Strong results with high positive cash flow

Bankpresentation 23rd February 2023

ALPIQ

Agenda

1. Welcome
2. Turbulent 2022 – Antje Kanngiesser, CEO
3. 2022 Key Financial Figures – Luca Baroni, CFO
4. Strategic outlook and investments – Antje Kanngiesser, CEO
5. Questions and answers

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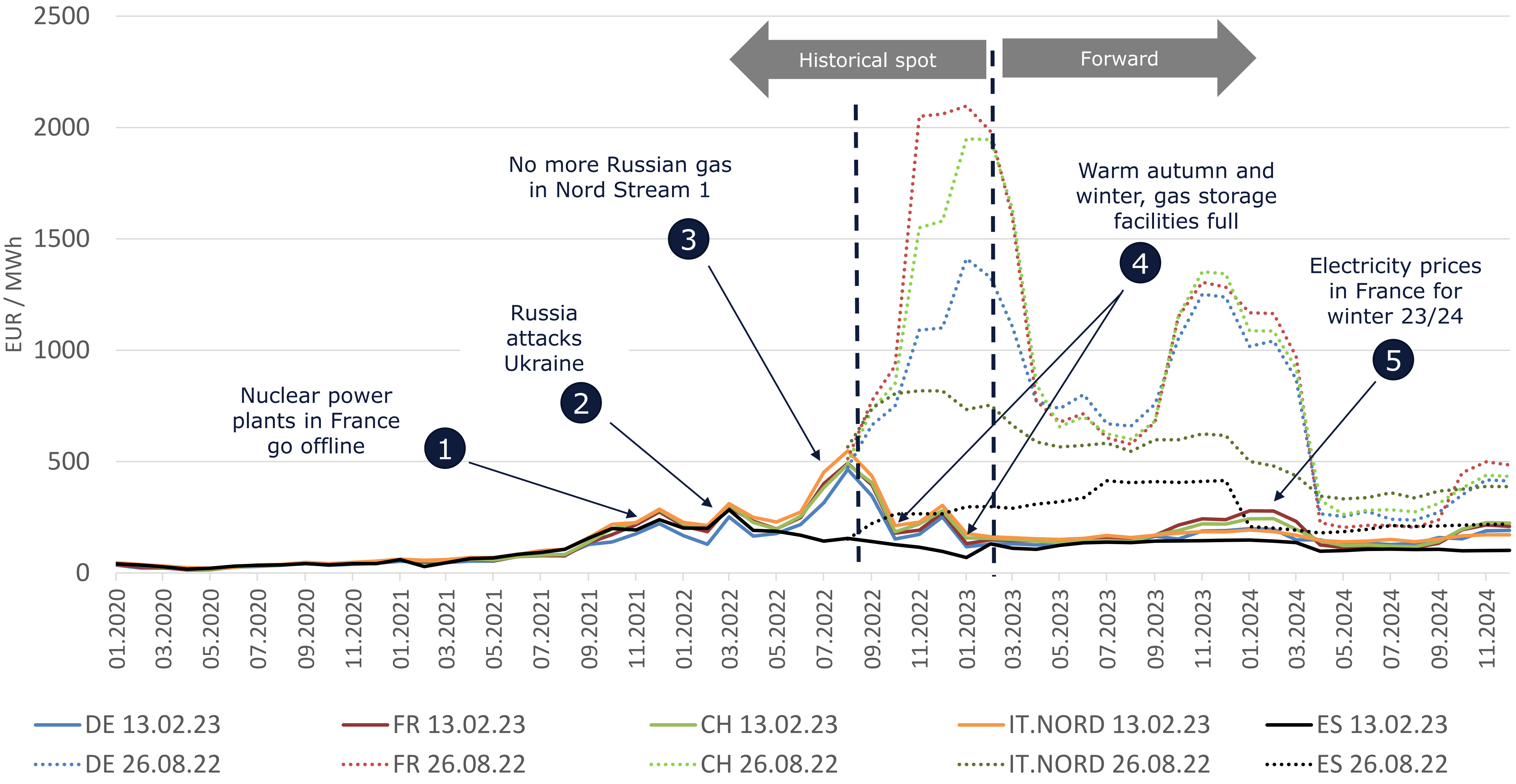
Strong results of operations in turbulent environment

Challenging year 2022

- Russia’s war on Ukraine reveals dependence and lack of security of supply
- Extreme volatility and scarcity prices for energy fuel inflation; fear of recession
- Intense political debates and regulatory activities EU, CH, USA
- Effects of Climate Change: hot summers - hot winters, glaciers melting, drought

Electricity price development since 2020 with outlook until 2024



Coordinated action stabilised us for the long term

Resilience, collaboration, trust

- Alpiq has maximised financial flexibility and limited liquidity risks
- Liquidity increased to CHF 1.5 billion and headroom doubled to CHF 2 billion
- Swift, determined and, above all, coordinated action stabilised the company for the long term
- Rescue package brought security
- Concerted effort to participate in the government’s hydropower reserve
- Reliable operation of power plants as important contribution to security of supply

We are operationally strong in all areas

Strong results and high positive cash flow

2022

473 CHF million Adjusted EBITDA	**111** CHF million Net income (IFRS)	**734** CHF million Operational cash flow
1.5 CHF billion Liquidity	**14.6** CHF billion Net revenue (IFRS)	**17,450** GWh Annual production

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"Cash is a fact.
Profit is an opinion."

Alfred Rappaport

Key Cash and Profit KPIs
2022 was a successful year, despite a challenging market

Cash
(in CHF million)

	2022	2021
Operating Cash Flow	**+734**	-298
Free Cash Flow	**+698**	+291
Δ Cash / Cash equivalents	**+624**	+523

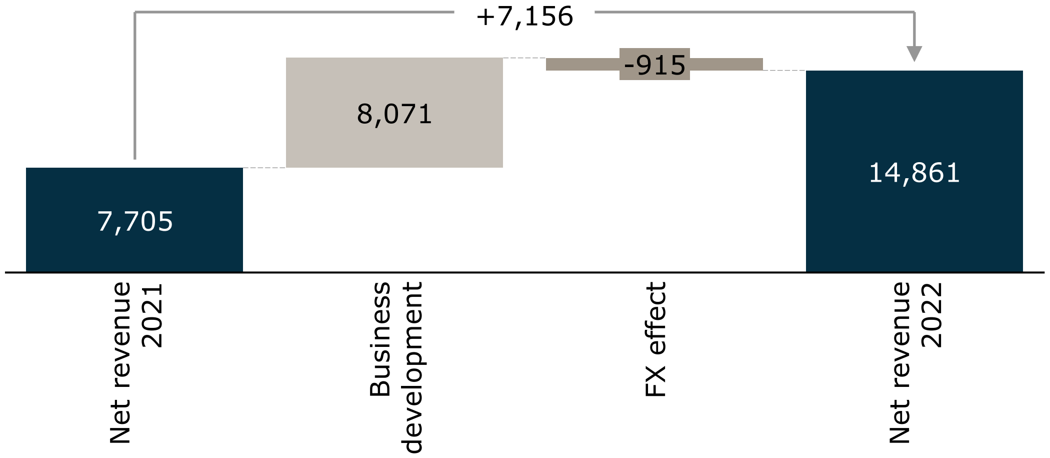
Profit
(in CHF million)

