10 August 2023

H1 2023 Results

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Markus Krebber

Chief Executive Officer, RWE AG

Excellent operational performance while delivering profitable growth

Strong earnings development across all core segments, notably driven by strong Hydro/Biomass/Gas and Supply & Trading performance; full year guidance increased

Marked green capacity growth of 5.1 GW and further **7.2 GW under construction**

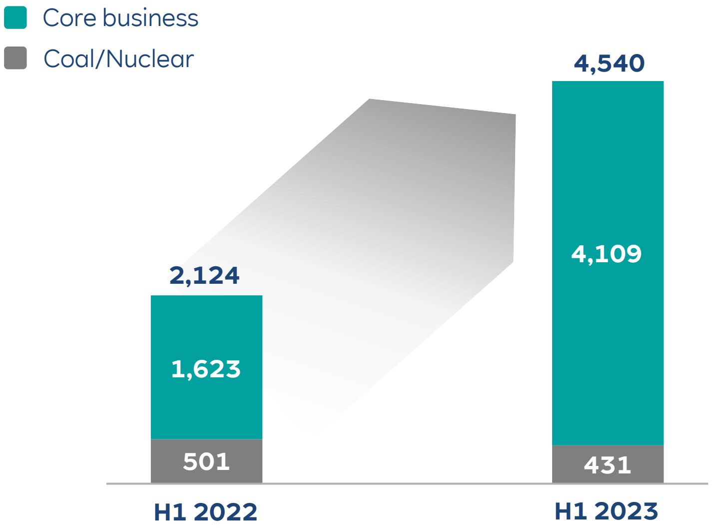
Secured profitable growth in Offshore Wind: FID for Thor in Denmark (1.1 GW) and CfD award for Dublin Array (0.8 GW)

More ambitious CO_2 reduction targets set – SBTi approval for **1.5-degree CO_2 emission reduction path** under way

Capital Market Day to take place in London on 28 November 2023

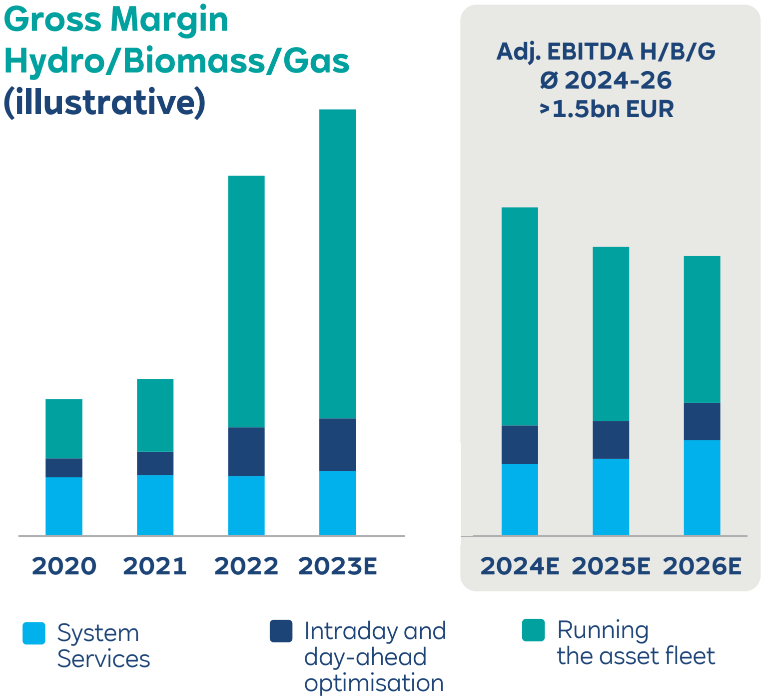
Strong earnings across the entire core business

Group EBITDA
in EUR m



- **Profitable green investments** deliver **increase in earnings** and attractive returns
- **Strong performance** across the entire **core business**
- **Outstanding contribution** of **Hydro/Biomass/Gas** and **Supply & Trading** division, proves our robust, integrated business model

