

ANNUAL RESULTS CONFERENCE CALL FOR INVESTORS AND ANALYSTS – FY 2023

11th April 2024



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HIGHLIGHTS 2023



EMPLOYEES

2,721 Increase of 16.3%



EUR 339m

Adj. net income (IFRSs) in 2023
+49.0%



EUR 8.4bn

Regulated asset base 2023



EUR 17 BN

Required capacity secured



SOLID INVESTMENT- GRADE RATINGS

Baa1 from Moody's and BBB+ from Fitch



GRID EXPANSION

Investments of EUR 3,1bn in 2023
(+113% versus 2022)



Green bond issuance

EUR 1.2bn

Dual-tranche



Grid expansion

ACCELERATION OF PROJECTS



Outstanding

ESG-RATINGS

SUSTAINABILITY ACHIEVEMENTS IN 2023

ONGOING IMPROVEMENTS



SUSTAINABILITY REPORTING

- Publication of **Sustainability Update**
- Since 2023: in accordance with the **Global Reporting Initiative (GRI)**
- 2023: Preparations of implementation of legal requirements under the Corporate Sustainability Reporting Directive (CSRD) and related European Sustainability Reporting Standards (ESRS)
- 2026: First annual report in accordance with ESRS/CSRD about fiscal year 2025

CLIMATE STRATEGY FOR CO₂ REDUCTION

Amprion's CO₂ reduction targets aligned with 1.5-degree Celsius target set out by Paris Climate Agreement **have been approved by the Science Based Target initiative (SBTi):**

Concrete targets to reduce CO₂ emissions by 2032:

- Scope 1 and 2 by at least 63 percent (base year 2017)
- Scope 3 by 58.1 percent per kilometre of annual extended and renewed transmission grid lines (base year 2021)



SUSTAINABILITY RATINGS



Sustainalytics ESG-risk-rating

- 9.3 – negligible risk Rating improved

ESG-Rating by Sustainable Fitch

- First ESG ratings (entity, bond, framework) by Sustainable Fitch since May 2023 - “2” in each category



FIRST GREEN FINANCE INVESTOR REPORT

- Green Finance Framework (ICMA GBP) as basis for publication of the first **Green Finance Investor Report** in August 2023 in accordance with the Green Bond Principles
- The GFIR provides comprehensive information on the appropriate use of the funds and its impact
- Allocation and impact of funds also audited by BDO AG Wirtschaftsprüfungsgesellschaft

AMPRION KEY FIGURES – FY 2023

FURTHER REGULATORY ADJUSTMENTS



Rounded, in EUR m, IFRS

	FY 2023	FY 2022	Change in %
Revenue	4,829.4	3,512.6	37.5%
EBITDA	1,873.6	350.5	434.6%
EBITDA adj.	980.2	772.8	26.9%
Consolidated net income	949.8	-60.4	1,672,2%
Consolidated net income adj.	339.3	228.3	49.0%
Total funds from operations (FFO)*	1,792.6	320.5	459.4%
FFO adj.	1,693.5	278.3	508.5%
Investments**	3,096.0	1,452.2	113.2%
RAB Amprion GmbH & Amprion Offshore GmbH (consolidated)***	8,357	6,576	27.1%
Employees (FTE per end of year)	2,721	2,339	16.3%

* FFO defined as net income plus depreciation and amortization plus results on disposals of assets (non-cash) minus change in deferred tax (liability);

** incl. Amprion Offshore GmbH;

***according to local GAAP (HGB)

MANAGEMENT COMMENTS

- Introduction of **further adjustments** of adj. EBITDA and adj. consolidated net income **to eliminate distortions** of congestion revenues and further minor regulatory issues
- **Adjusted IFRS figures** for EBITDA, consolidated net income and FFO reflect Amprion's business performance more accurately
- Overall **strong growth** in all kind of **earnings** metrics despite challenging conditions in energy markets
- Above-average increase in **revenue** due to federal subsidy to stabilise grid charges (balanced out via future grid charges)
- **Reported EBITDA**, **reported consolidated net income** and **reported FFO** are positively affected by federal subsidy
- Investments into our grid more than doubled
- Strong increase of RAB as the basis for further profitable growth

