RWE

18 November 2025 – 4 pm CET

60 minutes with RWE
RWE’s promising position and opportunities in the battery business

Investor Call

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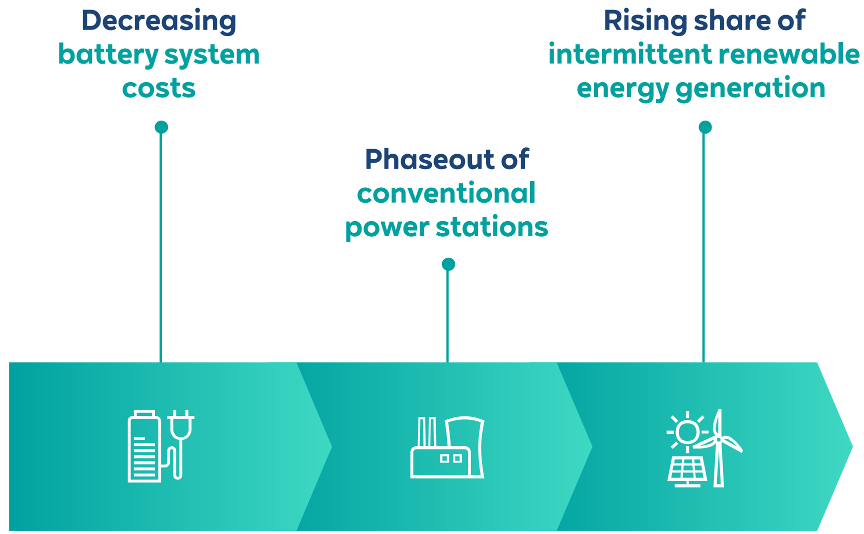
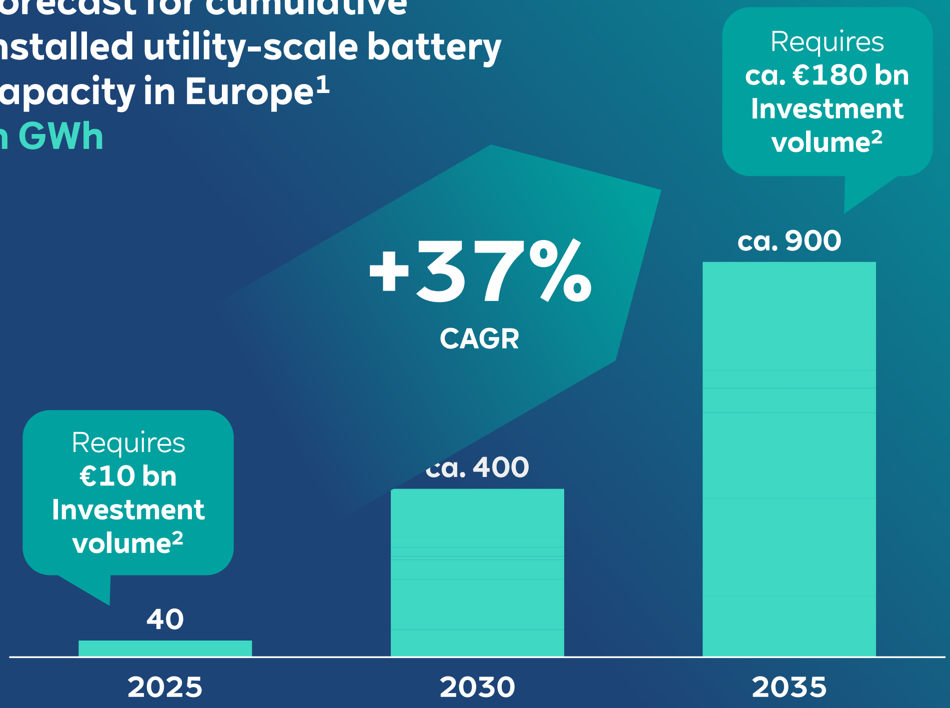
Dr. Christopher Kath, Day-ahead Planning & Dispatch

Utility-scale batteries have outstanding prospects and are turning into a multi-billion-euro business

Three trends as main drivers



Forecast for cumulative installed utility-scale battery capacity in Europe[1] in GWh



[1] Bloomberg NEF, New Energy Outlook 2025, 2025
[2] Calculation based on an estimated cost of 250 €/kWh (2025), 200 €/kWh (2035, nominal)

