



RWE

21 March 2023

FY 2022 Results

Markus Krebber, CEO

Michael Müller, CFO

Thomas Denny, Head of Investor Relations

Disclaimer

This document contains forward-looking statements. These statements are based on the current views, expectations, assumptions and information of the management, and are based on information currently available to the management. Forward-looking statements shall not be construed as a promise for the materialisation of future results and developments and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, affecting the Company, and other factors. Neither the Company nor any of its affiliates assumes any obligations to update any forward-looking statements.

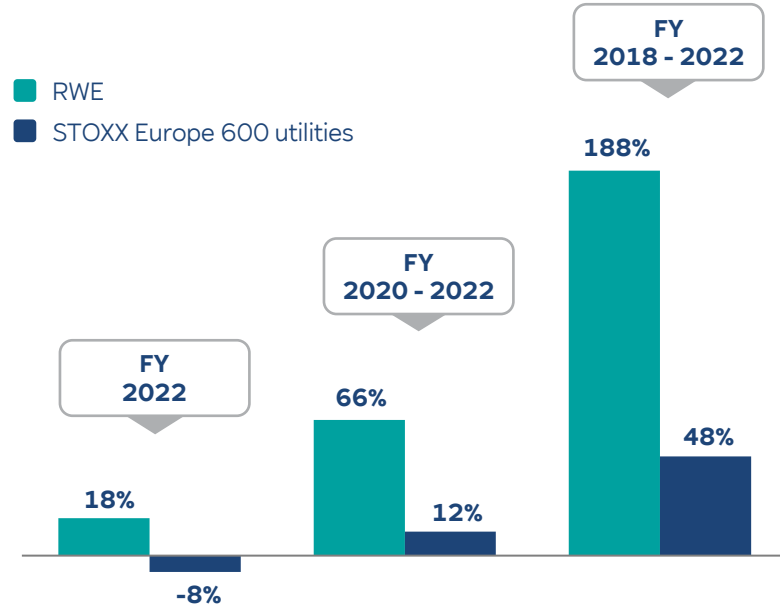
Markus Krebber

Chief Executive Officer, RWE AG



Strong operating performance while weathering the energy crisis and delivering on green growth

Total Shareholder Return

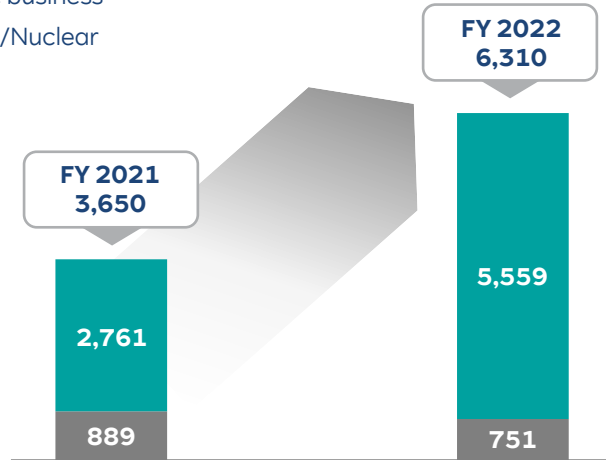


- **Financial targets exceeded** with adj. EBITDA of €6.3bn and adj. net income of €3.2bn
- **Continuous delivery of projects** with commissioning of 2.4 GW of green capacity in 2022 and further 6.0 GW under construction
- **Successful in offshore auctions** in the US (3.9 GW) and the Netherlands (0.8 GW)
- **Broadening strategic footprint** with attractive acquisitions, adding 4.5 GW in operation and increasing pipeline by more than 16 GW
- **Accelerated coal phaseout by 2030** creates the base for emissions reduction in line with 1.5°C compliant pathway

Strong earnings across entire core business

Group EBITDA in EUR m

- Core business
- Coal/Nuclear



- **Renewable earnings up** on the back of green capacity additions, better wind conditions and favourable market prices
- **Exceptional result from flexible generation portfolio** driven by higher earnings from short-term power plant deployment and higher generation margins
- **Flexible generation** perfectly complemented wind and solar business, especially in Q4
- **Outstanding trading result** in dynamic market environment