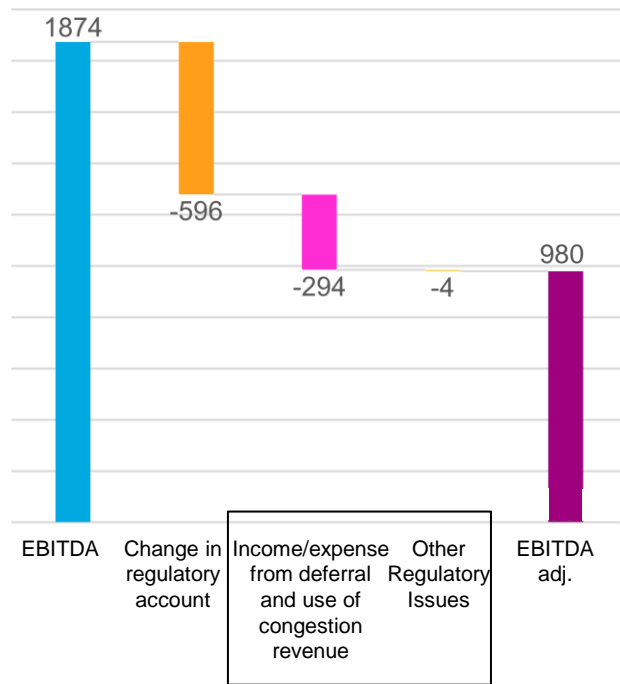
ADJUSTED KEY FINANCIAL RATIOS IN FY 2023

