure functioning of information and communications technology. Support for business processes via integrated information and communications technology is an essential requirement for expanding the market position of the SWIETELSKY Group.

The security of data and information processed within the company against access by unauthorised persons is ensured.

Information and communication

Guidelines and regulations for financial reporting are regularly updated by management and communicated to all staff concerned. Regular discussions regarding financial reporting and the associated guidelines and regulations take place in various committees. In addition to management, these committees also include departmental managers and leading employees from the accounting department. The employees concerned are continuously trained with regard to innovations in national and international accounting in order to be able to identify the risks of unintentional incorrect reporting at an early stage.

V. Employees

In the past financial year, SWIETELSKY employed an average of 11,991 employees (2020/21: 11,633). Of these, 7,850 were blue-collar workers and 4,141 were white-collar workers (2020/21: 7,575 blue-collar workers and 4,058 white-collar workers). In the past financial year, we again hired a significant number of people. The additions primarily concern Austria with an increase of 302 people.

We view our employees as a key to the company's success. Entrepreneurial attitude and independent action have always been part of our corporate culture. Many small operational units under one common roof have been and still are the key to our success. The transparent incentive payment model creates additional motivation and commitment. Loyalty to the company is rewarded with a stepped benefit model for permanent staff.

The Human Resources Strategy has been newly developed. The strategy includes the fields of action employer branding, training and further education, digital HR systems, further establishment of HR standards and consulting of decentralized units.

In the spirit of sustainable human resources development, appropriate attention is paid to training and further education whether in internal training events or external seminars. To maintain and nurture the relevant qualifications, the requirements for continuing and further training measures are continuously measured as part of staff development. In view of the COVID-19-pandemic and in the interest of protecting our staff, most of the face-to-face trainings have been postponed or cancelled. Instead, we are increasingly

relying on online formats for the training. We recorded over 7,000 participations in the online trainings in the 2021/22 financial year.

The SWIETELSKY construction manager training is very popular and combines standard technical training in SWIETELSKY's core business with leadership topics. It consists of four modules, project work and active learning groups (coaching in small groups). Content transfer follows a hands-on approach – core processes are trained using prepared practical examples and each module is accompanied by both internal experts and external leadership trainers. Commercial training is held at regular intervals. On the one hand, this meets the increasing financial and tax law requirements and, on the other hand, gives new employees the opportunity to get to know SWIETELSKY's commercial organisation. The mandatory compliance training courses convey our value system to all employees. The Code of Conduct is also brought to the attention of all new employees upon joining the organisation in all major Group languages.

With the demographic trends in mind, we continue to invest in apprenticeships in Austria. Compared to the previous year, 22% more young people were taken on as apprentices in the 2021/22 financial year. As of 31 March 2022, the SWIETELSKY Group in Austria was training 329 apprentices in 21 different occupations. Our apprenticeship academy has been very well received. In two teaching blocks of three weeks each, the apprentices are taught theoretical knowledge such as hazard avoidance on construction sites as well as practical skills. The stations are led by experienced foremen and cover the laying of paving stones and slabs, special masonry techniques, formwork techniques, as well as basic principles of carpentry.

We design our staff's work environments with due consideration for occupational health and safety and environmental protection. Major aspects of our occupational medicine support include hazard assessment and prevention of accidents as well as measures for the early recognition of possible overwork. In parallel, trainings and measures are constantly on offer aiming not just at the avoidance of accidents and illnesses but at actively promoting the health of our employees. Our commitment to promoting health in the SWIETELSKY Group in Austria was awarded a quality seal for workplace health promotion (Gütesiegel Betriebliche Gesundheitsförderung (BGF)).

The Management Board would like to thank all of our employees who contributed, through their commitment and technical skills, to our being able to largely reach our corporate goals even in this difficult economic environment and the special challenges due to the corona pandemic.

We would also like to thank our works council for its professional and constructive collaboration.

VI. Quality Management

SWIETELSKY has been developing its competency in the field of quality management for over twenty years. Guided by the corporate goal of fulfilling our client's expectations to the best of our abilities, we decided to introduce a generally recognised quality management system. It had also become necessary to react to external requirements and the increasingly complex execution of construction contracts. We wanted to ensure a high quality of execution in order to gain and maintain the trust of our clients and business partners over the long term.

