Financial Report

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Financial Review

In financial year 2024, Alpiq Group again generated a very good result, despite an increasingly nervous market shaped by continued geopolitical event risks in the last months of the year. All three value chain elements – Assets, Trading and Origination – contributed positively to the result. This was achieved by a continued focus on Alpiq's core business and value creation along the value chain, together with reinforced risk management practices to account for the new market dynamics.

Thanks to the very good business results, Alpiq further increased its net cash and equity ratio compared with the previous year. This very solid financial position enabled Alpiq to repay a bond of CHF 260 million that matured in July 2024 without refinancing, and to fully repay the public hybrid bond of CHF 650 million from its own funds in mid-November. Despite these repayments, Alpiq is in a very strong position to continue the company's strategic development. The flexibility in the financing of strategic growth is additionally enhanced by two new unsecured committed Revolving Credit Facilities, for a total amount of CHF 3.6 billion.

With its flexible asset base, Alpiq contributes to the integration of continuously growing wind and solar capacity in most European markets. As part of the strategy confirmed by Alpiq's Board of Directors at the end of 2023, Alpiq will continue to focus on flexibility and its key role in the energy markets. Alpiq strengthened its position as a provider of flexibility to the energy system with several acquisitions during financial year 2024. In April, it acquired a majority stake in the Finnish hydrogen pioneer P2X Solutions. P2X Solutions is a Power-to-X developer with a focus on the production and distribution of green hydrogen and synthetic fuels. In June, Alpiq made its first investment in battery energy storage systems (BESS) with the purchase of a 30 MW battery project in Finland. The project is under construction and is expected to enter into operation in 2025. In November, Alpiq acquired a BESS project in France: the large-scale battery is expected to go into operation in 2026 with an output of 100 MW and a capacity of 200 MWh. These promising investments will enable the integration of intermittent renewables and contribute to security of supply.

To enable transparent presentation of the Group results before non-operating effects, the consolidated income statement is presented as a pro forma statement. The commentary on financial performance relates to a view of operating EBITDA, EBIT and net income before non-operating effects. The non-operating effects are detailed in the section "Alternative performance measures of Alpiq".

Alpiq Group: results of operations (before non-operating effects)

Adjusted net revenue decreased in line with energy prices to CHF 6,365.7 million (CHF 2,030.4 million less than the previous year). The adjusted EBITDA of CHF 962.4 million was CHF 221.4 million below the previous year. All three value chain elements – Assets, Trading and Origination – contributed positively to this very good result.

Consolidated income statement (pro forma statement before and after non-operating effects)

			2024			2023
CHF million	Results of operations before non-operating effects	Non-operating effects	Results under IFRS	Results of operations before non-operating effect	Non-operating effects	Results under IFRS
Net revenue	**6,365.7**	**277.3**	**6,643.0**	**8,396.1**	**562.6**	**8,958.8**
Own work capitalised	3.9		3.9	5.0		5.0
Other operating income	20.4		20.4	19.3		19.3
Total revenue and other income	**6,390.0**	**277.3**	**6,667.3**	**8,420.3**	**562.6**	**8,983.1**
Energy and inventory costs	– 5,001.5	147.1	– 4,854.4	– 6,852.1	59.4	– 6,792.7
Employee costs	– 246.2		– 246.2	– 228.2		– 228.2
Other operating expenses	– 179.8		– 179.8	– 156.2		– 156.2
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**962.4**	**424.4**	**1,386.9**	**1,183.8**	**622.0**	**1,806.0**
Depreciation, amortisation and impairment	– 114.5		– 114.5	– 112.4		– 112.4
Earnings before interest and tax (EBIT)	**847.9**	**424.4**	**1,272.3**	**1,071.5**	**622.0**	**1,693.6**
Share of results of partner power plants and other associates	– 7.4		– 7.4	– 23.3		– 23.3
Finance costs	– 122.7		– 122.7	– 144.2		– 144.2
Finance income	34.5		34.5	47.4		47.4
Earnings before tax (EBT)	**752.3**	**424.4**	**1,176.7**	**951.4**	**622.0**	**1,573.5**
Income tax expense	– 146.5	– 86.8	– 233.3	– 131.9	– 106.0	– 237.9
Net income	**605.7**	**337.6**	**943.4**	**819.5**	**516.0**	**1,335.6**