ACHIEVING BETTER COMPARABILITY ACROSS PERIODS



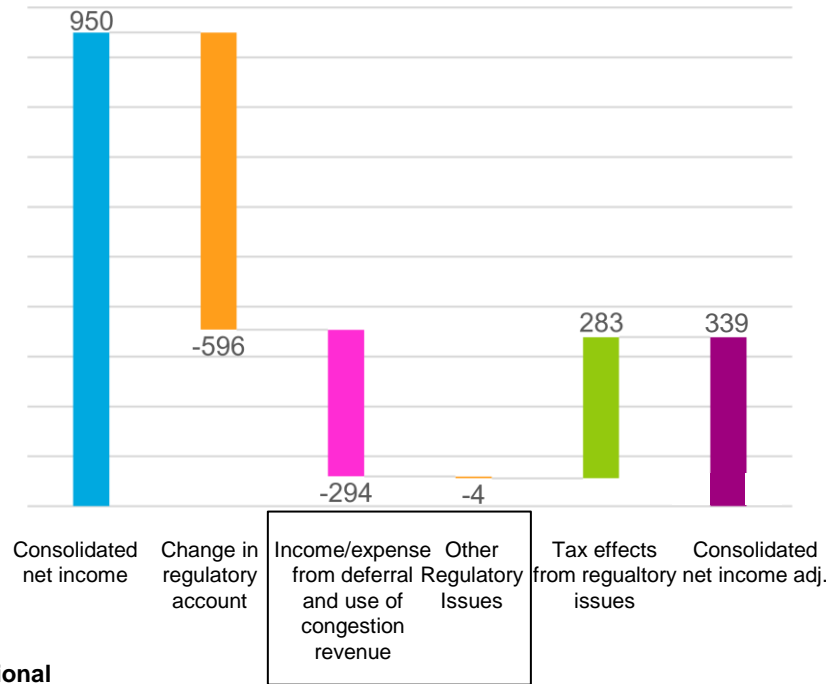
RECONCILIATION EBITDA ADJ. 2023

rounded, in EUR m, IFRS



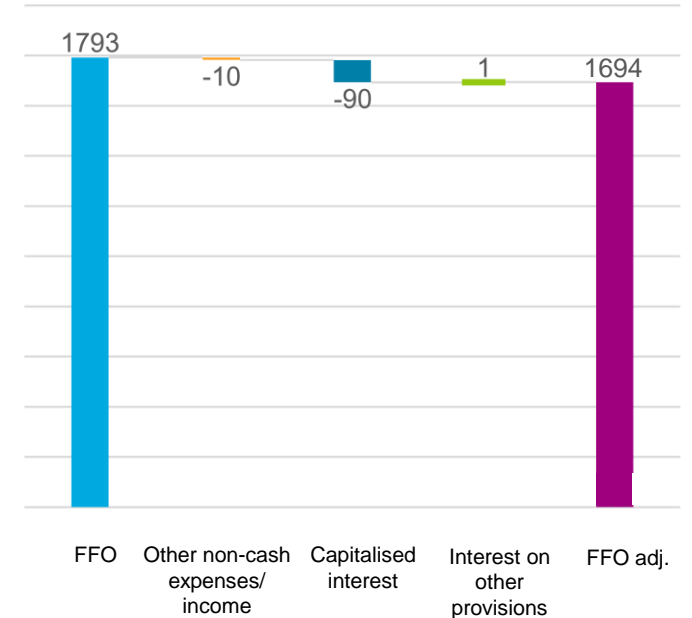
RECONCILIATION CONSOLIDATED NET INCOME ADJ. 2023

rounded, in EUR m, IFRS



RECONCILIATION FFO ADJ. 2023

rounded, in EUR m, IFRS



Additional adjustments starting with 2023 reporting

CONSOLIDATED INCOME STATEMENT FOR FY 2023



Rounded, in EUR m, IFRS

	FY 2023	FY 2022	Change in %
Revenue	4,829.4	3,512.6	37.5
Change in work in progress	0.0	0.0	N/A
Other own work capitalised	172.5	153.5	12.3
Other operating income	17.3	9.8	77.1
Cost of materials	-2,675.0	-2,883.1	-7.2
Personnel expenses	-310.2	-297.1	4.4
Other operating expenses	-160.4	-145.3	10.4
EBITDA	1,873.6	350.5	434.6
Depreciation and amortisation	-443.1	-419.9	5.5
Earnings before interest and taxes (EBIT, operating profit)	1,430.5	-69.4	2,161.0
Financial result	-29.3	-10.9	167.9
<i>of which financial income</i>	24.6	3.8	540.5
<i>of which financial expenses</i>	-54.0	-14.8	264.8
Earnings before taxes (EBT)	1,401.2	-80.4	1,843.8
Income taxes	-451.4	19.9	-2,363.2
Consolidated Net income	949.8	-60.4	1,672.2

MANAGEMENT COMMENTS

- **Strong revenue increase** by EUR 1,316.8m (37.5% YoY) mainly driven by a EUR 955.8m increase in grid charges
- Revenues included a EUR 950.8m **federal subsidy** to cap grid charges for customers. A large portion of the subsidy will be balanced out via future grid charges
- **Cost of materials** decreased mainly due to lower than expected costs for system service e.g. redispatch, provision of control energy
- **Depreciation and amortisation** soaring in general due to higher investments but mitigated by lower amortisation of right-of-use-assets
- **Reported EBITDA, EBIT, consolidated net income** overstated on regulatory effects

