

2023 financial year

9 April 2024

REPOWER
All the energy you need.

Media conference: 2023 financial year

Agenda

- Review of the 2023 financial year Roland Leuenberger, CEO
- Finances in the 2023 financial year Lorenzo Trezzini, CFO
- Outlook Roland Leuenberger, CEO
- Questions
- Upcoming events

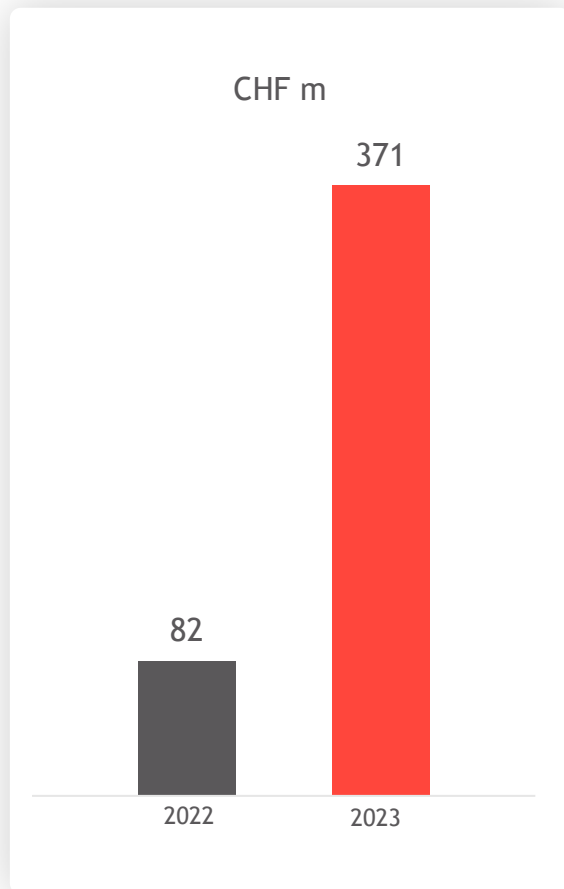


Review of the 2023 financial year

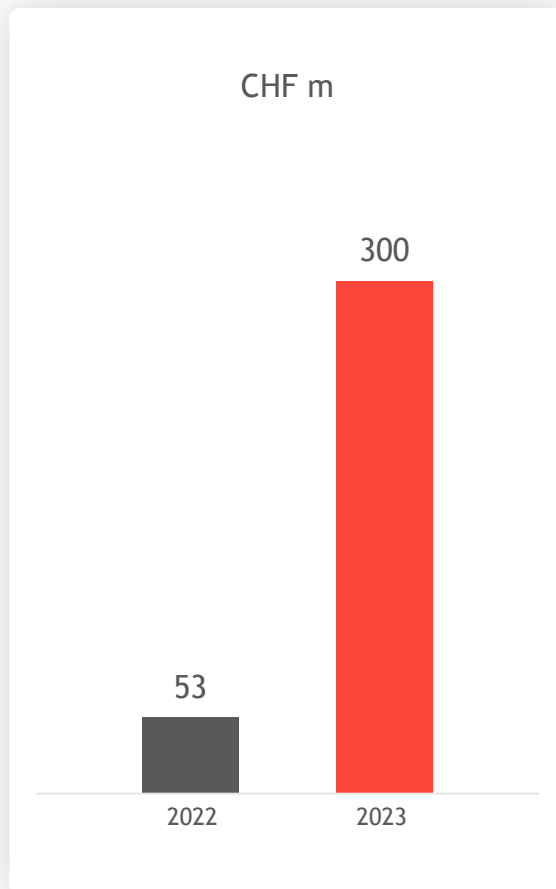
Review of the 2023 financial year

Extraordinary results

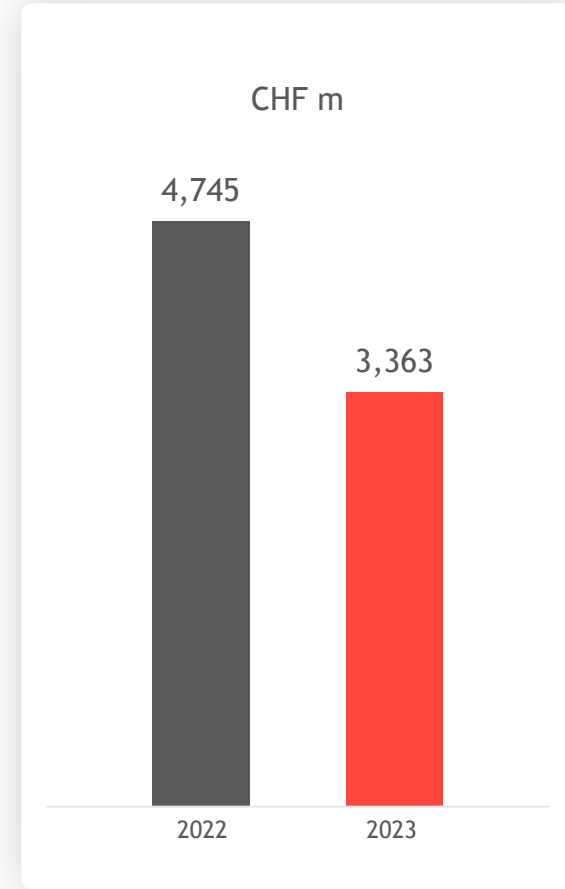
EBIT



Group profit



Total operating revenue



Review of the 2023 financial year

Highlights and main drivers of results



Trading

Extraordinary 2023 financial year driven primarily by record international trading results



Investments

Capex increases to CHF 102 million:
CHF 74 m in Switzerland and CHF 28 m in Italy



Electricity generation

2,306 GWh (+8%) own production (including interests)



