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Q1 2022 Results

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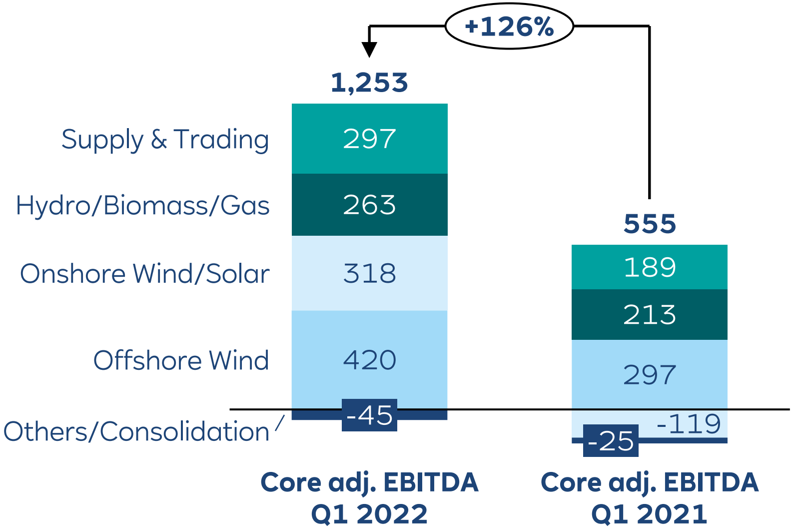
Good operational start to the year, although overshadowed by the war in Ukraine and its consequences

- **Good operational performance** in Q1 2022 leading to a core adj. EBITDA of €1.3bn, Group adj. EBITDA of €1.5bn and adj. net income of €0.7bn
- **Guidance** for 2022 **confirmed**
- Positions with **exposure to Russian counterparties** were actively managed – UK and EU sanctions lead to write-off of hard coal contract, loss of €0.85bn booked in non-operating result
- **Expansion of green energy well underway**
  - 200 MW El Algodon Alto US onshore wind farm commissioned in Q1 2022, 857 MW UK offshore wind farm Triton Knoll fully operational since April
  - 5.6 GW of green energy under construction, while 1.1 GW of US solar projects[1] are delayed due to US regulatory interventions for imports on Asian solar panels (WRO, AD/CVD)
  - "Easter package" paves the way for green buildout in Germany
- **Success in GB capacity auction** with 6,647 MW of flexible generation capacity at £30.59 per kW for delivery in Q4 2025 - Q3 2026

[1] including capacity from co-located batteries.

Good operational performance – strong increase in earnings compared to the previous year

Core adj. EBITDA Q1 2022 vs. Q1 2021, € million



- **Offshore Wind** earnings up on the back of Rampion consolidation effect and Triton Knoll pre-commissioning income, favourable wind conditions and higher power prices
- **Onshore Wind/Solar** earnings marked by the absence of one-off effects (Texas cold snap, book gains), capacity additions and higher power prices
- **Hydro/Biomass/Gas** earnings driven by strong short-term asset optimisation and higher hedged generation margins, while the outage at Claus C partly offset the effects
- **Supply & Trading** with a very strong trading result even above last year's very strong quarter

Adj. EBITDA for RWE Group, incl. Coal/Nuclear amounts to **€1,460 million (+65% vs prev. year)**

War in Ukraine requires active risk management – UK & EU sanctions leading to €850m write-off in non-operating result

UK & EU sanctions prevent Russian coal deliveries

- Due to UK sanctions, RWE has not accepted hard coal deliveries from Russian counterparties since the end of March 2022. EU sanctions take effect from August 2022
- Sanctions lead to write-off of market value of 12m tonnes hard coal contract
- Write-off of €850m included in Q1 non-operating result

Actively managed gas supply contracts to mitigate risk

- Exposure reduced through active portfolio management
- Remaining current financial exposure < 4 TWh

Additional liquidity secured to cope with volatility in commodity markets

- New €3bn committed RCF until 2024; existing €5bn until 2026
- Additional short-term credit lines extended to manage liquidity needs