CASH FLOW STATEMENT FY 2023

HEAVILY AFFECTED BY EEG AND INVESTING ACTIVITIES



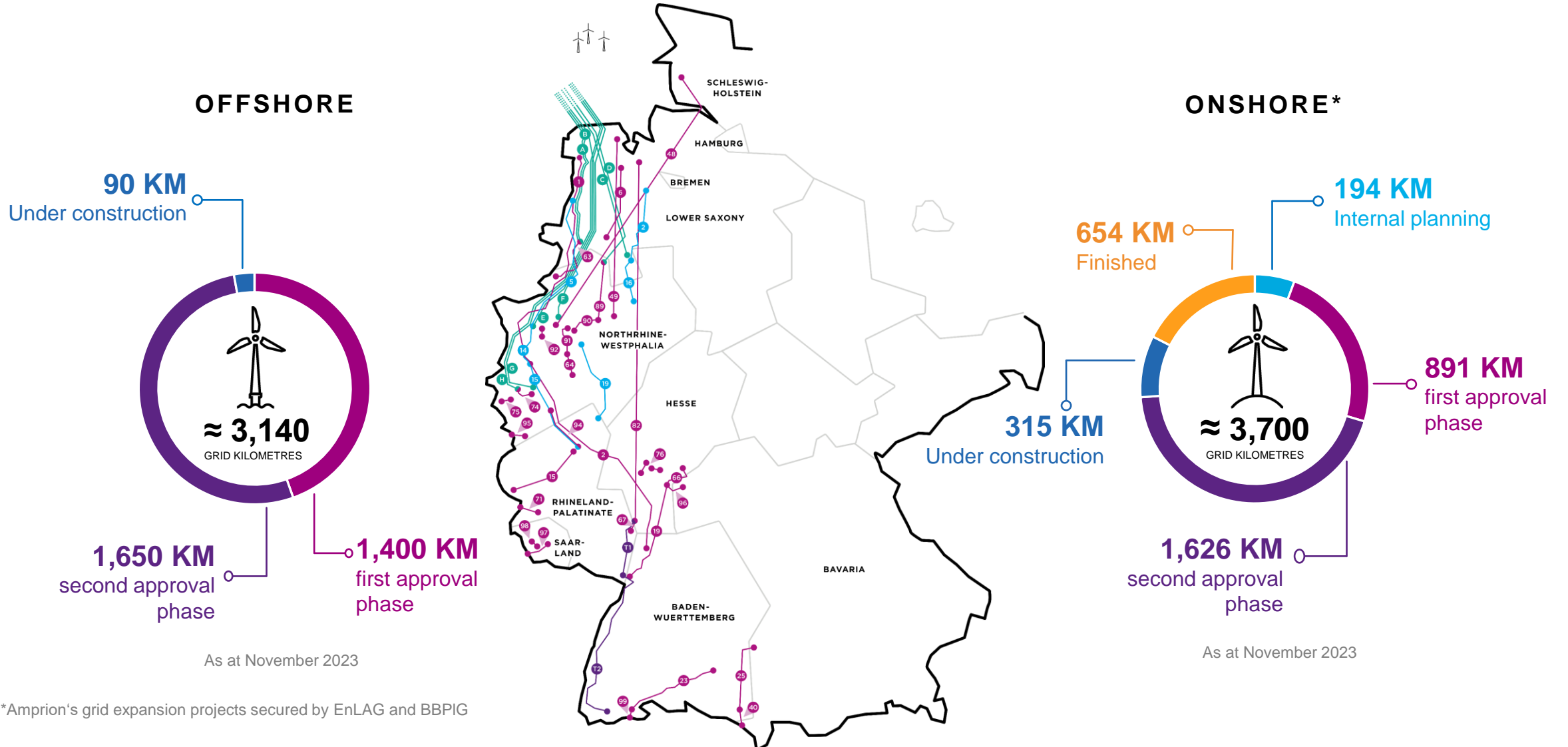
Excerpts*, rounded, in EUR m, IFRS	FY 2023	FY 2022	Change abs.
EBIT (per income statement)	1,430.5	-69.4	1,499.9
Adjustments change in net working capital / non-cash items	-4,605.7	2,066.2	-6,671.9
Operating cash flow	-3,175.2	1,996.8	-5,171.9
of which from the grid business	1,727.6	443.4	1,284.2
of which from the EEG business	-4,995.2	1,553.4	-6,548.6
of which from the KWKG business	92.4	-	92.4
Cash flow from investing activities	-2,855.2	71.4	-2,926.6
of which from the grid business	-2,944.3	-1,385.5	-1,558.8
of which from the EEG business (cash inflows and outflows for short-term liquidity management and interest received)	87.3	1,457.0	-1,369.7
of which from the KWKG business (interest received)	1.9	-	-
Cash flow from financing activities	808.4	1,343.7	-535.3
of which from the grid business	808.4	1,362.0	-553.6
of which from the EEG business (cash inflows and outflows for short-term liquidity management, interest payments)	0.0	-18.2	18.2
of which from the KWKG business	0.0	-	-
Net change in cash and cash equivalents	-5,221.9	3,412.0	-8,633.9
Cash and cash equivalents at the start of the period	5,533.4	2,121.5	3,411.9
Cash and cash equivalents at the end of the period	311.5	5,533.4	-5,221.9
of which from the grid business	12.1	420.3	-408.2
of which from the EEG business	205.1	5,113.1	-4,908.0
of which from the KWKG business	94.3	-	-