2024: Results of operations by segment

CHF million	Assets	Trading	Origination	Other[1]	Alpiq Group
Net revenue	4,069.7	3,274.6	4,714.6	–5,415.9	6,643.0
Non-operating effects	–20.5	–10.9	–247.2	1.3	–277.3
Adjusted net revenue	**4,049.2**	**3,263.7**	**4,467.4**	**–5,414.6**	**6,365.7**
Other income	31.4	2.1	0.9	–10.2	24.3
Adjusted total revenue and other income	**4,080.7**	**3,265.8**	**4,468.3**	**–5,424.8**	**6,390.0**
Energy and other costs	–2,961.4	–3,235.6	–4,381.8	5,298.5	–5,280.4
Non-operating effects	–147.1				–147.1
Adjusted energy and other costs	**–3,108.6**	**–3,235.6**	**–4,381.8**	**5,298.5**	**–5,427.5**
Adjusted EBITDA	**972.1**	**30.1**	**86.5**	**–126.3**	**962.4**
Depreciation, amortisation and impairment	–101.9	–0.1	–2.8	–9.7	–114.5
Adjusted depreciation, amortisation and impairment	**–101.9**	**–0.1**	**–2.8**	**–9.7**	**–114.5**
Adjusted EBIT	**870.1**	**30.1**	**83.7**	**–136.0**	**847.9**

1 The segment results are carried over to the Alpiq Group's consolidated figures by including the units with limited market operations (Corporate), Group consolidation effects as well as other reconciliation items. For more details, please refer to note 2.1 of the notes to the consolidated financial statements.

2023: Results of operations by segment

CHF million	Assets	Trading	Origination	Other[1]	Alpiq Group
Net revenue	4,074.9	3,154.0	6,510.6	–4,780.8	8,958.8
Non-operating effects	–402.9	–79.7	–79.8	–0.3	–562.6
Adjusted net revenue	**3,672.0**	**3,074.3**	**6,430.8**	**–4,781.1**	**8,396.1**
Other income	31.5	1.1	0.4	–8.8	24.3
Adjusted total revenue and other income	**3,703.6**	**3,075.4**	**6,431.2**	**–4,789.9**	**8,420.3**
Energy and other costs	–2,605.0	–3,020.7	–6,262.3	4,710.9	–7,177.1
Non-operating effects	–59.0	–0.4			–59.4
Adjusted energy and other costs	**–2,664.0**	**–3,021.1**	**–6,262.3**	**4,711.0**	**–7,236.4**
Adjusted EBITDA	**1,039.6**	**54.3**	**168.9**	**–78.9**	**1,183.8**
Depreciation, amortisation and impairment	–99.5	–0.4	–3.1	–9.4	–112.4
Adjusted depreciation, amortisation and impairment	**–99.5**	**–0.4**	**–3.1**	**–9.4**	**–112.4**
Adjusted EBIT	**940.1**	**53.8**	**165.8**	**–88.2**	**1,071.5**

1 The segment results are carried over to the Alpiq Group's consolidated figures by including the units with limited market operations (Corporate), Group consolidation effects as well as other reconciliation items. For more details, please refer to note 2.1 of the notes to the consolidated financial statements.

Assets

With an adjusted EBITDA of CHF 972.1 million, the result of the value chain element Assets was CHF 67.5 million below the previous year. Lower energy prices and less volatility had a negative effect on the result; this effect was noticeable across all main operating markets and ancillary services. Given these market conditions, the performance of the value chain element was very good: it benefited from the stronger collaboration throughout the entire value chain, thanks to increased production at most power plants and also to the adjusted asset hedging strategy, which made optimal use of the flexible production portfolio. Higher production was driven in particular by much higher inflows in Switzerland and an increased dispatch of the flexible thermal assets in Italy.

Trading

Against the backdrop of an extraordinary previous year of high prices and trading opportunities, the result of the value chain element Trading was CHF 24.2 million lower. Nevertheless, the contribution of an adjusted EBITDA of CHF 30.1 million is the result of Alpiq’s commitment to trading, even in difficult market conditions.

Origination

The value chain element Origination achieved a solid result in 2024 with an adjusted EBITDA of CHF 86.5 million, thanks to customer proximity and balanced portfolio management. The result was CHF 82.4 million lower than the previous year due to reduced volatility and market price levels. In Germany, France and Spain, the market access portfolios for third-party owned assets improved due to an increased focus on the flexibility that can be provided through these portfolios.