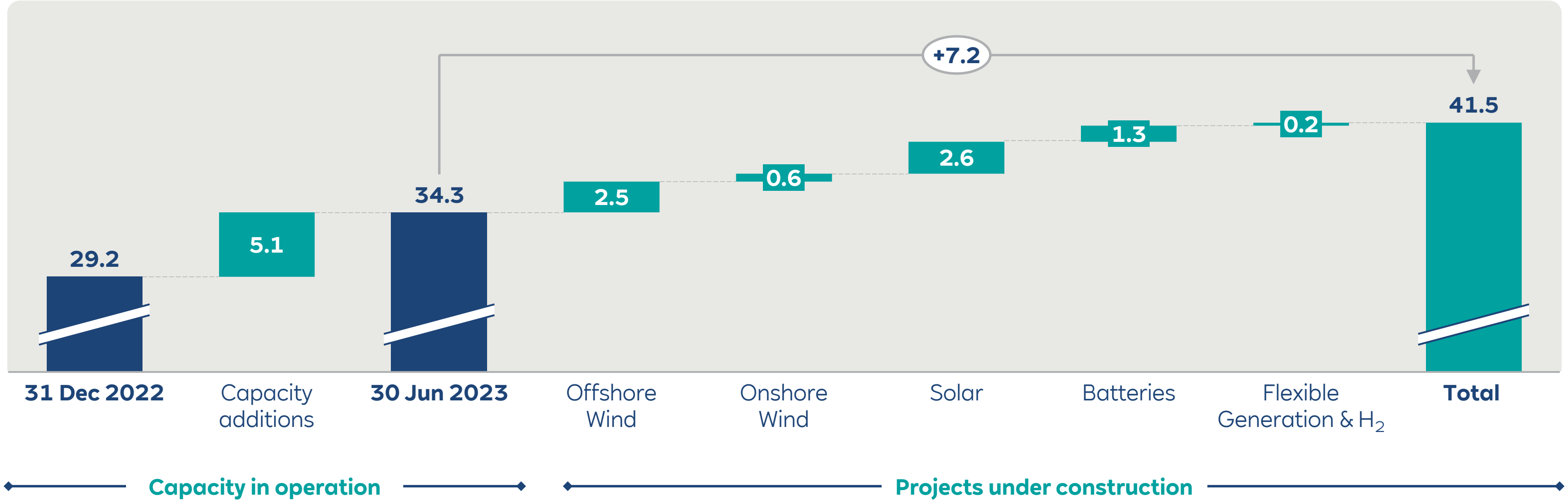
Flexible Generation to deliver strong earnings today and in the years to come



- **System services** include secured revenues from capacity payments and other regulated margins
  - Driven by scarcity of flexible generation
- **Intraday and day-ahead optimisation**
  - Driven by volatility and intermittency
- **Running the asset fleet** captures the clean spread and option value of the asset
  - Driven by clean spreads and volatility in forward markets

Green generation portfolio increased by 5.1 GW in first half of 2023

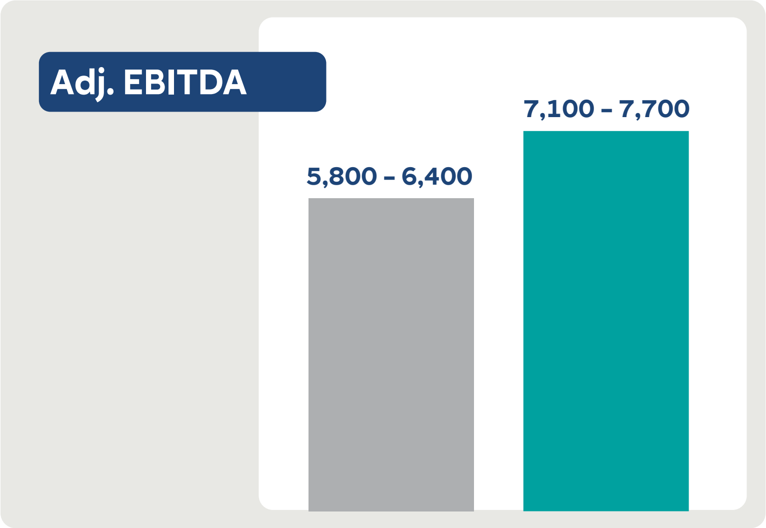
Development of our green generation portfolio
GW pro rata