MANAGEMENT COMMENTS

- **Operating cash flow** mainly impacted by profit-neutral EEG compensation mechanism with a negative **operating cash flow in the EEG business** of around EUR 5bn
- **Core operating cash flow from grid business** increased by around EUR 1.3bn mainly due to federal subsidy
- **Cash and cash equivalents** of the group amounted to EUR 311.5m.
- **Cash flow from investing activities** of around EUR -2,9bn as a result of a 113% increase of investments into the grid.
- In September 2023, the issuance of a EUR 1,2bn green dual-tranche bond reduced for payments for interest, leasing and dividends led to a **cash flow from financing activities** of EUR 808m.

GRID EXPANSION AT AMPRION

DRIVING FORWARD THE ENERGY TRANSITION



*Amprion's grid expansion projects secured by EnLAG and BBPIG

STRONG STRATEGY TO SECURE CAPACITY

CAPACITY TO THE VALUE OF EUR 17BN SECURED IN 2023



PROACTIVE
ACTION

EARLY
NEGOTIATIONS

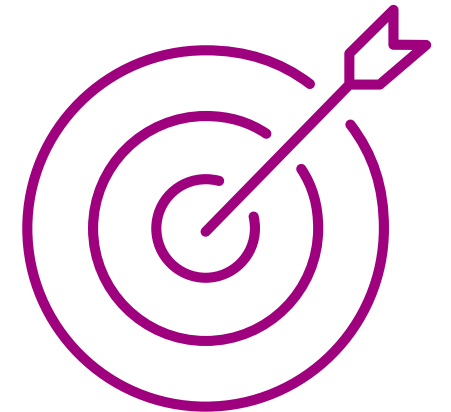
CAREFUL SELECTION
OF SUPPLIERS

EUR
17bn
in 2023

SECURED EQUIPMENT AND SERVICES UNTIL 2030
Converter | cables | civil engineering

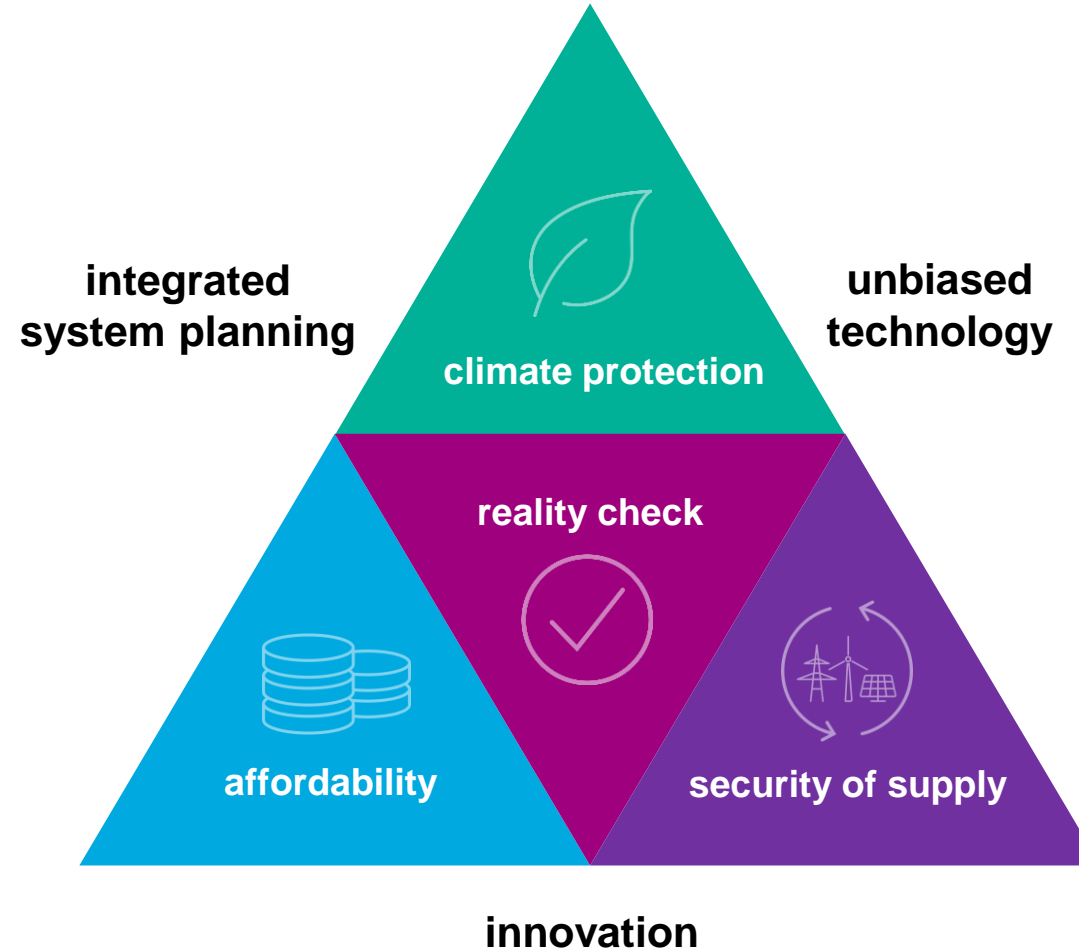
Risk mitigation for Onshore and Offshore projects:

- Early procurement + comprehensive own logistics
- Integrated project management
- Personnel growth and development
- Reduction of CO₂-footprint (short transport routes)
- Quality management
- Mitigation of risks in supply chain



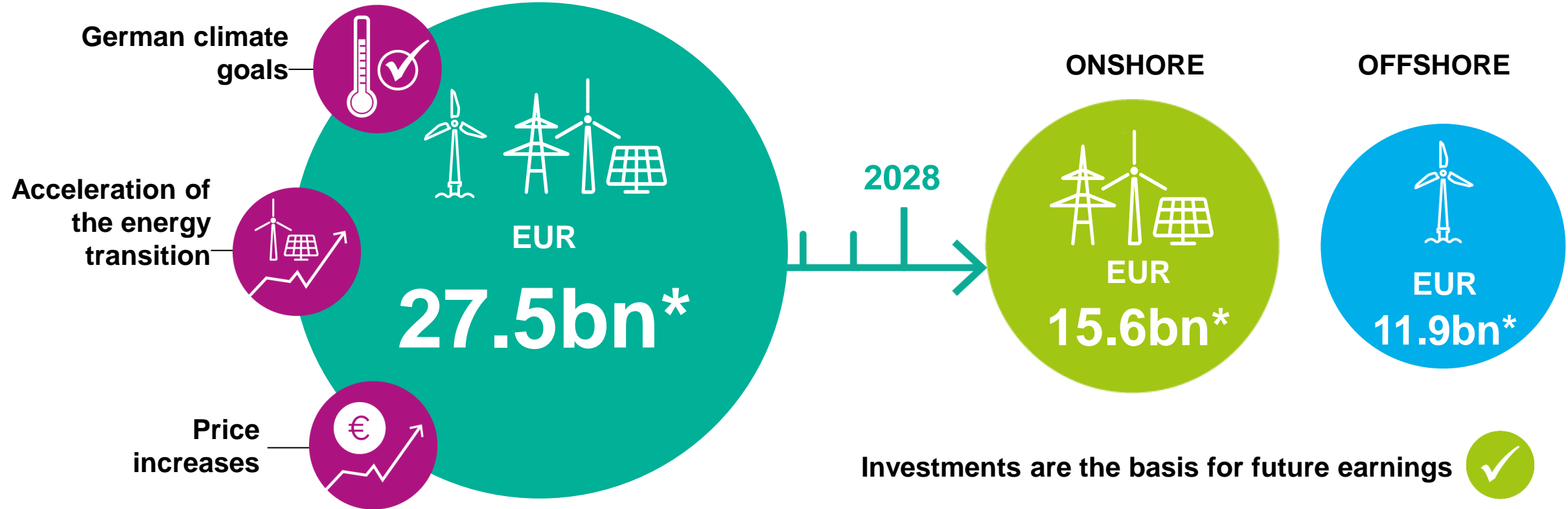
**ENERGY TRANSITION
IN GERMANY**

STRONG HOLISTIC APPROACH NEEDED FOR ENERGY TRANSITION



ENABLER OF THE ENERGY TRANSITION

PLANNED GRID INVESTMENTS OF EUR 27.5BN BY 2028



● Total investments ● Onshore ● Offshore

* as at November 2023, rounded figures

BALANCED FINANCING STRATEGY

COMBINING FOUR CORE COMPONENTS



STABILITY

- Stable investment-grade ratings
- Frequent issuer on the capital markets
- Continuous equity injections
- Stable dividend payouts in line with regulatory return on equity
- Appropriate and supportive evolution of the regulatory framework