Alternative performance measures of Alpiq

To measure and present its operating performance, Alpiq also uses alternative performance measures through to the level of “Net income”. Alpiq makes adjustments to the IFRS results for non-operating effects which Alpiq does not consider part of results of operations.

These performance measures do not have a standardised definition in IFRS. This can therefore limit comparability with such measures as defined by other companies. These performance measures are presented in a pro forma statement in order to give investors a deeper understanding of how Alpiq’s management measures the performance of the Group. However, they are no substitute for IFRS performance measures.

Overview of non-operating effects

	Fair value changes (accounting mismatch)		Development of decommissioning and waste disposal funds		Total non-operating effects	
CHF million	2024	2023	2024	2023	2024	2023
Net revenue	**287.0**	**566.6**	**– 9.7**	**– 4.0**	**277.3**	**562.6**
Total revenue and other income	**287.0**	**566.6**	**– 9.7**	**– 4.0**	**277.3**	**562.6**
Energy and inventory costs			147.1	59.4	147.1	59.4
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**287.0**	**566.6**	**137.4**	**55.4**	**424.4**	**622.0**
Earnings before interest and tax (EBIT)	**287.0**	**566.6**	**137.4**	**55.4**	**424.4**	**622.0**
Earnings before tax (EBT)	**287.0**	**566.6**	**137.4**	**55.4**	**424.4**	**622.0**
Income tax expense	– 64.2	– 98.4	– 22.6	– 7.6	– 86.8	– 106.0
Net income	**222.9**	**468.2**	**114.8**	**47.8**	**337.6**	**516.0**

Alpiq has defined the following categories of non-operating effects:

Fair value changes (accounting mismatch)

Negative fair value changes of energy derivatives entered into to hedge future power production as well as energy procurement and energy delivery contracts do not reflect operating performance because they are economically linked with the changes in value of the hedged transactions. Rising forward prices cause the future production volumes and power purchase agreements to increase in value and the corresponding hedges to lose value. According to IFRS guidelines, the fair value changes of financial hedges between the last and the current balance sheet date have to be recognised in the reporting year. As the future production volumes and the power purchase agreements are not measured at fair value and positive changes in value therefore cannot be recognised in the reporting year, this results in an accounting mismatch.

Accounting mismatch and expected reversals (based on energy prices as of 31 December 2024)

CHF million	
Accounting mismatch until 31 December 2023	– 158.0
Change in accounting mismatch in 2024	287.0
Total accounting mismatch at 31 December 2024	**129.0**
Of which, will be reversed in 2025	– 71.7
Of which, will be reversed in 2026	– 45.6
Of which, will be reversed in 2027	– 14.5
Of which, will be reversed after 2027	2.8

Development of decommissioning and waste disposal funds

The operating companies of Switzerland’s nuclear power plants are required to make payments into the decommissioning fund and the waste disposal fund to ensure that decommissioning and waste disposal activities are funded. The investments of these two funds are exposed to market fluctuations and changes in estimates, which cannot be influenced by Alpiq but which do influence electricity procurement costs. The difference between the return actually generated by the funds and the return budgeted by the nuclear power plants of 2.75% is classified and recorded as a non-operating effect.

Consolidated balance sheet and cash flow statement (after non-operating effects)

Total assets amounted to CHF 8.5 billion at 31 December 2024, compared with CHF 10.5 billion at end 2023. Non-current assets were fairly stable compared with the previous year, while current assets declined by CHF 1.8 billion to CHF 4.2 billion driven predominantly by lower energy prices impacting current derivative financial instruments and trade receivables. Cash and cash equivalents remained stable at CHF 1.6 billion and current term deposits decreased by CHF 253.4 million from the previous year to a total of CHF 117.3 million. Net cash increased from CHF 346.6 million at 31 December 2023 to CHF 428.4 million at 31 December 2024, leaving Alpiq in a very solid financial position.

Total equity increased by CHF 165.8 million due to the strong financial performance of Alpiq in 2024, partly offset by the repayment of the hybrid bond, which reduced total equity by CHF 650 million. The equity ratio increased further to 58.3% at year-end 2024 compared with 45.9% at year-end 2023, driven also by the decrease in total assets.