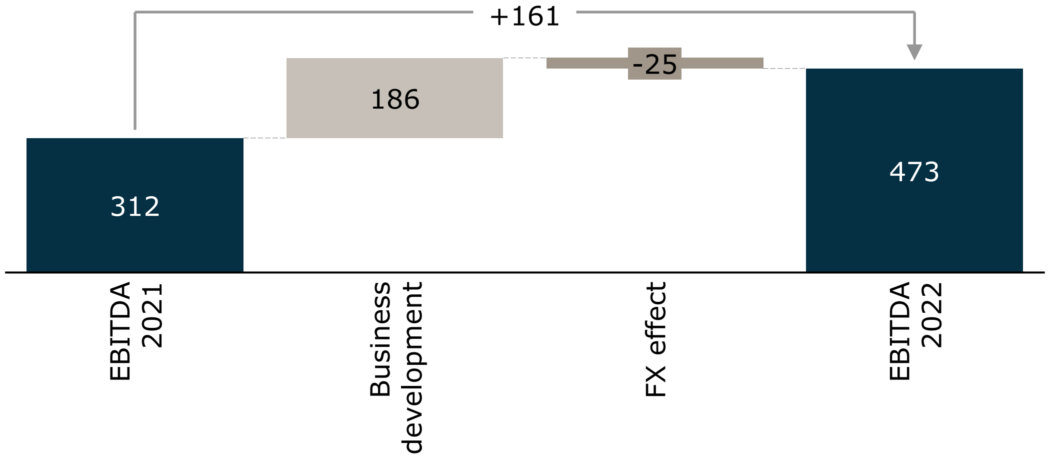
	2022	2021
EBITDA adj.	**+473**	+312[1]
EBITDA IFRS	**+346**	-77
EBIT IFRS	**+249**	-203
Net Income IFRS	**+111**	-271

[1] Previous year figures have been adjusted to reflect the reduced number of categories of exceptional items.

Alpiq generates positive results of operations above previous year

Adjusted figures (in CHF million)



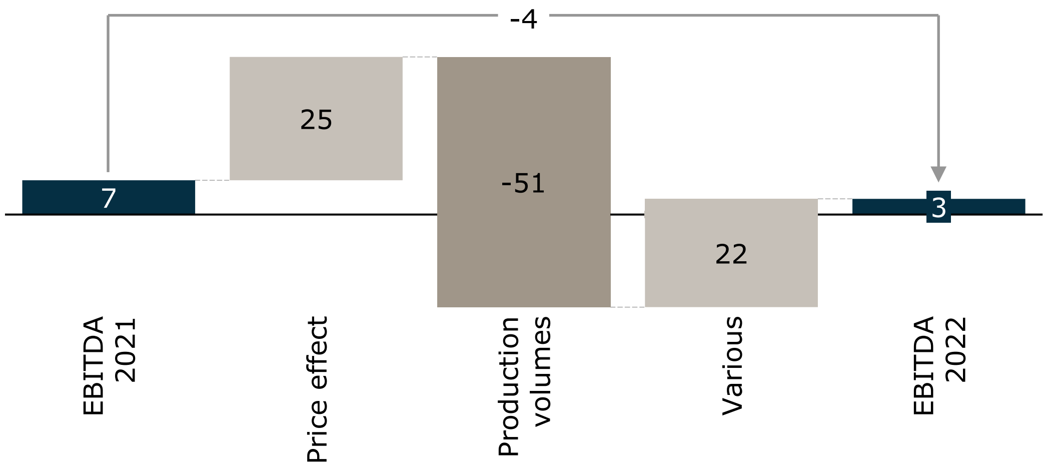


Net revenue 2022	
Switzerland	819
International	8,611
Trading	8,818
Group Centre & other companies	11
Consolidation & Reconciliation	-3,398

EBITDA 2022	
Switzerland	3
International	134
Trading	387
Group Centre & other companies	-53
Consolidation & Reconciliation	2

Adjusted EBITDA (in CHF million) – **Switzerland** business division

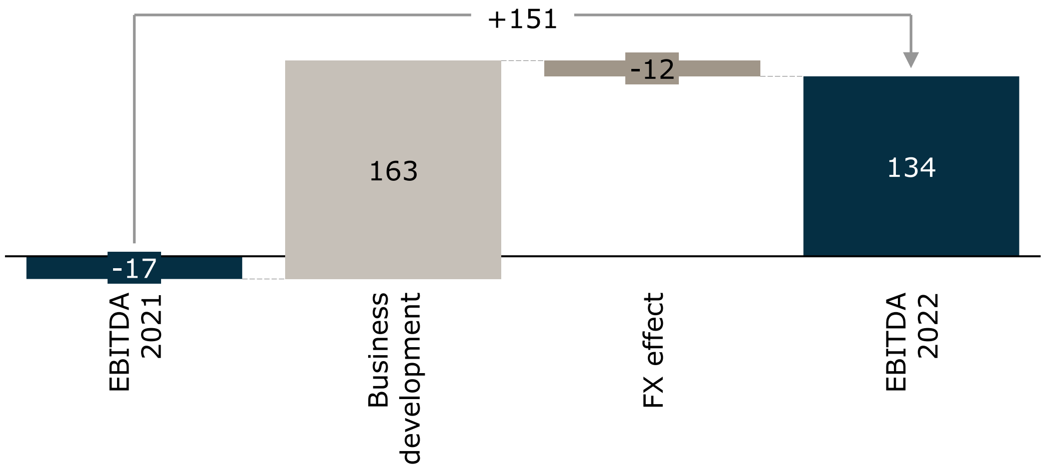
Less precipitation and hydropower reserve burden the result



- Results of Swiss power production on a par with the previous year, although 2021 included an additional compensation for the sale of the high-voltage grid.
- In hydropower, results were impacted by lower inflows on account of less precipitation.
- Alpiq participated in the federal government's tender process for the hydropower reserve by contributing 218 from a total of 400 GWh, which came at an opportunity cost of ca. CHF 70 million EBITDA.
- Swiss nuclear power closed at a higher level, thanks to tight cost management and increased power production vs prior year when there was maintenance work in Leibstadt.