Value added

Increase in value added in Canton Graubünden



Own hydropower production hedged at high level

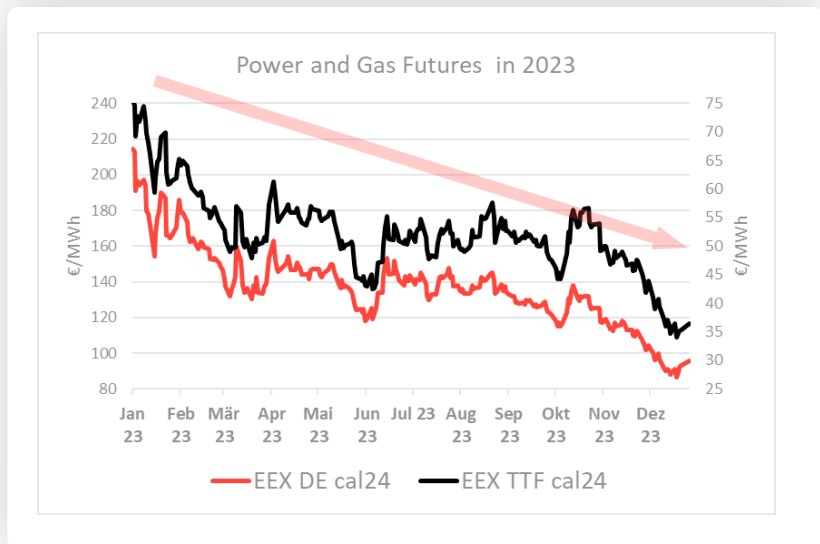
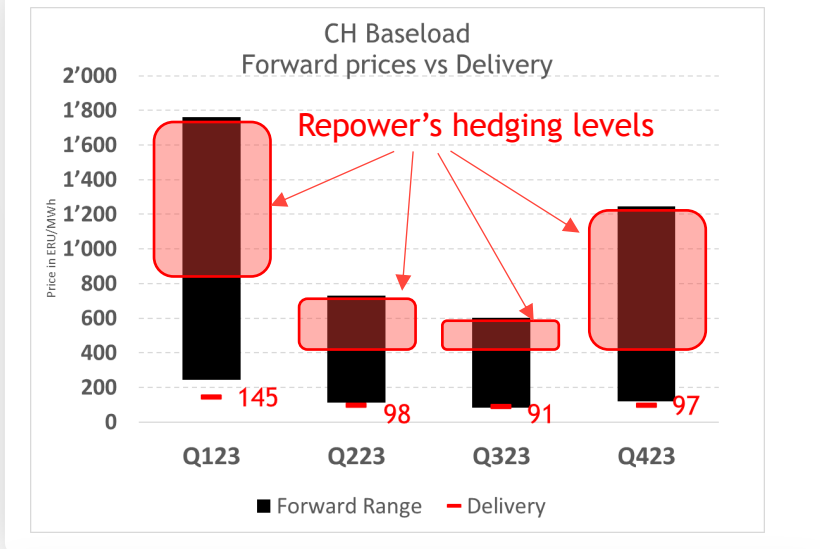
Trading interprets market trends correctly

Asset optimisation

- Hydropower generation hedged at a very good level
- Asset trading adds value by shifting production and hedges to future deliveries and exploiting market volatility
- Contributing to hydropower reserves has positive impact on results
- New hydrological model improves forecasting of water inflows

Proprietary trading

- Proprietary trading corrects a sharp downtrend in power and gas futures that started in 4Q22 and continued until 2023
- Considerable growth in gas trading activity in Europe and good CO2 results contribute to record margins
- Increase in scale and profitability of power origination business outside Switzerland



Investments in energy transition

Expanding and preserving renewable capacity is part of Repower's strategy



Generation assets

- Robbia power plant, total modernisation
- Overhaul of Klosters power plant
- Chlus power plant, planning
- Solar farm in Melfi, modernisation of wind and solar installations (IT)
- Alpine solar power installations (Vorab and Madrisa)

→ Total investment in generation assets CHF 42 million



Grid infrastructure

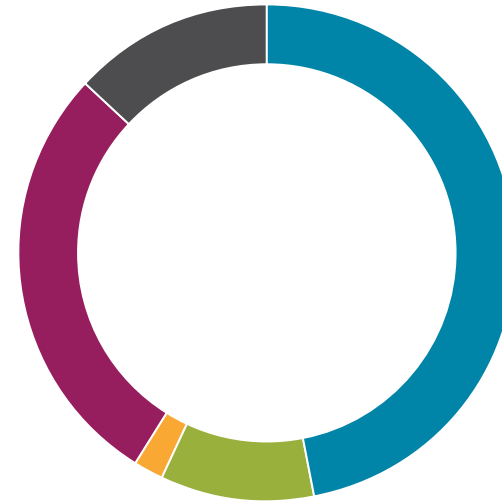
- Total modernisation of Tavanasa substation
- Replacement of transformers at Ilanz and Disentis substations
- Rollout of smart metering systems initiated
- 579 new solar installations connected to Repower distribution grid

→ Total investment in grid infrastructure CHF 25 million

Power generation in 2023

Modernisation work temporarily reduces production

- Hydropower: 1,082 GWh
- Wind: 227 GWh
- Solar: 48 GWh
- Thermal: 638 GWh
- Nuclear (interest): 311 GWh



2,306

gigawatt hours (GWh)
own production (including interests)

- Repower's own production (including interests) slightly above prior year (+8%) but below long-term average
- Precipitation above average, snowmelt below average
- Total modernisation of Robbia power plant and overhaul of Klosters power plant temporarily reduce production
- Solar and wind installations in Italy slightly up on prior year (+5%)
- Teverola: demand for balancing energy in Italy still very weak

Value added in Canton Graubünden

Canton and municipalities also profit

- 497 employees working in Graubünden together earned CHF 48.5 million
- Contracts worth CHF 36 million to Graubünden businesses
- CHF 31.1 million in water rates and other concession fees
- CHF 31 million in taxes to canton and municipalities
- Public levies for basic supply: CHF 4.3 million
- CHF 3 million for parties feeding energy back
- CHF 390,500 in sponsorship in Graubünden
- Cantonal interest in Zervreila power plant improves profitability
- Surcharge for Grischelectra increased
- Special dividend proposed

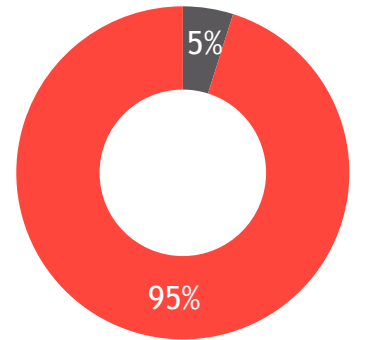
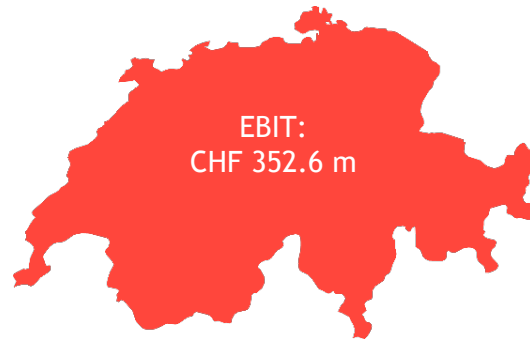




Finances 2023 financial year

Highlights

Repower posts extraordinarily strong EBIT of CHF 370.7 m and group profit of CHF 299.8 m



Italy Switzerland



Market Switzerland * (up CHF 282.6 m or +>100% vs prior year)

- EBIT Switzerland up significantly on prior year.
- Very strong international trading results