The foundation stone was laid with the international standard ISO 9001 and has now been expanded together with the Environmental Management System ISO 14001 and an Occupational Health and Safety Management System into an Integrated Management System (IMS). In the area of occupational health and safety management, the company changed from OHSAS 18001 to the new international standard ISO 45001. The basis for a successful certification was created with corresponding adjustments to ensure the implementation of the new standard requirements. At the same time, three additional organisational areas, such as waste and resource management, Swietelsky Rail Switzerland and the subsidiary Metallbau Wastler, were included in the scope of the certificate. Continuous internal audits and annual monitoring by an accredited certification body not only ensure compliance with the standard requirements and internal rules, but are also the driving force behind continuous improvement. In periodic management reviews, the top management evaluates the integrated management system with regard to adaptability, up-to-dateness and effectiveness. An important part of this review is the active discussion of risks, weaknesses, improvements and the company's own strengths.

The user-friendly QM system, focused on the major aspects, can be flexibly adapted and is available to all our staff as a tool to help ensure that our services are performed in accordance with the contractual and legal provisions. Implementing the requirements of the integrated management system is binding on all employees. There are also additional certified systems based on the requirements, such as the ECM safety system for the maintenance of freight cars or a safety management system for the railway traffic company RTS, a subsidiary of Swietelsky AG. In the area of waste and resource management, Swietelsky AG received the certificate as a specialised waste management company at one location.

Corporate Mission Statement and Corporate Policy

The mission statement is delivered by the Management Board based on the corporate strategy and is oriented to the type of service. We see our specific customer value in the competent technical advice we provide before and during the construction project. In these consultations, our employees place their extensive experience and know-how at the client's disposal. We aim to continue to support our clients even after the work has been done and to maintain open communication with them.

We plan and act according to the following principle: "quality before quantity". This is the precondition for the successful completion of our projects. We believe that the responsible leadership and execution of our construction works and services means always ensuring the same high level of quality. We focus as much on aspects of occupational health and safety and of environmental protection as we do on finishing on schedule. Quality also means providing the client not just with first-class staff, but also with a modern fleet of equipment that is also environmentally friendly in its use of resources.

Another company's motto is "earnings before sales". Our managers therefore have a high level of freedom in acquiring and executing contracts. Our cost accounting allows us to transparently measure our commercial success and report it to our managers on a monthly basis.

The Management Board considers it its duty to provide safe and healthy working conditions and to prevent occupational injuries and illnesses. The implementation of the OHS (Occupational Health and Safety) policy and the achieving of defined objectives take place within the bounds of existing legal, economic and cultural frameworks.

Our OHS activities (safety and health at the workplace) are aimed at the preventive avoidance of accidents, risks to health, injuries and illnesses and integrate affected third parties, such as our clients, suppliers, sub-contractors etc. The processes are designed to be constantly improved and enable the participation of employees or their representatives. All our staff are therefore called upon to participate according to their abilities and are obligated to observe and fulfil all legal requirements. We have laid out the manner in which we plan to fulfil the requirements of ISO 45001 in several published documents.

"SWIETELSKY – Building on Ideas" has been the slogan in our company logo for many years. This refers to the ideas of our employees, to whom we owe our competitiveness first and foremost. Personal initiative, independent problem-solving skills and entrepreneurial spirit play a key role in the construction industry, as construction sites are decentrally managed profit centres whose success is very much dependent on the employees on site.

It is therefore important to bring the ideas and suggestions of the employees to the surface so that they fertilise the entire organisation. For this reason, Swietelsky AG is organising its "Festival of Ideas" from March to June 2022. The central components of this festival are a group-wide ideas competition, a congress event and a concluding major employee celebration.

All organisational areas are involved in achieving a solid environmental performance, taking into account the clients and the legal requirements. For this purpose, goals and environmental programmes have been derived from the Corporate Mission Statement which will be implemented according to economic aspects. The management board has defined goals and programmes in consideration of relevant environmental aspects beyond the legal requirements.

We view our suppliers and sub-contractors as competent partners. Our common goal is maximum customer satisfaction. This requires that we consider qualitative, economic and environmental aspects when selecting our suppliers and sub-contractors and evaluate their performance based on predetermined criteria. Our mission statement is oriented towards preventive error avoidance and a constant improvement of our performance, of occupational health and safety, of environmental protection and of our organisational structure and processes.

VII. Environment and energy

The construction sector is a resource- and energy-intensive industry and thus has a significant and wide-ranging impact on the environment. Well aware of the fact that resources are finite and that the environment is being increasingly polluted, SWIETELSKY aims to ensure the use of environmentally friendly processes and equipment across all project phases.

With our internal waste management system and concept that integrates comprehensive legal requirements, we place a high value on environmental protection. SWIETELSKY strives to contribute to the achievement of the EU goals of 70% recycling of construction materials and the associated reduction in waste volumes.