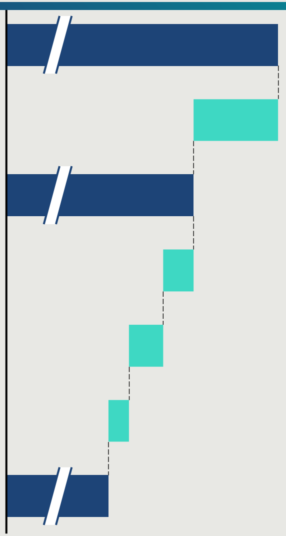
Counterparty risks continuously managed

- Strict monitoring and credit limit management

Strong adj. net income due to good operational performance

Adj. net income, € million

Q1 2021	Q1 2022	
883	**Adj. EBITDA Q1 2022**	**1,460**
-335	Adj. depreciation	-362
548	**Adj. EBIT**	**1,098**
-130	Adj. financial result	-129
-63	Adj. tax	-146
-15	Adj. minority interest	-88
340	**Adj. net income Q1 2022**	**735**

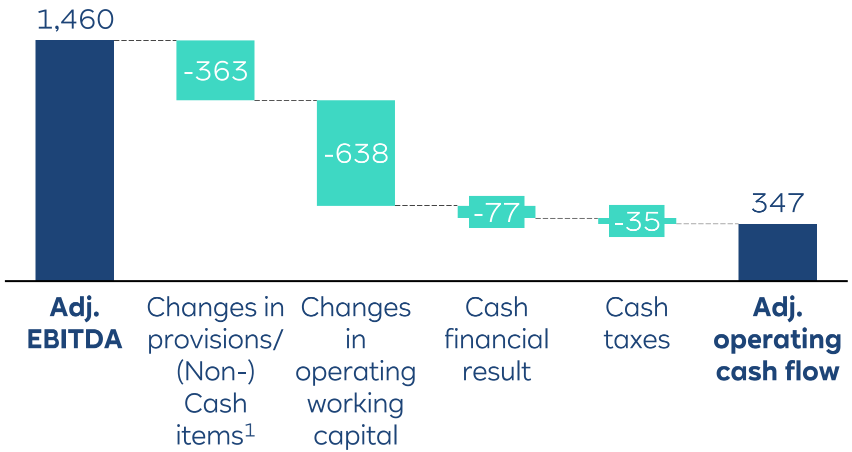


- **Adj. EBITDA** driven by strong operational performance
- **Adj. depreciation** increases in line with growth investments
- **Adj. financial result** in line with previous year
- **Adj. tax** applying general tax rate of 15% for the RWE Group[1]
- **Adj. minority interest** up based on strong operational performance and portfolio effects

[1] General tax rate of 15% for the planning horizon is based on a blended calculation of local tax rates, the use of loss carry forwards and low taxed dividend income, e.g. from E.ON and Amprion.

Adj. operating cash flow mainly driven by seasonal effects in working capital

Reconciliation to adj. operating cash flow for Q1 2022
€ million

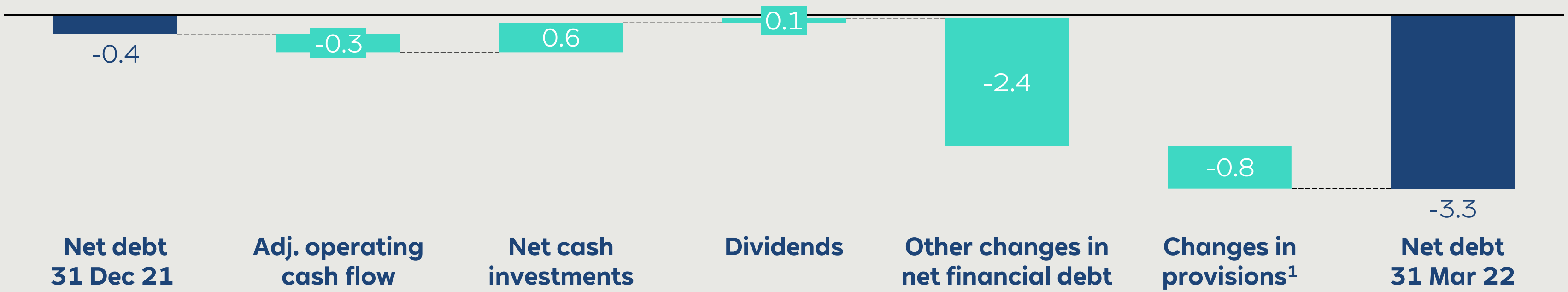


- **Changes in provisions/(Non-) Cash items** mainly driven by legacy and restructuring business
- **Negative effects in operating working capital** mainly due to the seasonal effect from the purchase of CO2 certificates which is partly compensated by an increase in liabilities and reduction of trade receivables
- **Cash financial result** mainly impacted by interest payments

