



edp  
Renewables

# 9M24 Results Presentation

November 6<sup>th</sup>, 2024

15:00 CET | 14:00 UK / Lisbon

[www.edpr.com](http://www.edpr.com)

Scarlet Storage  
United States



# Agenda

- 1 Update on Strategy Execution
- 2 9M24 results
- 3 Closing Remarks
- 4 Annex

# Update on Strategy Execution

# 9M24 delivering 5% YoY growth in Revenues supported by new capacity additions despite lower avg. selling price YoY



## 9M24 Main Highlights

- **Capacity additions: +3.0 GW YoY** (+1.3 GW in 9M24, with strong contribution from US solar projects). FY24 total additions expected at ~4 GW (~1GW already mechanically complete in the US)
- **Generation +5% YoY to 26.5 TWh:** +15% in North America driven by new additions (+1.9 GW YoY) and normalization of wind conditions
- **Average selling price at €59.4 per MWh** (-4% YoY) with the YoY decline of electricity prices in Europe smoothed by positive impact from hedging strategy, North America showing positive pricing dynamics and improved avg. selling price in Brazil
- **Core OPEX/ avg. MW in operation -7% YoY** reflecting efficiency improvements
- **4 Asset rotation transactions closed YTD at attractive valuation metrics**, €1.5bn proceeds and avg. EV/MW of €1.5m; AR gains of €0.2bn, but down €0.2bn YoY impacting net profit evolution

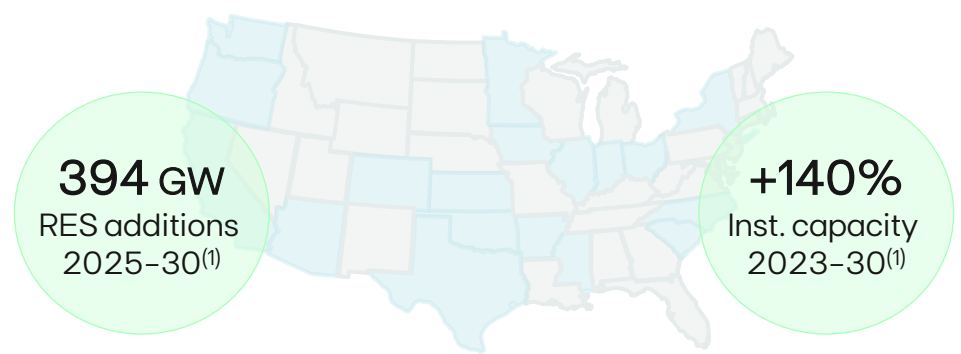
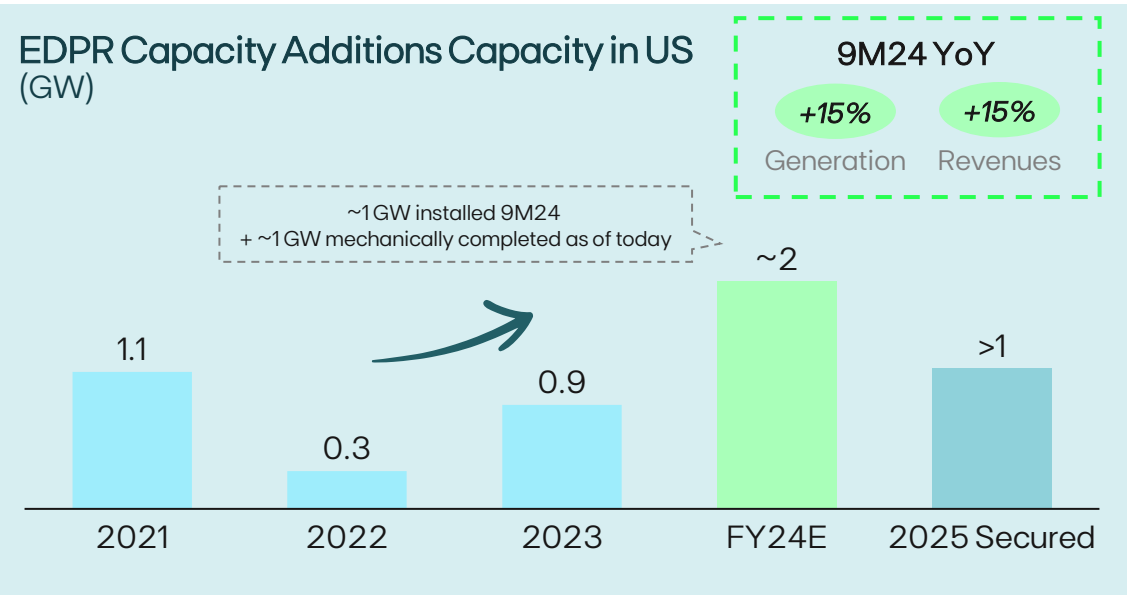
## Financial Performance

**€1,294m**  
Rec. EBITDA  
(+7% YoY underlying)

**€210m**  
Rec. Net Profit  
(-55% YoY)

# Significant improvement of execution and market environment for renewables in the United States

With presence in United States since 2007, EDPR continues strengthening its leading position



- ✓ Core Market with substantial growth opportunities
- ✓ Incremental demand for renewable energy, supported by large scale projects & increasing demand from Big Techs
- ✓ 2024 recovering with ~1 GW of new additions as of 9M24 and reaching ~2 GW by year end
- ✓ 2025&26 with supply chain 100% secured and high weigh of local content equipment
- ✓ Storage 0.5 GW target 100% secured with long-term contracts providing diversified growth