* Including other segments

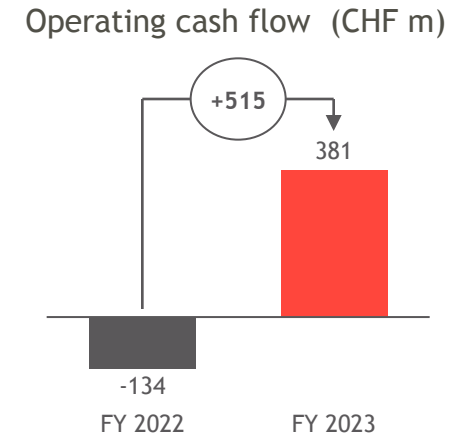
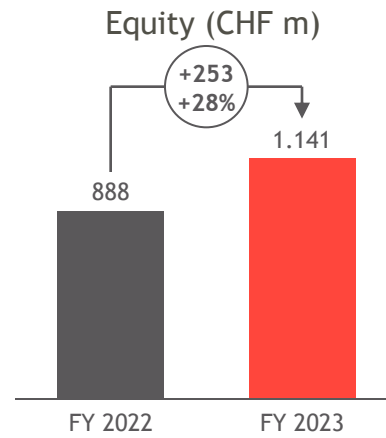
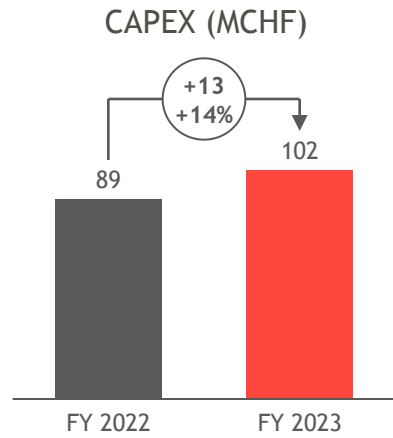
Market Italy (up CHF 5.9 m or 49% vs prior year)

- EBIT in Italy surpasses prior year level
- Gross margins on sales business develop positively

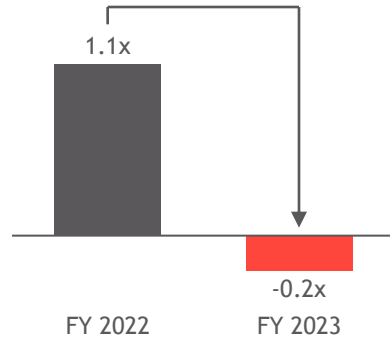
Both countries were able to increase earnings in 2023

Other KPIs

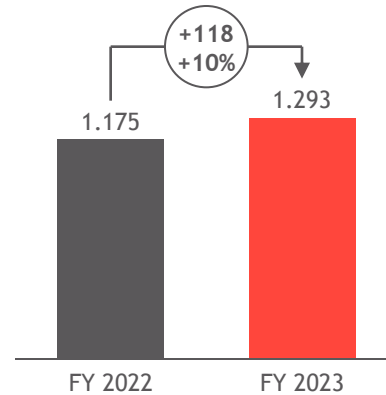
Overview



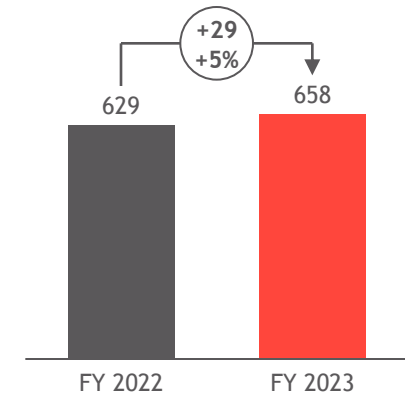
Net debt*/EBITDA



Market capitalisation (CHF m)



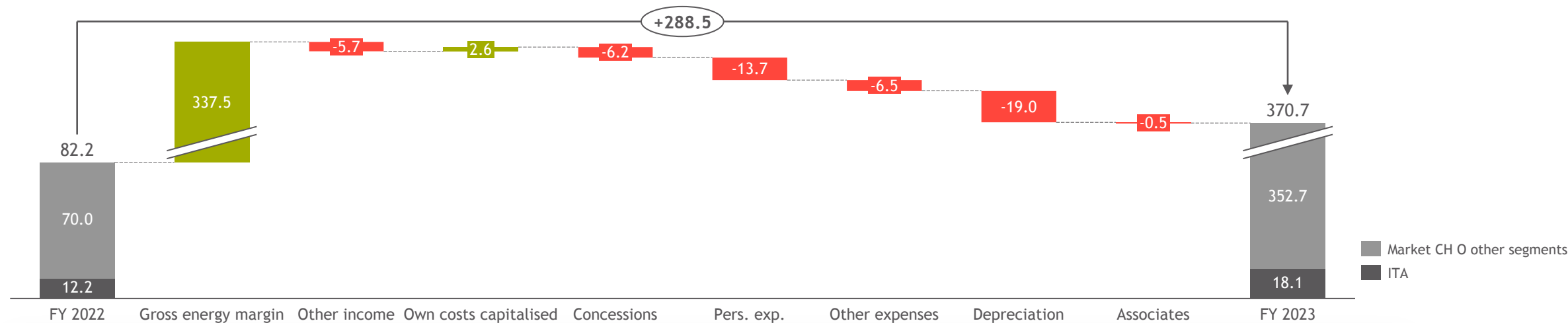
Number of employees



* Net debt running at CHF -103 million (net liquidity), hence negative figures for debt ratio

EBIT

Increase of CHF +288.5 m along income statement



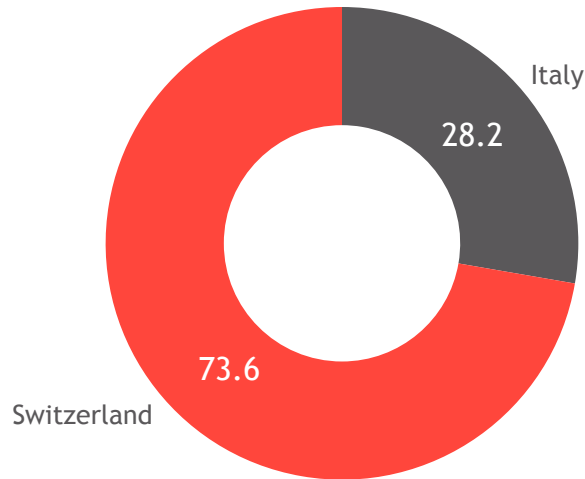
Development of EBIT

- Excellent result in international trading leads to significant increase in **gross margin**
- Strategic focus on own projects leads to a decline in **other income** (lower revenues from services for third parties)
- Increase in **own costs capitalised** driven by investment in Switzerland, (including modernisation of Robbia power plant)
- Increase of around 115 GWh in electricity generated and market-price-dependent remuneration leads to higher **concession-related costs**
- **Development of personnel expenses** driven among other things by an increase in the number of employees
- Increase in **other expenses** owing among other things to provision for dismantling of Lietha plant and an increase in administration and IT expenses
- Increase in impairments on generation assets in Switzerland and Italy leads to an increase in **depreciation/amortisation**