Adjusted EBITDA (in CHF million) – **International** business division

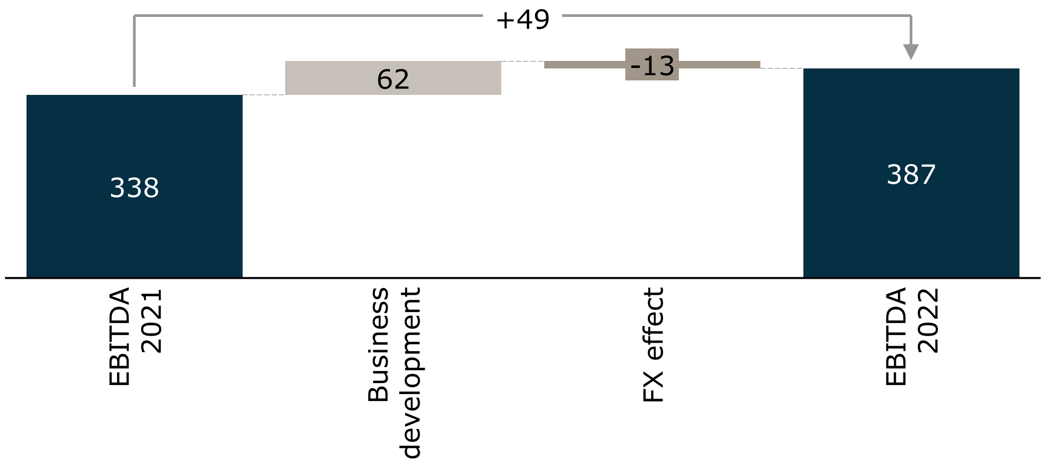
International power generation surpassed the previous year's result



- Gas-fired power plants in Italy, Hungary and Spain generated strong results thanks to their flexibility and high availability.
- Generation of renewables delivered strong profitability due to high availability and higher power prices.
- Sales & origination activities contributed to value creation despite turbulent market conditions.
- Counterparty credit risk was actively managed by implementing a tighter credit risk strategy.

Adjusted EBITDA (in CHF million) – **Trading** business division

Very good trading result above previous year



- The high availability and flexibility of the Swiss and International assets significantly contributed to the exceptional trading result.
- Alpiq took excellent advantage of the opportunities such a volatile market environment provides and improved earnings both from trading of its own production as well as from other trading activities.

Consolidated income statement (in CHF million)

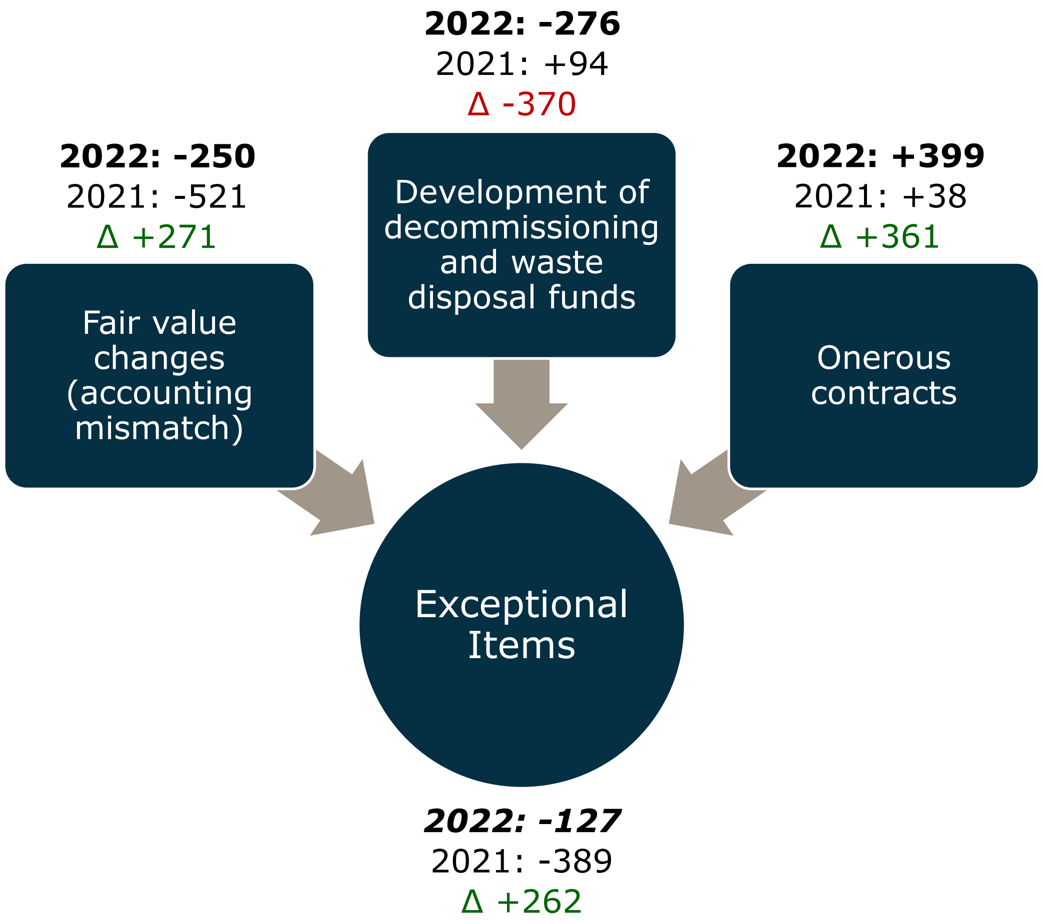
Bridge Adjusted to IFRS-results

	2022			2021		
	Adjusted	Exceptional items	IFRS	Adjusted	Exceptional items	IFRS
Net revenue	14,861	-230	14,631	7,705	-528	7,177
Total revenue and other income	14,899	-230	14,669	7,786	-528	7,258
Earnings before interest, tax, depreciation and amortisation (EBITDA)	473	-127	346	312	-389	-77
Depreciation, amortisation and impairment [1)]			-97			-126
Earnings before interest and tax (EBIT)			249			-203
Share of results of partner power plants and other associates & Financial result			-133			-96
Earnings before tax			116			-299
Income tax (expense) / income			-5			28
Net income / (loss)			**111**			**-271**

[1)] In 2022, including reversals of impairment losses

Significant exceptional items impact the IFRS result

Exceptional items on EBITDA level (in CHF million)