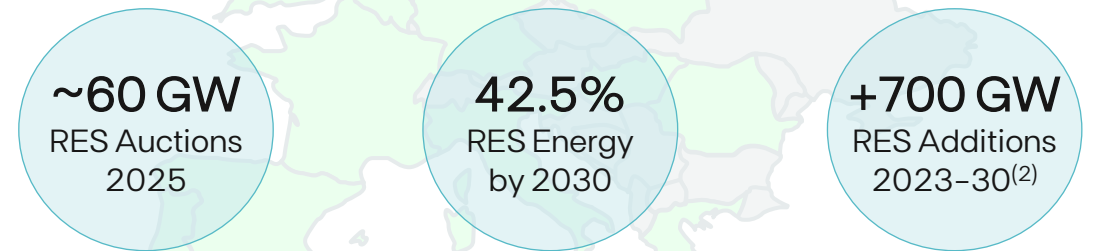
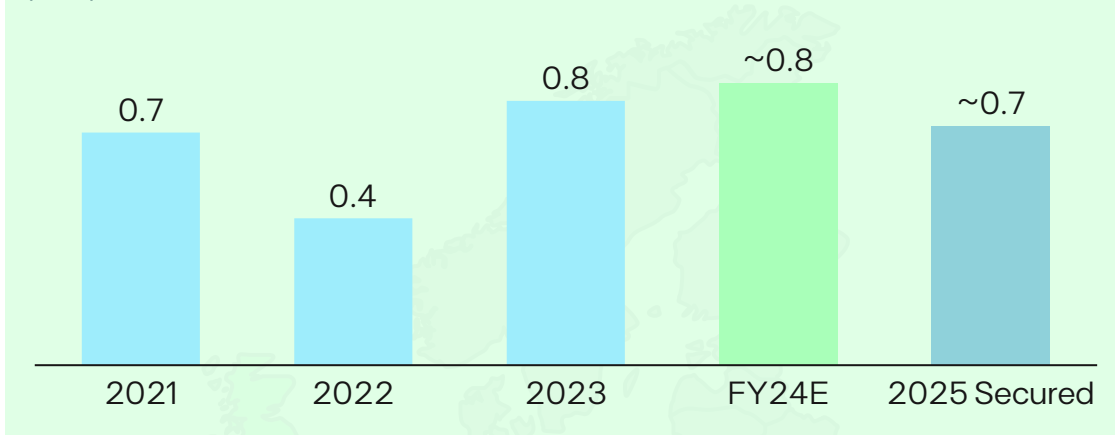
(1) EDPR internal estimate considering information from a number of consultants: Velocity Suite, Wood Mackenzie, Aurora Energy Research, Hitachi, S&P Global and BNEF.

# EDPR continues reinforcing its presence in Europe – strong electrification is expected across all sectors

## Core market with low-risk profile and profitable growth opportunities

- ✓ 2024 additions slowly recovering with ~0.8 GW of additions expected by year end and +1GW under construction
- ✓ Main markets for ~0.7 GW secured capacity for 2025: Italy, Germany, Spain and UK
- ✓ Leveraging existing portfolio in Iberia through hybridization to optimize interconnection
- ✓ Grid bottlenecks remains a significant challenge to renewables, €0.5tr of investment necessary this decade<sup>(1)</sup>

EDPR Capacity Additions in Europe (GW)



(1) "Commission sets out actions to accelerate the roll-out of electricity grids", Press release of 28/11/23

(2) IEA

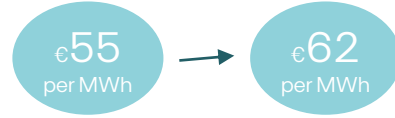
# Positive forward prices evolution, along with supportive PPA prices, providing strong visibility in the medium term

Electricity pool price performance evolving positively...

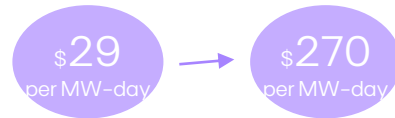
... while continuing securing long term contracts



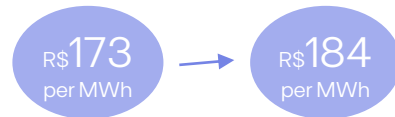
2026 forward prices in Iberia from May-24 to Oct-24<sup>(1)</sup>



PJM capacity auction prices from 2024/25 to 2025/26



2026 forward prices in Brazil from May-24 to Oct-24



✓ ~65% of the +1.6 GW of new PPA signed in 2024 were closed with major tech companies



**Bloomberg**

✓ Securing long term storage contracts mainly with utilities, given their crucial role to complement variable generation