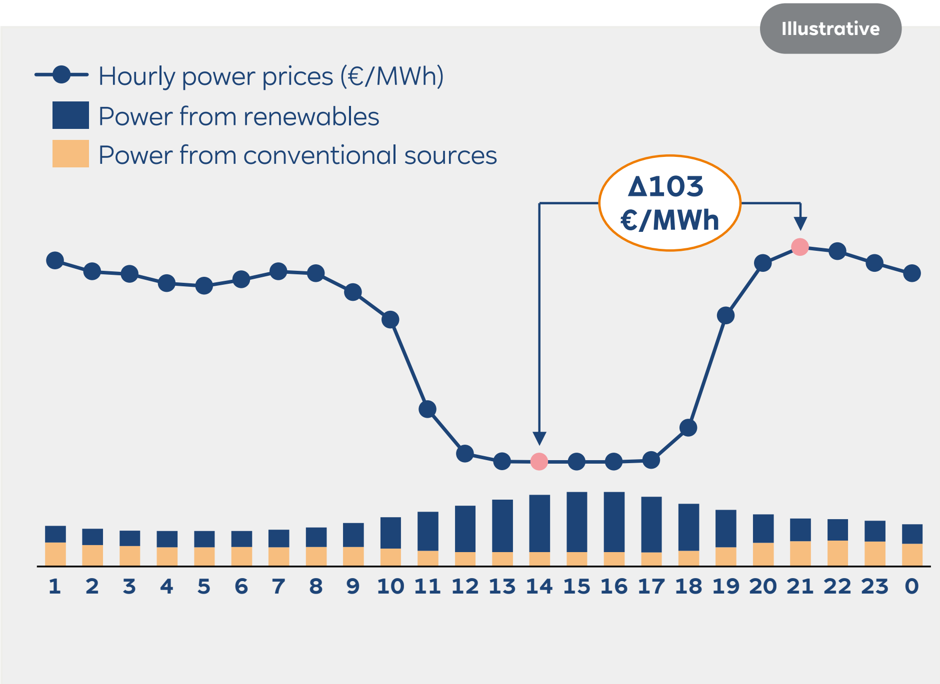
Batteries offer a wide range of attractive business opportunities

	Market products			Grid stability products			
Use cases	Intraday	Day-ahead	Capacity	Grid operations	Frequency control	Voltage control	Supply restoration
Suitability for use cases	High efficiency Good for short-term trades	High efficiency Limited duration for long discharge periods	Provision of firm capacity for reliability	High efficiency Limited duration for extended backup	(Milli-)Second reaction time in grid following mode Virtual inertia provision possible	Provision depends on simultaneous active power	Short support duration Limited energy reserves

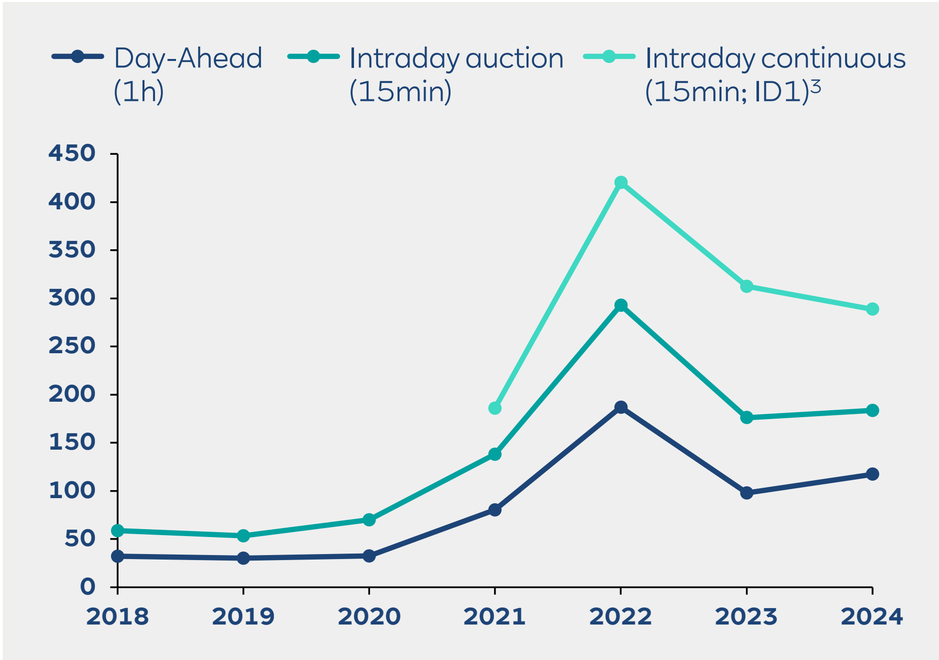
New grid stability services

Increasing price spreads as phases of oversupply alternate with phases of scarcity

Germany: hourly day-ahead price profile on a typical summer day[1]



