

RWE



CCPP Denizli – *Sustained high performance*

December 24th, 2024

**Burak Söylemez,
Managing Director, RWE & Turcas Güney Elektrik A.Ş. (RTG)**

Disclaimer

This document contains forward-looking statements. These statements reflect the present opinions, expectations and assumptions of the management and are based on information the management has at its disposal at the present time. Forward-looking statements contain no guarantee for the occurrence of future results and developments and are associated with known and unknown risks and uncertainties. The real future results and developments can therefore on the basis of different factors fundamentally deviate from the expectations and assumptions expressed here. These factors particularly include changes in the general economic situation and the competitive situation. In addition, the developments in the financial markets, exchange rate fluctuations, national and international changes in the law, particularly regarding tax regulations, and other factors can have an influence on the future results and developments of the company. Neither the company nor a company associated with it takes on an obligation to realise the statements contained in this announcement.



Agenda

- 1. Operational Excellence**
- 2. Company Financials, KPIs & Projections**
- 3. Assessment of Future Potential of Turkish Market**
- 4. Final Remarks**

1. Operational Excellence

RTG continues to produce positive results

| Performance KPIs | Gas Consumption | Generation | Capacity Factor** | Tech. Availability | Efficiency*** | Running Hours |
|------------------|-----------------|------------|-------------------|--------------------|---------------|---------------|
| | (mcm) | (GWh) | (%) | (%) | (%) | h/a |
| 2018 | 581 | 2,994 | 49,0% | 97,5% | 53,8% | 5,364 |
| 2019 | 519 | 2,682 | 46,6% | 96,8% | 53,9% | 4,847 |
| 2020 | 813 | 4,280 | 64,4% | 97,3% | 54,9% | 7,120 |
| 2021 | 817 | 4,360 | 64,5% | 79,3% | 55,6% | 7,591 |
| 2022 | 478 | 2,510 | 35,9% | 98,5% | 54,7% | 5,064 |
| 2023 | 545 | 2,854 | 40,9% | 81,4% | 53,7% | 4,761 |
| 2024-FYI* | 579 | 3,033 | 43,3% | 95,7% | 54,7% | 4,951 |

* Realised values as of 30/11/2024 & latest estimations for BoY-24

** Generation / Available Capacity

*** Generation / Gas Consumption

• ISO 27001:2022 Information Security Management System Standard
• ISO 9001:2015 Quality Management System Standard
• ISO 14001:2015 Environmental Management System Standard
• ISO 45001:2018 Occupational Health & Safety Management System Standard
• ISO 50001:2011 Energy Management System Standard

Key messages

- Maintained ZERO Loss Time Injury record for over 2,600 days.
- RTG successfully held a minor outage (eMI) in October.
- Technical availability of the plant is expected to stay high in 2025.
- Reliability of power plant helps to enhance margins during periods of low renewable generation.
- Ancillary service revenues play a crucial role in sustaining profitability amid high renewable generation periods.
- Above-average summer and below-average November temperatures, and Q1 base effects resulted in a 5.7% annual demand growth by the end of November.

2. Company Financials, KPIs & Projections

Key messages

- Despite a tight market environment and high inflation pressure on costs, RTG is on track to produce better gross margin compared to previous year.
- RTG with very strong balance sheet does not carry any financial liability. RTG's fx denominated liabilities are only limited to long-term maintenance contracts.
- Gross Profit and EBITDA figures expected to stay strong in the midterm period mainly due to demand growth and no relevant base load generation capacity additions. Additionally, 2026 onwards, carbon pricing mechanism is expected to have a positive effect on revenues. RTG continues to be part of the capacity mechanism scheme in 2025.