Significant green growth through delivery of projects, strategic acquisitions and pipeline additions

Successful delivery of projects in 2022

- 2.4 GW of **green capacity commissioned**
- **Successful completion of more than 30 projects** in 11 countries, e. g.
 - **Offshore wind:** Triton Knoll (UK) and Kaskasi (GER)
 - **Onshore wind:** Nysäter (SWE) and Blackjack Creek (USA)
 - **Solar & Batteries:** Hickory Park (USA) and Lisdrumdoagh (IRE)

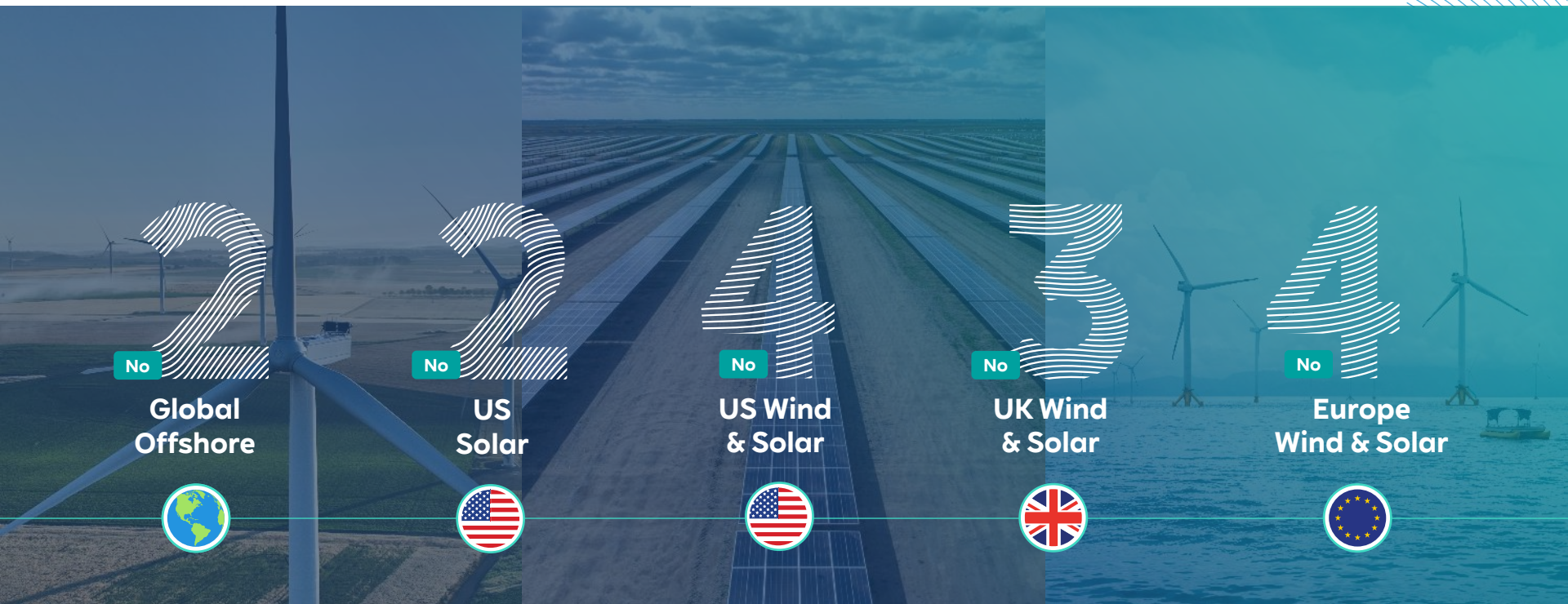
Existing projects complemented with strategic acquisition

- Further **6.0 GW of green capacity** currently **under construction**
- **Strategic acquisition of CEB:**
 - **Operating US solar portfolio** of > 3 GW delivers c. USD 600m EBITDA p.a.
 - **~500 experts** with impressive track record in development, construction and operations
 - **Leading position** in highly attractive US renewables market achieved