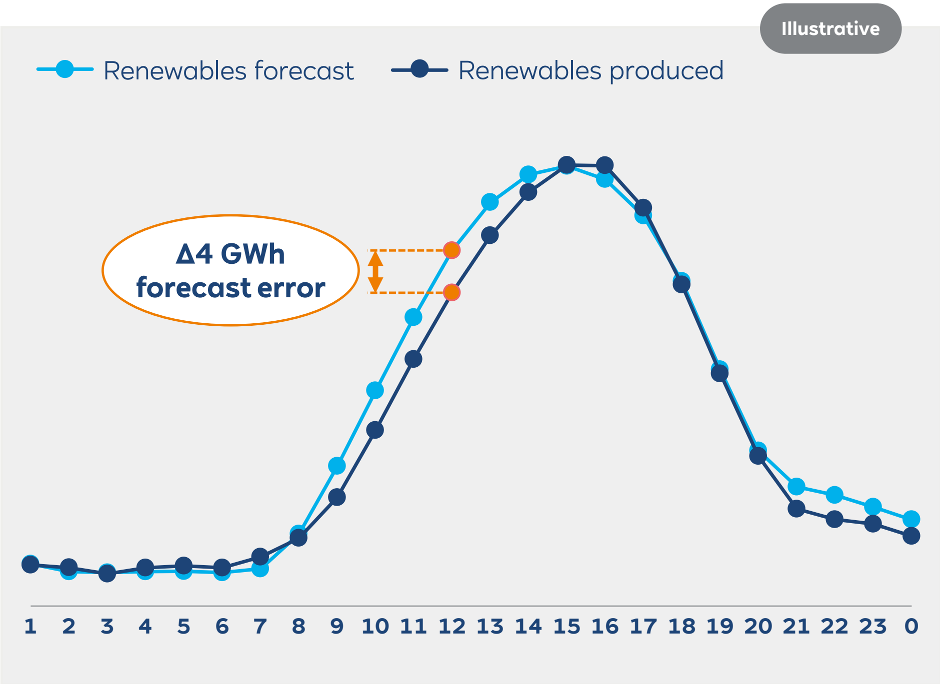
Germany: yearly price spreads in €/MWh[2]



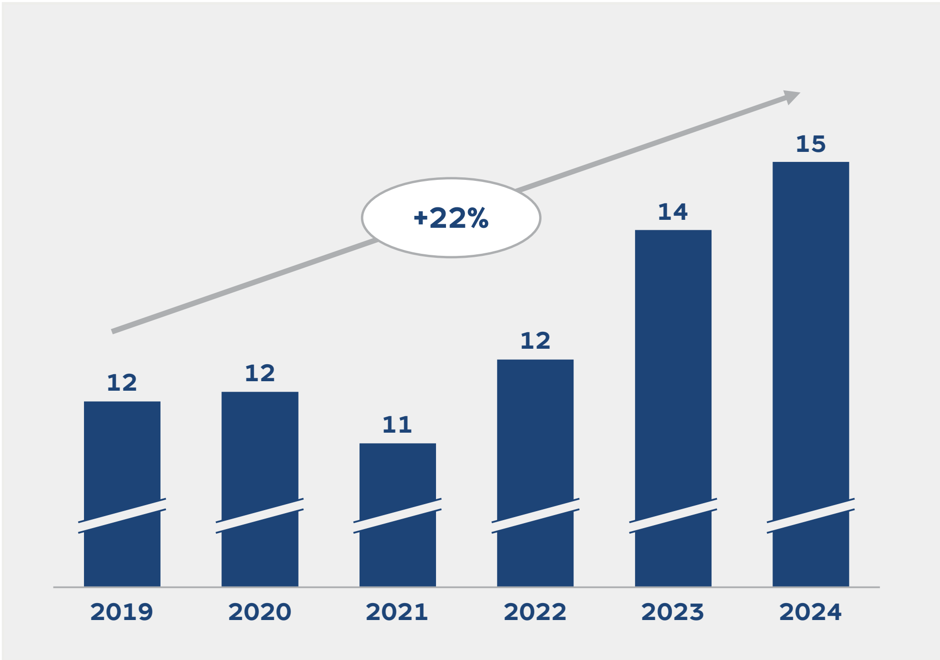
[1] August 16th, 2025; source: www.smard.de; [2] EPEX spot prices; [3] ID1 = Index reflecting volume weighted average price in the last hour before delivery

Increasing forecast errors are pushing the growth of intraday markets and volatility

Germany: renewables forecast error on a typical summer day[1]



Germany: renewables forecast error volumes per year in TWh[2]



[1] August 16th, 2025; source: www.smard.de; [2] ENTSO-E data on day-ahead forecast of renewables feed-ins vs. actual feed-ins, quarter-hourly resolution

Batteries are the main beneficiaries of the expansion of renewables because they monetise price spreads

