



Ellevio AB Year-end Report 2024

Investor Presentation
21 February 2024

Johan Lindehag, CEO

Jan Seveborg, SVP Treasury

Key financials

January–December 2024

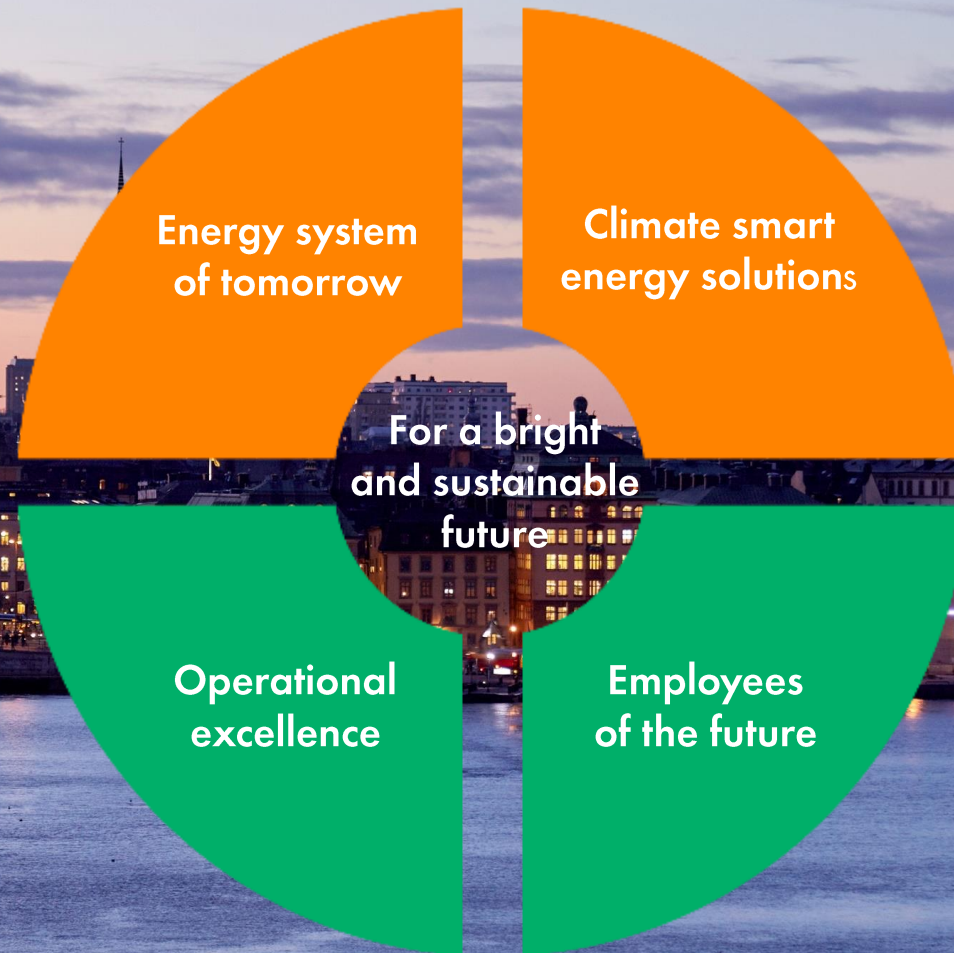
- Net sales amounted to SEK 8,331 million (8,231).
- Distributed electricity amounted to a total of 24.3 TWh (24.2).
- Operating profit amounted to SEK 2,509 million (2,694).
- Free cash flow totalled SEK 1,057 million (1,383).
- Capital expenditure, including asset acquisitions, amounted to SEK 4,238 million (3,663).