Significant step up of pipeline for future growth

- **Successful in offshore auctions:** NY Bight (~2.3 GW), California Lease (up to 1.6 GW) and Hollandse Kust West (0.8 GW)
- **Acquisition** of East Celtic offshore project (900 MW) **in Ireland**
- **Scaling up US growth ambitions** through acquired pipeline of CEB with > 7 GW to deliver 500+ MW p.a.
- **Strengthening our EU and UK solar & battery platform** by acquiring JBM Solar (UK) (6.1 GWac) and AlphaSolar (PL) (~ 3 GWac)

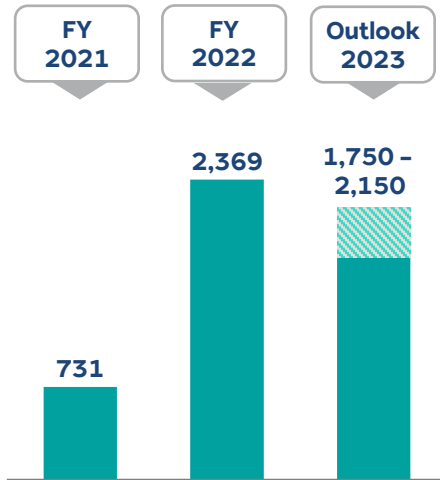
RWE now with leading positions in all core markets



Note: Offshore market excluding China.

Flexible generation portfolio perfectly complements wind and solar business

Hydro/Biomass/Gas EBITDA in EUR m



Growth of flexible generation and H₂ portfolio

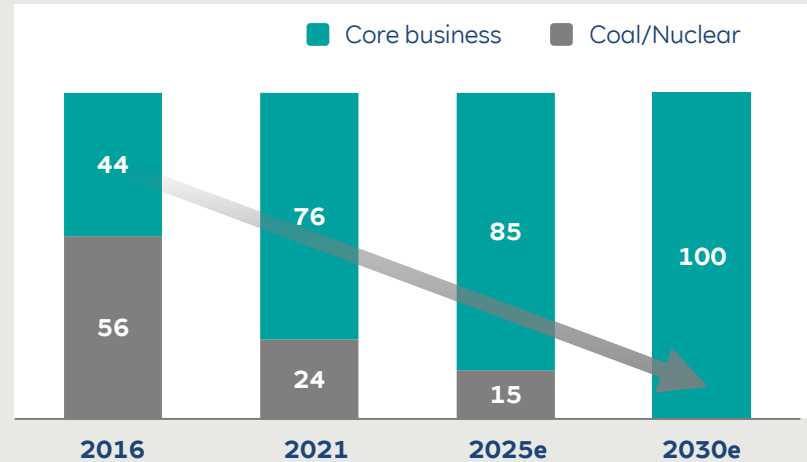
- **Portfolio growth in 2023** through acquisition of Magnum gas power station in NL (1.4 GW) and commissioning of Biblis gas power plant in GER (300 MW)
- **Further steps to decarbonise existing portfolio with full conversion of Amer power plant in NL to 100 % biomass**
- **Preparing for future new build opportunities in Germany** with development of flexible generation capacities (up to 3 GW). Usage of blue H₂ explored in MoU with Equinor
- **Driving development of green hydrogen economy** by ordering two 100 MW electrolysers for GET H2 initiative
- **Full system integration** of offshore wind with electrolyser capacity **for green hydrogen production** and other flexible demand solutions like **e-boilers and battery storage** as part of Hollandse Kust West project