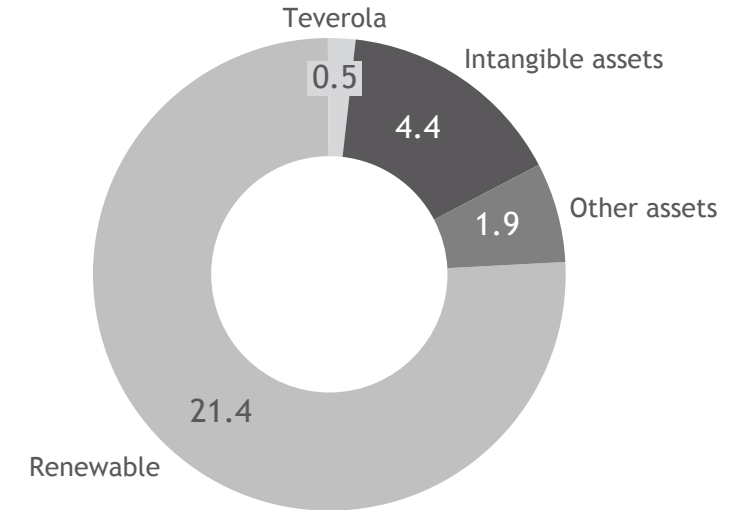
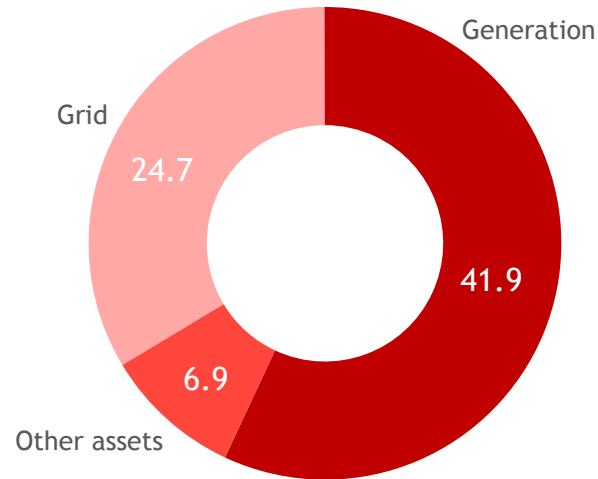
CAPEX

Investments worth CHF 102 m, 72% of which in Switzerland

Total CHF 102 m (prior year CHF 89 m)



Switzerland CHF 74 m (prior year CHF 63 m) Italy CHF 28 m (prior year CHF 36 m)



Switzerland (up 17% vs prior year)

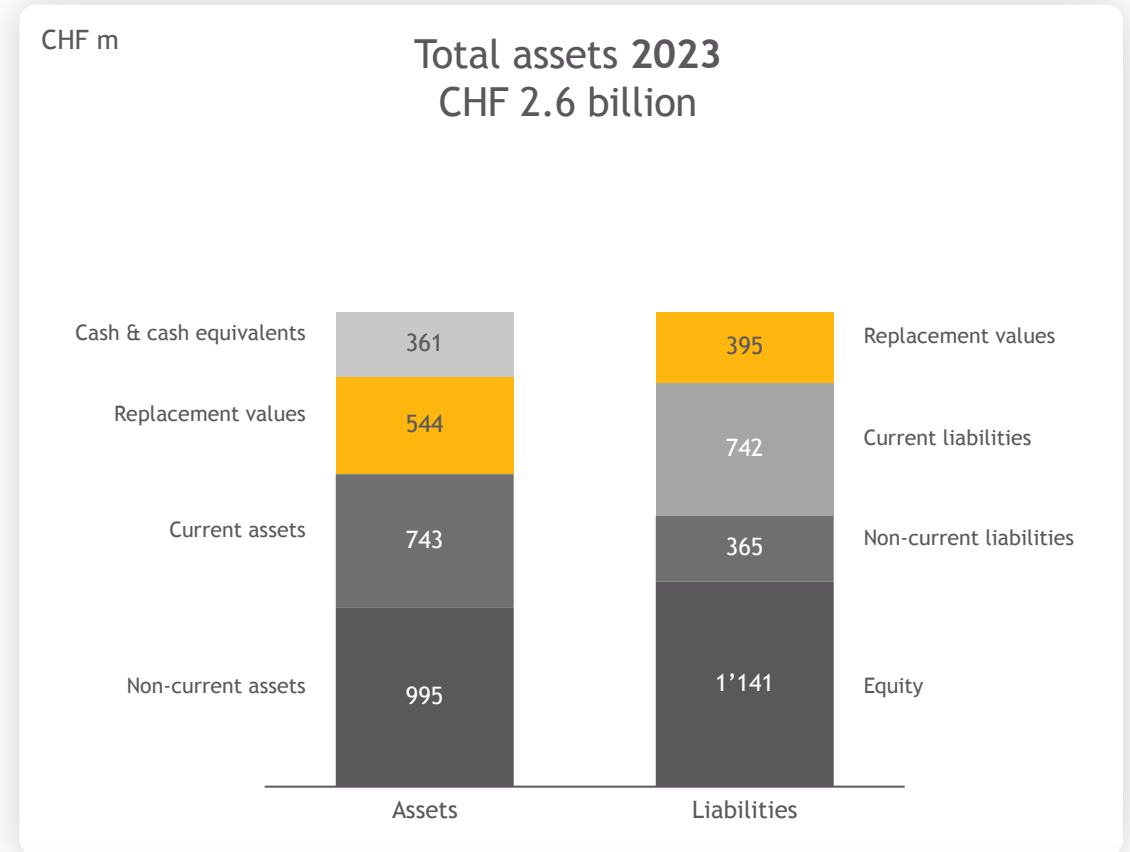
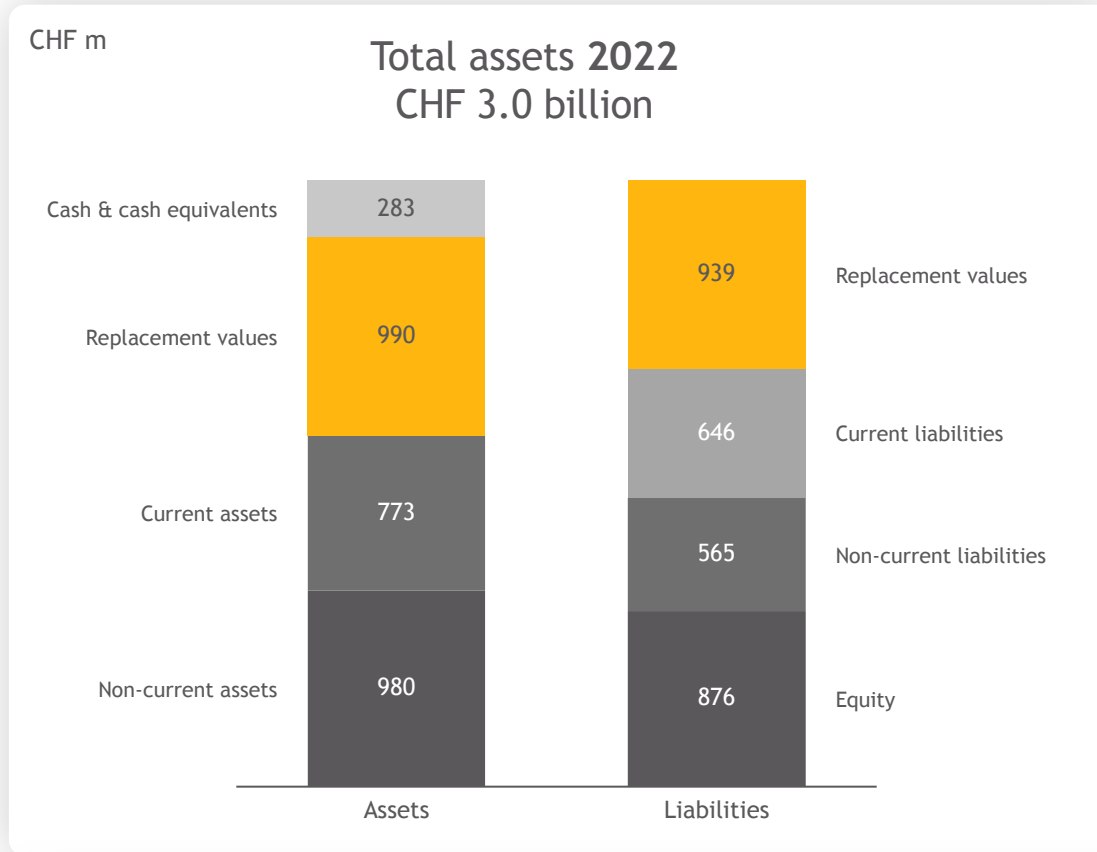
- Investment in grid at constant level
- Major investment from Generation in Valposchiavo in total modernisation of Robbia plant