RTG – Actuals in m TL

| mTL | 2022 FY | 2023 FY | 2024 9M |
|---------------------------|--------------|--------------|------------|
| Gross Profit | 1,339 | 494 | 402 |
| EBITDA | 1,743 | 1,828 | 996 |
| Capacity payments* | 133 | 118 | 281 |

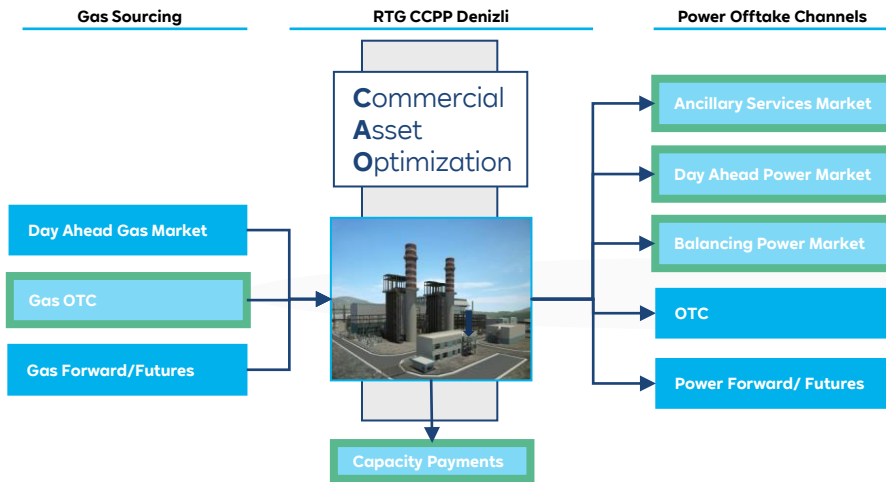
Source: TFRS figures

(*) Not adjusted for inflation

3. Assessment of Future Potential of Turkish market

CCPPs will guarantee security of supply complementing renewables, provided that competitive, cost-based and transparent capacity and energy markets are in place

Power plant operation in a liquid energy market



Operator's objectives...

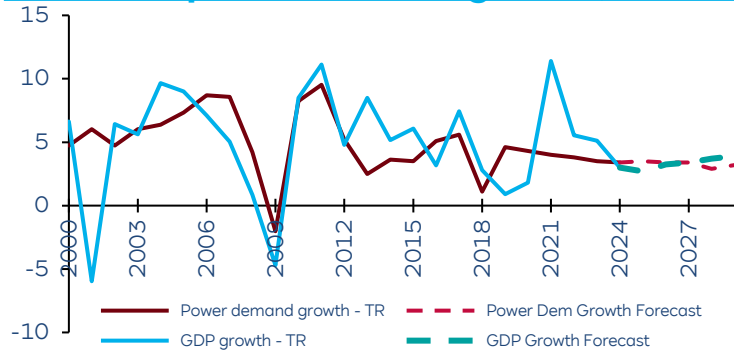
- 1 Support market integrity with prudent commercial operations
- 2 Achieve sustainability in annual results
- 3 Exploit market opportunities
- 4 Create stable basis for planning

Within the context of the Green Deal Action Plan of Turkey, a carbon pricing mechanism is expected to be in force 2026 onwards. With this mechanism, gas fired power plants are expected to gain a competitive advantage against coal fired power plants. On top, RTG is also in development phase of a ~20 MW PV project in its own Denizli premises, to turn the existing CCPP to a hybrid power plant (gas + solar).

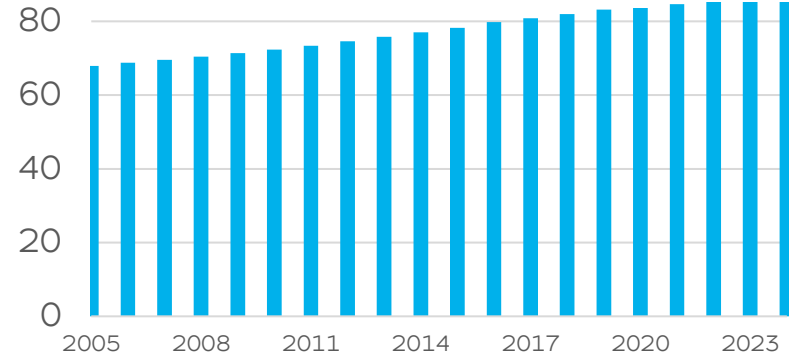
Due to the increasing renewable penetration, Denizli CCPP is expected to create even more value in the Ancillary Services and Balancing Power Markets with its flexibility in the future.