Based on these specifications, SWIETELSKY sees it as its obligation to transform mineral waste from its construction sites into CE-marked construction material recycling products as much as possible. The quality assurance of these products is achieved with the aid of certified internal production controls. To improve our environmental footprint even further, we need to reuse these materials to a greater extent at the place of origin or as substitutes in construction material manufacturing. This saves primary resources as well as transport and the associated emissions.

Waste that cannot be reused is separated and temporarily stored in an environmentally safe manner. The collection of waste that has been separated by type saves money and increases the percentage that can be recycled. By operating its own waste disposal sites, SWIETELSKY also ensures that waste is properly disposed of.

Various energy and environmental protection projects are being developed and implemented across our branches and subsidiaries. Production sites are constantly monitored in terms of their energy efficiency and are modernised wherever it is economically viable to do so. We are constantly developing and implementing both small and large projects on the basis of the options summarised in the last energy audit report to improve energy efficiency. These range from the progressive switch to LED lighting in our offices and production sites to larger investments, such as the replacement of heating systems and the construction of photovoltaic systems.

Our investments in the vehicle fleet and in new machines and equipment are also largely guided by energy use. We also conduct annual CO₂ monitoring for the main vehicle types in our fleet. The systematic substitution of machines and vehicles with the newest emission technology naturally also yields significant nitrogen oxide emission reductions. The fleet of cars and light commercial vehicles is continuously being replaced and supplemented with electric vehicles.

A continuous recording of the energy used to manufacture construction products enables us to discover savings potentials by comparing the production costs of different production sites.

In the field of SWIETELSKY Energy division brought together all the competences of building services and electrical engineering in a single division. Particular emphasis is placed on incorporating the new techniques with regard to environmentally friendly technologies, alternative forms of energy, their storage and control automation into the projects. Numerous projects have already been realised in the SWIETimber division (timber and hybrid construction), with special emphasis being placed on hybrid construction with concrete core activation.

From an environmental standpoint, the primary objectives are to preserve resources such as air, water, energy and soil, to optimise material use and logistics, to reduce emissions as much as possible and to preserve biodiversity. Our management therefore sees it as its task to constantly improve awareness for quality and the environment among the staff.

The publication of our second sustainability report in November 2021 was a step towards keeping our stakeholders informed of the sustainability activities at SWIETELSKY. By introducing our own ESG software, the data, key figures and information on the environment and energy are now systematically collected and evaluated. In this way, the goals for saving energy and reducing CO₂ can be clearly defined and implemented. This can be viewed at any time via the homepage.

VIII. Technology and Innovation

At SWIETELSKY, advances and new solutions are developed at various levels. SWIETELSKY's IMS (Integrated Management Systems) department ensures that our Group stays abreast of the latest developments, especially in the areas of construction materials and construction processes. Thanks to our highly qualified staff, we are able to carry out our own developments in addition to participating in or initiating research projects.

In addition to concrete research and development projects, a major share of innovations occurs during running construction projects whose schedule, geological or technical conditions require innovative solutions. Almost every year, new technologies are further developed in the areas of civil engineering, tunnelling, mountain construction and railway construction or innovative processes are applied and constantly further developed and improved. Due to the rapid development in the field of environmental compatibility of construction products and soil excavation, developments in the field of testing methodology or adaptation of existing test methods in our accredited testing and inspection body are also necessary, whereby the organization and evaluation of interlaboratory tests and comparative tests are essential aids. Our knowledge in this field is also used by external building material manufacturers in the context of studies and expert opinions. The knowledge gained in the context of building material testing helps to develop resource-saving applications.

We use the possibilities of digitalisation to reduce non-value-adding activities to a minimum, thereby significantly supporting our sustainability strategy. By using the latest technology, we reduce the planning effort in various service areas and automatically generate the order and billing quantities from the planned quantities, which we validate with the help of augmented reality. The calculation and verification of quantities as well as the determination of masses for the final invoice are thus completed in one step.

Collaboration, transparency and communication are not just buzzwords for us, but are put into practice through our task-based working method. We thus significantly reduce the effort required to search for information and check the status of tasks. Through the successive use of real-time data, we professionalise our processes and planning data and thus ensure the data truth necessary for the use of learning systems. At the same time, we are increasing process reliability, the quality of our services and our adherence to deadlines vis-à-vis our customers.