Italy (up 8% vs prior year)

- Primarily owing to investment in Renewable
- Intangible assets driven by investments in software

Balance sheet

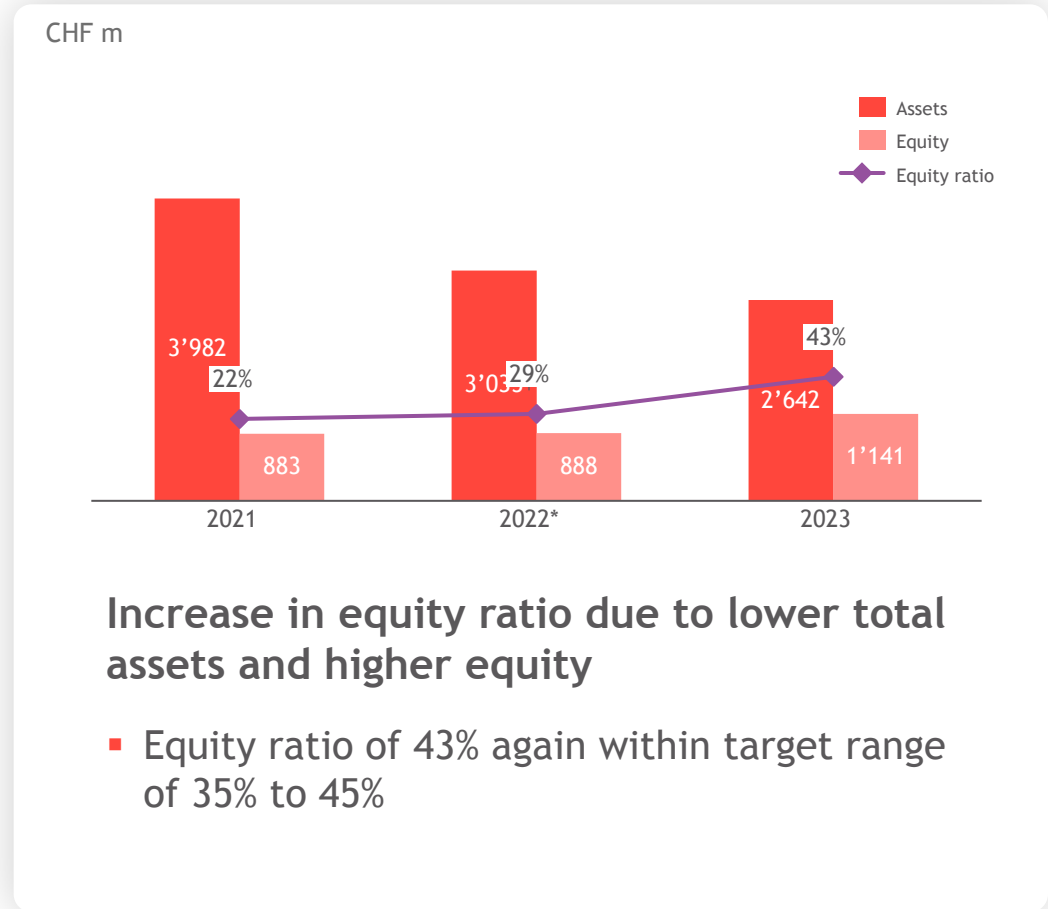
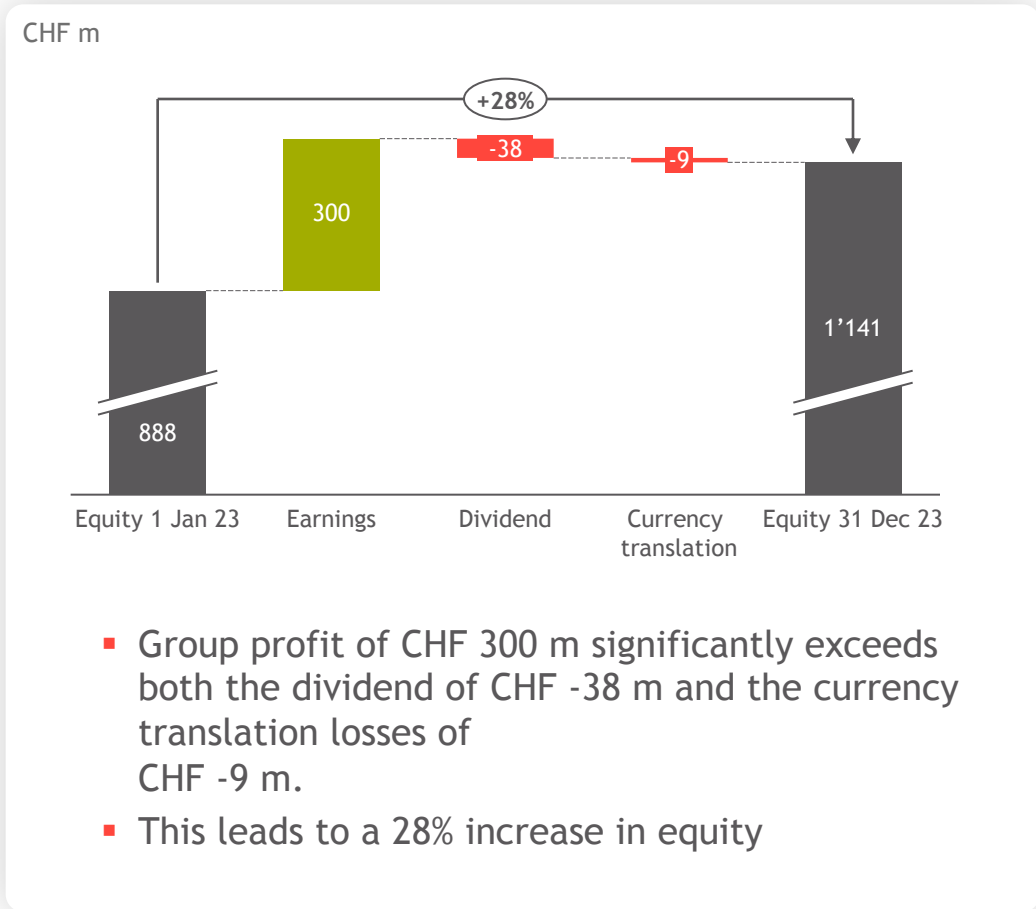
Decline in total assets and liabilities driven by energy prices