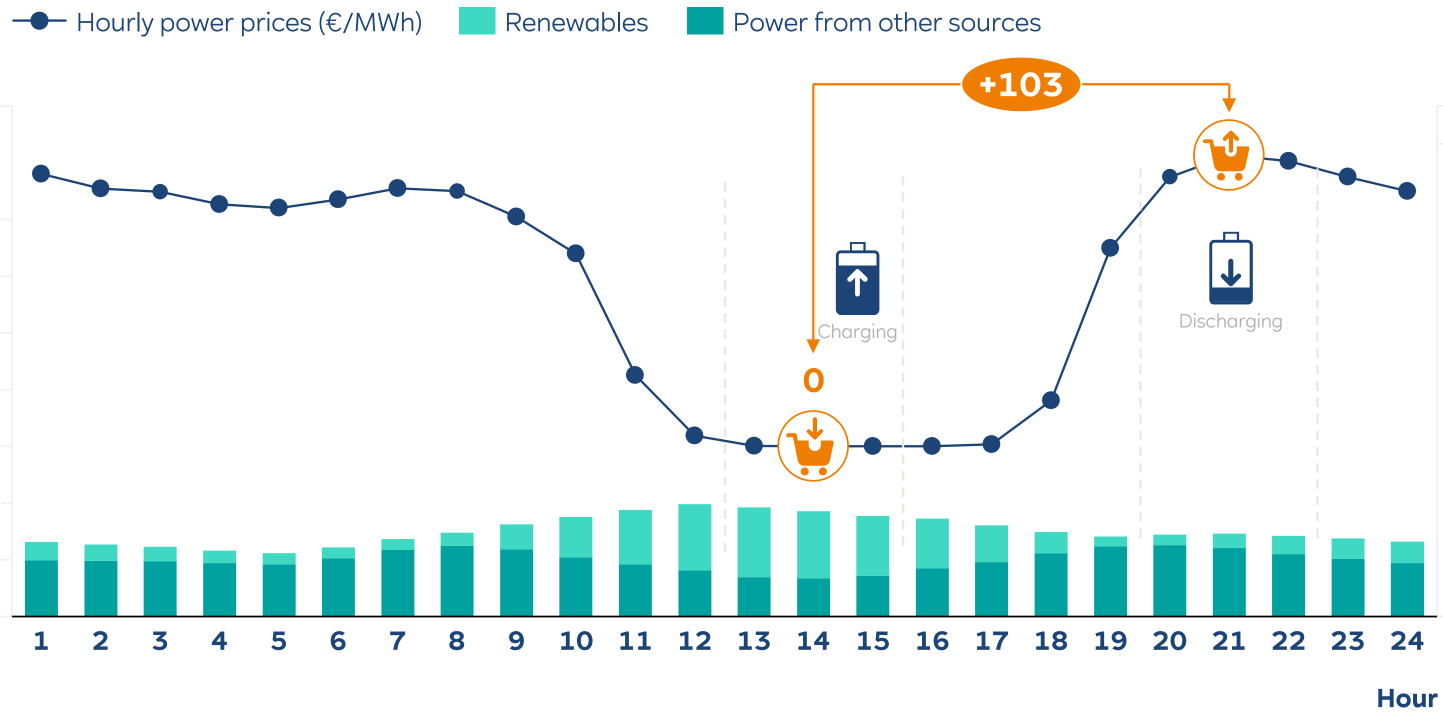
Buy electricity / **charge** battery **when prices are low**

Sell electricity / **discharge** battery **when prices are high**

Batteries capture value from the **entire price spread**

Germany: Battery dispatch & hourly day-ahead price profile on a typical summer day[1]

Illustrative

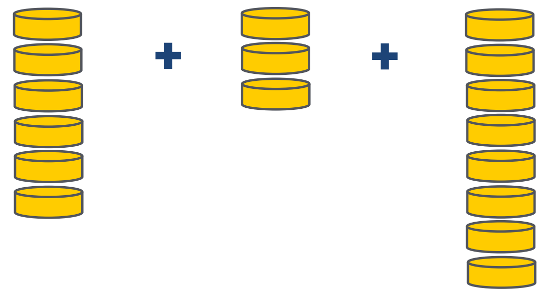


[1] August 16th, 2025

Financial transactions on continuous intraday markets further increase battery profitability

Commercial optimisation
of a 1 MW/1 MWh battery in intraday trading
(hypothetical load cycle costs of €40/MWh; the battery is empty at the start)

Delivery period	Trade at **11 am**	Trade at **12 am**	Trade at **1 pm**	Planned battery dispatch	
1st hour: 2 - 3 pm	€40/MWh	€60/MWh	€40/MWh	**charge**	**charge**
2nd hour: 3 - 4 pm	€50/MWh	€30/MWh	€100/MWh **2x**	**charge**	**discharge**
3rd hour: 4 - 5 pm	€50/MWh	€50/MWh	€50/MWh		
4th hour: 5 - 6 pm	€100/MWh	€110/MWh	€80/MWh	**discharge**	**discharge**