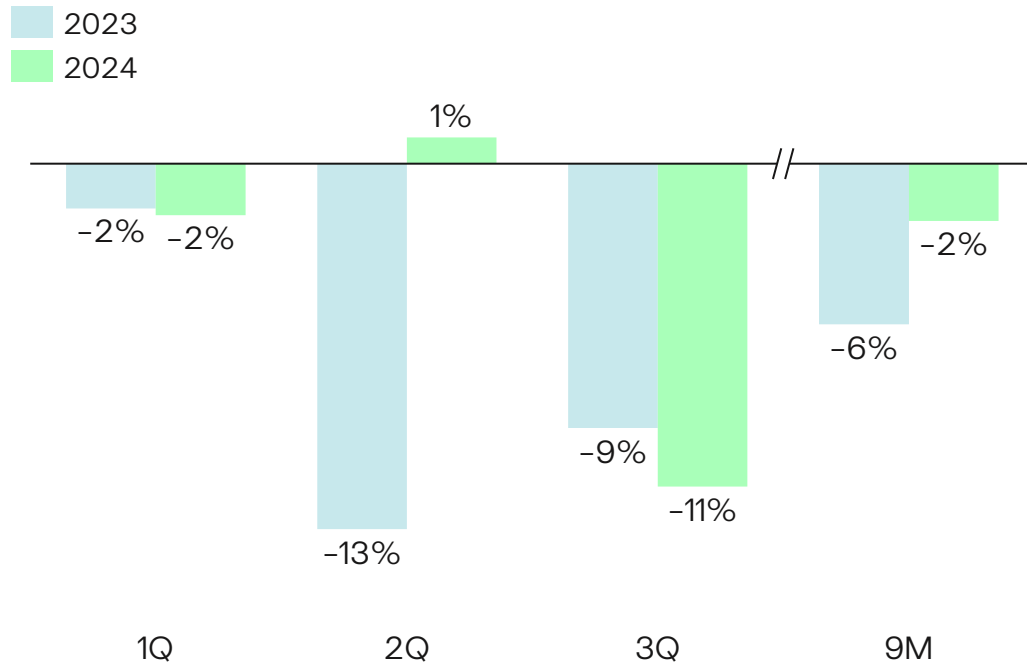


(1) Source: OMIE, data updated as of October 31st, 2024

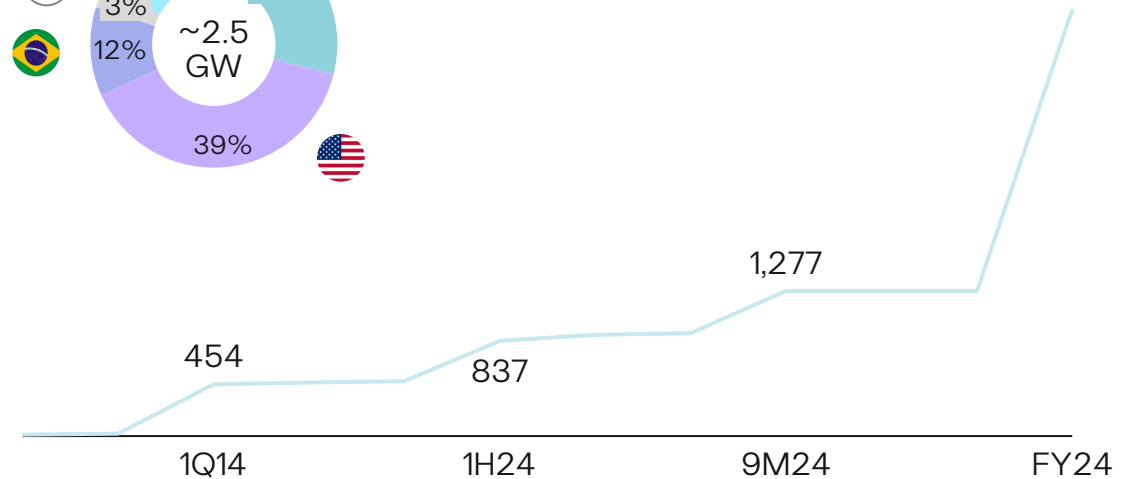
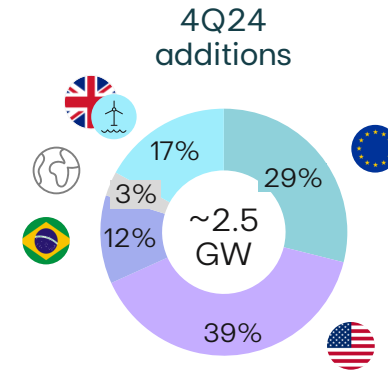


# ~4 GW of additions for 2024 underway, with slower than anticipated commissioning between quarters impacting expected generation

Renewables Index (vs. P50 Gross Capacity Factor) (%)



2024 Additions Profile (MW)

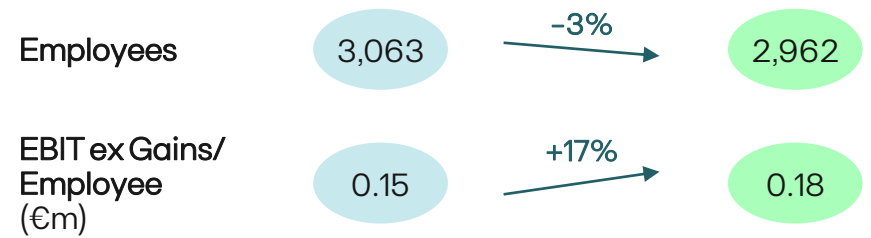
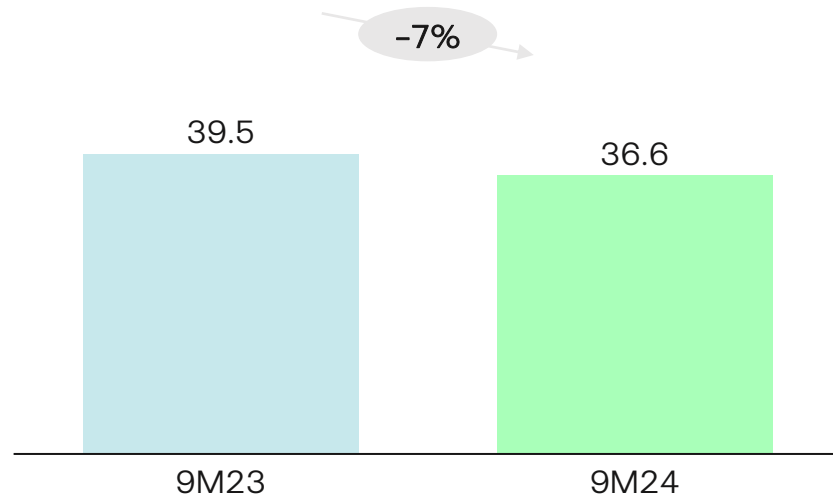


2024 expected generation 35–36 TWh driven by below expected renewable resource and installations trend, which will now be concentrated in the 4Q24



# Efficiency measures in place allowing EDPR to improve ratios

Core OPEX<sup>(1)</sup>/ Avg. MW in Operation  
(€k)



Programs ongoing focused on efficient operations with savings already generated and more to come



**O&M Excellence:** Fostering efficiencies through global synergies & digitalization

- > Global program to **improve operational profitability** in RES assets, including cost efficiency
- > Optimize operations via **robotization**



**Capex Excellence:**

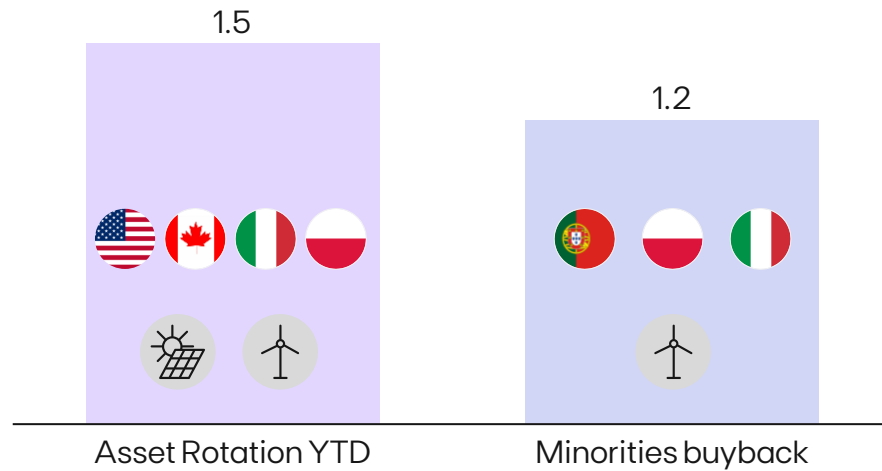
- > Aims to **transform the way of working across the entire value chain**, with emphasis on digital enhancements
- > **34 tangible initiatives defined**, with 20 already completed and 14 under acceleration

(1) Core Opex includes Supplies & Services and Personnel Costs

# Asset rotation strategy execution at solid valuations complemented by opportunistic acquisition of minority stakes in operating assets in 2024

Achieving attractive multiples in asset rotation, while reinvesting in earnings accretive projects

EV/MW  
(€m/MW)



Solid Valuations supporting capital recycling strategy to continue fueling growth...