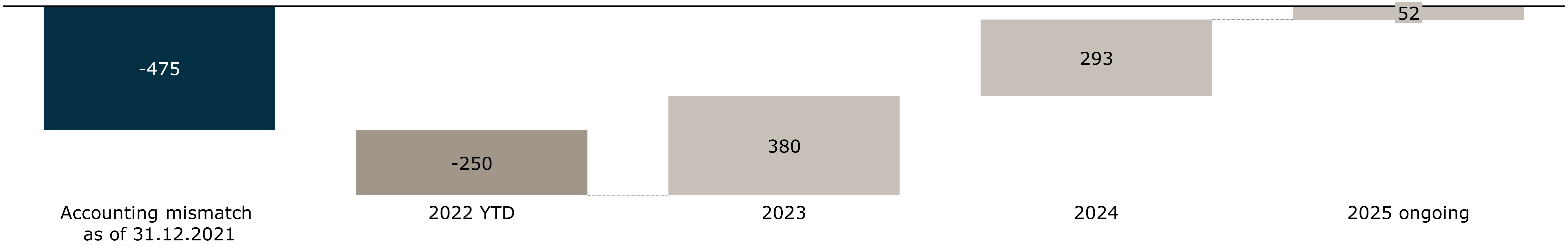


- **Fair value changes (accounting mismatch):** Future production volumes and the physical power purchase agreements are not measured at fair value (off-balance sheet items) while some hedging instruments are revalued through the P&L immediately. This results in an accounting mismatch.
- **Development of decommissioning and waste disposal funds:** Investments of these two funds are exposed to market fluctuations and changes in estimates. The difference between the actual return and the budgeted return is classified as an exceptional item. Total funds Alpiq share as of 31 December 2022: CHF 1,4 billion*
- **Onerous contracts:** Effects in connection with the future procurement of energy from Nant de Drance power plant (until June 2022) and a contract abroad (until June 2021).

* Details in Appendix

Accounting mismatch from financial hedges, which will be offset in the next years IFRS-results (in CHF million)

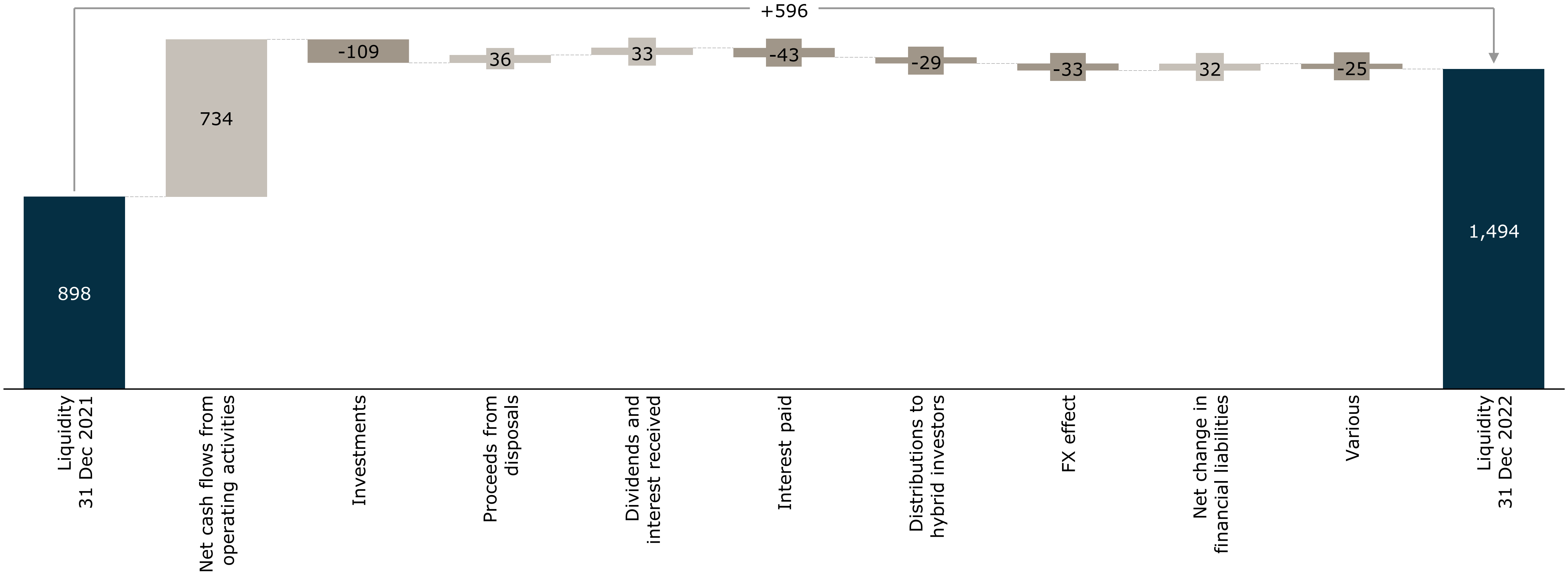
Development of fair value changes (accounting mismatch)



- The accounting treatment in accordance with IFRS of financial energy price hedges leads to earnings being shifted to future periods (accounting mismatch).
- While the accounting mismatch has reduced in the second half of 2022 there is still a significant positive effect expected on the results in subsequent financial years stemming both from 2021 and 2022.