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

Increase of net assets due to timing effects as well as higher interest rates for pension provisions

Development of net debt in Q1 2022, € billion
(+ net debt / - net assets)



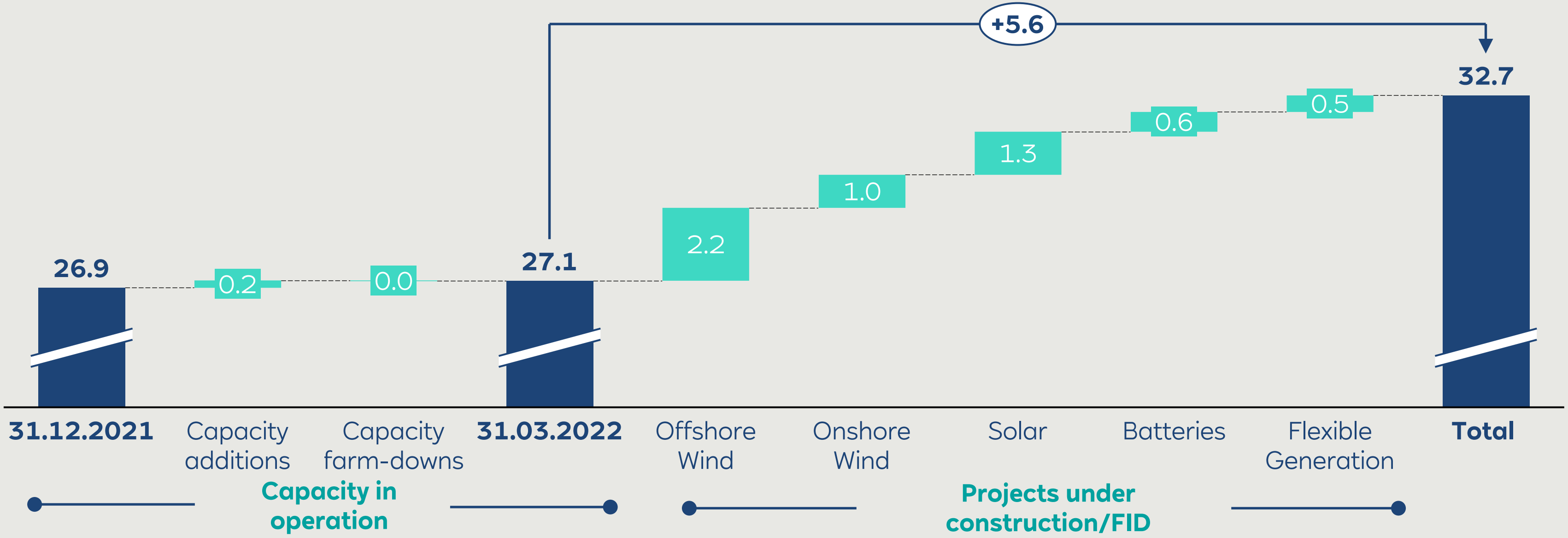
→ **'Other changes in net financial debt'** include mainly timing effects such as variation margins from hedging and trading activities

→ **'Changes in provisions'** driven by decrease of pension provisions due to higher discount rates albeit a partly compensating effect from a negative performance of plan assets

[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.

Continuous green growth ensured across all technologies

Development of our green generation portfolio, GW pro rata



Outlook for FY 2022 confirmed

Group outlook FY 2022, € million

Core adj. EBITDA	**2,900 – 3,300**
Adj. EBITDA RWE Group	**3,600 – 4,000**
Depreciation	~-1,600
Adj. EBIT	**2,000 – 2,400**
Adj. Financial result	~-250
Adj. Tax	15%
Adj. Minorities	~-200
Adj. Net income	**1,300 – 1,700**
Dividend target	**€0.90 per share**

Divisional outlook FY 2022– adj. EBITDA, € million

Offshore Wind	**1,350 – 1,600**
Onshore Wind/Solar	**650 – 800**
Hydro/Biomass/Gas	**700 – 900**
Supply & Trading	**150 – 350**
Other/Consolidation	**~-150**
Coal/Nuclear	**650 – 750**

Outlook as of Feb 2022.