Financial liabilities amounted to CHF 1.2 billion at 31 December 2024 compared with CHF 1.6 billion at 31 December 2023. The decrease was due mainly to a bond repayment with a nominal value of CHF 260 million in 2024. Compared with 31 December 2023, non-current liabilities decreased by CHF 436.7 million to CHF 1.6 billion, while current liabilities decreased by CHF 1.7 billion to CHF 2.0 billion at 31 December 2024. This decrease of total liabilities by CHF 2.1 billion was due predominantly to lower energy prices resulting in lower market values of derivative financial instruments and decreased trade payables.

The positive earnings before tax of CHF 1.2 billion, partly offset by the change in fair value of derivative financial instruments and the change in net working capital, led to positive net cash flows from operating activities of CHF 1.0 billion (previous year CHF 0.6 billion). Net cash flows from investing activities increased by CHF 504.4 million to CHF 195.4 million in 2024, due to the decrease in current term deposits as a result of cash management.

Net cash flows from financing activities amounted to CHF –1.3 billion and were down CHF 1.1 billion on the previous year, driven mainly by the repayment of the hybrid bond of CHF 650 million and of one bond of CHF 260 million in 2024. Overall, the decrease in cash and cash equivalents amounted to CHF 11.8 million and thus remained stable at CHF 1,561.1 million at end 2024 compared with CHF 1,572.9 million at end 2023.

Outlook

In 2025, Alpiq will continue to consistently drive forward the implementation of the strategy, focusing on flexibility and enabling the integration of wind and solar in the energy system. All value chain elements Assets, Trading and Origination are expected to deliver good results in 2025. This is thanks to Alpiq’s strong asset portfolio, well-positioned trading and origination business closely connected to its customers. Alpiq is confident of maintaining its very solid financial position in 2025, with optimal support of value chain operations and implementation of Alpiq’s strategy, further enabling security of supply and a better climate.

Consolidated Financial Statements of the Alpiq Group

Consolidated Income Statement

CHF million	Note	2024	2023
Net revenue	**2.2**	**6,643.0**	**8,958.8**
Own work capitalised		3.9	5.0
Other operating income		20.4	19.3
Total revenue and other income		**6,667.3**	**8,983.1**
Energy and inventory costs	2.3	– 4,854.4	– 6,792.7
Employee costs	2.4	– 246.2	– 228.2
Other operating expenses		– 179.8	– 156.2
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**1,386.9**	**1,806.0**
Depreciation, amortisation and impairment	4.1/4.2	– 114.5	– 112.4
Earnings before interest and tax (EBIT)		**1,272.3**	**1,693.6**
Share of results of partner power plants and other associates	4.3	– 7.4	– 23.3
Finance costs	2.5	– 122.7	– 144.2
Finance income	2.5	34.5	47.4
Earnings before tax		**1,176.7**	**1,573.5**
Income tax expense	2.6	– 233.3	– 237.9
Net income		**943.4**	**1,335.6**
Attributable to non-controlling interests		1.6	2.9
Attributable to equity investors of Alpiq Holding Ltd.		**941.8**	**1,332.7**
Earnings per share in CHF, basic and diluted	**2.7**	**27.37**	**39.32**

Consolidated Statement of Comprehensive Income

CHF million	Note	2024	2023
Net income		**943.4**	**1,335.6**
Cash flow hedges (group companies)	3.2	– 50.6	14.9
Income tax effect	3.2	7.7	– 2.3
Net of income tax	3.2	– 42.9	12.6
Cash flow hedges (partner power plants and other associates)		0.3	
Currency translation differences		72.0	18.8
Items that may be reclassified subsequently to the income statement, net of tax		**29.4**	**31.4**
Remeasurement of defined benefit plans (group companies)	2.4	0.5	24.3
Income tax effect	2.4	– 0.1	– 4.0
Net of income tax	2.4	0.4	20.3
Remeasurement of defined benefit plans (partner power plants and other associates)	4.3	9.5	22.7
Income tax effect	4.3	– 1.4	– 3.2
Net of income tax	4.3	8.1	19.5
Items that will not be reclassified to the income statement, net of tax		**8.5**	**39.8**
Other comprehensive income		**37.9**	**71.2**
Total comprehensive income		**981.3**	**1,406.8**
Attributable to non-controlling interests		0.9	2.9
Attributable to equity investors of Alpiq Holding Ltd.		980.4	1,403.9