Trading margin: €60 + €30 + €80 = **€170**

Deducting costs for 1 charging cycle: **€40**

→ **profit: €130**

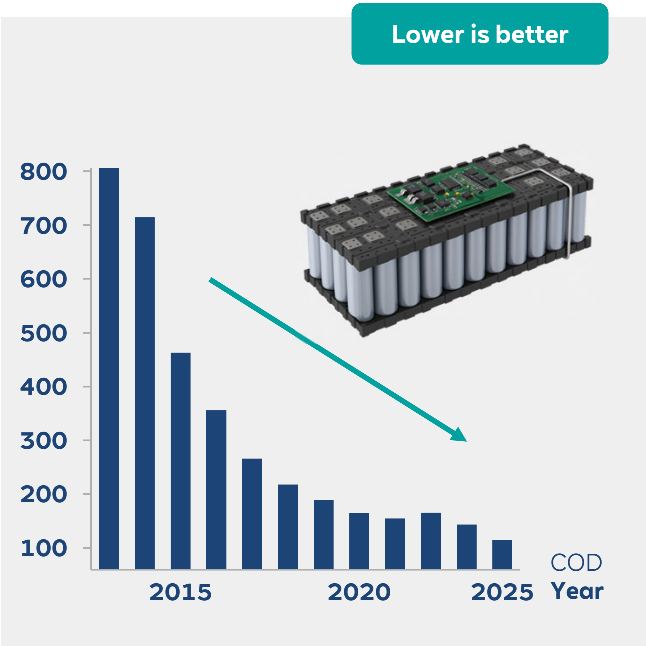
buy

sell

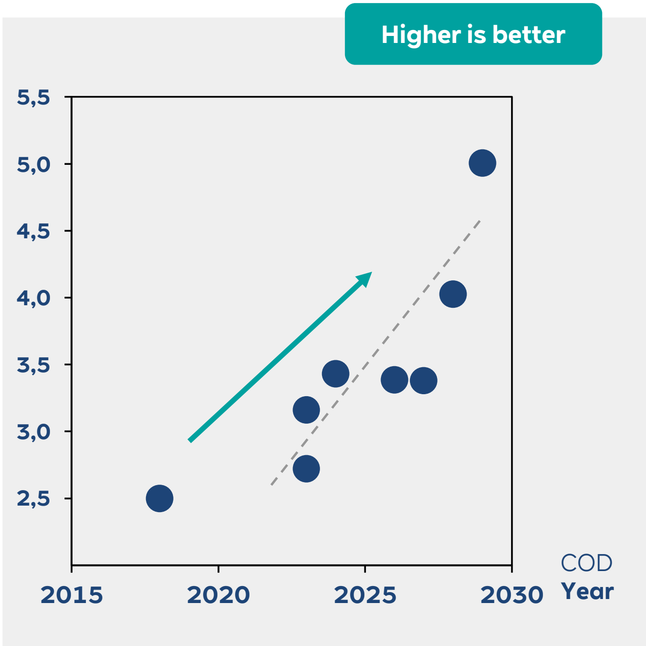
€10 /MWh

Cost and technological developments continue to increase competitiveness of batteries