Lower energy prices lead to lower replacement values and thus lower balance sheet assets

Equity

Strengthening in equity (CHF +253 m/+28%)



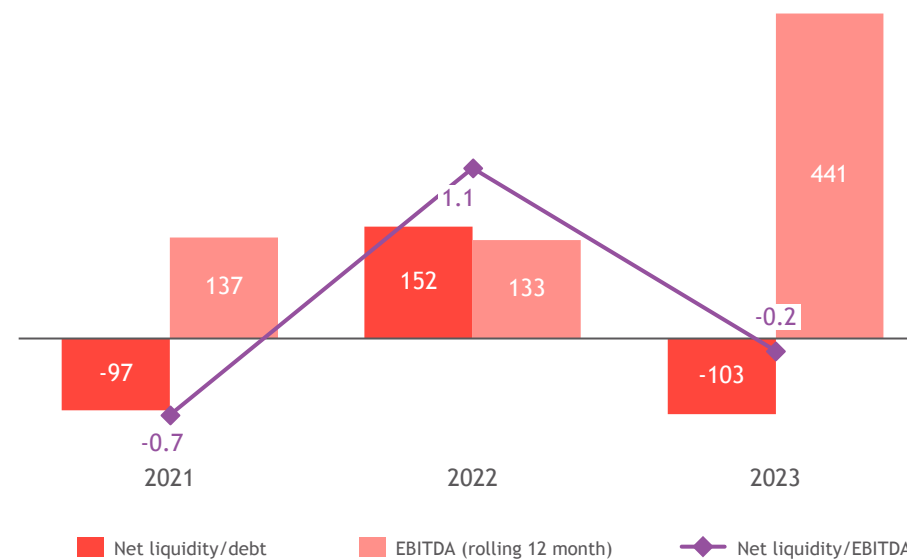
*Restated

Net liquidity/debt

Net liquidity thanks to powerful cash flow from operating activities

CHF m	2,022	2,023
Cash and cash equivalents	283	361
+ securities and fixed-term deposits	36	189
./. Financial liabilities	469	447
./. interest liabilities	2	-
Net debt*	+152	-103

CHF m



*Net liquidity is indicated by a minus sign.

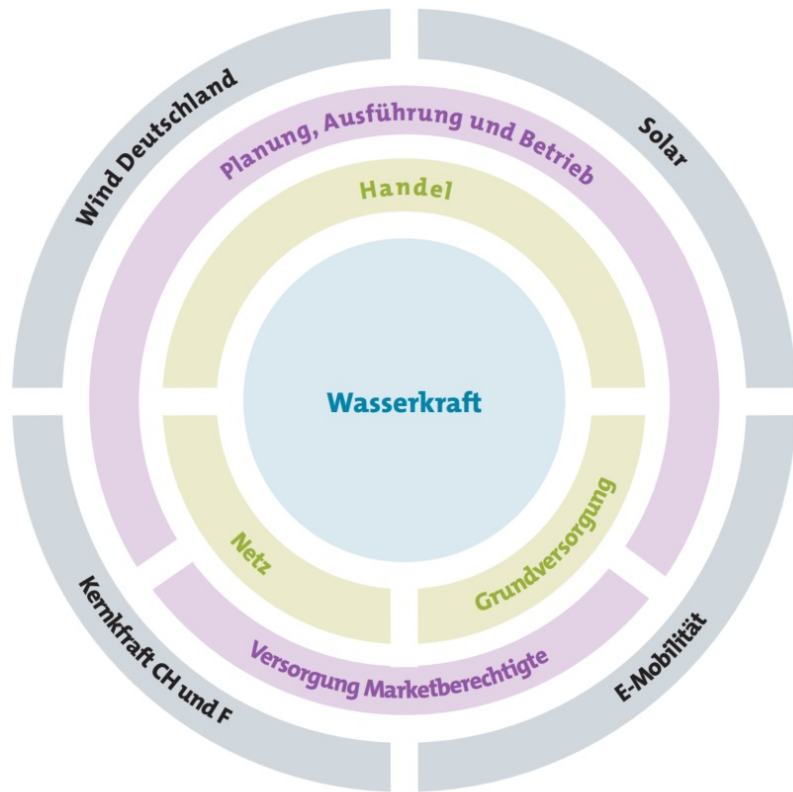
Reduction in net debt to net liquidity, thanks in particular to high group profit.