RWE accelerates its decarbonisation path by exiting coal in 2030

Accelerated coal phaseout path by 8 years capacity development



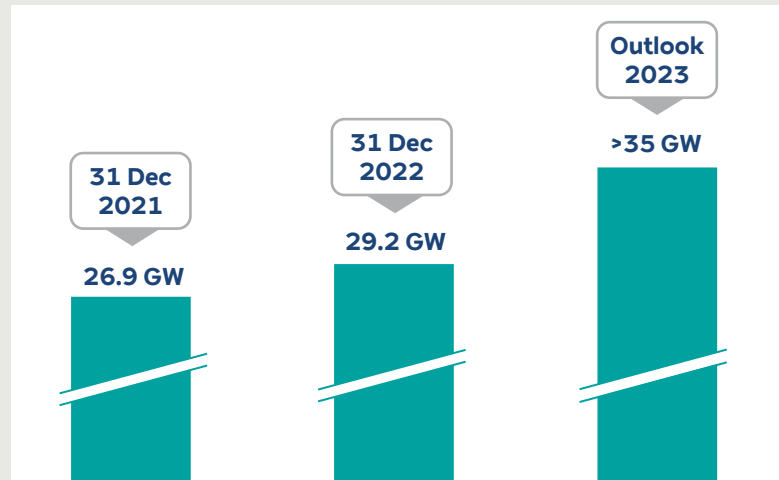
Coal/Nuclear share in EBITDA relative share (%)



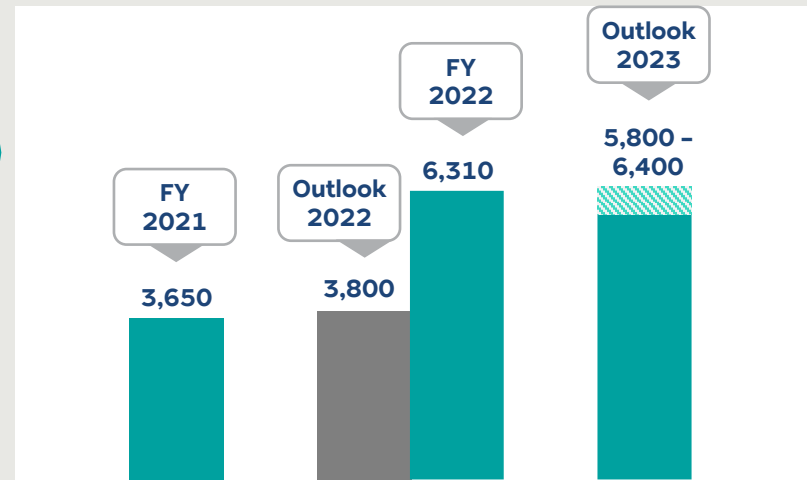
▶ Accelerated coal phaseout is the basis for 1.5°C compliant pathway.

Green growth translates into earnings and dividend growth

Green capacity growth in GW



Group EBITDA growth in EUR m



▶ RWE increases its dividend proposal for 2023 to €1.00, setting floor for future years.

Michael Müller

Chief Financial Officer, RWE AG



Financial highlights in full year 2022

Very strong business performance with earnings exceeding outlook; adj. EBITDA of €6.3bn and adj. net income of €3.2bn

€4.4bn net cash investments in green growth with more than 80% of capex taxonomy aligned; strict investment discipline

Issued €2bn long term green bonds and €2.4bn mandatory convertible to finance green growth programme

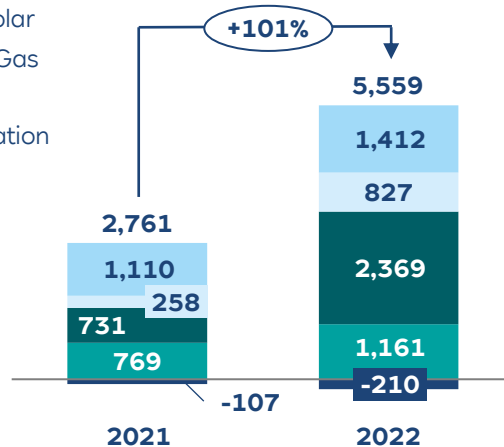
Short term liquidity requirements managed with additional credit lines and €1.25bn short term bonds

Strong focus on risk management – hedging approach adjusted to manage uncertainty in commodity markets

Strong earnings driven by green growth and outperformance of flexible generation and trading business

Core adj. EBITDA FY 2022 vs. FY 2021 in EUR m

- Offshore Wind
- Onshore Wind/Solar
- Hydro/Biomass/Gas
- Supply & Trading
- Others/Consolidation