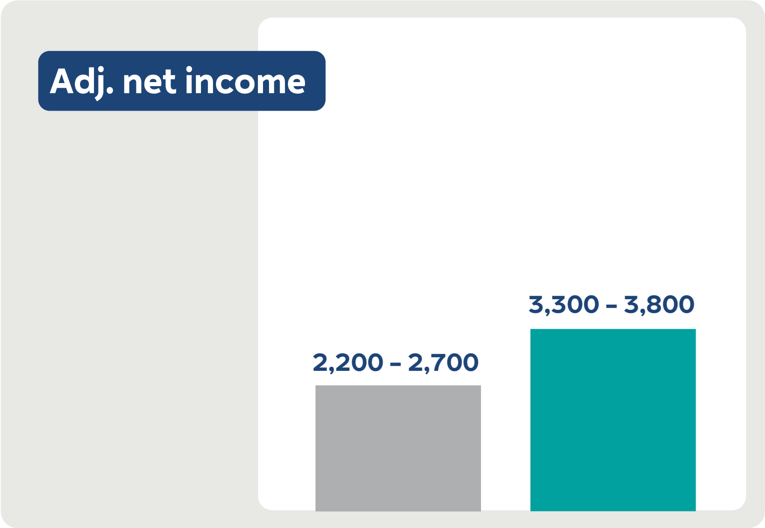


Note: Rounding differences may occur.

Improved outlook on the back of strong operational performance

FY 2023
in EUR m





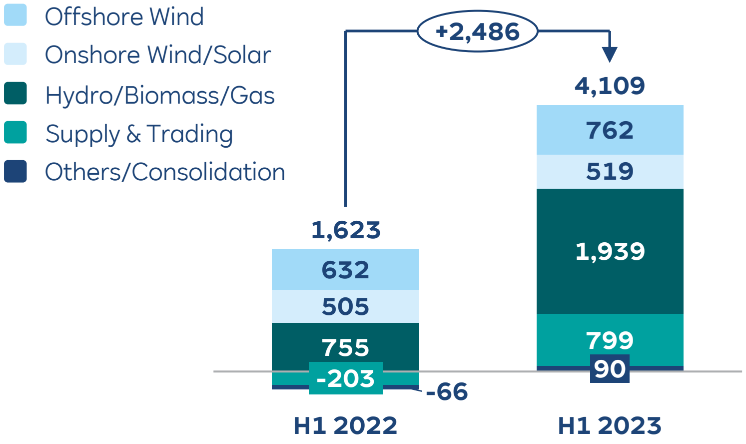
Old Outlook New Outlook

Michael Müller

Chief Financial Officer, RWE AG

Strong earnings driven by capacity additions, flexible generation performance and Supply & Trading

Core adj. EBITDA
in EUR m



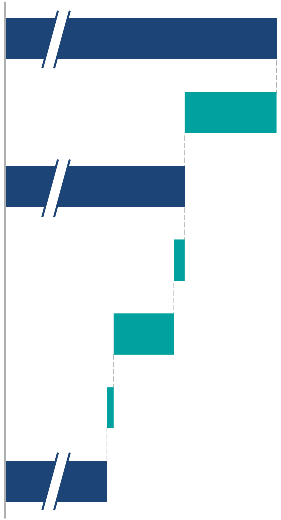
- **Offshore Wind** earnings up on the back of capacity additions (Triton Knoll & Kaskasi) and higher hedged prices, partly offset by lower wind conditions
- **Onshore Wind/Solar** increased due to capacity additions, mainly CEB, partly offset by lower realised prices and lower wind conditions
- **Hydro/Biomass/Gas** earnings driven by strong short term asset optimisation and hedges at attractive price levels
- **Supply & Trading** result up based on continued good performance in H1 and negative one-off in 2022