Outlook

Outlook for Market Switzerland

Strategic business units



Generation

- Plant projects such as Chlus actively driven forward
- Delivery of large solar power installations and large third-party facilities with the emphasis on winter power

Grid

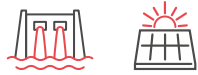
- Stable, secure supply
- Forward-looking grid maintenance and expansion
- Rollout of smart meters

Trading

- Best possible commercialisation of own production, energy from interests and long-term contracts
- Procurement and reselling of electricity and other commodities

2024 capex budgeting

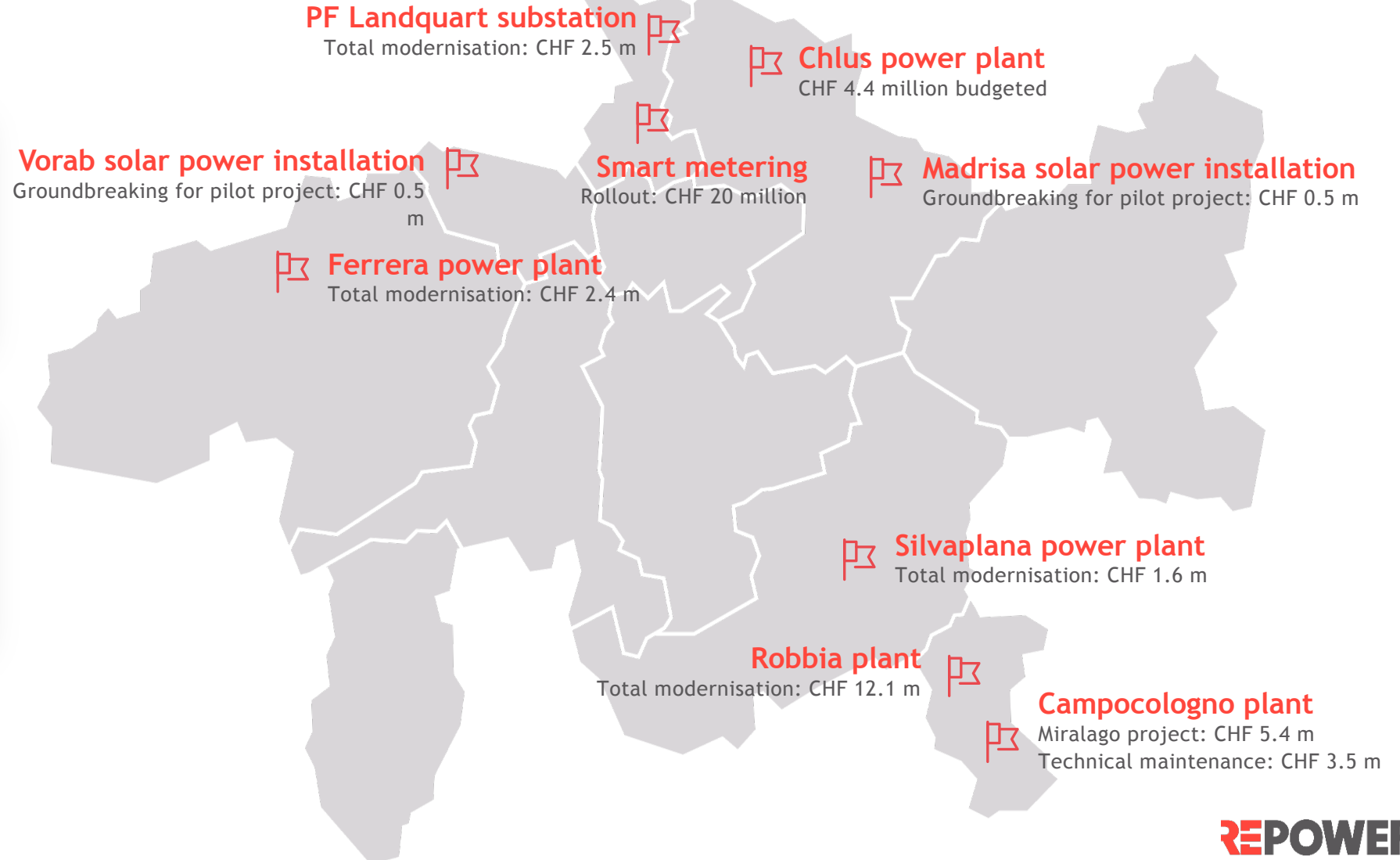
Select Generation & Grid projects in Graubünden



2023 production (GWh)
CHF 46 million

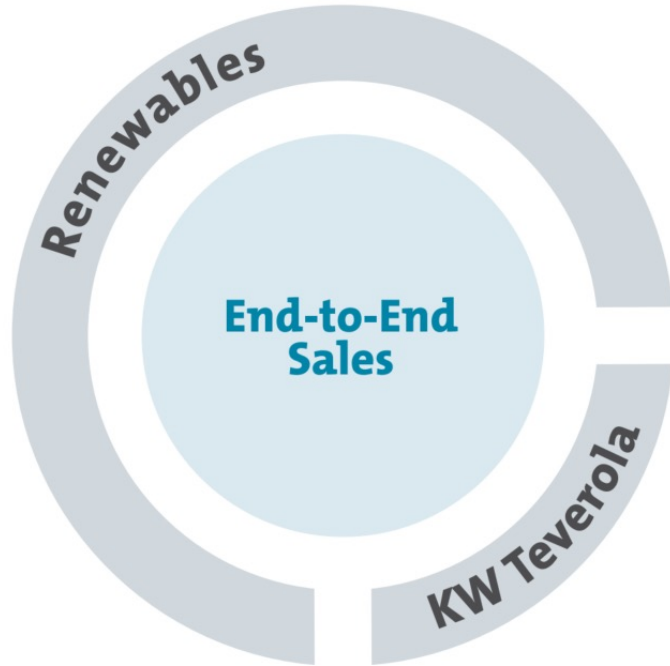


Installed capacity (MW)
CHF 43 million



Outlook for Market Italy

Strategic business units



End-to-end sales

- Steady growth in sales of electricity and gas to SME customers
- Ongoing development of innovative value added services to differentiate from competition

Renewables

- Expanding renewable generation assets, in particular solar and onshore wind power installations
- Campolattaro pumped-storage plant driven forward

Teverola plant

- Assuring grid stability in Centro Sud region
- Maintaining profitable operation