...along with the closing in Oct-24 of the acquisition of 49% stakes in EDPR's 1 GW operating wind assets which supports portfolio simplification...

...will directly contribute to EDPR shareholders' value

Proceeds  
(€bn)

1.5

0.58

MW gross

1,069

970

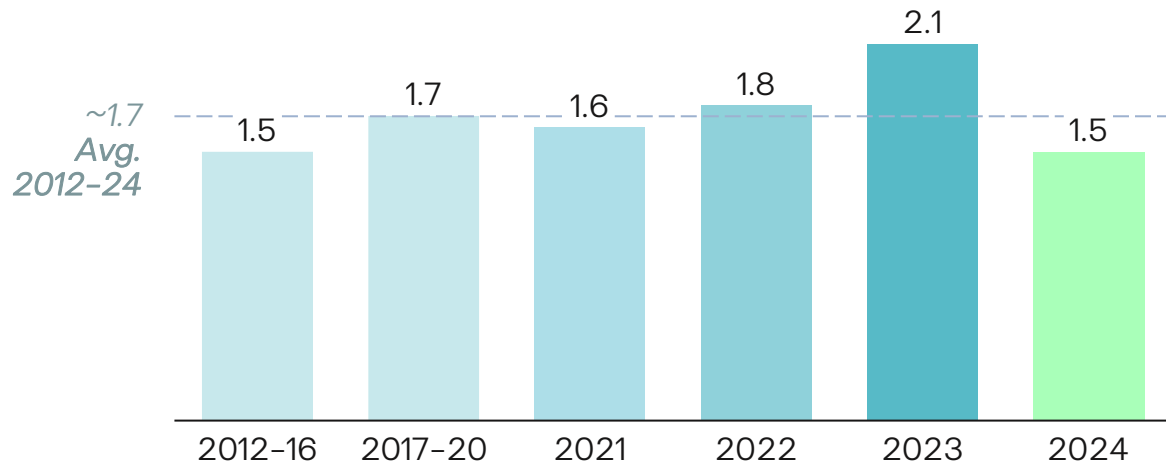
MW net

941

475

# Asset Rotation transactions continuing to be closed at attractive valuations, short-term correction in AR gains driven by capex inflation

EV/MW  
(€m/MW)

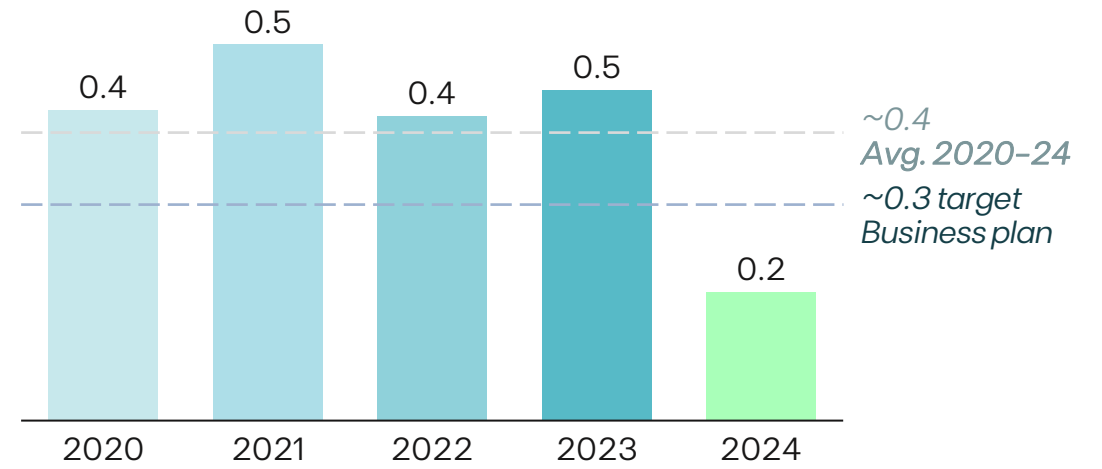


	2012-16	2017-20	2021	2022	2023	2024
% MW wind	100%	100%	84%	84%	100%	48%
% MW solar	-	-	16%	16%	-	52%

2020-24 Capacity (GW net) ~4.3

2020-24 Proceeds (€bn) >7.5

Asset Rotation Gains  
(€bn)



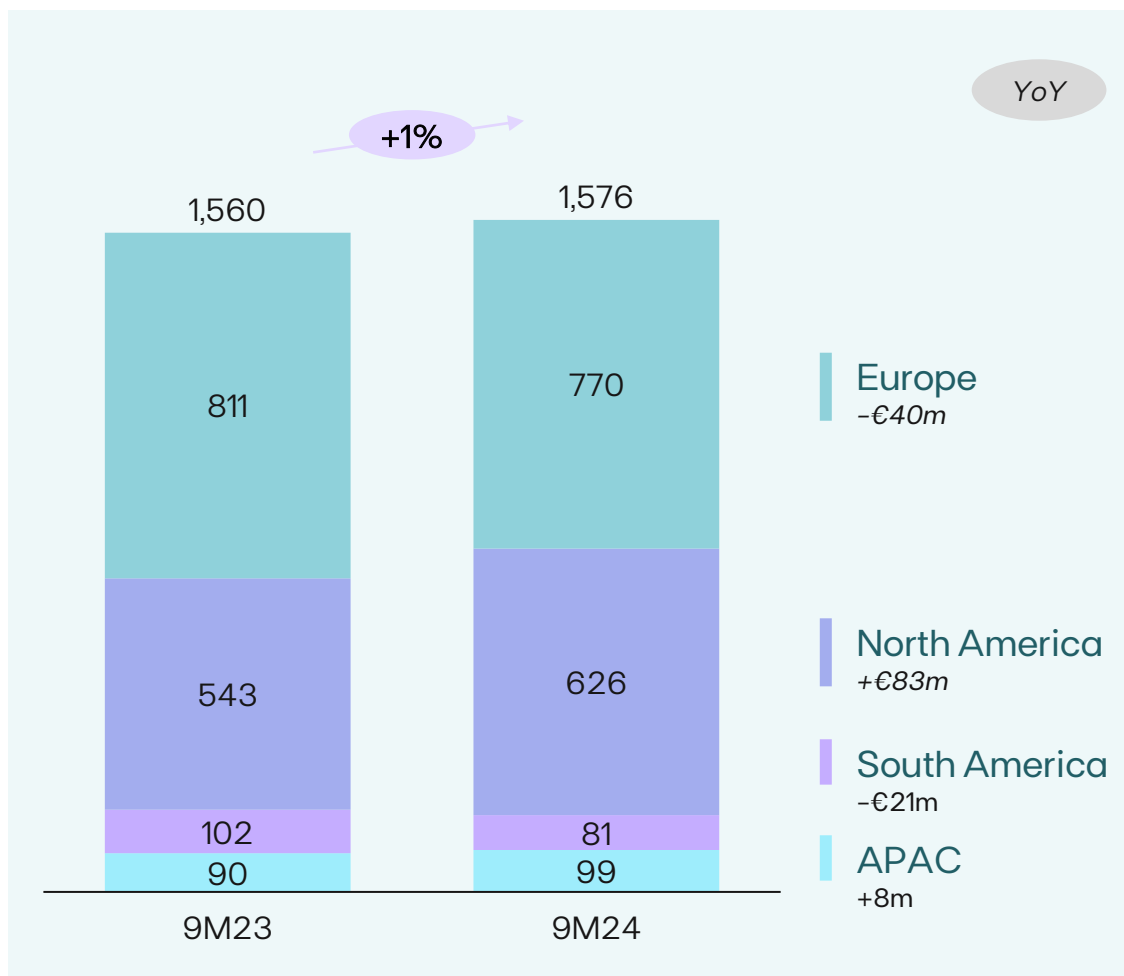
Year	AR Gains/Inv. Capital
2020	~60%
2021	~40%
2022	~34%
2023	~60%
2024	~10%