Battery pack costs[1]
in US$/kWh, inflation adj. to 2024



Energy density[2]
in MWh/container

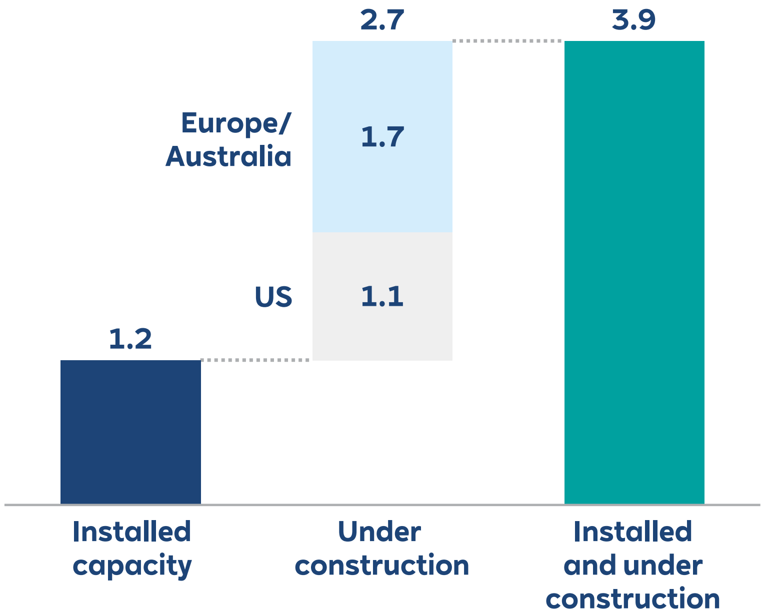


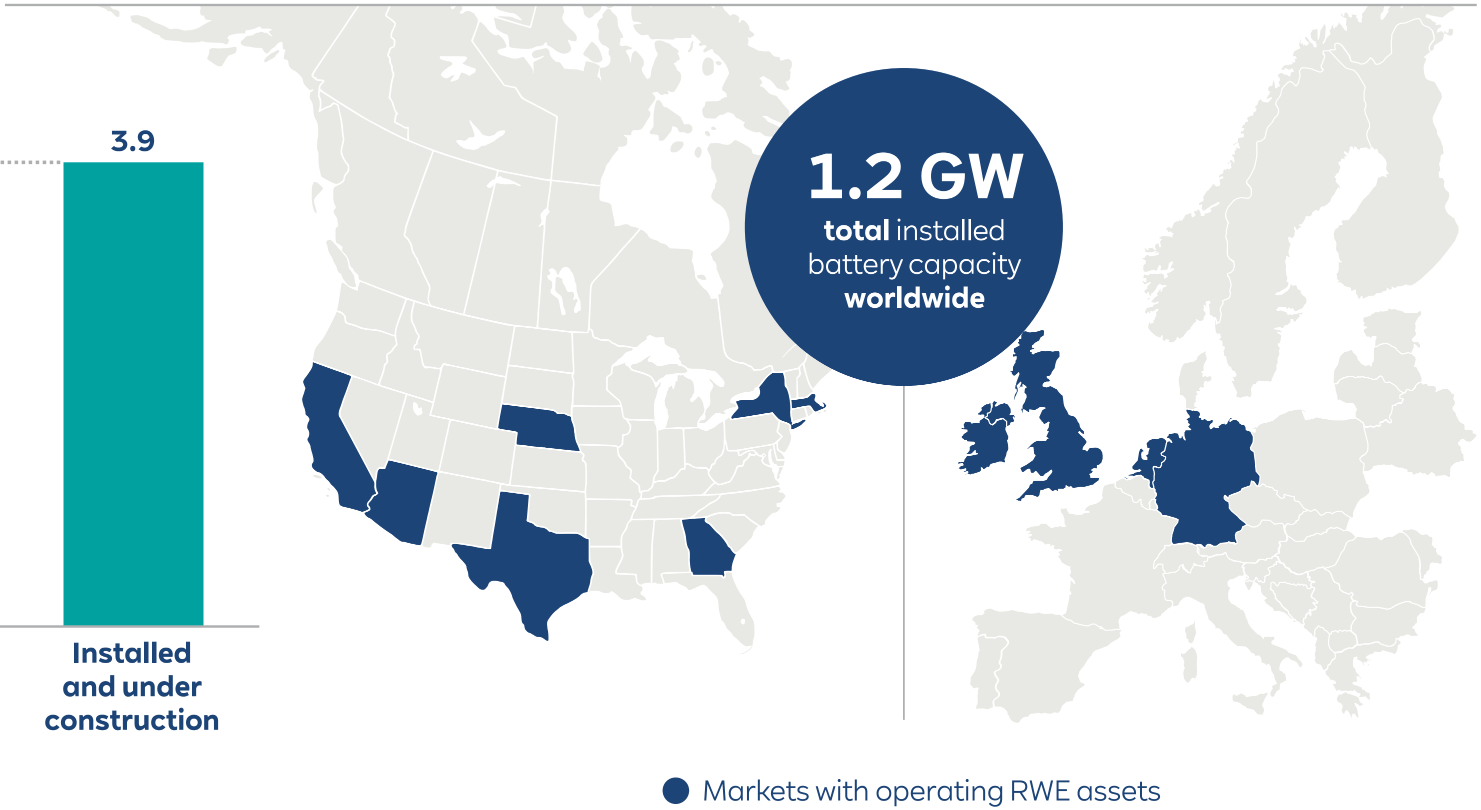
Growing modularity
and standardisation

[1] Bloomberg NEF, Battery Price Outlook (2024); [2] Bubbles representing RWE projects

RWE has a strong position in the growing market for stationary battery storage systems