Turkey's recovery process has started with applying conventional macroeconomic policies

GDP* and power demand growth, %



Population, Total (in millions)

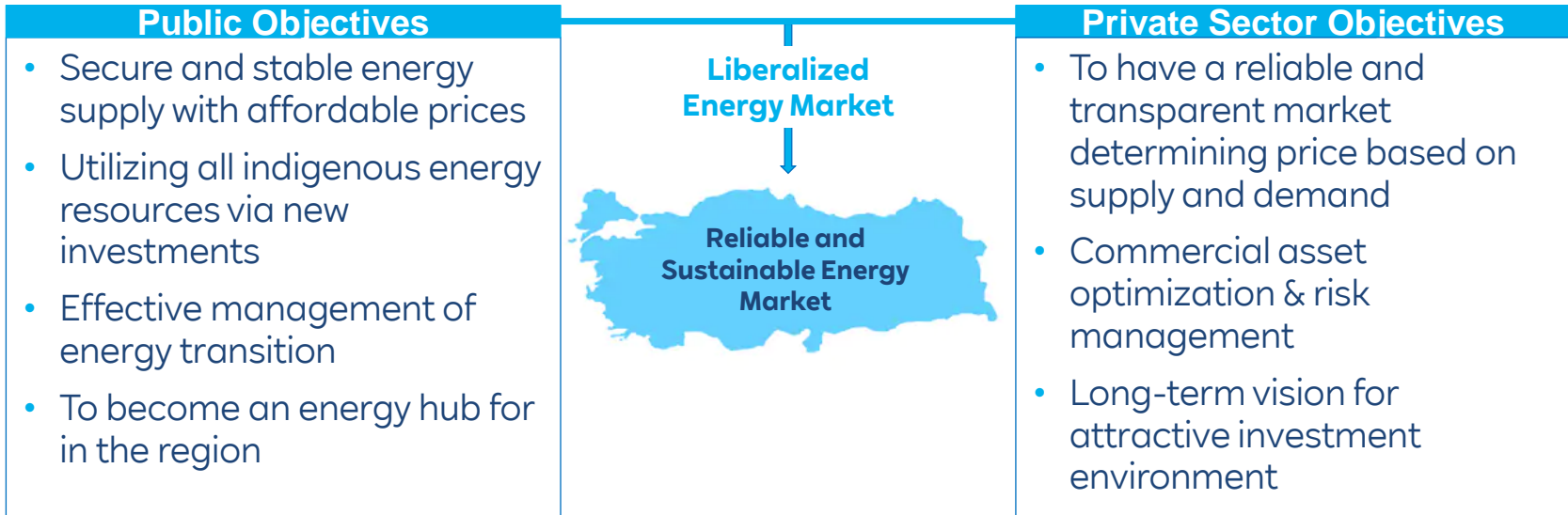


Facts

- Main driver for GDP growth is industrial production.
- Turkish electricity demand is expected to grow 3-4% in 2025 onwards.
- To meet this demand, Turkey has over 114.6 GW of total installed capacity as of October 2024. Except the nuclear plants under construction, major capacity increase will be mainly renewables.

4. Final Remarks

Turkey has the market infrastructure and the legal framework in place to achieve all its objectives, should the prices reflect the actual cost of energy



A reliable marketplace where spot and derivatives markets work efficiently will increase security of supply and attract investment...

RWE



**Thank you very much for your
attention**