Market update 2024

- Geopolitical turbulence and continued strong focus on energy
- Green investments faced challenges
- New needs in the energy system due to future increased electricity demand, more intermittent production, and capacity challenges
- Industry and transport electrification continues



Our strategy – to build a cost-effective and sustainable energy system





Strategic Highlights 2024

The energy system of tomorrow and Climate smart energy solutions



- Record-high investment rate and continued high demand from industry, charging infrastructure, production and battery solutions



- Extensive weatherproofing, digitalisation and modernisation projects also underway



- Growing demand for data centers – connection agreement signed for 246 MW signed with EcoDataCenter in Borlänge



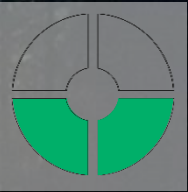
- Continued significant activity within wind, solar and battery solutions



- Ellevio Holding 1 acquired Markbygden Net Väst with plans to integrate operations with Ellevio AB:s network operations

Strategic Highlights 2024

Operational excellence and Employees of the future



- Demand for customer service and communication decreased somewhat due to lower electricity prices during 2024



- Customer satisfaction with customer service remained very high – 87 per cent in 2024



- New power-based tariff pricing model as of January 2025 – aiming for greater fairness, balanced electricity usage and reduced demand during peak hours



- Ellevio's apartment prices rank favorably according to the Nils Holgersson report



- Employee Engagement Index for Ellevio Group: 8.3 – matching last year's record result

Strategic Highlights 2024

Sustainability



- Intensified proactive safety approach reduced the number of incidents during the second half of the year



- The new KPI SIF, tracking serious accidents and incidents per million working hours among contractors, amounted to 2.6



- New requirements for field services launched, driving progress toward electric vehicles and machines by 2030



- New emissions target adopted – aimed at reducing greenhouse gas emissions (scope 1 and 2) by 42 per cent by 2030. For 2024, the reduction amounted to 7 per cent.

Regulatory update

Current regulatory period: 2024–2027

- The same regulatory framework as for the previous period
- Real weighted average cost of capital (WACC) of 4.53 percent

Previous regulatory period: 2020–2023

- Real weighted average cost of capital (WACC) of 3.39 percent

Potential changes in the regulatory framework

- A governmental inquiry proposed changes, but no changes yet decided
- Potential changes to come into effect earliest for RP 2028–2031

Adaptations to the EU's Clean Energy Package

- All employees transferred to Ellevio Sverige AB
- First network development plan submitted, for 2025–2034 (available in Swedish on [ellevio.se](https://www.ellevio.se))



Financials & financing

Jan Seveborg

Income statement

MSEK	1 Jan-31 Dec 2024	1 Jan-31 Dec 2023
Net sales	8,331	8,231
Capitalised own work	63	160
Other operating income	126	113
	8,519	8,504
OPERATING EXPENSES		
Costs for purchase and transit of power	-1,618	-1,711
Other operating expenses	-2,075	-1,436
Employee benefits expense	-291	-732
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-2,026	-1,931
Operating profit	2,509	2,694
FINANCIAL INCOME AND EXPENSES		
Interest income and similar items	650	498
Interest expense and similar items	-3,083	-2,714
Profit after net financial income/expense	75	478
Appropriations	-73	141
Profit before tax	2	618
Income tax expense	-295	-394
PROFIT/LOSS FOR THE PERIOD	-293	225

Balance sheet

MSEK	31 Dec 2024	31 Dec 2023
ASSETS		
Non-current assets		
Intangible assets	43,221	43,420
Property, plant and equipment	43,304	41,013
Non-current financial assets	11,568	11,591
Total non-current assets	98,094	96,023
Current assets		
Current receivables	3,537	2,922
Cash and cash equivalents	80	32
Total current assets	3,618	2,954
TOTAL ASSETS	101,711	98,977

MSEK	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES		
Equity	9,512	10,304
Untaxed reserves	347	476
Provisions	14,672	14,384
Non-current liabilities		
Bond loans	36,420	27,860
Liabilities to credit institutions	5,756	7,955
Liabilities to Group companies	24,522	25,078
Derivative instruments	45	16
Other non-current liabilities	4,553	3,987
Total non-current liabilities	71,296	64,896
Current liabilities		
Bond loans	947	4,208
Liabilities to credit institutions	388	722
Other current liabilities	4,550	3,988
Total current liabilities	5,885	8,917
TOTAL EQUITY AND LIABILITIES	101,711	98,977