Target AR Gain /Inv. Capital ~20%

# 9M24 Results

# Electricity Sales resilient YoY with growth in generation and resilient avg. selling price in an adverse context of wholesale prices vs. 2023

## Electricity Sales<sup>(1)</sup> (€m)



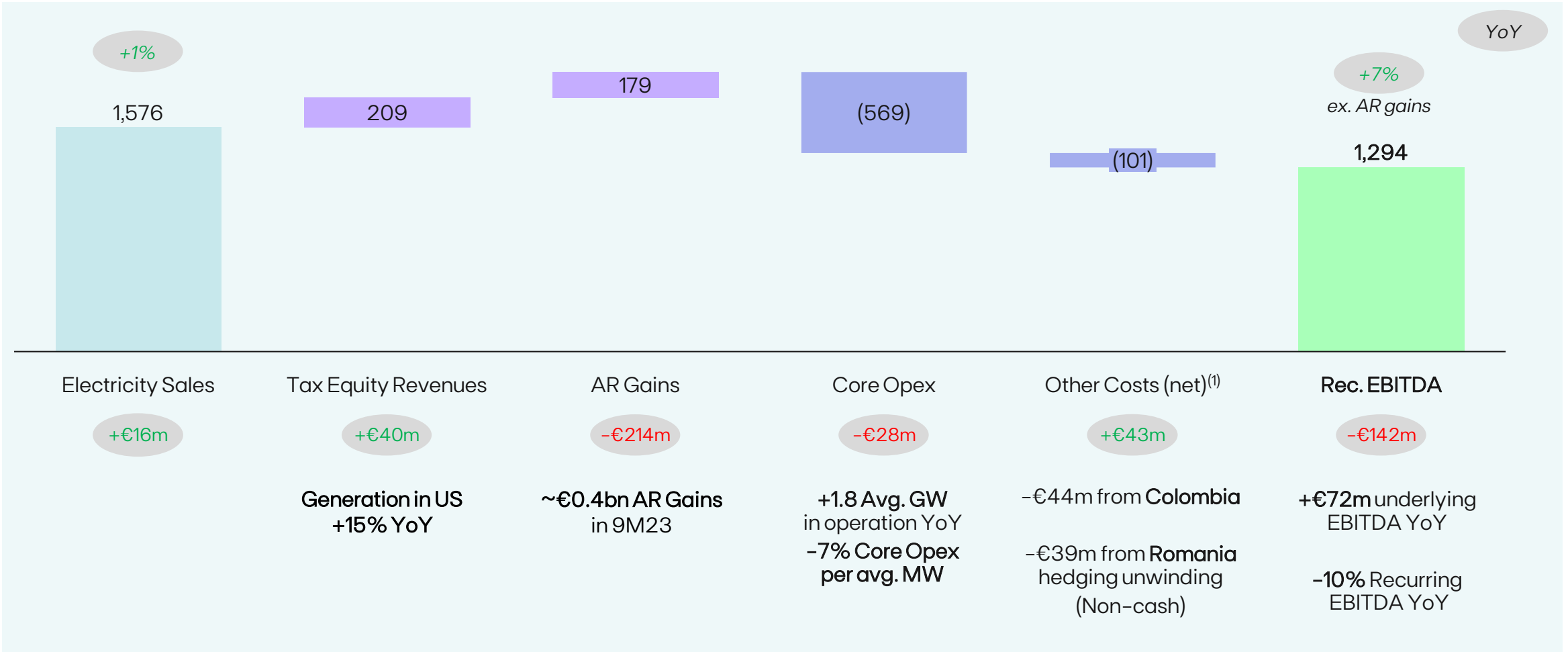
	9M23	9M24	YoY
<b>Renewable Index Generation %</b>	94%	98%	+4%
<b>Electricity Generation TWh</b>	25.2	26.5	+5%
<i>Europe TWh</i>	8.3	8.5	+3%
<i>North America TWh</i>	12.7	14.6	+15%
<i>South America TWh</i>	3.4	2.4	-30%
<b>Avg. Selling Price €/MWh</b>	61.9	59.4	-4%
<i>Europe €/MWh</i>	98.1	90.4	-8%
<i>North America \$/MWh</i>	46.4	46.7	+1%
<i>South America €/MWh</i>	30.5	34.4	+13%

Note: 9M23 electricity sales and ASP restated to adjust hedging impact, previously accounted at holding level, along with reclassification of COGS to price calculation

(1) Excludes non-cash accounting impacts; Difference between total and platforms belongs to Corporate Holding