- **Offshore Wind** earnings up on the back of capacity additions and better wind conditions
- **Onshore Wind/Solar** earnings marked by higher power prices, capacity additions and better wind conditions, while prior year was marked by negative one-off
- **Hydro/Biomass/Gas** earnings driven by higher generation margins and strong short-term asset optimisation due to favourable market conditions
- **Supply & Trading** delivered exceptionally strong performance across almost all commodities and regions in dynamic markets

► **Adj. EBITDA for RWE Group, incl. Coal/Nuclear amounts to €6,310 million (+73% vs prev. year).**

Adjusted net income reflects the successful operational performance and capacity build out

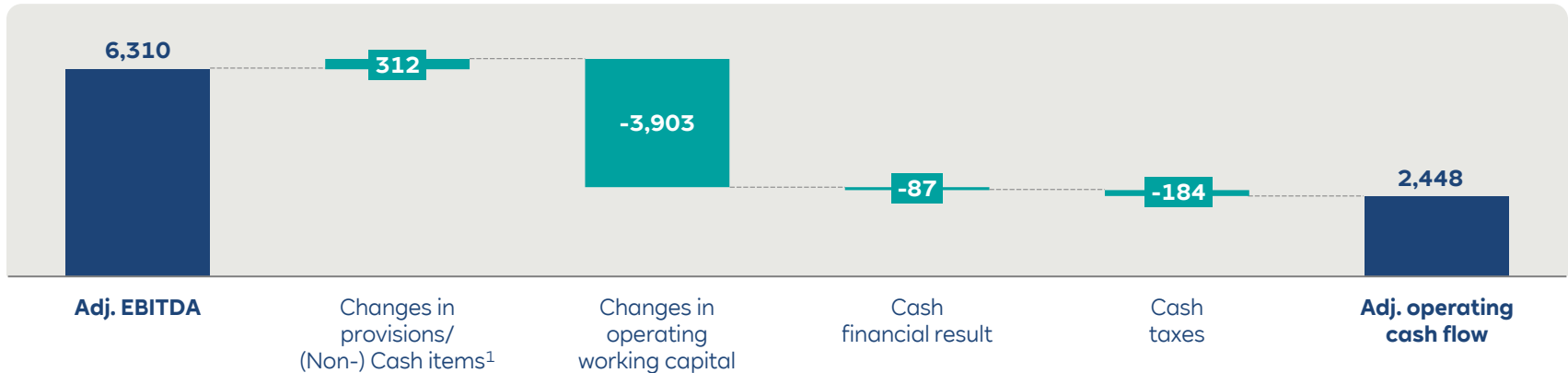
Adj. net income in EUR m

FY 2021		FY 2022
3,650	Adj. EBITDA FY 2022	6,310
-1,465	Adj. depreciation	-1,742
2,185	Adj. EBIT	4,568
-226	Adj. financial result	-442
-294	Adj. tax	-619
-111	Adj. minority interest	-275
1,554	Adj. net income FY 2022	3,232

- **Adj. EBITDA** driven by strong operational performance and green capacity build out
- **Adj. depreciation** increased in line with growth investments and write-backs in improved market conditions
- **Adj. financial result** decreased due to liquidity requirements in volatile commodity markets
- **Adj. tax** applying general tax rate of 15% for the RWE Group
- **Adj. minority interest** based on strong operational performance and new capacity additions with minority partners

Adjusted operating cash flow marked by higher operating working capital from injections of gas into storage facilities