Cash flow statement

MSEK	1 Jan-31 Dec 2024	1 Jan-31 Dec 2023
Cash flow from operating activities	5,268	5,228
INVESTING ACTIVITIES		
Capital expenditure in intangible assets	-233	-151
Capital expenditure in property, plant and equipment	-3,979	-3,694
Long-term interest-bearing investment/divestment	253	-253
Proceeds from sales of property, plant and equipment	18	6
Cash flow from investing activities	-3,942	-4,091
Cash flow before financing activities	1,327	1,137
<i>of which free cash flow</i>	1,057	1,383
FINANCING ACTIVITIES		
Borrowings	12,489	4,894
Repayment of borrowings	-10,292	-3,146
Loans given	-491	-737
Repayment of loan receivables	383	-
Change in cash pool	70	-
Received interest	110	56
Paid interest	-3,043	-2,182
Paid dividend	-500	-
Paid Group contributions	-5	-3
Cash flow from financing activities	-1,278	-1,119
CASH FLOW FOR THE PERIOD	49	18

Financial covenants

Common Terms Agreement		31 Dec 2024 ACT	31 Dec 2025 FCT	Lock-up
Total Interest Cover Ratio	EBITDA less tax / Total Net Finance Charges	3.1x	2.8x	<1.5x
Total Leverage Ratio	Total Net Debt / Consolidated EBITDA	9.4x	10.3x	>11.9x
Senior Interest Cover Ratio	EBITDA less tax / Senior Class A Net Finance Charges	3.3x	3.1x	<1.7x
Senior Leverage Ratio	Senior Class A Net Debt / Consolidated EBITDA	8.4x	9.5x	>10.75x
Senior Historic Leverage Ratio	FFO / Senior Class A Net Debt	8.3%	N/A	<5%
Senior 3 year Forward Leverage Ratio	FFO / Senior Class A Net Debt	N/A	7.3%	<6%