IX. Outlook

The outlook for global economic growth, which is robust in itself, has been dampened again by the war in Ukraine, new protective measures against the Omicron variant of COVID-19 and higher energy prices. In Ukraine itself, a sharp double-digit decline in GDP is expected due to the fighting. Russia is also experiencing a deep recession due to sanctions imposed by many states in response to the attack. The OECD estimates that the war will reduce global economic growth by around one percentage point this year. Accordingly, the IMF has lowered its forecast for this year's global economic growth to 3.6% in the current and coming year. However, the IMF assumes that the war will be limited to Ukraine and that sanctions against the Russian Federation will continue to largely exclude the energy sector. It also assumes that the Corona virus will not develop any new variants that would make renewed restrictions necessary. The war in Ukraine as well as the sanctions against Russia have an impact on the euro area mainly through rising energy prices and the fear of energy shortages. This is strongly driving inflation. The economy is adversely affected by renewed supply chain disruptions, lower exports and general uncertainty among consumers and industry.

These negative developments are likely to impact the construction industry. Overall, growth of the construction industry is expected to be subdued at only 2.3% for the EC-19 countries in 2022, which is expected to flatten further in 2023 (2.3%) and 2024 (1.4%). In 2022, building construction is expected to grow by 2.2% and civil engineering by 2.4%, with slightly different developments in the rest of the year (building construction 2023: 1.9%, 2024: 1.3% and civil engineering 2023: 3.9%, 2024: 1.7%).

Austria's economy is expected to grow by 4.3% in 2022 (WIFO of 30.6.2022) and thus still expand strongly despite the Ukraine war. Compared to the previous year, however, growth is lower (2021: 4.5%). The increasing labour shortage leads to a noticeable decline in the unemployment rate despite the slowdown in economic growth. It already reaches the pre-crisis level in 2022 and will continue to fall. However, the war in Ukraine increases economic uncertainty, dampens consumption and investment and makes energy in particular more expensive. Due to Austria's strong dependence on Russian natural gas, domestic GDP will grow at an average annual rate of 0.1 percentage point weaker than in the euro area until 2026. The strong price increase on the world market, which had already begun in 2021, will be intensified and prolonged in 2022 by the Omicron wave in China and the Ukraine war. It will be driven in particular by the sharp rise in energy prices. For 2022, an inflation rate of 7.8% is expected in Austria. For 2023, inflation should moderate to 5.3%. Following the international trend, GDP growth will weaken further to 2.0% in 2023 and to 1.8% in 2024.

The Austrian construction industry cannot escape this development and will only grow at a low level in the years 2022 to 2024. Growth of 1.1% is forecast for 2022, whereby building construction should only grow by 1.0% and civil engineering by 1.4%. Civil engineering should develop somewhat more dynamically in 2023 with 1.9%, while building construction will remain at 1.0%. In 2024, civil engineering is expected to grow by 1.6%, while building construction is expected to decline to 0.9%. In absolute terms, construction output is expected to reach EUR 50.8 billion in 2022. Economic development will be dampened by a shortage of materials and capacity as well as a shortage of manpower. Causes of concern also include rising energy prices and the subsequent rise in inflation, which in turn is causing construction prices to rise. Public residential construction is becoming increasingly difficult due to new legal regulations and rising interest rates.

In Austria, SWIETELSKY expects a moderate decline in output with a slightly reduced profit margin.

According to the ifo Institute, the economy in Germany will be shaped by two very different economic drivers in the current financial year. On the one hand, the full order books of industrial companies and the gradual normalisation of the Corona situation should give the economy a strong boost. On the other hand, the consequences of the Russian-Ukrainian war are dampening the economy via significantly higher commodity prices, increasing supply bottlenecks for raw materials and intermediate products, and heightened economic uncertainty. Private consumption remains the pillar of the German economy this year, although high inflation is dampening consumer spending. How uncertain the forecasts currently are can be seen in the publications of the ifo Institute: On 23 March, growth of 2.2% was published (pessimistic alternative scenario); in the current Euroconstruct report of 13 June, economic growth of only 1.5% is expected for 2022. The weaker economy is also leaving its mark on the labour market. The increase in employment and the decline in unemployment will slow down noticeably from spring onwards.

The 0.6% decline in the German construction industry originally expected for 2021 has turned out much worse at -1.2%. Stagnation is expected for 2022 (0.0%). Civil engineering will remain in recession at -1.5%, while building construction should develop weakly positively at 0.3%. The most important sector in terms of volume, new residential construction, will continue to grow only at a low level in 2023 (0.7%) and 2024 (0.2%). After 2022 (-0.1%), other building construction can develop positively in 2023 (1.1%) and 2024 (0.3%). Civil engineering, which is supported by the public sector, will also hardly provide any impetus in 2023 (1.8%) and 2024 (1.0%). Only in 2024 will construction output reach the level of 2020 (EUR 432.3 billion) with a total of EUR 432.8 billion.