Adj. EBITDA for RWE Group, incl. Coal/Nuclear, amounts to **€4,540 million**

Adjusted net income reflects strong operational performance

Adj. net income
in EUR m

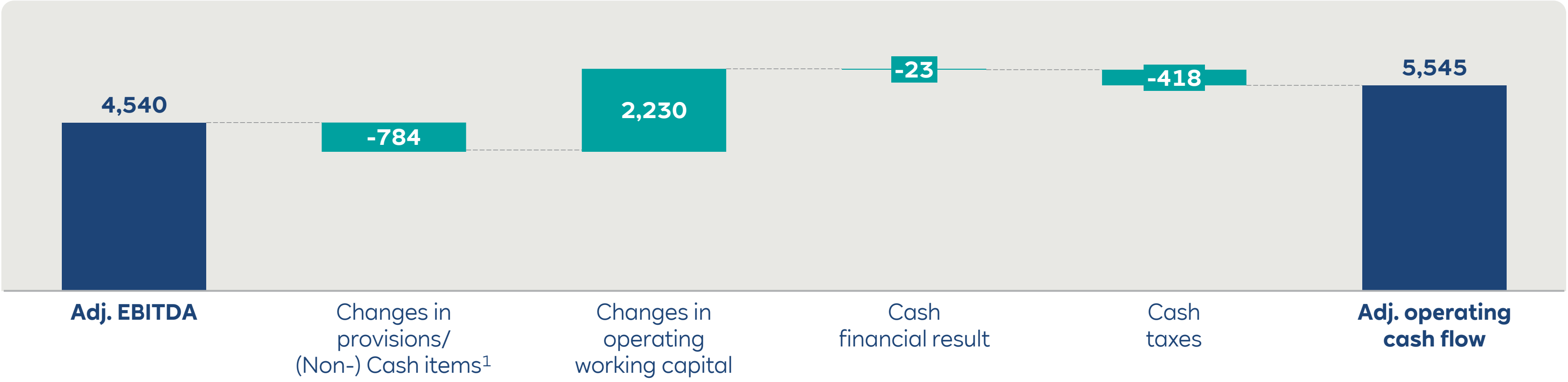
	H1 2022	H1 2023
Adj. EBITDA H1 2023	2,124	4,540
Adj. depreciation	-753	-1,034
Adj. EBIT	1,371	3,506
Adj. financial result	-124	-121
Adj. tax	-188	-677
Adj. minority interest	-109	-76
Adj. net income H1 2023	950	2,632



- **Adj. EBITDA** driven by strong operational performance in 2023 and negative one-off in 2022
- **Adj. depreciation** increased in line with growth investments
- **Adj. financial result** stable due to offsetting interest rate effects
- **Adj. tax** applying general tax rate of 20 % for the RWE Group
- **Adj. minority interest** reflects lower earnings contributions from minority shares

Adjusted operating cash flow marked by strong operating result and positive working capital effects

Reconciliation to adj. operating cash flow for H1 2023
in EUR m

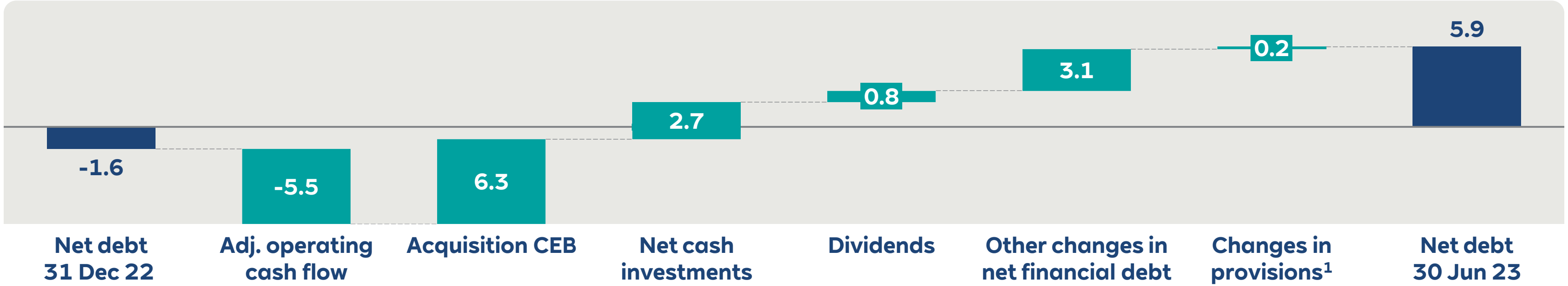


Changes in operating working capital mainly driven by the decrease of inventories of gas in storage and a decrease in trade receivables

[1] Excludes nuclear provisions since utilisation is not net debt effective and will be refinanced via financial debt.