Installed battery capacity
in GW[1]; as of 30 Sep 2025



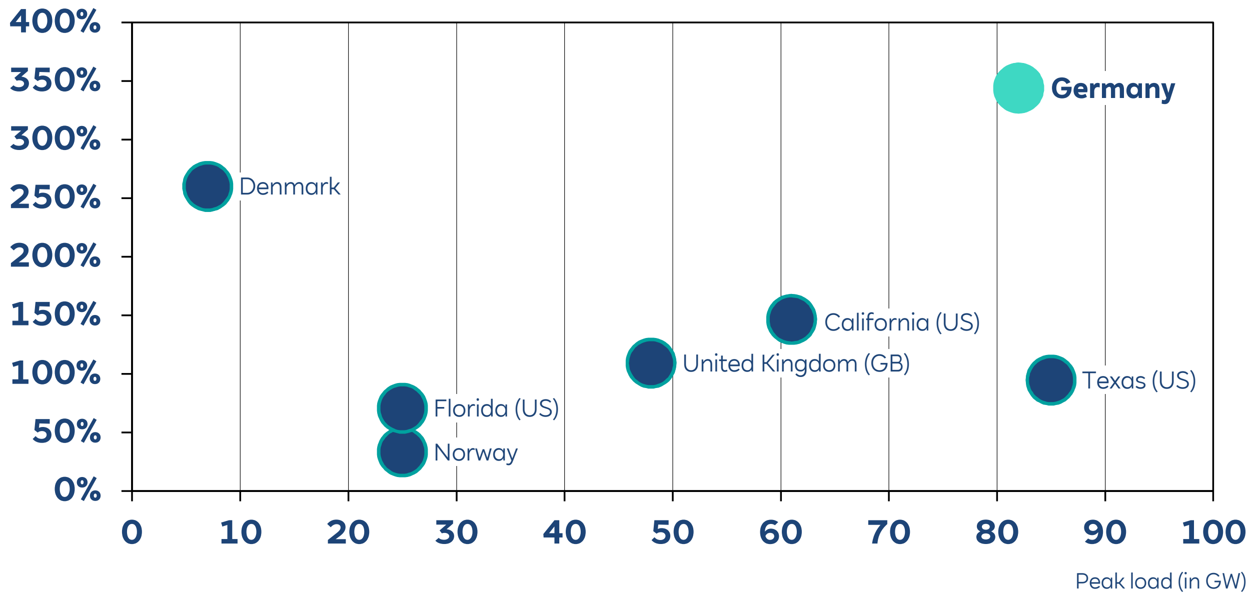


[1] Rounding differences may occur

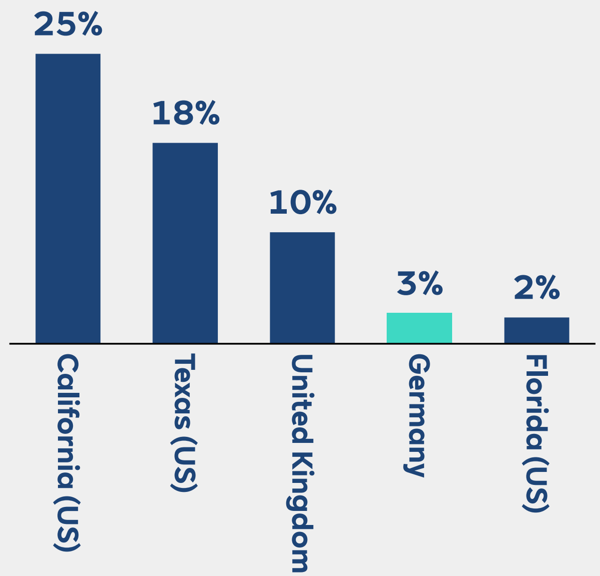
Germany is one of the key growth areas due to its market depth, massive renewables build-out and low market saturation

Conditions for batteries vs. market depth[1]
2024/2025

X-Axis: **Market depth indicated by peak load** (in GW)
Y-Axis: **Conditions for batteries indicated by ratio of solar & wind power capacity to average load** (in %)



