

Ad hoc media release
26 August 2021

Alpiq generates positive results for first half of 2021

- **EBITDA before exceptional items: CHF 80 million**
- **Swiss power production and energy trading below previous year, international production above previous year**
- **Solid balance sheet thanks to systematic financial strategy**
- **Focus on profitability and sustainability of business activities**
- **Michel Kolly, member of the Executive Board, to leave Alpiq**
- **Positive results of operations before exceptional items expected for 2021, below the previous year**

Lausanne – The Alpiq Group (Alpiq) generated EBITDA before exceptional items of CHF 80 million in the first half of 2021 (first half of 2020: CHF 119 million). All three business divisions operated positively. At CHF 15 million, Swiss power production was down on the previous-year period (CHF 48 million) as expected; at CHF 42 million, international power production closed above the previous-year period (CHF 28 million), international energy trading recorded earnings of CHF 41 million in the first half of 2021 (CHF 61 million).

Solid balance sheet thanks to systematic financial strategy

Alpiq stands on a solid footing and systematically continued its financial strategy. Net cash flows from operating activities decreased slightly from CHF 180 million to CHF 172 million. Net debt was reduced to CHF 145 million (31 December 2020: CHF 249 million). As a result, the gearing ratio (net debt/EBITDA before exceptional items) decreased from 1.0 at 31 December 2020 to 0.7 at 30 June 2021. Liquidity amounts to CHF 1.018 billion (31 December 2020: CHF 0.963 billion). At CHF 3.865 billion at 30 June 2021, equity is CHF 93 million higher than at the end of 2020. Due to the increase in total assets driven by energy prices, the equity ratio dropped from 51.2 % to 42.1 %.

Swiss production generates positive result

The Generation Switzerland business division closed the first half of the year with positive EBITDA before exceptional items of CHF 15 million (first half of 2020: CHF 48 million). Alpiq produced less electricity from sustainable, renewable hydropower due to the late

thaw in the Swiss Alps. In addition to that, the overhaul of the Leibstadt nuclear power plant had to be postponed until 2021 in the wake of the COVID-19 pandemic.

For the Nant de Drance pumped storage power plant, in which Alpiq holds a stake of 39 %, the test phase of technical commissioning was successfully continued. The 900 MW power plant which will be fully commissioned for commercial use from mid-2022 will make an important contribution to the security of supply in Switzerland and Europe from renewable energies.

Stable contributions from international power production

The Generation International business division closed the first half of the year with positive EBITDA before exceptional items of CHF 42 million, up on the previous year (first half of 2020: CHF 28 million). The gas-fired combined-cycle power plants in Spain, Italy and Hungary ideally complement the Alpiq portfolio and all make a steady contribution to group earnings. With their high electric efficiency and flexibility and low CO₂ emissions, they are among the most efficient conventional power plants and are an ideal bridging technology in the transformation of the energy system towards full supply from renewable energy sources.

Alpiq also performed well overall with wind power plants and small-scale hydropower plants as well as photovoltaic plants. In Spain, Alpiq signed a contract for the acquisition of an 18 MW photovoltaic portfolio that is currently under development. This was the first portfolio in the field of renewable energies that the company took over on the Spanish mainland, a step that dovetails with the country's ambitious climate targets. In Switzerland, Alpiq is targeting a photovoltaic portfolio of at least 50 MWp by 2026. At present, six PV projects with a total capacity of 3.3 MWp are planned in Romandy.

Energy trading down on previous year

The Digital & Commerce business division closed the first half of the year with positive EBITDA before exceptional items of CHF 41 million, below the previous year (first half of 2020: CHF 61 million). Due to the strong increase in energy prices in the first half of 2021, the credit risk associated with several counterparties increased. This in turn had a negative effect on results of operations and Alpiq had to recognise impairment losses accordingly. The sale of energy from the company's own power plant portfolio is a key pillar of its business activities. Alpiq was once again able to market energy from its own assets extremely profitably.

Higher demand in the international customer business for flexible power production as well as greater volatility on the energy markets resulted in a pleasing business performance. Demand for long-term power purchase agreements (PPAs) grew in particular in Europe, where Alpiq expanded its market shares, strengthening its position in the supply of

environmentally-friendly electricity. Alpiq provides targeted support to its customers in implementing their sustainability goals.

Michel Kolly to leave Alpiq

Michel Kolly, member of the Executive Board and Head of Digital & Commerce, has decided to leave the company after 15 years. With great success, Michel Kolly played a key role in driving forward international energy trading and the customer business at Alpiq. The Board of Directors and Executive Board would like to thank Michel Kolly for his many years of valuable and dedicated work for the company. The search for a successor has been initiated.

Focus on added value and sustainability of business activities

Alpiq operates on all important European markets with its expertise in asset, portfolio and risk management. With regard to the corporate strategy, the Executive Board is currently reviewing how the business areas and processes add value and contribute to a better climate and security of supply, as set down in Alpiq's purpose. This is: Our sustainable energy business contributes to a better climate and an improved security of supply. CEO Antje Kanngiesser says: "We are aligning Alpiq with our purpose and will deliberately position ourselves on selected markets."

Positive earnings expected for 2021, below the previous year

For the 2021 financial year as a whole, Alpiq still expects positive results of operations, albeit down on the previous year. While the electricity and CO2 prices on the wholesale markets hedged in Swiss francs will also have a positive effect on Alpiq's earnings in 2021, the overhaul of the Leibstadt nuclear power plant postponed from 2020 to 2021 will negatively impact earnings. The effects recorded in the first half of 2021 in connection with the increased credit risks of individual counterparties will also be reflected in the year as a whole. Furthermore, the effects of the COVID-19 pandemic cannot yet be fully assessed at present.

Key financial figures of the Alpiq Group for the first half of 2021

Key financial figures of the Alpiq Group – [pdf](#)

You can find the dossier for the Interim Report [here](#).

The direct link to the online Interim Report is [here](#).

For more information about Alpiq, please visit www.alpiq.com

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Message for the media:

The media conference on the Half-Year Results 2021 of Alpiq Holding Ltd. takes place today, 26 August 2021, from 9.15 a.m. to 10.15 a.m. in Olten.

You may enter the media conference room if you are fully vaccinated, can provide a negative test or have recovered from COVID-19. Please bring the corresponding COVID certificate with you. You must wear a face covering throughout the entire Alpiq building.