Net debt increases due to CEB acquisition, green growth and timing effects from hedging activities

Development of net debt in H1 2023
in EUR bn (+ net debt/- net assets)



Acquisition of CEB also includes acquired external debt and wind/solar provisions

Net cash investments in green growth, incl. Magnum and JBM solar acquisitions

Dividend pay-out to RWE shareholders and minorities

Other changes in net financial debt includes timing effects from hedging and trading activities

Changes in provisions mainly driven by increase of pension provisions

[1] Includes pension and wind/solar provisions but excludes nuclear provisions as they are not part of adj. operating cash flow. | Note: Rounding differences may occur.

Outlook for full year 2023 significantly raised on the back of strong H1 performance

Group outlook FY 2023
in EUR m

	Old Outlook	New Outlook
Core adj. EBITDA	4,800 – 5,400	**6,300 – 6,900**
Adj. EBITDA RWE Group	5,800 – 6,400	**7,100 – 7,700**
Adj. depreciation	-2,200	**-2,100**
Adj. EBIT	3,600 – 4,200	**5,000 – 5,600**
Adj. financial result	-550	**-550**
Adj. tax	20%	**20%**
Adj. minorities	-250	**-250**
Adj. net income	2,200 – 2,700	**3,300 – 3,800**
Dividend target (€/Share)	1.00	**1.00**

Divisional outlook FY 2023 (adj. EBITDA)
in EUR m

		Old Outlook	New Outlook
Core	**Offshore Wind**	1,400 – 1,800	**1,400 – 1,800**
Core	**Onshore Wind/Solar**	1,100 – 1,500	**1,100 – 1,500**
Core	**Hydro/Biomass/Gas**	1,750 – 2,150	**2,600 – 3,000**
Core	**Supply & Trading**	300 – 600	**significantly above 600**
Core	**Other/Consolidation**	~ -200	**~ -200**
	Coal/Nuclear	800 – 1,200	**800 – 1,200**

Appendix

Earnings up due to capacity additions

Key financials H1 2023 – Offshore Wind

€ million	H1 2023	H1 2022	Change
Adj. EBITDA	**762**	**632**	**130**
t/o non-recurring items	-	-	-
Adj. depreciation	-351	-298	-53
Adj. EBIT	**411**	**334**	**77**
t/o non-recurring items	-	-	-
Gross cash investments[1]	**-630**	**-1,144**	**514**
Gross cash divestments[1]	**+3**	**+13**	**-10**

Adj. EBITDA H1 2023 vs. H1 2022

- (+) Higher earnings due to capacity additions (Triton Knoll & Kaskasi)
- (+) Higher hedged prices
- (–) Lower wind conditions

Adj. EBITDA Outlook 2023 vs. FY 2022 — 1,400 – 1,800

- (+) Normalised wind conditions for the rest of the year and FY contribution of assets commissioned during 2022
- (+) Higher hedge prices partly offset by regulatory intervention
- (–) Additional development expenses for mid/long term growth

[1] Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Earnings up thanks to CEB acquisition and organic growth

Key financials H1 2023 – Onshore Wind/Solar

€ million	H1 2023	H1 2022	Change
Adj. EBITDA	**519**	**505**	**14**
t/o non-recurring items	31[2]	-	31[2]
Adj. depreciation	-332	-224	-108
Adj. EBIT	**187**	**281**	**-94**
t/o non-recurring items	31[2]	–	31[2]
Gross cash investments[1]	**-5,038**	**-766**	**-4,272**
Gross cash divestments[1]	**32**	**6**	**26**

Adj. EBITDA H1 2023 vs. H1 2022

- (+) Earnings contribution from CEB (1 March) and organic capacity additions
- (–) Lower realised electricity prices
- (–) Lower wind resources

Adj. EBITDA Outlook 2023 vs. FY 2022 1,100 – 1,500

- (+) Earnings contribution from CEB (1 March) and organic capacity additions
- (+) Normalised wind conditions for the rest of the year
- (–) Regulatory intervention
- (–) Development expenses for mid/long term growth

[1] Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | [2] Book gains from asset rotation