Appendix

Key sensitivities to our planning assumptions for FY2022

Driver	Segment	Type	Sensitivity	Group impact[1]
Wind levels	Offshore Wind	P&L	+/- 10% production	+/- €200 million
	Onshore Wind/Solar	P&L	+/- 10% production	+/- €150 million
Main f/x (USD & GBP)	RWE Group	P&L	+/- 10%	+/- €180 million
CO_2 prices	RWE Group	P&L	+/- €1/t	Hedged until 2030
Pension provisions	RWE Group Germany	B/S	+/- 0.1%	-€145/+€165 million[3]
	RWE Group abroad	B/S	+/- 0.1%	-€95/+€105 million[3]
Nuclear provisions	RWE Group	B/S	+/- 0.1%[2]	-/+ €40 million
Mining provisions	RWE Group	B/S	+ 0.1%[2] - 0.1%[2]	- €130 million + €140 million

[1] All figures are rounded numbers. P&L figures refer to adjusted EBITDA. | [2] Change in real discount rate (net effect from change in nominal discount rate and escalation rate). | [3] Gross effect of changes in present value of defined benefit obligations. No offsetting effect from development of plan assets included. | Note: as of end of Dec 2021.

Offshore Wind: Earnings up mainly due to portfolio effects, favourable wind conditions and higher power prices

Key financials
Q1 2022 – Offshore Wind

€ million	Q1 2022	Q1 2021	change
Adj. EBITDA	**420**	**297**	**123**
t/o non-recurring items	-	-	-
Depreciation	-142	-94	-48
Adj. EBIT	**278**	**203**	**75**
t/o non-recurring items	-	-	-
Gross cash investments[1]	**-168**	**-725**	**557**
Gross cash divestments[1]	**+6**	**+5**	**1**

Adj. EBITDA Q1 2022 vs. Q1 2021

- + Higher earnings due to Rampion full consolidation[2] as well as pre-commissioning income from Triton Knoll
- + Higher earnings from better wind resource (Q1 2022 slightly above average vs Q1 2021 below average)
- + Higher power prices for unhedged volumes

Outlook 2022
€1,350m – €1,600m

Adj. EBITDA Outlook 2022 vs. FY 2021

- + Higher earnings from return to normalised weather conditions
- + Higher earnings from construction projects: Triton Knoll and Kaskasi
- + Consolidation effect from Rampion for a full year
- + Higher power prices, partly offset by lower ROC recycle value and start of drop in German compression model

[1] Gross cash (di-)investments: Sum of (di-)investments in (in-)tangible and financial assets, loans to non-consolidated affiliates and capital measures. | [2] RWE stake increased by 20% to 50.1% as of 1 Apr 2021.

Onshore Wind/Solar: Good operating performance and lack of negative one-offs

Key financials
Q1 2022 – Onshore Wind/Solar

€ million	Q1 2022	Q1 2021	change
Adj. EBITDA	**318**	**-119**	**437**
t/o non-recurring items	-	-296	296
Depreciation	-105	-95	-10
Adj. EBIT	**213**	**-214**	**427**
t/o non-recurring items	-	-296	296
Gross cash investments[1]	**-302**	**-257**	**-45**
Gross cash divestments[1]	**+2**	**+306**	**-304**

Adj. EBITDA Q1 2022 vs. Q1 2021

- (+) No one-off effects (- Texas cold snap | + book gains farm-down)
- (+) Higher power prices for unhedged volumes
- (+) Increase in earnings from capacity additions
- (+) Higher earnings from better wind resource (Q1 2022 slightly above average vs Q1 2021 below average)

Adj. EBITDA Outlook 2022 vs. FY 2021

Outlook 2022
€650m – €800m

- (+) No one-offs assumed
- (+) Increase in earnings from capacity additions
- (+) Higher earnings from return to normalised weather conditions
- (+) Higher power prices for unhedged volumes
- (−) Increased development expenses for mid-to-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.