# Underlying EBITDA increasing +7% YoY driven by strong top line, namely in US, and lower clawback taxes in Europe

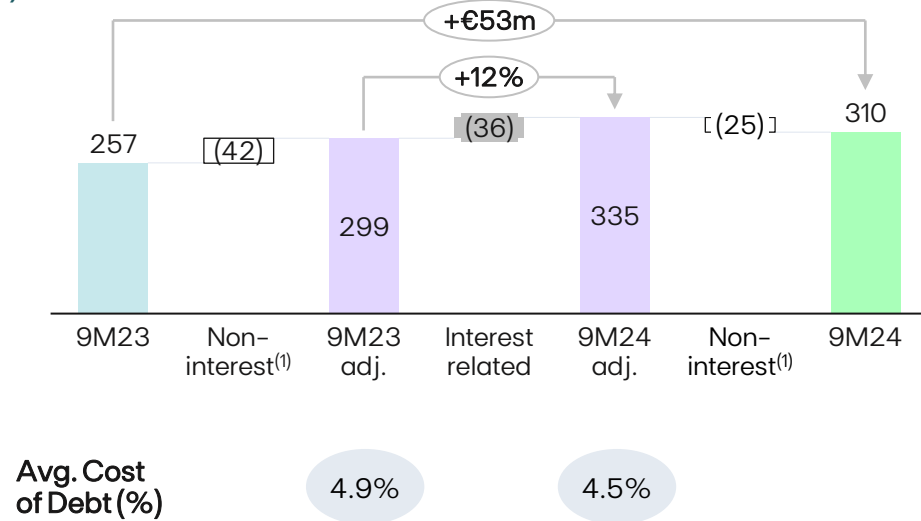
## EBITDA 9M24 (€m)



(1) Other Costs Net includes non-cash allocated accounting, Other operating income excluding AR Gains, Other operating costs, Share of Profits from Associates and one-offs

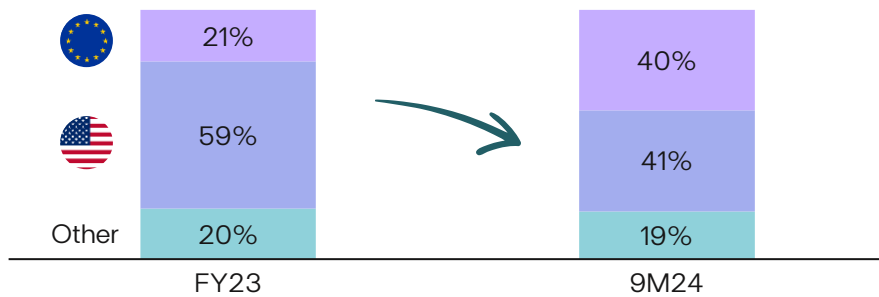
# Financial Results +€53m YoY driven +€1.8bn nominal financial debt YoY

## Financial Results (€m)

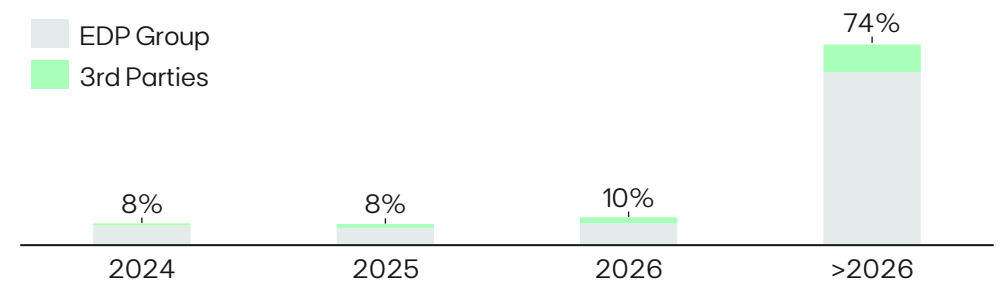


- ✓ Financial results +€53m YoY impacted by +€1.8bn of nominal financial debt YoY with Colombia related financials of €32m
- ✓ Financial results improving in 3Q24 at €87m (-24% QoQ and -11% vs 3Q23)
- ✓ Lower cost of debt (-0.3pp) driven by €/€ re-balancing strategy

## EDPR's financial debt per currency (%)



## Debt by maturity & counterparty (%)

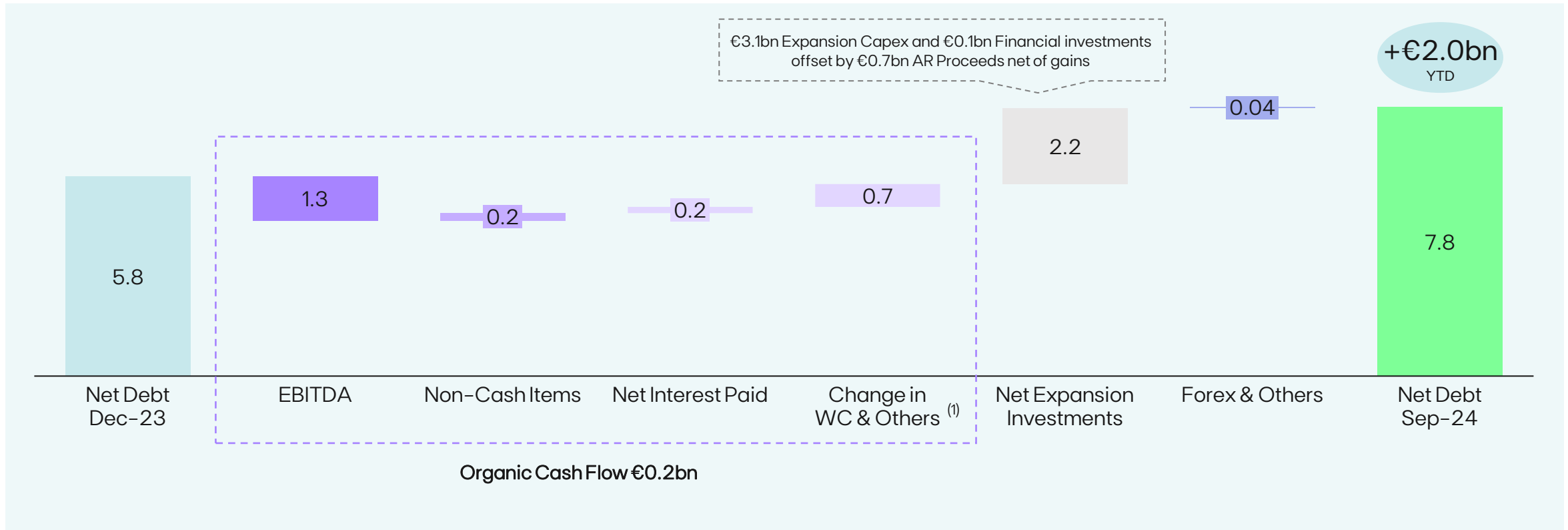


(1) Includes capitalized financial costs along with Forex, Derivatives and Others