Exceptional earnings development on the back of strong operational performance

Key financials H1 2023 – Hydro/Biomass/Gas

€ million	H1 2023	H1 2022	Change
Adj. EBITDA	**1,939**	**755**	**1,184**
t/o non-recurring items	78[2]	–	78[2]
Adj. depreciation	-240	-160	-80
Adj. EBIT	**1,699**	**595**	**1,104**
t/o non-recurring items	78[2]	–	78[2]
Gross cash investments[1]	**-638**	**-162**	**-476**

Adj. EBITDA H1 2023 vs. H1 2022

- Higher earnings from strong short-term asset optimisation
- Higher margins hedged at attractive price levels

Adj. EBITDA Outlook 2023 vs. FY 2022 — 2,600 – 3,000

- Earnings contribution from capacity additions (Magnum (NL) and Biblis (D) gas plants)
- Higher earnings from strong short-term asset optimisation

[1] Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | Note: Including 37.9% stake in Kelag. | [2] Land sales

Strong performance of the trading business and absence of negative one-off

Key financials H1 2023 – Supply & Trading

€ million	H1 2023	H1 2022	Change
Adj. EBITDA	**799**	**-203**	**1,002**
t/o non-recurring items	–	-748	748
Adj. depreciation	-23	-19	-4
Adj. EBIT	**776**	**-222**	**998**
t/o non-recurring items	–	–	–
Gross cash investments[1]	**-128**	**-20**	**-108**

Adj. EBITDA H1 2023 vs. H1 2022

- Strong performance across almost all commodities and regions
- Earnings increase driven by absence of negative restated one-off[2]

Adj. EBITDA Outlook 2023 vs. FY 2022

significantly above 600

- Continued strong performance across almost all commodities and regions, but below extraordinary FY2022
- Absence of negative one-off

[1] Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | [2] Restatement of €748 million due to sanctions on coal deliveries from Russia.

Earnings down due to lower realised power prices for unhedged volumes

Key financials H1 2023 – Coal/Nuclear

€ million	H1 2023	H1 2022	Change
Adj. EBITDA	**431**	**501**	**-70**
t/o non-recurring items	–	–	–
Adj. depreciation	-87	-53	-34
Adj. EBIT	**344**	**448**	**-104**
t/o non-recurring items	–	–	–
Gross cash investments[1]	**-130**	**-86**	**-44**

Adj. EBITDA H1 2023 vs. H1 2022

- (–) Lower realised margins on unhedged positions
- (–) Higher maintenance costs

Adj. EBITDA Outlook 2023 vs. FY 2022 — 800 – 1,200

- (+) Higher hedged margins
- (–) Lower prices on unhedged volumes
- (–) Absence of production from Emsland nuclear power plant

[1] Gross cash investments: Sum of investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures.

Economic net debt

Net assets/net debt
in EUR m

	30 Jun 2023	31 Dec 2022	+/-
Cash and cash equivalents	8,523	6,988	1,535
Marketable securities	8,175	13,730	-5,555
Other financial assets	3,964	8,543	-4,579
Financial assets	**20,662**	**29,261**	**-8,599**
Bonds, other notes payable, bank debt, commercial paper	-14,764	-15,621	857
Hedging of bond currency risk	3	8	-5
Other financial liabilities	-5,155	-5,382	227
Financial liabilities	**-19,916**	**-20,995**	**1,079**
Plus 50% of the hybrid capital stated as debt	289	299	-10
Net financial assets (including correction of hybrid capital)	**1,035**	**8,565**	**-7,530**
Provisions for pensions and similar obligations	-964	-900	-64
Surplus of plan assets over benefit obligations	579	680	-101
Provisions for nuclear waste management	-5,502	-5,704	202
Provisions for dismantling wind and solar farms	-1,064	-1,011	-53
Net assets (+)/net debt (–)	**-5,916**	**1,630**	**-7,546**

Net debt definition

- Net debt does not contain mining provisions, which essentially cover our obligations to recultivate opencast mining areas
- Financial assets we currently use to cover these provisions are also not part of the net debt, i.e.
  - €2.6bn claim against the state for damages arising from the lignite phaseout
  - 15 % stake in E.ON