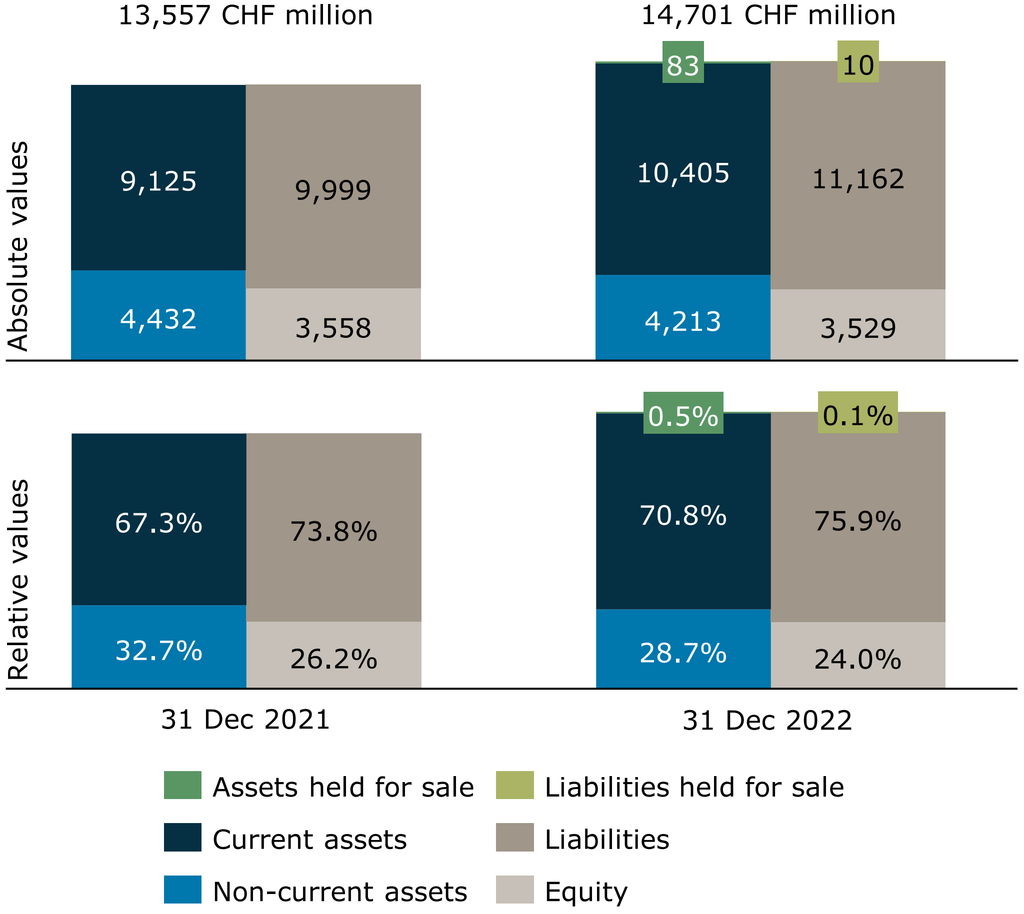
Implemented liquidity measures improve Alpiq's room for manoeuver and ensure that Alpiq is more resilient to market developments

Development of liquidity



Balance sheet – Equity ratio reduced due to energy prices

Without the energy derivates the Equity ratio would be 36.9% rather than 24.0%



- **Equity ratio: 24.0%** (31 December 2021: 26.2%)

  Equity ratio decreased due to increase in total balance sheet as a result of energy prices.

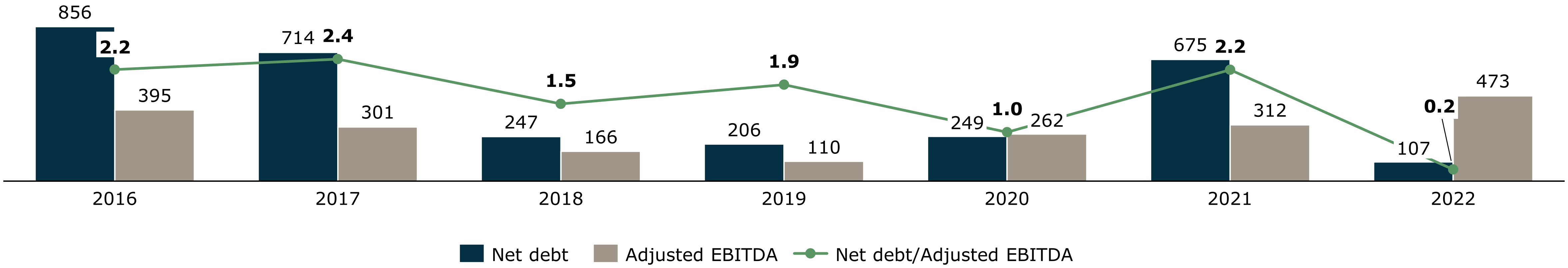
  Equity stood at CHF 3,5 billion.

- Volatile energy prices strongly impacting the derivative financial instruments in the current assets.

In CHF million	31 Dec 21	30 Jun 22	31 Dec 22
Energy derivatives (assets) *as a % of total assets*	5,098 *37.6%*	9,536 *52.7%*	4,702 *32.0%*
Energy derivatives (liabilities) *as a % of total liabilities*	5,343 *39.4%*	10,421 *57.6%*	5,130 *34.9%*
Equity ratio w/o Energy derivatives (liabilities)	*43.3%*	*37.1%*	*36.9%*

Net debt/adjusted EBITDA – significantly reduced due to lower net debt and higher EBITDA than prior year

Net debt ratio end 2022 at lowest point for at least the last 7 years



- Due to the liquidity crisis, the net debt/ EBITDA ratio saw a lot of volatility during 2022, standing at 3.3 on 30 June 2022
- This was mainly driven by the funding required for the collateral outflows, resulting in a net debt position of to CHF 1,130 million amounted per 30 June 2022 (with a 12-month rolling adj EBITDA of CHF 343 million)
- By 31 December 2022, the net debt had significantly reduced to CHF 107 million and the adjusted EBITDA amounted to CHF 473 million. As such, the net debt/adjusted EBITDA items ratio fell to 0.2

Outlook - Future financial reporting

From Divisional to Value Chain-View

Management Structure (current Reporting)

Switzerland		International		Trading	
Swiss Assets	**Swiss Origination**	**Int. Assets**	**Int. Origination**	**Optimisation**	**Speculative Trading**

- The financial steering will focus on generating value across the company
- Management structure will remain with a focus on collaboration along the value creation chain
- The new structure will give more transparency on the value created within Alpiq

Value Chain Structure (future Reporting)

	Assets		Trading	Origination	
CH **Italy** **Spain** **Others**	Generation	Optimisation		Sales & Origination	RES Asset Management

Outlook - Further positive developments in the operative performance expected

- Volatility in the market in which Alpiq operates is expected to continue.
- The measures taken during the energy crisis have left Alpiq financially and operationally well equipped and more resilient against future market disruptions.
- For 2023, Alpiq expects further positive results in the operative performance of the group.

To be continued

ALPIQ

28 January 2023 – 07.00

Market update | Liquidity status | Importance of asset-backed trading

Dear Reader,

Welcome to the first **"Watt's the story"** of 2023. In the year ahead, we look forward to continuing to provide you in this newsletter with a short market update, a transparent view of our liquidity and a deep-dive into an interesting topic from the world of energy.

In this edition, we'll talk about the importance of **asset-backed trading**. Why is it that important for a Swiss-based company such as Alpiq, how does it work and what do asset trader contribute to the security of supply? Read on to find out more!