# Net Debt at €7.8bn mainly driven by Net Expansion Investments of €2.2bn

## Net Debt Change Dec-23 to Sep-24 (€bn)

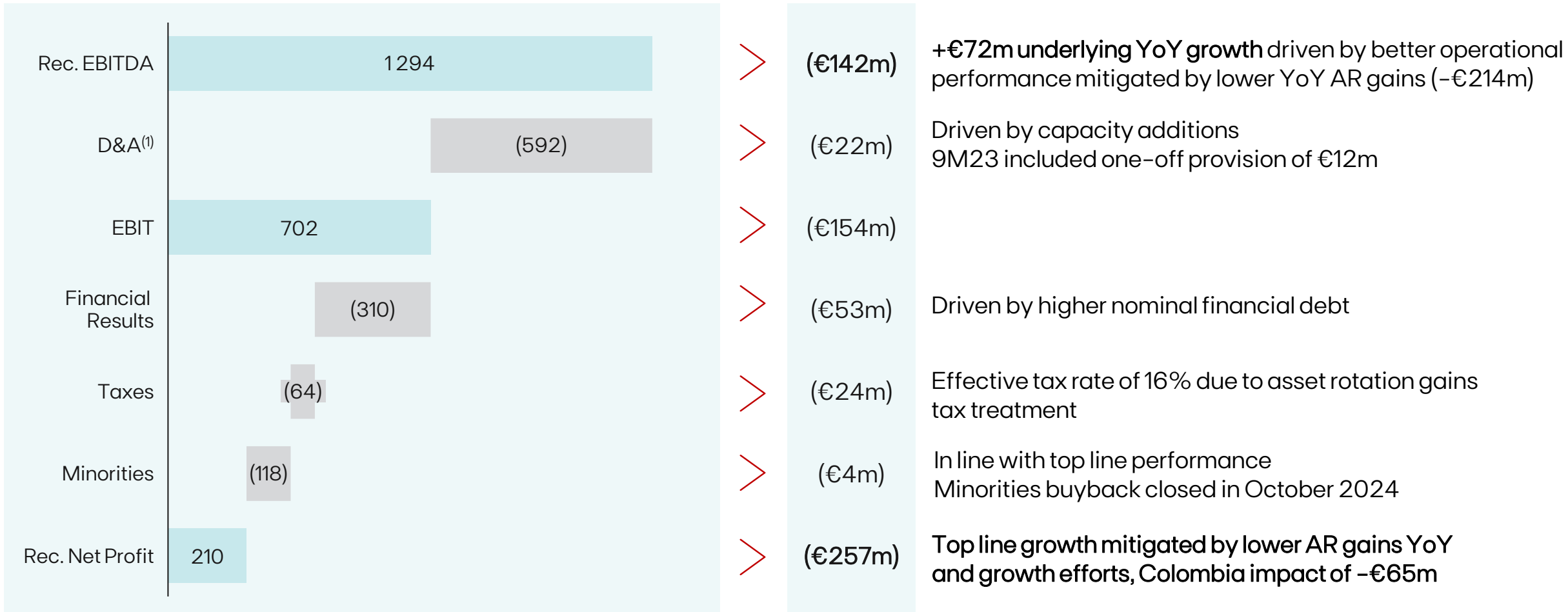


~1GW in final stage for commissioning in US to generate ~€1.0bn Tax Equity proceeds in the short term  
 €0.3bn Poland Asset rotation proceeds received on October 23<sup>rd</sup>, €0.6bn payment for 49% of 1 GW in Europe on October 9<sup>th</sup>

(1) Change in Working Capital (€0.3bn), Income Tax Paid (€0.2bn) and Minorities/Partnerships distributions (€0.2bn)

# Net Profit of €210m with top line growth mitigated by lower AR gains YoY and growth efforts

## 9M24 Recurring EBITDA to Recurring Net Profit (€m)



(1) D&A includes Provisions, Depreciation and amortisation and Amortisation of deferred income (government grants)

## Closing Remarks

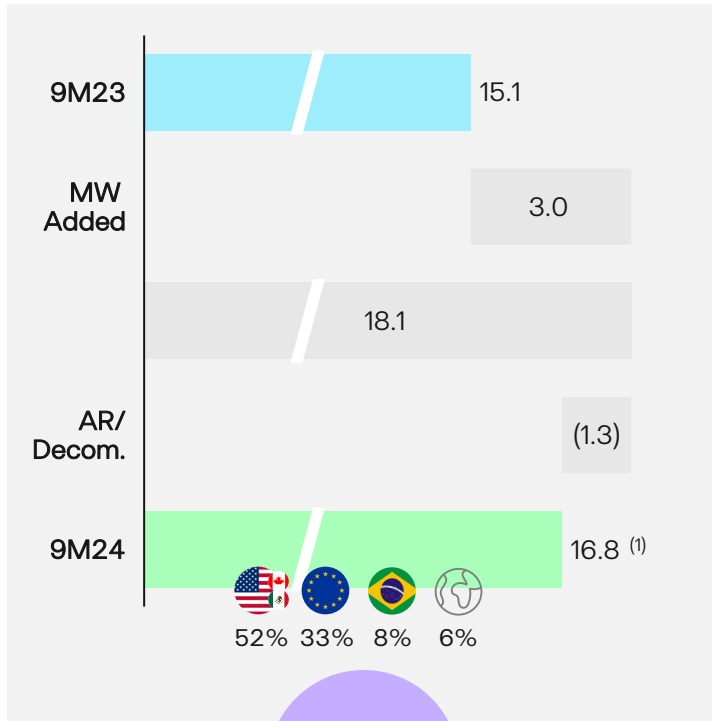
## Closing remarks

- **Capacity additions increased +3.0 GW YoY** (1.7 GW net of Asset rotation deconsolidation), with strong contribution from US solar projects and **4.1 GW under construction** on track to deliver expected targets
- 9M24 driven by an increase of **+5% YoY in generation**, tempered by the later commissioning of new capacity in 4Q24 and renewable resources below long-term average, mostly in Brazil. **Avg. selling price at €59.4/MWh** (-4% YoY) with the YoY decline of electricity prices in Europe smoothed by **positive impact from hedging strategy**
- Ongoing efficiency programs already fostering synergies across the portfolio, with continues improvements in our efficiency ratios with **Core OPEX/ avg. MW in operation -7% YoY**
- Asset rotation activity involved **4 transactions** in the US, Canada, Italy and Poland totaling 1.1 GW of renewable capacity, with a **solid combined multiple of €1.5m EV/MW**
- Positive underlying performance leading to a recurring **EBITDA of €1,294m** (+7% ex-gains YoY) and **Net Profit at €210m** with **positive top line performance mitigated by lower Asset rotation gains YoY and growth efforts.**
- **Solid growth prospects** in EDPR's core markets and forward electricity prices evolving positively, also reflected on strong PPA execution YTD, providing visibility for future solid returns