SWIETELSKY expects a slight decline in output of just under 8% in Germany for the financial year already underway and a similar return on earnings as in the past.

The Hungarian economy has overcome the consequences of the 2022 corona pandemic and has already returned to its pre-crisis level. After the above-average growth in economic output of more than 7% in 2021, the economic recovery continued unabatedly strong in early 2022. Russia's incursion into Ukraine, however, has worsened the outlook for the Hungarian economy, leading to significantly lower but still positive growth (2022: 4.3%, 2023: 4.1% and 2024: 4.2%). The war is dampening economic activity among Hungary's important trading partners in the European Union, thus reducing export opportunities. The sharp rise in prices for energy, food, raw materials and intermediate products as well as uncertainties about the impact of the sanctions on energy supply are dampening the population's willingness to consume and companies' propensity to invest. In addition, there is the need to consolidate public finances after years of expansive spending policies caused by Corona and the election campaign.

After years of high growth rates, the Hungarian construction industry will not grow or will grow only slightly in the coming years. For 2022, stagnation is expected overall, as slight growth in civil engineering (0.3%) will be slowed by the decline in building construction (-0.1%). Only residential construction can still provide positive impetus (3.5%). The initiated tightening of monetary policy is likely to have a dampening effect. At the same time, the disbursement of important EU funds from the Recovery and Resilience Facility and from the Cohesion Fund for the new financing period 2021 to 2027 has still not been released. In 2023, civil engineering should be clearly positive again at 13.1%, but due to the expected recession in building construction (-3.7%), only an overall growth of 1.3% remains. For 2024, an increase to 2.5% is expected.

For Hungary, SWIETELSKY forecasts an increase in output of just under 8% with a slightly lower profit margin than in previous years.

In the Czech Republic, experts expect economic growth of 0.8% for the full year 2022. The main reasons for the low growth are the reluctance to invest, the decline in private consumption due to strong inflation, the loss of real income, the high energy prices and the continuing supply chain problems. There are also concerns about high inflation, which is expected to average between 11% and 13% annually in 2022. Expectations for 2023 (3.6%) and 2024 (3.2%) are much more optimistic.

AUDITOR'S REPORT

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Czech construction industry performed much better in 2021 than originally forecast (-0.9%) with a plus of 2.1%. For the next few years, only slight growth rates are expected (2022: 0.8%, 2023: 1.5% and 2024: 2.5%). This development will be driven by other building construction. Residential construction will decline in 2022 (-1.3%) and 2023 (-0.4%) and will only increase in 2024 (3.1%). Civil engineering will remain weak in the next few years (2022: -0.4%, 2023: 1.8% and 2024: 0.9%).

SWIETELSKY expects performance in the Czech Republic to increase by more than 10% with a reduced profit margin.

In the other countries, SWIETELSKY will try to acquire and implement promising projects, depending on the division and market.

For the current financial year 2022/23, SWIETELSKY expects the output to be at the level of the previous year. The COVID-19 pandemic and the conflict in Ukraine, including the impact on energy and raw material prices, are difficult to assess. Against the background of our robust business model and currently high-capacity utilisation and order levels throughout the Group, we are convinced that we will be able to manage the current financial year well and profitably.

Audit Opinion

We have audited the consolidated financial statements of **Swietelsky AG, Linz**, Austria, and its subsidiaries (“the Group”), which comprise the Consolidated Income Statement, the Statement of total Comprehensive Income, the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, and the Notes to the Consolidated Financial Statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2022, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for our Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are described in the “Auditor’s Responsibilities” section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor’s report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Other Information

Management is responsible for the other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor’s report. We expect the annual report to be provided to us after the date of the auditor’s report.

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

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the additional requirements to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee is responsible for overseeing the Group’s financial reporting process.

Linz, 11 July 2022

Management Board

Dipl.-Ing. Klaus Bleckenwegner Peter Gal Harald Gindl, MBA Dipl.-Ing. Karl Weidlinger

Auditor's Responsibilities

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

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

Moreover:

- We identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those such risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty about the entity's ability to continue as a going concern, we are required to draw attention in our audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate to the audit committee regarding, among other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.

GROUP MANAGEMENT REPORT

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

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

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

Opinion

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

Statement

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

Engagement Partner

The engagement partner is Mr Mag. Christoph Karer.

Linz, 11 July 2022

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft



qualified electronically signed:
Mag. Christoph Karer
Wirtschaftsprüfer (Austrian Chartered Accountant)

This report is a translation of the original report in German, which is solely valid. The consolidated financial statements together with our auditor's opinion may only be published if the consolidated financial statements and the group management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies. Qualified electronically signed.



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