Consolidated Balance Sheet

Assets

CHF million	Note	31 Dec 2024	31 Dec 2023
Property, plant and equipment	4.1	1,794.5	1,748.1
Intangible assets	4.2	96.4	72.9
Investments in partner power plants and other associates	4.3	2,127.7	2,155.4
Derivative financial instruments	3.2	242.3	387.0
Defined benefit assets	2.4	41.3	40.5
Other non-current assets		28.4	19.5
Deferred income tax assets	2.6	45.5	111.2
Non-current assets		**4,376.0**	**4,534.6**
Inventories	4.4	162.6	32.7
Derivative financial instruments	3.2	446.7	1,952.0
Receivables and other current assets	4.5	1,594.3	1,814.4
Prepayments and accrued income		280.3	193.4
Current term deposits		117.3	370.7
Cash and cash equivalents	4.6	1,561.1	1,572.9
Assets held for sale	5.3	4.9	3.8
Current assets		**4,167.2**	**5,939.9**
Total assets		**8,543.2**	**10,474.5**

Equity and liabilities

CHF million	Note	31 Dec 2024	31 Dec 2023
Share capital	3.3	0.3	0.3
Hybrid capital	3.3		650.0
Retained earnings and other reserves		4,875.6	4,086.4
Equity attributable to equity investors of Alpiq Holding Ltd.		**4,875.9**	**4,736.7**
Non-controlling interests		100.9	74.3
Total equity		**4,976.8**	**4,811.0**
Non-current provisions	4.7	145.2	109.2
Deferred income tax liabilities	2.6	324.6	434.8
Defined benefit liabilities	2.4	1.8	2.0
Derivative financial instruments	3.2	140.2	305.0
Non-current financial liabilities	3.3	994.5	1,192.0
Non-current liabilities		**1,606.3**	**2,043.0**
Current income tax liabilities		291.8	75.7
Current provisions	4.7	6.0	29.7
Current financial liabilities	3.3	254.8	404.0
Other current liabilities	4.9	676.1	1,142.7
Derivative financial instruments	3.2	286.2	1,481.0
Accruals and deferred income		444.7	486.4
Liabilities held for sale	5.3	0.6	1.0
Current liabilities		**1,960.1**	**3,620.5**
Total liabilities		**3,566.5**	**5,663.5**
Total equity and liabilities		**8,543.2**	**10,474.5**

Consolidated Statement of Changes in Equity

CHF million	Share capital	Hybrid capital	Cash flow hedge reserves	Currency translation differences	Retained earnings	**Attributable to equity investors of Alpiq Holding Ltd.**	Non-controlling interests	**Total equity**
Equity at 1 January 2024	**0.3**	**650.0**	**41.6**	**–787.3**	**4,832.1**	**4,736.7**	**74.3**	**4,811.0**
Net income					941.8	**941.8**	1.6	**943.4**
Other comprehensive income			–42.6	72.9	8.3	**38.6**	–0.7	**37.9**
Total comprehensive income			**–42.6**	**72.9**	**950.1**	**980.4**	**0.9**	**981.3**
Dividends					–115.9	**–115.9**	–2.3	**–118.2**
Distributions to hybrid investors					–40.7	**–40.7**		**–40.7**
Change in non-controlling interests						**0.0**	27.5	**27.5**
Employee share based payment options					0.5	**0.5**	0.5	**1.0**
Initial recognition of NCI Put Option [1]					–35.1	**–35.1**		**–35.1**
Repayment hybrid loan		–650.0				**–650.0**		**–650.0**
Equity at 31 December 2024	**0.3**	**0.0**	**–1.0**	**–714.4**	**5,591.0**	**4,875.9**	**100.9**	**4,976.8**

1 See note 3.3

CHF million	Share capital	Hybrid capital	Cash flow hedge reserves	Currency translation differences	Retained [1] earnings	**Attributable to equity investors of Alpiq Holding Ltd.**	Non-controlling interests	**Total equity**
Equity at 1 January 2023	**0.3**	**650.0**	**29.0**	**–806.1**	**3,581.8**	**3,455.0**	**74.1**	**3,529.1**
Net income					1,332.7	**1,332.7**	2.9	**1,335.6**
Other comprehensive income			12.6	18.8	39.8	**71.2**	0.0	**71.2**
Total comprehensive income			**12.6**	**18.8**	**1,372.5**	**1,403.9**	**2.9**	**1,406.8**
Dividends					–92.7	**–92.7**	–2.7	**–95.4**
Distributions to hybrid investors					–29.5	**–29.5**		**–29.5**
Equity at 31 December 2023	**0.3**	**650.0**	**41.6**	**–787.3**	**4,832.1**	**4,736.7**	**74.3**	**4,811.0**

1 Share premium in the amount of CHF 4,904.4 million was reclassified to retained earnings. For further details, see Note 1.4.