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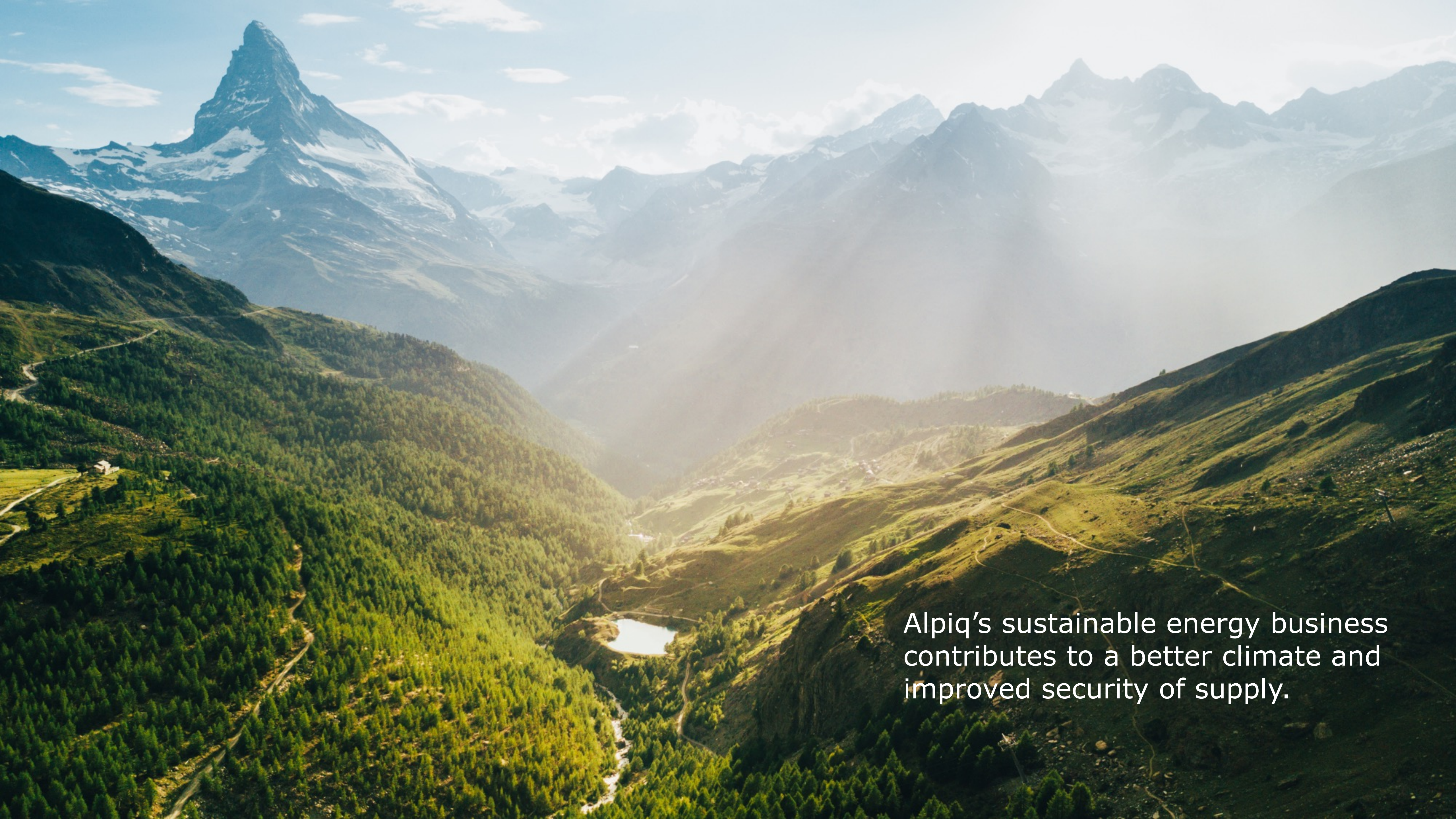


Alpiq’s sustainable energy business contributes to a better climate and improved security of supply.

Strategic approach: building, expanding, dismantling

Renewables, storage, systemic grids

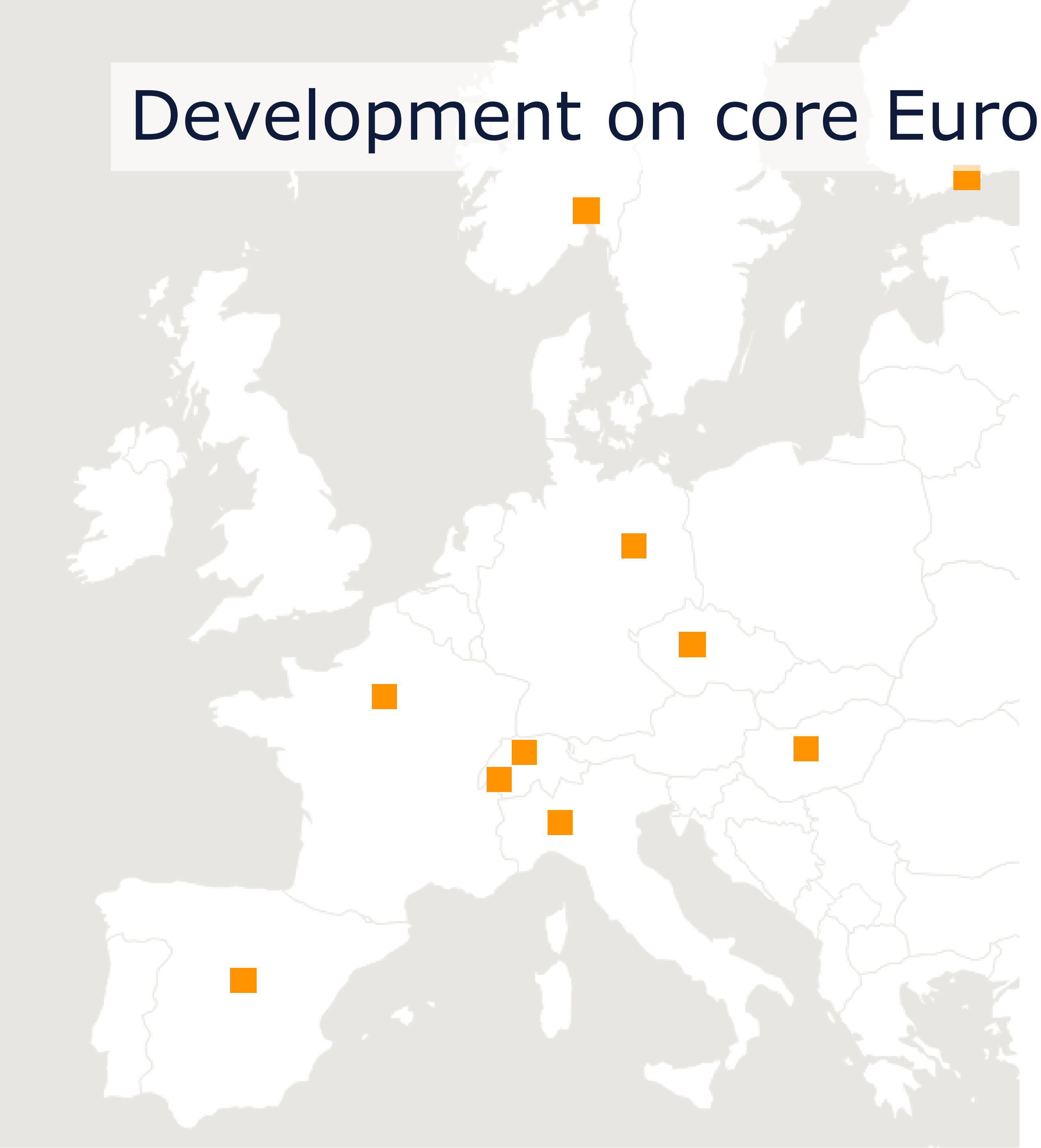
- Pulling together: economy, society, politics
- It is no longer a matter of choice: We need ALL renewable technologies
- Rapid expansion of renewable energies. Focus on carbon footprint. More circular economy, also when it comes to dismantling
- Self-reliance is disproportionately expensive
- Decarbonisation makes energy supply more independent