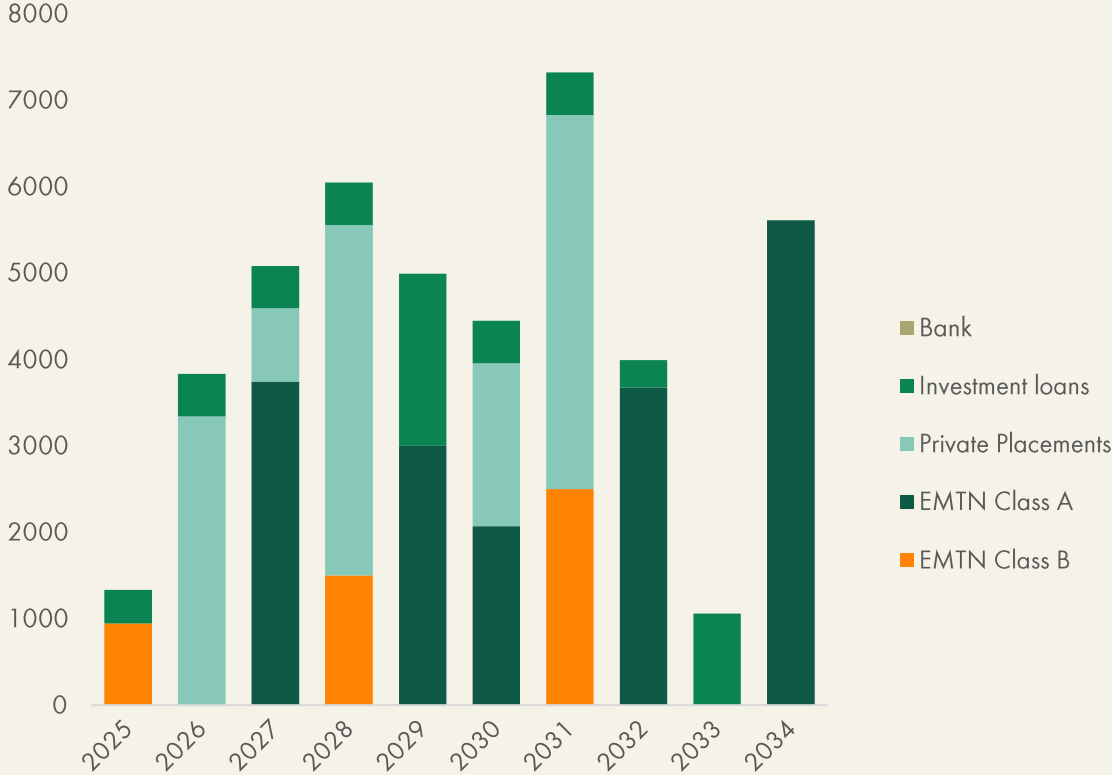
Financing

- External net debt amounted to SEK 43,685 (40,597) million. Since year-end 2023, external net debt has increased by SEK 3,088 million.
- During 2024, Ellevio raised SEK 12,610 million of new long-term debt as well as increased and extended SEK 11,000 million bank loan facilities.
- In October 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 3,7 percent (3,0) per end of December 2024.
- Hedging ratio 90 percent as per end of December 2024.
- In 2024, SEK 556 million of capitalized interest under shareholder loans was amortized. The shareholder loan amounted to SEK 24,522 million (25,078) by the end of 2024.