Consolidated Statement of Cash Flows

CHF million	Note	2024	2023
Earnings before tax		**1,176.7**	**1,573.5**
Adjustments for:			
Depreciation, amortisation and impairment	4.1/4.2	114.5	112.4
Gain on sale of non-current assets		–2.9	
Share of results of partner power plants and other associates	4.3	7.4	23.3
Financial result	2.5	88.2	96.8
Other non-cash income and expenses [1]		–9.7	21.9
Change in provisions (excl. interest)	4.7	3.3	23.3
Change in defined benefit assets / liabilities and other non-current liabilities		0.1	–16.2
Change in fair value of derivative financial instruments and hedged firm commitments		206.3	–957.2
Change in net working capital (excl. derivatives, current financial assets / liabilities and current provisions)		–485.2	–134.9
Other financial income and expenses		–14.4	–37.7
Income tax paid		–53.3	–86.9
Net cash flows from operating activities		**1,031.1**	**618.4**
Property, plant and equipment and intangible assets			
Investments	4.1/4.2	–104.0	–77.0
Proceeds from disposals		7.9	0.1
Subsidiaries			
Acquisitions	5.1	–23.4	–0.4
Proceeds from disposals	5.2		65.7
Associates			
Investments	4.3	–0.2	–0.5
Proceeds from disposals			–0.4
Loans receivable and financial investments			
Investments		–1.2	–2.9
Proceeds from disposals / repayments		0.2	0.7
Change in current and non-current term deposits		254.3	–358.5
Dividends from partner power plants, other associates and financial investments	4.3	28.7	23.4
Interest received		33.0	40.8
Net cash flows from investing activities		**195.4**	**–309.0**

1 In the previous year CHF 27.9 million relate to loss on business disposal. See note 5.2 for more detail.

CHF million	Note	2024	2023
Dividends paid		–115.9	–92.7
Dividends paid to non-controlling interests		–2.3	–3.8
Proceeds from financial liabilities	3.3	31.3	538.3
Repayment of financial liabilities	3.3	–431.7	–534.5
Repayment of hybrid capital	3.3	–650.0	
Distributions to hybrid investors recognised in equity outside profit or loss	3.3	–40.7	–29.5
Interest paid		–46.5	–43.4
Net cash flows from financing activities		**–1,255.7**	**–165.6**
Currency translation differences		**17.3**	**–57.8**
Change in cash and cash equivalents		**–11.8**	**86.0**
Reconciliation:			
Cash and cash equivalents at 1 January	4.6	1,572.9	1,486.9
Of which, cash and cash equivalents		1,572.9	1,474.4
Of which, cash and cash equivalents under assets held for sale	5.3		12.5
Cash and cash equivalents at 31 December	4.6	1,561.1	1,572.9
Change		**–11.8**	**86.0**

Notes to the Consolidated Financial Statements

1 Overview

Alpiq Holding Ltd. is a stock corporation under Swiss law and domiciled in Lausanne. The company and its Swiss and foreign subsidiaries collectively form the Alpiq Group. An overview of the Group's investments is provided in Note 5.4 "Group companies and investments".

1.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements of the Alpiq Group have been prepared in accordance with IFRS Accounting Standards and Interpretations (IFRIC and SIC) issued by the International Accounting Standards Board (IASB), and comply with Swiss law. The consolidated financial statements give a true and fair view of the financial position, financial performance and cash flows of the Alpiq Group. They have been prepared on a historical cost basis, except for certain items such as financial instruments, which have been measured at fair value in some instances. The consolidated financial statements were authorised for issue by the Board of Directors of Alpiq Holding Ltd. on 25 February 2025 and are subject to approval by shareholders at the Annual General Meeting on 15 May 2025.

The figures reported in the tables are rounded. Therefore, totals and ratios may deviate slightly from the sum of the individual values.