We are investing CHF 1 billion in the expansion of…

…renewable energies, storage and efficiency

- Expansion of hydropower production and storage CHF 500-600 million: Gornerli, Oberaletsch, Emosson and Moiry
- New construction of alpine PV plants CHF 300-400 million: Gondosolar, Prafleuri, Ovronnaz Solar and others planned
- New wind construction CHF 180 million: Bel Coster, EolJorat Nord, Tous Vents

Development on core European markets



Expansion of renewable energies and focus on market presence

- Alpiq is expanding renewable energy production in its international business.
- Our focus is on the markets where Alpiq already has a strong presence.
- The project pipeline includes photovoltaic, wind and hydropower projects in various countries.
- Tormoseröd wind farm (Sweden) should be completed in the current year.

Thank you for your attention!

Questions and answers

Disclaimer

This communication contains, among other things, forward-looking statements and information. Such statements include, but are not limited to, statements regarding management objectives, business profit trends, profit margins, costs, returns on equity, risk management or the competitive environment, all of which are inherently speculative in nature. Terms such as "anticipate," "assume," "aim," "goals," "projects," "intend," "plan," "believe," "try," "estimate," and variations of such terms, and similar expressions have the purpose of clarifying forward-looking statements. These statements are based on our current estimates and assumptions, and are therefore to some extent subject to risks and uncertainties. Therefore, Alpiq's actual results may differ materially from, and substantially contradict, forward-looking statements made expressly or implicitly. Factors contributing to or likely to cause such divergent outcomes include, but are not limited to, the general economic situation, competition with other companies, the effects and risks of new technologies, the Company's ongoing capital needs, financing costs, delays in integrating mergers or acquisitions, changes in operating expenses, currency fluctuations, changes in the regulatory environment on the domestic and foreign energy markets, oil price and margin fluctuations for Alpiq products, attracting and retaining qualified employees, political risks in countries where the Company operates, changes in applicable law, the realisation of synergies and other factors mentioned in this communication.

Should one or more of these risks, uncertainties or other factors materialise, or should any of the underlying assumptions or expectations prove incorrect, the results may differ materially from those stated. In light of these risks, uncertainties or other factors, the reader should not rely on such forward-looking statements. The Company does not assume any obligation beyond those arising out of law to update or revise such forward-looking statements, or to adapt them to future events or developments. The Company points out that past results are not meaningful in terms of future results. It should also be noted that interim results are not necessarily indicative of the year-end results.

This communication is neither an offer nor an invitation to sell or buy securities.

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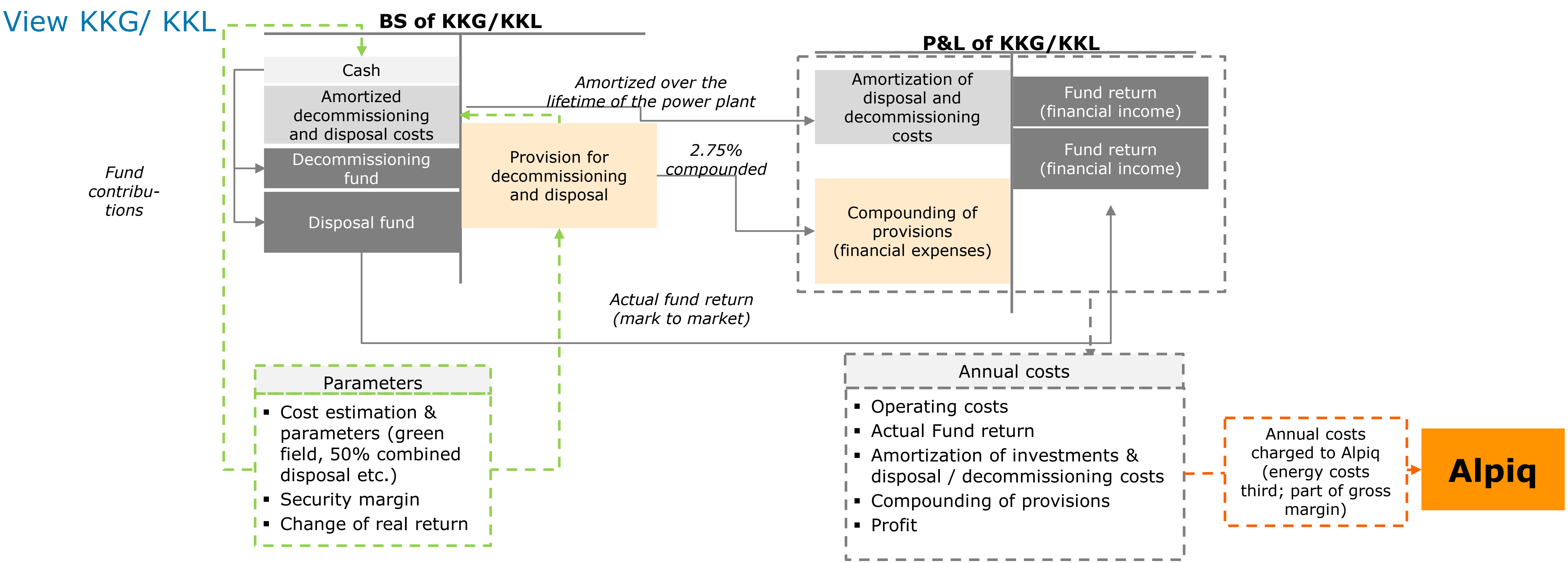
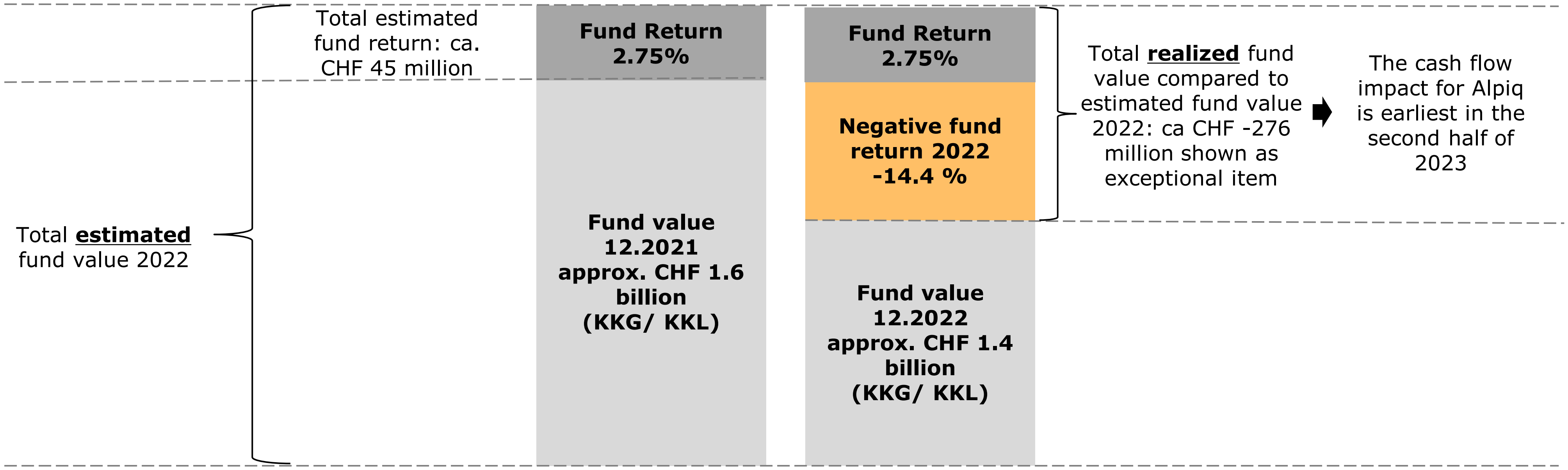
Appendix