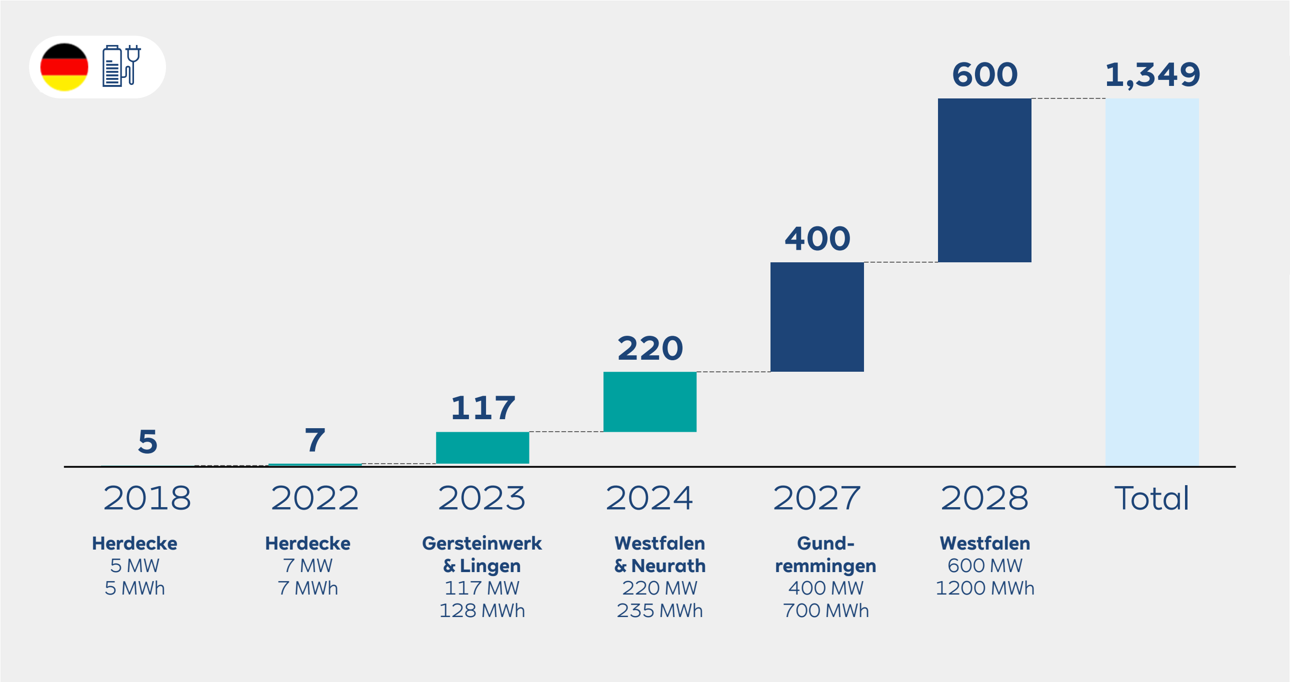
Low market saturation[1,2]
indicated by utility-scale battery share on country specific peak load in 2024/2025

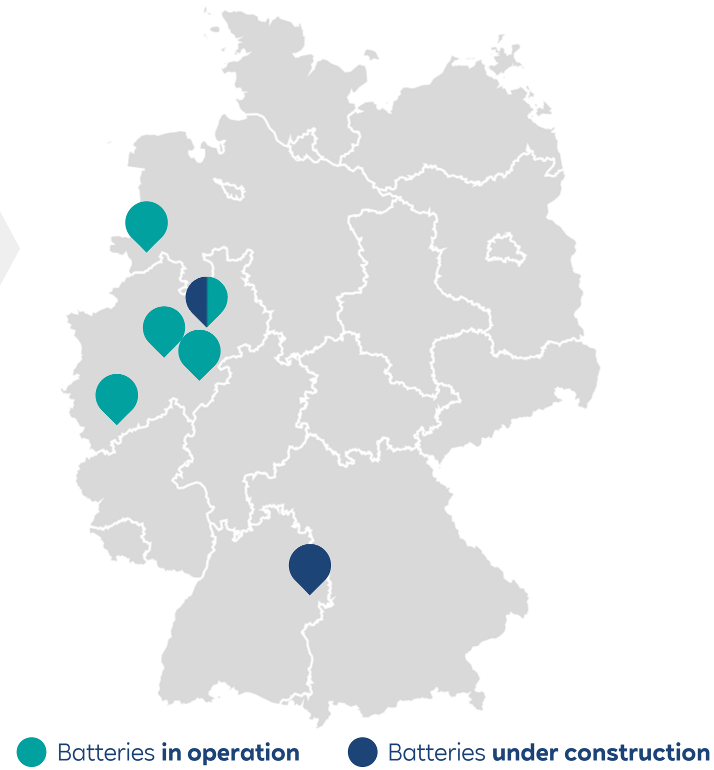


[1] Statnett (2024/25), NVE/pv-mag (2024), HHWE (2024), SSB/Statnett (2024), ERCOT (2024), IEEFA (2025), EIA 860/861 (2024/25), FRCC/NERC (2024), FPL Ten Year Power Plant Site Plan (2024), Energy-Storage News (2025), NESO (2024/25), DESNZ (2025), Renewables Now (2025), APG (2024), PV Austria (2025), E-Control/IRENA (2024/25), REE (2024/25), pv-mag (2025), GEM (2024), BNetzA/SMARD (2024/25), Fraunhofer ISE (2025), CAISO (2024), Energinet (2024/25), IRENA (2025); [2] Only utility scale batteries, no residentials because just minor amount marketed day-ahead or intraday)

RWE: fast build-out in Germany against the backdrop of the expiry of grid fee exemption for new batteries in 2029

RWE's battery capacity in operation and under construction
in MW





RWE leverages its core strengths for a sustainable competitive edge in the battery market

Deep market knowledge

Enables us to develop innovative commercial models (first mover or fast follower)

Large conventional and renewable asset portfolio

Integration of our battery systems with the existing asset fleet to optimise the total value of the portfolio

Existing re-useable sites

Leveraging the benefits of brownfield sites, including available space and existing infrastructure

Experience in implementation

Utilising streamlined procurement and execution methods effectively