Select Repower Italia projects

Full pipeline of projects

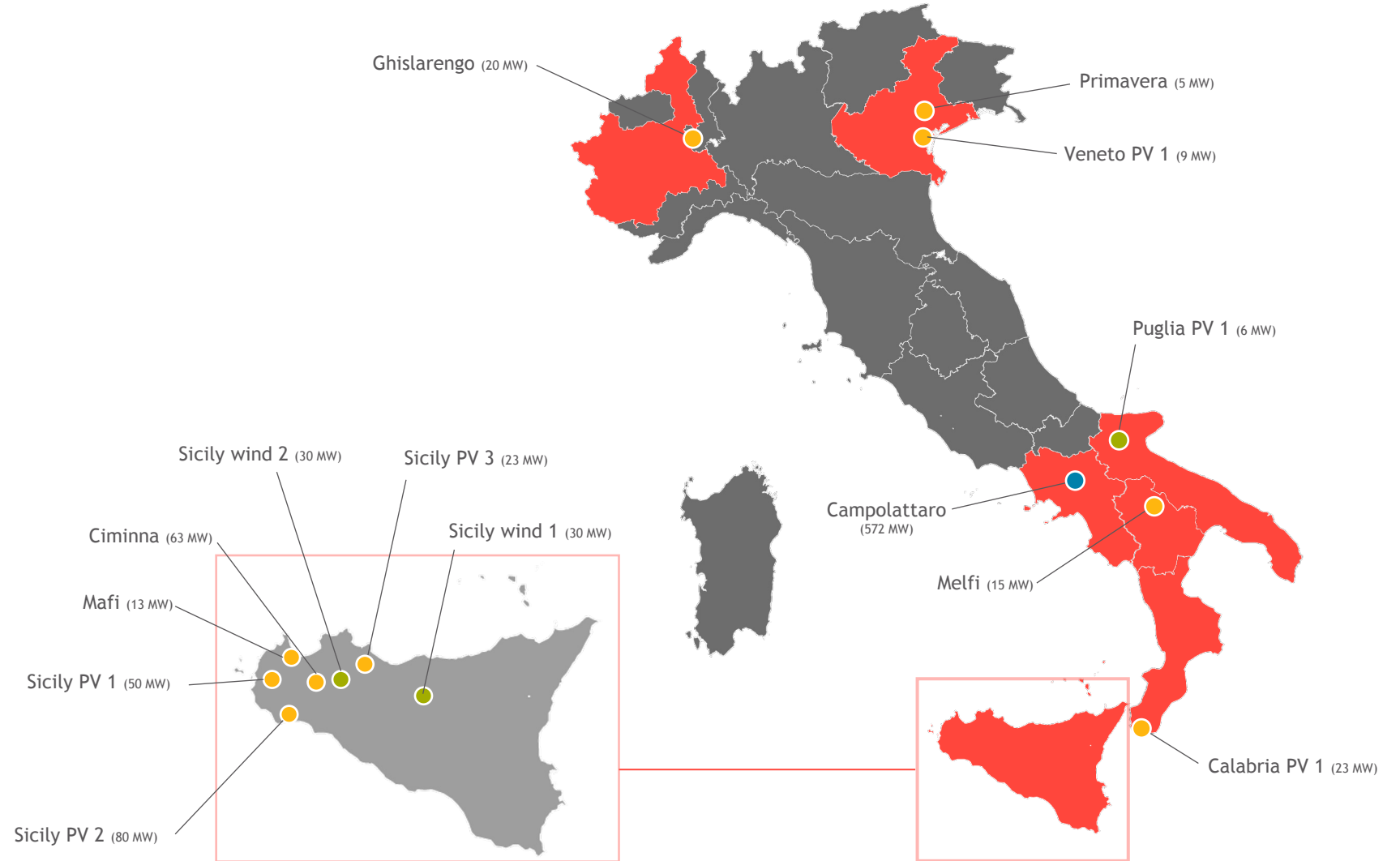
- Wind power
- Solar power
- Hydropower

Approved

Ghislarengo	20 MW
Ciminna	63 MW
Mafi	13 MW
Primavera	5 MW
Melfi	15 MW

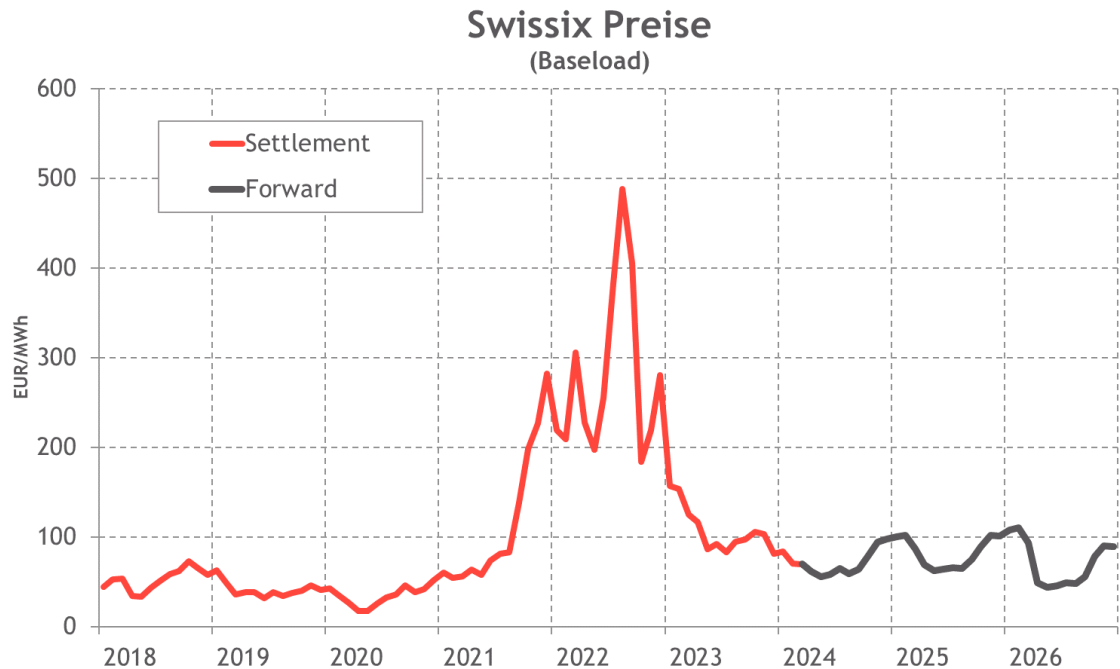
In process of approval

Sicily PV 1	50 MW
Sicily PV 2	80 MW
Sicily PV 3	23 MW
Sicily wind 2	30 MW
Veneto PV 1	9 MW
Campolattaro	572 MW
Calabria PV 1	23 MW
Sicily wind 1	30 MW
Puglia PV 1	6 MW



Market trends and government regulation

Downtrend on electricity market, groundbreaking political decisions



Source: EPEX

Electricity market

- Market prices trending downwards, still highly volatile. Lower price expectations.
- Hedging of own production: Repower is fully hedged for 2024. Hedging rate for 2025 is high.

Regulation

- Referendum on Electricity Act: support for investment in renewables, more winter power
- Energy agreement with the EU: Access to European single energy market, electricity market liberalisation

120 years of Repower

We're celebrating our anniversary



“Power, plants, people”: book marking Repower’s 120-year anniversary



Repower gets down to work: a dozen voluntary work projects in the canton



Reopening of Robbia power plant: open day



Questions

Agenda

Next dates in the financial agenda

Key dates

15 May 2024	Annual general meeting in Landquart
3 September 2024	Half-year results
9 April 2025	Annual media conference, annual financial statements



MANY THANKS!

9 April 2024

REPOWER
Unsere Energie für Sie.