Nuclear Funds STENFO



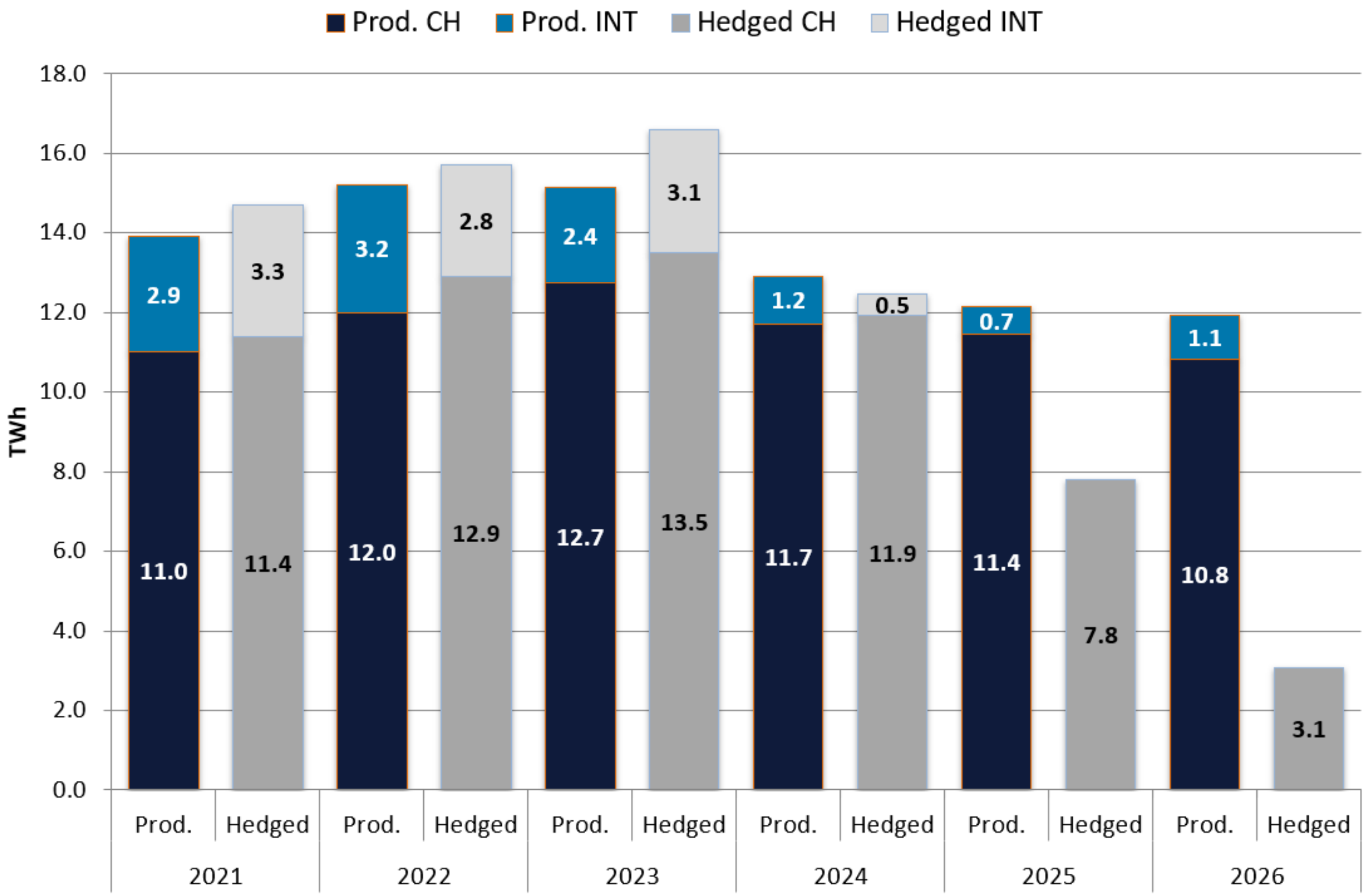
Nuclear Power STENFO

View Alpiq



- STENFO / Nuclear fonds performance is showing our P&L effect coming from the mark to market valuated assets (KKG/KKL)
- The asset covers the liabilities for nuclear decommissioning and waste disposal
- Alpiq is expecting a 2.75% yearly return in the long run
- The P&L impact coming from the deviation in the long run estimation and the current valuation is classified as an exceptional item

Future production and hedges



Ø hedging price
(standard product, no partner agreement)

2023: 51.1 EUR/MWh

2024: 75.4 EUR/MWh