

Interim report on the first three quarters of 2023

Telephone press conference

Essen, 14 November 2023, 10:00 CET

Speech by Dr Michael Müller, CFO of RWE AG

Check against delivery

Ladies and Gentlemen,

Welcome to our press conference.

We can report an outstanding balance sheet after the first nine months of the year:

In its core business, RWE generated adjusted EBITDA of EUR 5.7 billion; at Group level it was EUR 6.2 billion. Adjusted net income was at EUR 3.4 billion.

Our earnings have thus significantly increased year on year. This is largely due to higher revenues from power generation in the Hydro/Biomass/Gas segment and a very good performance by Supply & Trading.

The commissioning of new wind, solar and battery projects as well as the earnings contribution of Con Edison Clean Energy Businesses, which was acquired as of 1 March, also played a role in this growth.

We confirm our outlook for 2023 as a whole: We are expecting adjusted EBITDA at Group level to be between EUR 7.1 billion and EUR 7.7 billion. And for adjusted net income, we are forecasting EUR 3.3 billion to EUR 3.8 billion.

Now let's look at the performance of the various segments in detail:

In the **Offshore Wind** segment, we achieved adjusted EBITDA of EUR 998 million in the first nine months of the year. The year-on-year increase can be attributed mainly to the commissioning of the offshore wind farms Triton Knoll and Kaskasi, which we put into operation in April and December last year, respectively. In addition, wind conditions were good.

In the **Onshore Wind/Solar** segment, adjusted EBITDA reached EUR 870 million. This is considerably higher than the previous year's figure, due in particular to the earnings contribution of Con Edison Clean Energy Businesses, which was acquired as of 1 March. The commissioning of new wind, solar and battery projects also contributed to the growth in earnings.

Adjusted EBITDA in the **Hydro/Biomass/Gas** segment reached about EUR 2.4 billion. This was mainly the result of higher earnings from short-term power station dispatch in our generation portfolio, and higher realised generation margins.

In the **Supply & Trading** segment, we achieved adjusted EBITDA of EUR 1.3 billion. The figure for the same period last year was EUR 194 million, since we had to post impairments in this area because of sanctions on coal supplies from Russia.

The **Coal/Nuclear** segment achieved adjusted EBITDA of EUR 483 million in the first nine months of 2023, which was significantly lower than the previous year's figure. This was partly due to lower margins from plants whose electricity production was not sold forward on a long-term basis. Some power plants also underwent extensive maintenance work during the reporting period. In addition, Emsland nuclear power plant only produced electricity until it was shut down on 15 April 2023.

During the first nine months of 2023, we invested more than EUR 10 billion in green growth, EUR 6.3 billion of which related to our acquisition in the US.

As a consequence of our investment activity, we expanded our portfolio by 5.7 gigawatts this year. About 3 gigawatts of this came from the acquisition of solar and wind power plants in the US. A further 7.8 gigawatts are currently under construction.

In addition to two large offshore wind farms in Denmark and the United Kingdom with a capacity of 2.5 gigawatts, good progress is being made on our 100 onshore wind farms, solar plants and batteries.

In parallel, we have also expanded our development portfolio. We recently celebrated three major successes in offshore wind:

- In August, we were awarded the contract for Nordseecluster B off the island of Juist. That location can accommodate two wind farms with a total capacity of 900 megawatts. We were able to obtain these areas without having to submit a negative bidding component. We had already secured the two sites at Nordseecluster A last year, with the potential for wind farms totalling 660 megawatts. If the project progresses according to plan, the offshore wind farms from Nordseecluster A could start producing electricity as early as 2027, with Nordseecluster B following in 2029.

- We have also achieved an important milestone in the implementation of our Community Offshore Wind project in the New York Bight. In October, together with our joint venture partner National Grid, we were provisionally awarded a power purchase agreement for 1.3 gigawatts. The 1.3-gigawatt project is being developed as the first of several tranches of the 3.2-gigawatt site that we won at auction at the beginning of 2022. The weighted average power purchase price for the three offshore projects awarded in this auction is USD 145 per megawatt hour, for a period of 25 years.
- We were also successful at an offshore wind auction for sites in the Gulf of Mexico, in which we secured a location for the development of up to two gigawatts.

As well as the strong growth in our portfolio, team RWE has also grown, with more than 2,000 new employees joining the company this year already.

Ladies and Gentlemen,

RWE is growing, and it is doing so very profitably.

We therefore confirm our dividend target today: For the current fiscal year, we intend to pay out EUR 1 per share, 10 euro cents more than in the previous year.

On 28 November, we will present an update of our “Growing Green” strategy at our Capital Markets Day in London.

I can’t reveal any details yet, but this much I can say: We have big plans – so watch this space.

And I now look forward to taking your questions.

Forward-looking statements

This speech contains forward-looking statements. The statements reflect the current assessments, expectations and assumptions of the management and are based on the information available to the management at the current time. Forward-looking statements provide no assurance that future events or developments will occur and are subject to known and unknown risks and uncertainties. As a result of various factors, actual future events and developments may differ materially from the expectations and assumptions expressed in this publication. In particular, these factors include changes in the general economic environment and the competitive situation. Above and beyond this, developments on the financial markets, fluctuations in exchange rates, changes to national and international law, especially with regard to tax regulations, and other factors can influence the future results and performance of the Company. Neither the Company nor any of its associated companies undertake to update the statements contained in this speech.