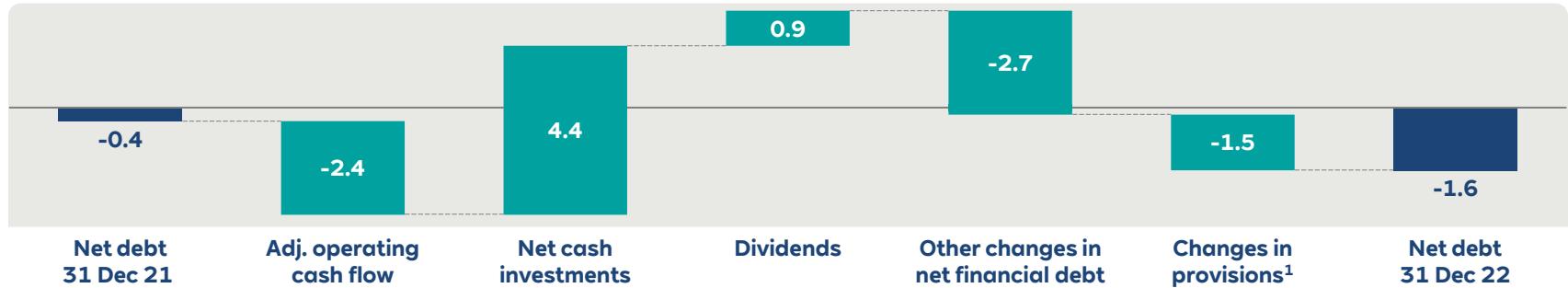
Reconciliation to adj. operating cash flow for FY 2022 in EUR m



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

Improved net debt position at the end of 2022 despite €4.4bn investments in green growth

Development of net debt in FY 2022 in EUR bn (+ net debt/- net assets)



Net cash investments
in green growth

Other changes in net financial debt includes issuance of mandatory convertible bond (€2.4bn) and 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 offset by 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.

Strong outlook for full year 2023 due to capacity additions and normalised wind and earnings expectations (1/2)

Divisional 2022 FY result and FY 2023 outlook – adj. EBITDA in EUR m

	FY 2022	Outlook	
Offshore Wind	1,412	1,400 – 1,800	➤ Normalised wind conditions and FY contribution of assets commissioned during 2022. Higher hedge prices partly offset by regulatory intervention. Additional development expenses for mid/long term growth.
Onshore Wind/Solar	827	1,100 – 1,500	➤ Earnings contribution from CEB acquisition and organic capacity additions as well as normalised wind conditions and higher hedged prices. Partly offset by regulatory intervention and additional development expenses for mid/long term growth.
Hydro/Biomass/Gas	2,369	1,750 – 2,150	➤ Lower power prices and contribution from short-term asset optimisation. Earnings contribution from capacity additions (Magnum (NL) and Biblis (D) gas plants).
Supply & Trading	1,161	300 – 600	➤ Return to normalised earnings expected after an outstanding performance in 2022.
Other/Consolidation	-210	~ -200	
Coal/Nuclear	751	800 – 1,200	➤ Capacity closure in nuclear mainly offset by higher hedged margins.

Core

Strong outlook for full year 2023 due to capacity additions and normalised wind and earnings expectations (2/2)