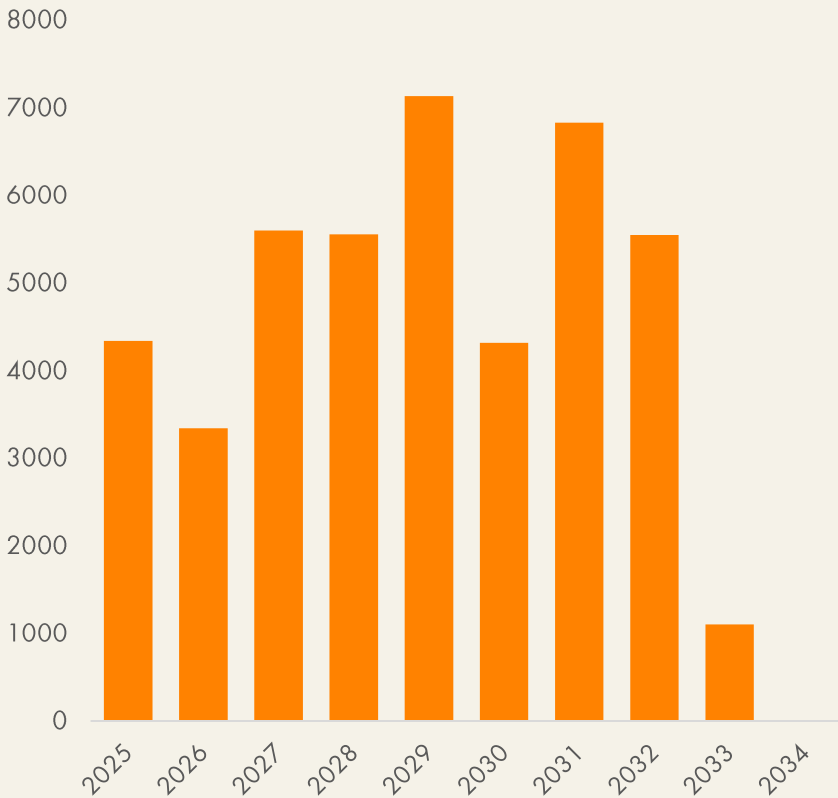


Debt and interest maturity 31 December 2024, MSEK

Debt maturity profile 2025–2034

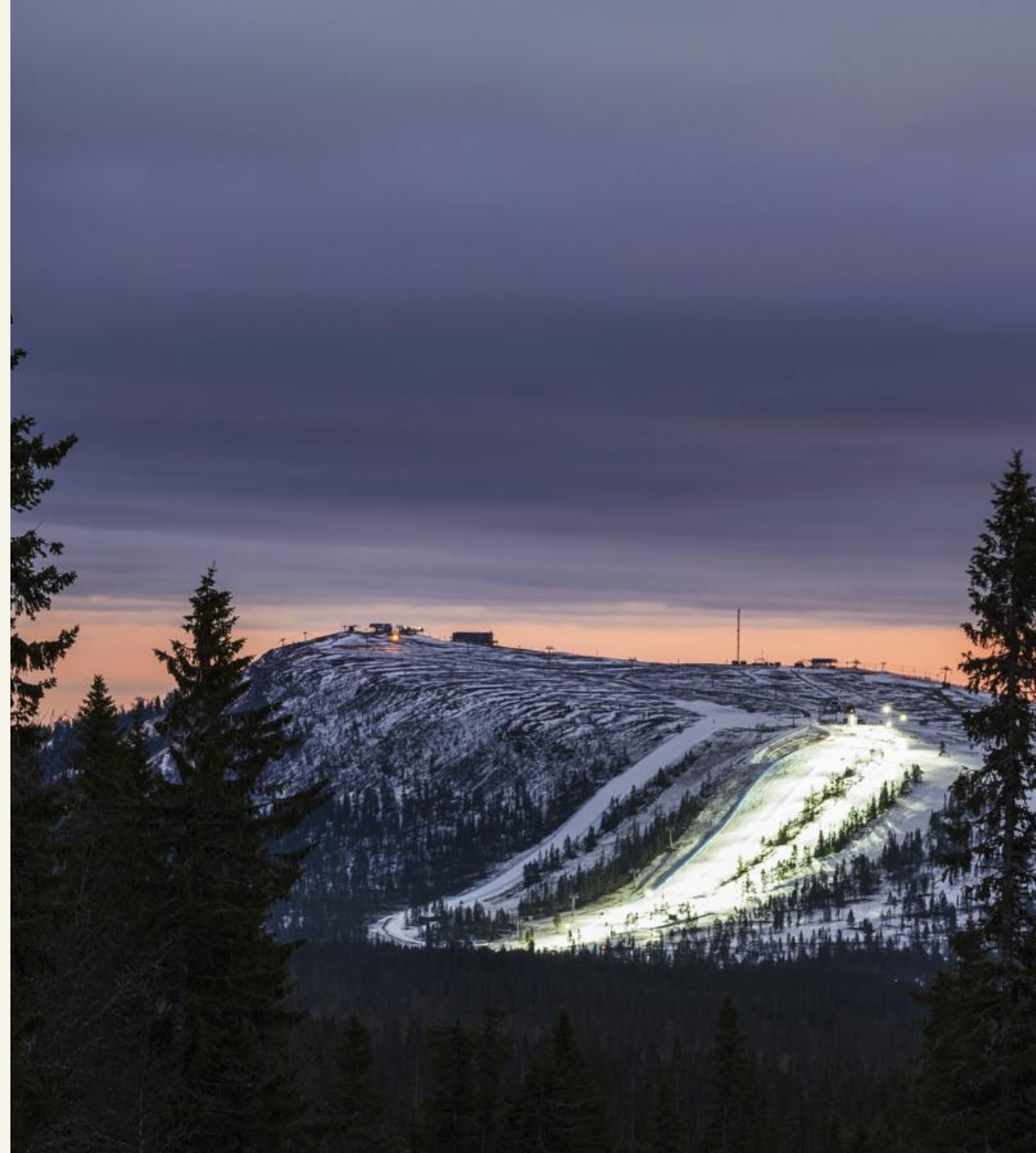


Interest maturity 2025–2034



Summary

- A turbulent global environment with energy at the center of public debate in Sweden
- Electrification continues, but at a slightly slower pace than a year ago, with some setbacks for industry projects and wind projects
- Forecasts still indicate increased demand, extensive investment needs and fluctuating electricity prices
- Ellevio's financial performance remained stable, and we continued to represent stability throughout 2024
- Record-high investment levels 2024 for Ellevio – with further increases to come
- Intensified safety efforts proved beneficial



A photograph of a dark wooden cabin with a snow-covered roof and a thick layer of snow on the ground. The cabin has several windows, some of which are illuminated from within, casting a warm glow. A small porch with a snow-covered awning is visible in the center. The background is filled with snow-covered evergreen trees under a dark blue night sky. The overall atmosphere is cozy and serene.

Q&A

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