



Ellevio AB Half-year Report 2024

Investor Presentation

30 August 2024

Johan Lindehag, CEO

Jan Seveborg, SVP Treasury

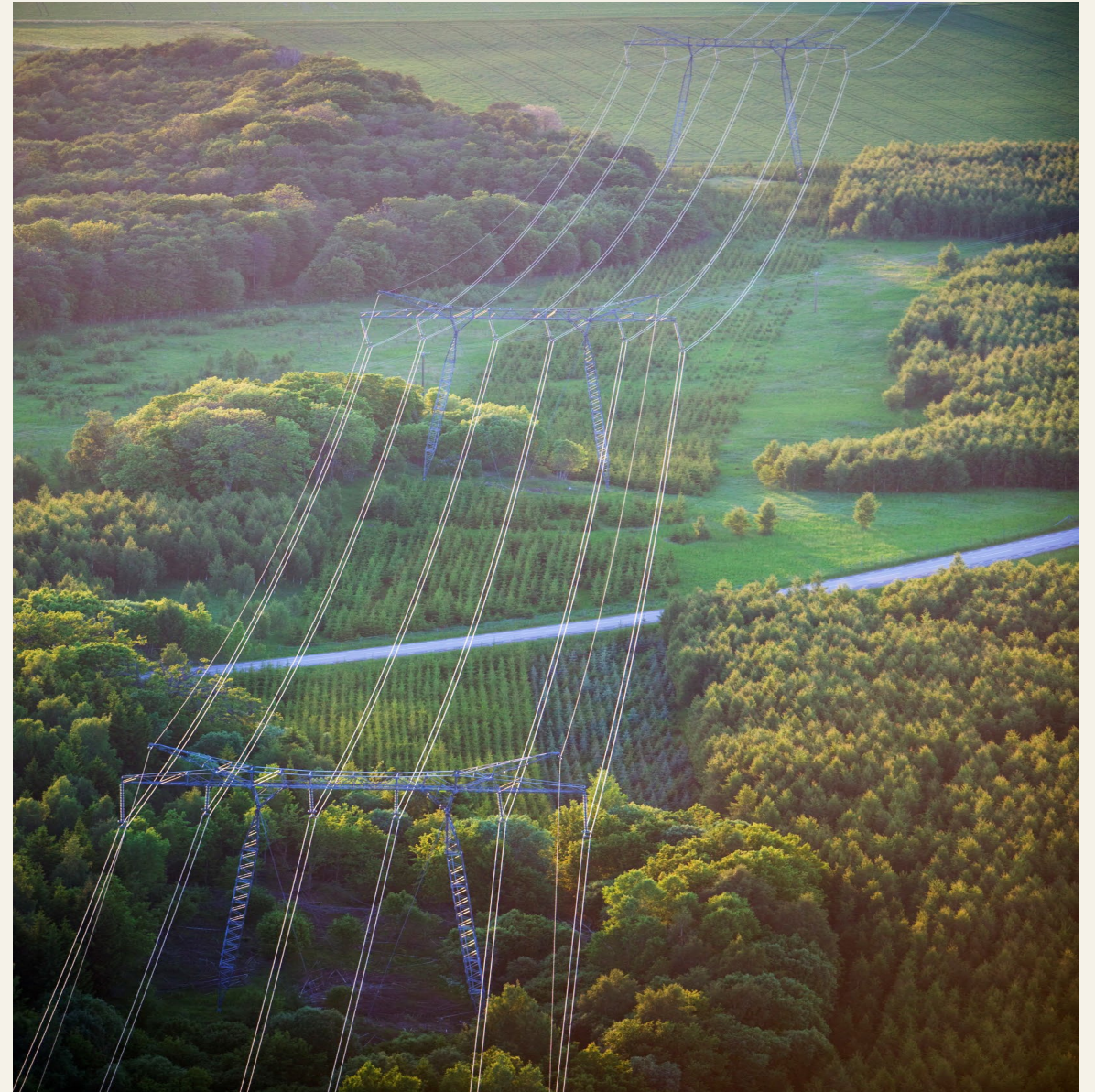
Key financials

January–June 2024

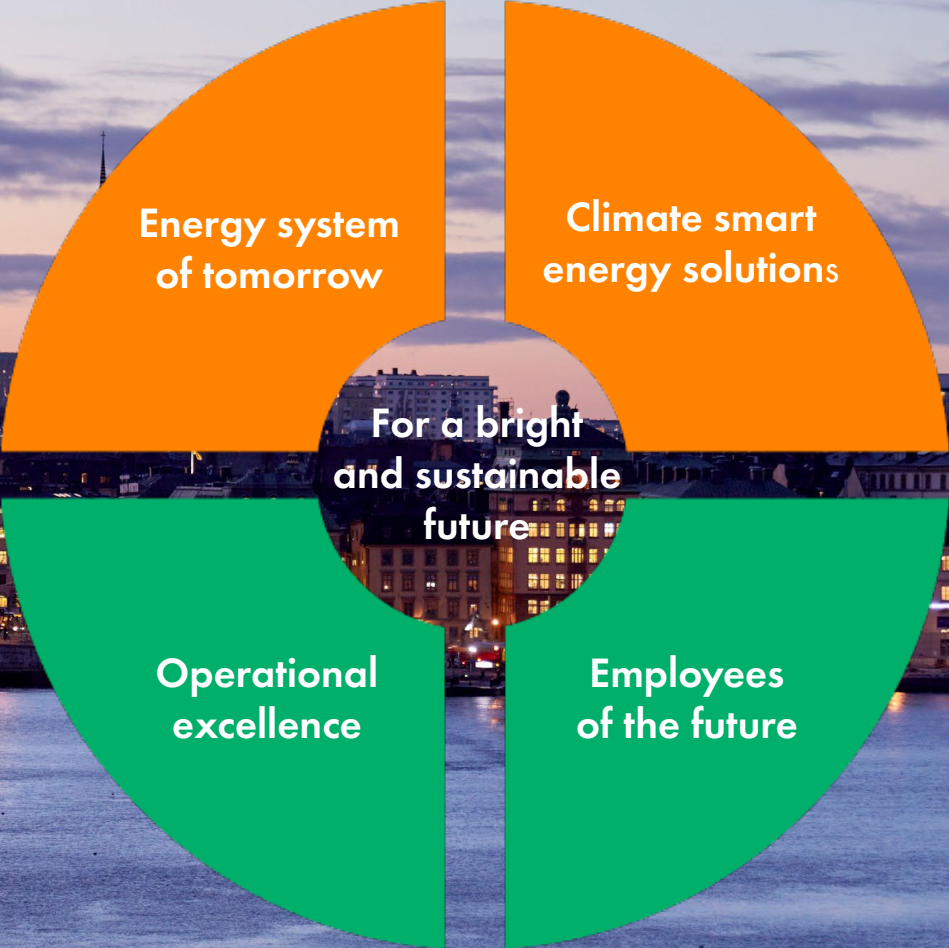
- Net sales amounted to SEK 4,346 million (4,147).
- Distributed electricity amounted to a total of 13.0 TWh (12.4).
- Operating profit amounted to SEK 1,443 million (1,411).
- Free cash flow totalled SEK 1,255 million (970).
- Capital expenditure, including asset acquisitions, amounted to SEK 1,648 million (1,498).

Market update

- Energy at the core of public debate.
- Focus on the energy system from a security and resilience point of view.
- Ellevio working to prevent additional costs from being passed on to the electricity network bill.

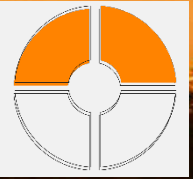


Our strategy



Highlights January–June 2024

The energy system of tomorrow and Climate smart energy solutions



High investment rate to meet customer needs and energy transition.



Significant demand for expanded electricity networks.