Group outlook FY 2023 in EUR m

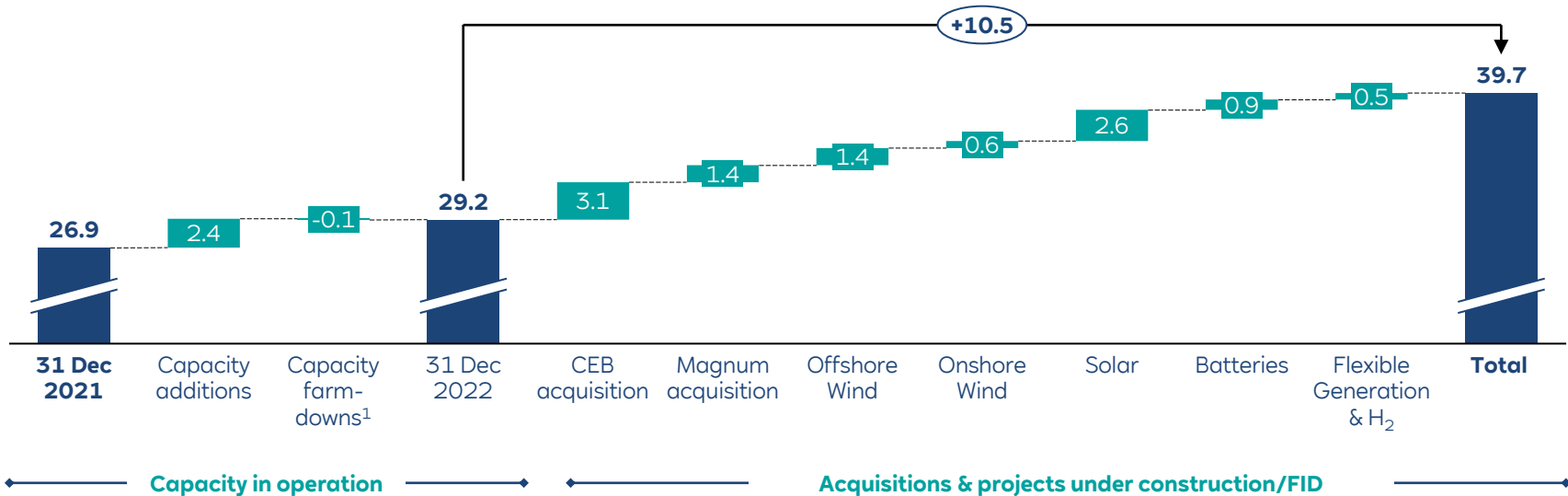
	FY 2022	Outlook
Core adj. EBITDA	5,559	4,800 – 5,400
Adj. EBITDA RWE Group	6,310	5,800 – 6,400
Adj. depreciation	-1,742	-2,200
Adj. EBIT	4,568	3,600 – 4,200
Adj. financial result	-442	-550
Adj. tax	-619	20%
Adj. minorities	-275	-250
Adj. net income	3,232	2,200 – 2,700
Dividend target (€/Share)	0.90	1.00

- Increase in **adj. depreciation** due to growth investments, CEB acquisition and write-backs in 2022
- Increase in **adj. financial result** due to higher financing volume from growth investments
- New general **tax rate** of 20 % as of 2023 due to higher corporate tax rate in the UK
- €1.00 **dividend per share** sets the new floor for future years

Appendix

Significant growth with additional 10.5 GW capacity

Development of our green generation portfolio, GW pro rata



Note: Rounding differences may occur. | ¹ Includes capacity closures, changes after repowering etc.

Earnings up due to capacity additions and better wind conditions

Key financials FY 2022 – Offshore Wind

€ million	FY 2022	FY 2021	Change	Adj. EBITDA FY 2022 vs. FY 2021
Adj. EBITDA	1,412	1,110	302	⊕ Higher earnings from capacity additions to portfolio (Triton Knoll and Kaskasi) and consolidation of Rampion ²
t/o non-recurring items	-	-	-	
Depreciation	-576	-474	-102	⊕ Higher earnings as a result of better wind resource, but still below the long-term average
Adj. EBIT	836	636	200	
t/o non-recurring items	-	-	-	
Gross cash investments¹	-1,894	-1,880	-14	
Gross cash divestments¹	+25	+367	-342	

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.

Good operational performance, while last year was marked by a negative one-off effect

Key financials FY 2022 – Onshore Wind/Solar

€ million	FY 2022	FY 2021	Change	Adj. EBITDA FY 2022 vs. FY 2021
Adj. EBITDA	827	258	569	⊕ No negative one-off in 2022
t/o non-recurring items	-	-274	274	⊕ Higher power prices for unhedged volumes
Depreciation	-457	-403	-54	⊕ Increase in earnings from capacity additions
Adj. EBIT	370	-145	515	⊕ Higher earnings as a result of better wind resource, although wind levels being below expectations
t/o non-recurring items	-	-	-	
Gross cash investments¹	-1,859	-1,475	-384	
Gross cash divestments¹	+21	+600	-579	

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

Strong earnings development in favourable market conditions

Key financials FY 2022 – Hydro/Biomass/Gas

€ million	FY 2022	FY 2021	Change	Adj. EBITDA FY 2022 vs. FY 2021
Adj. EBITDA	2,369	731	1,638	⊕ Higher generation margins at favourable market conditions
t/o non-recurring items	-	-	-	⊕ Higher earnings from strong short-term asset optimisation
Depreciation	-364	-313	-51	
Adj. EBIT	2,005	418	1,587	⊖ Lower earnings due to unplanned outage at Claus C
t/o non-recurring items	-	-	-	
Gross cash investments¹	-497	-300	-197	

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.