SUSTAINABILITY

- Financing strategy reflects our intrinsically sustainable business model
- Sustainability as a key characteristic in all our financing activities
- State-of-the-art Green Finance Framework as the basis for capital market transactions

PROFITABILITY

- Focus on profitability incl. stable operating cash flows in the grid business and earnings
- Optimal regulatory leverage taking into account regulation and rating (60% debt/40% equity)
- Using of all financing instruments that are efficient in regulatory terms

FLEXIBILITY

- Ensuring sufficient financing headroom
- Ensuring continuous access to capital markets
- Use of a broad range of short- and long-term debt capital instruments

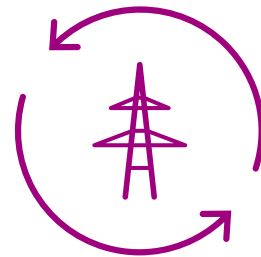


OUTLOOK 2024



Net profit

We guide a **net profit slightly below the previous year's level.**
(local GAAP, HGB)



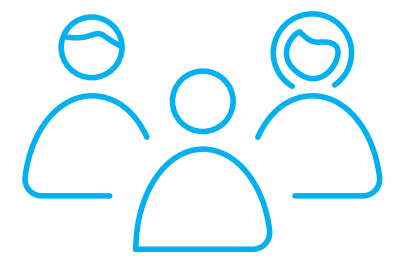
Investments

We intend to **invest** around EUR 3.9 bn in our grid in 2024.



Green Bonds

We intend to **issue further green bonds or hybrids, if regulatory framework is favorable.**



Employees

We plan to **increase** our workforce to up to 3,000 employees*.

* in FTE


**THANK YOU VERY MUCH
FOR YOUR ATTENTION!**



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APPENDIX

UNABRIDGED CASH FLOW STATEMENT FY 2023



Rounded, in EUR m, IFRS	FY 2023	FY 2022	Change abs.
EBIT (per income statement)	1,430.5	-69.4	1,499.9
Depreciation/amortisation	443.1	419.9	23.2
Change in provisions	-61.8	-8.2	-53.6
Income from disposals of non-current assets	16.1	14.2	1.9
Other non-cash expenses/income	-10.3	-5.4	-4.9
Changes in assets and liabilities from operating activities			
<i>Inventories</i>	-20.3	-12.1	- 8.2
<i>Net value of trade receivables and trade payables</i>	-4,906.6	1,685.4	- 6,592.0
<i>Net value of other assets and liabilities</i>	-49.3	22.4	-71.7
Income tax paid	- 16.5	-49.9	33.5
OPERATING CASH FLOW (1)	-3,175.2	1,996.8	-5,171.9
<i>of which from the grid business</i>	1,727.6	443.4	1,284.2
<i>of which from the EEG business</i>	-4,995.2	1,553.4	-6,548.6
<i>of which from the KWKG business</i>	92.4	-	-
Investments in intangible assets and property, plant and equipment	-2,986.7	-1,420.9	-1,565.8
Sales of intangible assets and property, plant and equipment	10.8	31.8	-21.0
Investments in other financial assets	0.0	0.1	0.0
Interest received	120.0	9.8	110.2
Dividends received	0.7	0.7	0.0
Inflows/outflows of cash and cash equivalents for short-term liquidity management	0.0	1,450.0	-1,450.0
CASH FLOW FROM INVESTING ACTIVITIES (2)	-2,855.2	71.4	-2,926.6
<i>of which from the grid business</i>	-2,944.3	-1,385.5	-1,558.8
<i>of which from the EEG business (cash inflows and outflows for short-term liquidity management and interest received)</i>	87.3	1,457.0	-1,369.7
<i>of which from the KWKG business (interest received)</i>	1.9	-	-