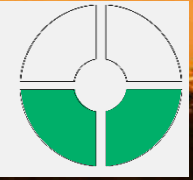
Construction of the sub-station for Volvo in Mariestad started.



Extensive activities within wind, solar and battery solutions.

Highlights January–June 2024

Operational excellence and Employees of the future



High demand for customer service, communication activities and support.



New digital services launched.



Very high customer satisfaction with customer service.



All employees transferred to Ellevio Sverige AB due to CEP.



40 percent of employees now female, making Ellevio an equal company.

Highlights January–June 2024

Sustainability



Intensified safety efforts.



New KPI Serious Incident Frequency (SIF) tracked from 1 January 2024.



New emissions target adopted: to reduce greenhouse gas emissions (in scope 1 and 2) by 42 percent by 2030.



Regulatory update

- Active efforts to secure a regulatory framework that enables the network investments that society needs.
- Decision for RP 2024–2027 received – the same framework as for 2020–2023 will be used.
 - WACC for RP 2024–2027 is set at 4.53 percent.
- Decisions for RP 2020–2023 expected in Q3 2024.
 - WACC for RP 2020–2023 is set at 3.39 percent.
- All employees transferred to an intra-Group service company due to Clean Energy Package.



Financials & financing

Jan Seveborg

Income statement

MSEK	1 Jan-30 Jun 2024	1 Jan-30 Jun 2023	1 Jan-31 Dec 2023
Net sales	4,346	4,147	8,231
Capitalised own work	63	81	160
Other operating income	69	49	113
	4,477	4,277	8,504
OPERATING EXPENSES			
Costs for purchase and transit of power	-888	-923	-1,711
Other operating expenses	-853	-637	-1,436
Employee benefits expense	-292	-360	-732
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-1,002	-947	-1,931
Operating profit	1,443	1,411	2,694
FINANCIAL INCOME AND EXPENSES			
Interest income and similar items	346	260	498
Interest expense and similar items	-1,527	-1,344	-2,714
Profit after net financial income/expense	262	327	478
Appropriations	-	-	141
Profit before tax	262	327	618
Income tax expense	-189	-175	-394
PROFIT FOR THE PERIOD	73	152	225

Balance sheet

MSEK	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets	43,271	43,543	43,420
Property, plant and equipment	41,768	39,766	41,013
Non-current financial assets	10,799	10,612	11,591
Total non-current assets	95,838	93,922	96,023
Current assets			
Current receivables	3,097	2,093	2,922
Cash and cash equivalents	1,522	918	32
Total current assets	4,619	3,011	2,954
TOTAL ASSETS	100,456	96,932	98,977

MSEK	30 Jun 2024	30 Jun 2023	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	9,877	10,231	10,304
Untaxed reserves	476	621	476
Provisions	14,559	14,226	14,384
Non-current liabilities			
Bond loans	32,422	27,847	27,860
Liabilities to credit institutions	6,281	6,626	7,955
Liabilities to Group companies	24,078	24,616	25,078
Derivative instruments	39	26	16
Other non-current liabilities	4,302	3,617	3,987
Total non-current liabilities	67,122	62,733	64,896
Current liabilities			
Bond loans	4,003	5,208	4,208
Liabilities to credit institutions	354	354	722
Other current liabilities	4,066	3,559	3,987
Total current liabilities	8,423	9,121	8,917
TOTAL EQUITY AND LIABILITIES	100,456	96,932	98,977