Outstanding performance by the trading business

Key financials FY 2022 – Supply & Trading

€ million	FY 2022	FY 2021	Change
Adj. EBITDA	1,161	769	392
t/o non-recurring items	-	-	-
Depreciation	-50	-48	-2
Adj. EBIT	1,111	721	390
t/o non-recurring items	-	-	-
Gross cash investments¹	-51	-67	16

Adj. EBITDA FY 2022 vs. FY 2021

⊕ Exceptionally strong performance across almost all commodities and regions in dynamic markets

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

Earlier coal phaseout supports RWE's growing green strategy

Key financials FY 2022 – Coal/Nuclear

€ million	FY 2022	FY 2021	Change
Adj. EBITDA	751	889	-138
t/o non-recurring items	-	-	-
Depreciation	-295	-228	-67
Adj. EBIT	456	661	-205
t/o non-recurring items	-	-	-
Gross cash investments¹	-237	-259	22

Adj. EBITDA FY 2022 vs. FY 2021

- ⊖ Lower generation margins mainly due to capacity closures in coal and nuclear, partly compensated by related cost savings, higher utilisation of plants and 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.

Economic net debt

Net assets/net debt			
(€ million)	31 Dec 2022	31 Dec 2021	+/-
Cash and cash equivalents	6,988	5,825	1,163
Marketable securities	13,730	8,347	5,383
Other financial assets	8,543	12,403	-3,860
Financial assets	29,261	26,575	2,686
Bonds, other notes payable, bank debt, commercial paper	-15,621	-10,704	-4,917
Hedging of bond currency risk	8	-9	17
Other financial liabilities	-5,382	-7,090	1,708
Financial liabilities	-20,995	-17,803	-3,192
Plus 50% of the hybrid capital stated as debt	299	290	9
Net financial assets (including correction of hybrid capital)	8,565	9,062	-497
Provisions for pensions and similar obligations	-900	-1,934	1,034
Surplus of plan assets over benefit obligations	680	459	221
Provisions for nuclear waste management	-5,704	-6,029	325
Provisions for dismantling wind and solar farms	-1,011	-1,198	187
Net assets (+)/net debt (-)	1,630	360	1,270

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%

Your contacts in Investor Relations

Important Links



- [Annual and interim reports & statements](#)
- [Investor and analyst conferences](#)
- [IR presentations & factbooks](#)
- [Consensus of analysts' estimates](#)



ADR programme available

Further information on our homepage
[RWE shares/ADR](#)

Contact for ADR-holders at BNY Mellon
shrrelations@cpushareownerservices.com
+1 201 680-6255 (from outside the US)
1-888-269-2377 (within the US)

Financial Calendar

- **04 May 2023**
Annual General Meeting
- **11 May 2023**
Interim statement on the first quarter of 2023
- **10 August 2023**
Interim report on the first half of 2023
- **14 November 2023**
Interim statement on the first three quarters of 2023

Contacts for Institutional Investors & Analysts



- **Thomas Denny** (Head of IR)
Tel. +49 201 5179-5647
thomas.denny@rwe.com



- **Mert Aydin**
Tel. +49 201 5179-8061
mert.aydin@rwe.com



- **Lenka Zikmundova**
Tel. +49 201 5179-5623
lenka.zikmundova@rwe.com



- **Eric Westphal**
Tel. +49 201 5179-2114
eric.westphal@rwe.com



- **Michael Germelmann**
Tel. +49 201 5179-8064
michael.germelmann@rwe.com



- **Dr. Burkhard Pahnke**
Tel. +49 201 5179-5625
burkhard.pahnke@rwe.com



- **Jérôme Hördemann**
Tel. +49 201 5179-5621
jerome.hoerdemann@rwe.com



- **Marie Schmidt**
Tel. +49 201 5179-5391
marie.schmidt@rwe.com

Contact for Private Shareholders