Hydro/Biomass/Gas: Earnings up due to higher margins despite outage at Claus C

Key financials
Q1 2022 – Hydro/Biomass/Gas

€ million	Q1 2022	Q1 2021	change
Adj. EBITDA	**263**	**213**	**50**
t/o non-recurring items	-	-	-
Depreciation	-78	-72	-6
Adj. EBIT	**185**	**141**	**44**
t/o non-recurring items	-	-	-
Gross cash investments[1]	**-58**	**-20**	**-38**

Adj. EBITDA Q1 2022 vs. Q1 2021

- \+ Higher earnings from strong short-term asset optimisation
- \+ Higher hedged generation margins
- – Lower earnings due to unplanned outage at Claus C (Jan – mid Apr 22)
- – Lower income from GB capacity payments

Adj. EBITDA Outlook 2022 vs. FY 2021

Outlook 2022
€700m – €900m

- \+ Higher hedged generation margins
- \+ One-off from sale of land at former GB generation asset
- – Lower earnings contribution from short-term asset optimisation vs. high level in previous year
- – Lower income from GB capacity payments
- – Lower earnings due to unplanned outage at Claus C

[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.

Supply & Trading: Outstanding trading performance

Key financials
Q1 2022 – Supply & Trading

€ million	Q1 2022	Q1 2021	change
Adj. EBITDA	**297**	**189**	**108**
t/o non-recurring items	-	-	-
Depreciation	-9	-11	2
Adj. EBIT	**288**	**178**	**110**
t/o non-recurring items	-	-	-
Gross cash investments[1]	**-7**	**-13**	**6**

Adj. EBITDA Q1 2022 vs. Q1 2021

+ Outstanding results from trading business

Outlook 2022
€150m - €350m

Adj. EBITDA Outlook 2022 vs. FY 2021

– Return to normalised earnings level after very high earnings contribution in 2021

- Long-term average earnings of ~€250 million

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

Coal/Nuclear: Solid earnings despite lower generation margins related to capacity closures

Key financials
Q1 2022 – Coal/Nuclear

€ million	Q1 2022	Q1 2021	change
Adj. EBITDA	**207**	**328**	**-121**
t/o non-recurring items	-	-	-
Depreciation	-27	-63	36
Adj. EBIT	**180**	**265**	**-85**
t/o non-recurring items	-	-	-
Gross cash investments[1]	**-33**	**-41**	**8**

Adj. EBITDA Q1 2022 vs. Q1 2021

- Lower generation margins due to capacity closures partly compensated by related cost savings

Adj. EBITDA Outlook 2022 vs. FY 2021

Outlook 2022
€650m – €750m

- Lower generation margins due to capacity closures in nuclear and lignite partly compensated by related cost savings and higher generation volumes

[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 (€ million)	31 Mar 2022	31 Dec 2021	+/-
Cash and cash equivalents	6,367	5,825	542
Marketable securities	7,857	8,347	-490
Other financial assets	14,349	12,403	1,946
Financial assets	**28,573**	**26,575**	**1,998**
Bonds, other notes payable, bank debt, commercial paper	-11,582	-10,704	-878
Hedging of bond currency risk	-4	-9	5
Other financial liabilities	-6,185	-7,090	905
Financial liabilities	**-17,771**	**-17.803**	**32**
Plus 50% of the hybrid capital recognised as debt	287	290	-3
Net financial assets (including correction of hybrid capital)	**11,089**	**9,062**	**2,027**
Provisions for pensions and similar obligations	-1,282	-1,934	652
Surplus of plan assets over benefit obligations	622	459	163
Provisions for nuclear waste management	-5,937	-6,029	92
Provisions for dismantling wind and solar farms	-1,205	-1,198	-7
Net assets (+) / net debt (–)	**3,287**	**360**	**2,927**

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
  - E.ON stake of 15%

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- Investor and analyst conferences
- IR presentations & factbooks
- IR videos
- Consensus of analysts' estimates

ADR programme available

Further information on our homepage
RWE shares/ADR

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1-888-269-2377 (within the US)

Financial Calendar

- **11 August 2022**
  Interim report on the first half of 2022
- **10 November 2022**
  Interim statement on the first three quarters of 2022
- **21 March 2023**
  Annual report for fiscal 2022
- **04 May 2023**
  Annual General Meeting
- **11 May 2023**
  Interim statement on the first quarter of 2023

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