Cash flow statement

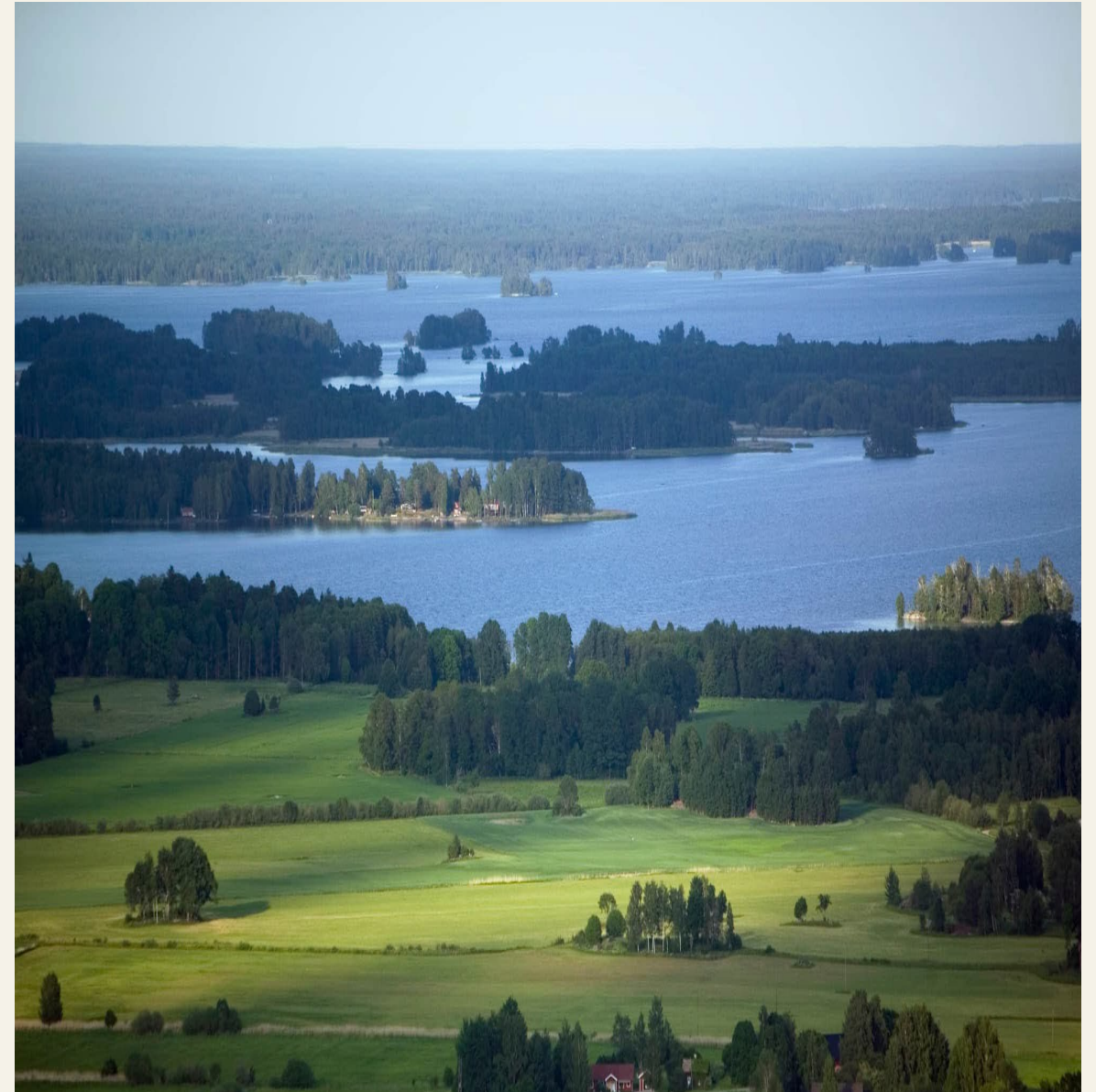
MSEK	1 Jan-30 Jun 2024	1 Jan-30 Jun 2023	1 Jan-31 Dec 2023
Cash flow from operating activities	3,153	2,826	5,228
INVESTING ACTIVITIES			
Capital expenditure in intangible assets	-67	-55	-151
Capital expenditure in property, plant and equipment	-1,831	-1,801	-3,694
Long-term interest-bearing investment	-	-253	-253
Proceeds from sales of property, plant and equipment	0	0	6
Cash flow from investing activities	-1,898	-2,109	-4,091
Cash flow from financing activities	1,255	717	1,137
<i>of which free cash flow</i>	1,255	970	1,383
FINANCING ACTIVITIES			
Borrowings	8,572	4,239	4,894
Repayment of borrowings	-6,253	-3,182	-3,146
Loans given	-151	-192	-737
Repayment of loan receivables	383	-	-
Received interest	76	35	56
Paid interest	-1,886	-710	-2,182
Paid dividend	-500	-	-
Received/paid Group contributions	-5	-3	-3
Cash flow from financing activities	235	187	-1,119
CASH FLOW FOR THE PERIOD	1,490	904	18