# Annex

# Since last year, EDPR added ~3.0 GW with installed capacity amounting to 16.8 GW in 9M24

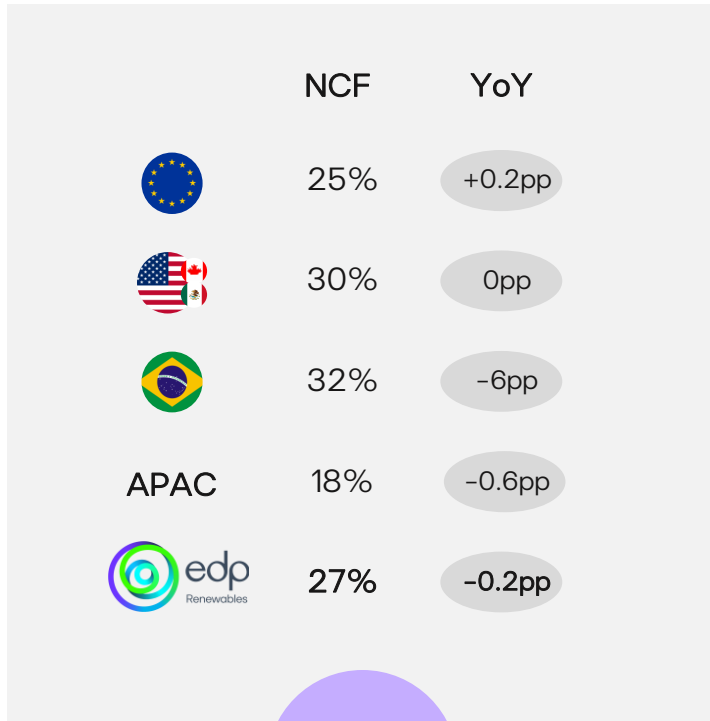
## Installed Capacity YoY (EBITDA + Equity GW)



**4.1**  
GW

Under Construction as of Sep24

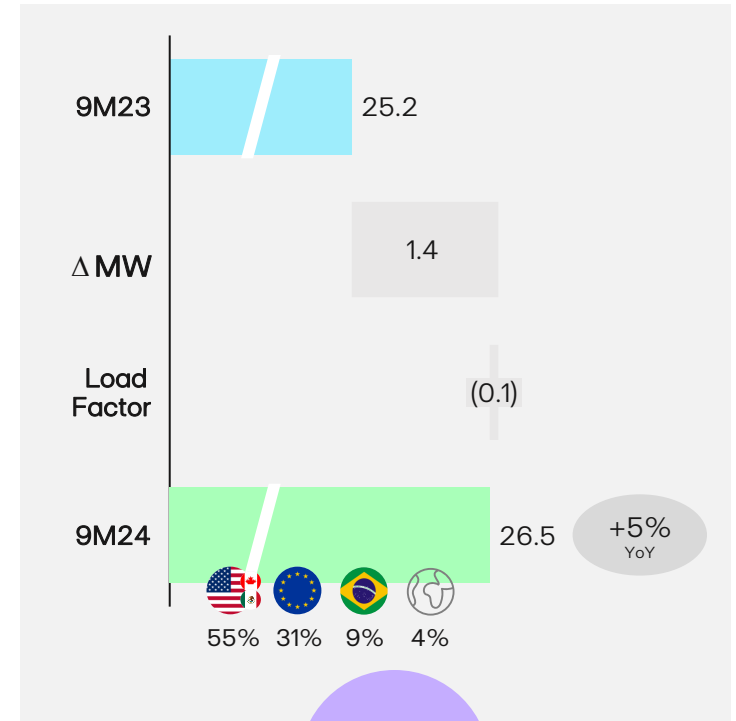
## Net Capacity Factor 1H24 (%)



**98%**  
+3.3pp vs. LT avg

GCF vs. P50

## Electricity Generation YoY (TWh)



**+1.7**  
GW

YoY net portfolio variation

(1) Considers a ~10 MW variation in APAC due to ac/dc real conversion, the decommissioning of 12 MW in NA, 3 MW in Poland and 1 MW in Brazil.

# Ocean Winds: Long-term view player in the offshore wind industry



## Offshore projects currently under construction



**Moray West**  
0.9 GW | 95% OW | COD 2025

Ongoing successful installation of wind turbines with 54 out of 60 already installed, accelerated by good weather windows, and expected to be fully installed by end of year



**Noirmoutier**  
0.5 GW | 60% OW | COD 2025  
**Le Treport**  
0.5 GW | 61% OW | COD >2025




Good progress on both projects, with construction going as expected

OW is progressing with caution and capital discipline, ensuring that decisions to progress are taken with a balanced view of the risk profile of each project and with clear and established threshold requirements



# Working every day towards Net Zero, operating with the best ESG practices along the value chain

## ESG Performance

ESG Performance		9M24	9M23	YoY	2026 target
 <b>Environment</b>	CO <sub>2</sub> avoided (kt)	15,732	14,459	+9%	-
	Total recovered waste (%)	64	69	-5 pp	85
	Capex aligned with EU Taxonomy (%) <sup>(1)</sup>	99.8	99.5	+0.3 p.p.	-
 <b>Social</b>	Female employees (%)	34	34	-	36
	Fatal work-related injuries (#)	0	0	-	0
	Investment in communities (€m)	1.1	1.8	-43%	~4/year
 <b>Governance</b>	Female board members (%)	44	33	+11 p.p.	-
	Independent board members (%)	67	55	+12 p.p.	-
	ESG in Executive's remuneration	✓	✓	-	-

(1) Annual indicator. Values refer to 2023 and 2022.

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