Rounded, in EUR m, IFRS	FY 2023	FY 2022	Change abs.
Interest paid	-141.7	-49.4	-92.3
Dividend paid	-130.0	-130.0	0.0
Entering into financial liabilities	1,203.6	1,998.5	-794.9
Redemption of lease liabilities	-124.1	-158.1	34.0
Redemption of financial liabilities (excl. lease liabilities)	-0.2	-200.2	200.0
Inflows/outflows for short-term liquidity management	1.0	-116.9	117.9
CASH FLOW FROM FINANCING ACTIVITIES (3)	808.4	1,343.7	-535.3
<i>of which from the grid business</i>	808.4	1,362.0	--553.6
<i>of which from the EEG business (cash inflows and outflows for short-term liquidity management, interest payments)</i>	0.0	-18.2	18.2
<i>of which from the KWKG business</i>	0.0	-	-
NET CHANGE IN CASH AND CASH EQUIVALENTS (1+2+3)	- 5,221.9	3,412.0	-8,633.9
Cash and cash equivalents at the start of the period	5,533.4	2,121.5	-2,263.2
Cash and cash equivalents at the end of the period	311.5	5,533.4	-5,221.9
<i>of which from the grid business</i>	12.1	420.3	-313.9
<i>of which from the EEG business</i>	205.1	5,113.1	-4,908.0
<i>of which from the KWKG business</i>	94.3	-	-

BALANCE SHEET AS AT 31ST DECEMBER 2023



ASSETS

Rounded, in EUR m, IFRS	31 Dec. 2023	31 Dec. 2022	Change abs.
Non-current assets			
Property, plant and equipment	10,422.4	7,665.8	2,756.6
Right-of-use assets	1,171.5	141.3	1,030.2
Intangible assets	47.6	41.0	6.6
Financial assets	5.2	5.3	0.0
Net defined benefit asset	160.9	170.7	-9.7
Deferred tax assets	0.0	0.0	0.0
Total non-current assets	11,807.7	8,024.0	3,783.7
Current assets			
Inventories	86.6	70.1	16.5
Trade receivables and other receivables	936.1	846.6	89.5
Other financial assets	29.6	23.0	6.6
Income tax claims	49.7	82.0	-32.3
Other non-financial assets	9.9	7.2	2.7
Cash and cash equivalents	311.5	5,533.4	-5,221.9
Total current assets	1,423.5	6,562.4	-5,139.0
Total assets	13,231.2	14,586.5	-1,355.3

LIABILITIES AND EQUITY

Rounded, in EUR m, IFRS	31 Dec. 2023	31 Dec. 2022	Change abs.
Equity			
Subscribed capital	10.0	10.0	0.0
Additional paid-in capital	1,403.0	1,403.0	0.0
Retained earnings	1,666.4	1,856.8	-190.4
Accumulated other comprehensive income	72.4	109.3	-36.9
Consolidated net income	949.8	-60.4	1,010.2
Total equity	4,101.6	3,318.8	782.9
Non-current liabilities			
Provisions	44.9	33.1	11.8
Financial liabilities			
<i>Financial debt</i>	4,875.0	3,688.5	1,186.6
<i>Other financial liabilities</i>	1,044.5	73.9	970.6
Non-financial liabilities	44.2	48.9	-4.6
Deferred tax liabilities	987.1	620.4	366.8
Total non-current liabilities	6,995.8	4,464.8	2,531.0
Current liabilities			
Provisions	77.3	111.9	-34.5
Financial liabilities			
<i>Financial debt</i>	50.5	25.2	25.3
<i>Trade payables and other liabilities</i>	1,794.7	6,542.0	-4,747.3
<i>Other financial liabilities</i>	167.5	73.5	94.0
<i>Liabilities for income tax</i>	16.9	0	16.9
Non-financial liabilities	26.9	50.4	-23.5
Total current liabilities	2,133.7	6,802.9	-4,669.2
Total liabilities and equity	13,231.2	14,586.5	-1,355.3