Financial covenants

Common Terms Agreement		30 June 2024 ACT	30 June 2025 FCT	Lock-up
Total Interest Cover Ratio	EBITDA less tax / Total Net Finance Charges	3.5x	2.8x	<1.5x
Total Leverage Ratio	Total Net Debt / Consolidated EBITDA	8.6x	9.5x	>11.9x
Senior Interest Cover Ratio	EBITDA less tax / Senior Class A Net Finance Charges	3.9x	3.1x	<1.7x
Senior Leverage Ratio	Senior Class A Net Debt / Consolidated EBITDA	7.8x	8.6x	>10.75x
Senior Historic Leverage Ratio	FFO / Senior Class A Net Debt	9.3%	N/A	<5%
Senior 3 year Forward Leverage Ratio	FFO / Senior Class A Net Debt	N/A	8.4%	<6%

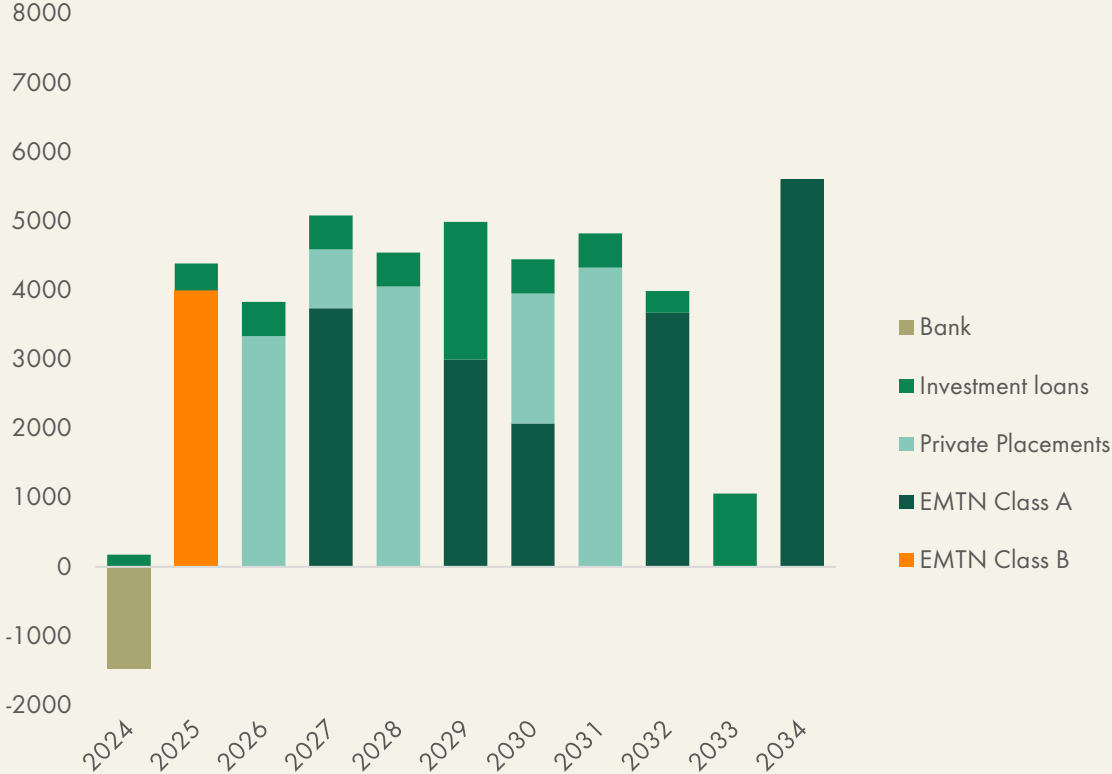
Financing

- External net debt amounted to SEK 41,459 (39,011) million. Since year-end 2023, external net debt has increased by SEK 862 million.
- Distribution under subordinated shareholder loans SEK 1,000 million and dividend SEK 500 million paid during first half of 2024.
- During the first half of 2024, Ellevio issued SEK 3,000 million and EUR 500 million of new green bonds (Class A) under the EMTN programme, while also extending SEK 1,262 million of existing bank loan facilities.
- On 23 July 2024, Standard and Poor's confirmed the 'BBB' rating for Ellevio's Class A debt and the 'BB+' rating for Ellevio's Class B debt.
- Average interest rate for Total external net debt, including derivatives, affected by raising market rates, was 3,6 percent (3,0) per end of June 2024.
- Hedging ratio 85 percent as per end of June 2024.

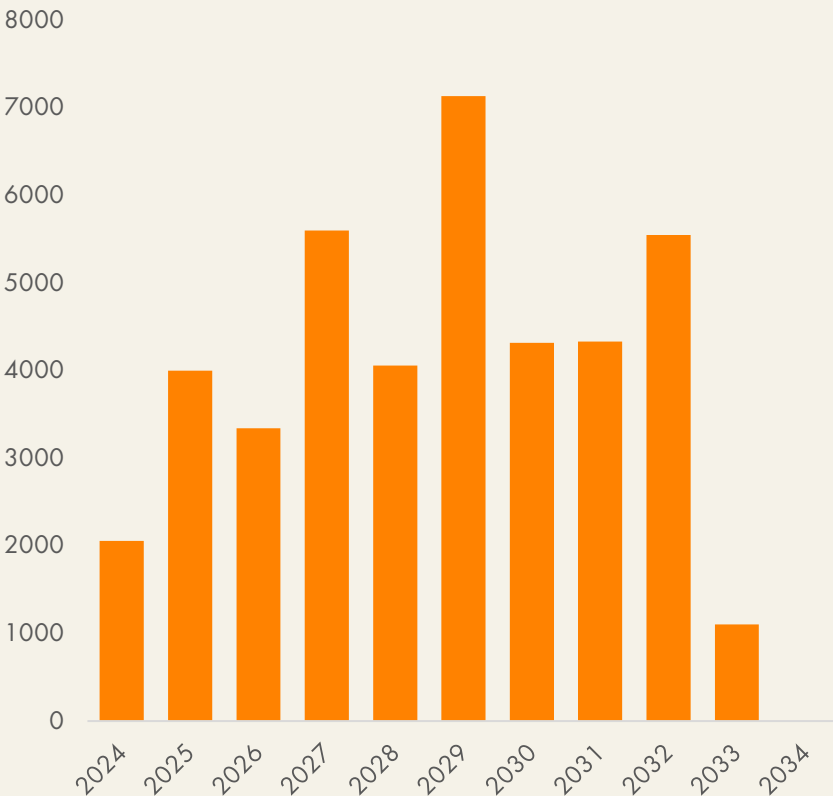


Debt and interest maturity 30 June 2024, MSEK

Debt maturity profile 2024–2034



Interest maturity 2024–2034



Summary

- Energy at the core of public debate
- Forecasts indicate increased demand, extensive investment needs and fluctuating electricity prices.
- Ellevio's operations continue to develop strongly.
- High pace in investment projects.
- Strong demand for large connections.
- Intensified safety efforts implemented.
- Active efforts to ensure regulation that enables necessary investments.
- WACC for RP 2024–2027 set at 4.53 percent.
- WACC for RP 2020–2023 set at 3.39 percent.



Q&A

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