Basis of consolidation

The consolidated financial statements of the Alpiq Group comprise the consolidated financial statements of Alpiq Holding Ltd. and its subsidiaries, which have been prepared by using uniform accounting policies. All intragroup balances, transactions, income and expenses are eliminated in full.

Subsidiaries are companies controlled by Alpiq Holding Ltd., either directly or indirectly. Such companies are consolidated at the date that control is obtained. Companies are deconsolidated or recognised under "Investments in partner power plants and other associates" or under "Other non-current assets" when control of the company is lost.

Investments in partner power plants and other associates in which the Alpiq Group has significant influence are included in the consolidated financial statements by application of the equity method. The Alpiq Group's interest in the assets, liabilities, income and expenses of such companies is disclosed in note 4.3.

All other investments are recognised at fair value and included in "Other non-current assets".

Foreign currency translation

The consolidated financial statements are presented in Swiss francs (CHF), which is both the functional currency of Alpiq Holding Ltd. and its reporting currency. The functional currency of each company in the Group is determined by the economic environment in which it operates. Transactions in foreign currencies are recorded in the group company's functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate on the reporting date. The resultant currency translation differences are recognised in the income statement.

Receivables and loans due from foreign operations for which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, part of the company's net investment in that foreign operation. The resulting translation differences are recognised separately in other comprehensive income as part of the foreign currency translation differences and reclassified from equity to the income statement on disposal of the net investment in the foreign operation.

The assets and liabilities of subsidiaries are translated into Swiss francs at the closing exchange rate at the reporting date. Income statement items are translated at the average exchange rate for the reporting period. Currency translation differences are recognised as a separate item in other comprehensive income. On disposal of a subsidiary or loss of control and on disposal of an associate or partner power plant or the loss of significant influence, the cumulative currency translation differences relating to that subsidiary are recognised in the income statement as part of the gain or loss on sale in the period in which the subsidiary is disposed of, or control is lost.

The following exchange rates were used for currency translation:

Unit	Closing rate at 31 Dec 2024	Closing rate at 31 Dec 2023	Average rate for 2024	Average rate for 2023
1 EUR	0.941	0.926	0.953	0.972
1 GBP	1.135	1.066	1.125	1.117
1 USD	0.906	0.838	0.881	0.899
100 CZK	3.737	3.745	3.793	4.051
100 HUF	0.229	0.242	0.241	0.255
100 NOK	7.980	8.238	8.196	8.516
100 PLN	22.016	21.339	22.126	21.403
100 RON	18.921	18.611	19.149	19.645

1.2 Adoption of new and revised accounting standards

Amendments, standards and interpretations adopted for the first time in 2024

At 1 January 2024, the following amendments to the IFRS Accounting Standards entered into force and were applied by the Alpiq Group:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IAS 1: Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity

These amendments had no significant impact on the Alpiq Group.

IFRS Accounting Standards effective in future periods

The IASB has published the following standards and interpretations of relevance to Alpiq:

Standard	Title	Effective at	Adoption planned from
Amendments to IAS 21	Lack of Exchangeability	1 Jan 2025	1 Jan 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 Jan 2026	1 Jan 2026
Amendments to IFRS 1, IFRS7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards – Volume 11	1 Jan 2026	1 Jan 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 Jan 2027	1 Jan 2027

The Alpiq Group evaluates the implications of newly issued or amended accounting standards that become effective on or after January 1, 2025. Based on the current assessment, no material impact on the Group's financial position or results of operations is anticipated, with the exception of IFRS 18.

Issued by the IASB in April 2024, IFRS 18 – Presentation and Disclosure in Financial Statements will replace IAS 1 and becomes effective for reporting periods beginning on or after January 1, 2027, with retrospective previous year restatement. Early adoption is allowed. The main changes resulting from the introduction of IFRS 18 are:

- Entities are required to classify all income and expenses in the income statement in five mandatory categories (operating activities, investing activities, financing activities, discontinued operations and income taxes) and present new sub-totals, including "Operating Profit or Loss" and "Profit or Loss Before Financing and Income Taxes".
- Entities are required to disclose Management-Defined Performance Measures (MPMs), providing definitions, reconciliations to IFRS measures, and context for their use.
- Enhanced guidance is provided for the aggregation and disaggregation of information in the financial statements.
- In addition, amendments to IAS 7 – Statement of Cash Flows remove classification options for interest and dividend cash flows, and standardise their presentation to enhance comparability. The starting point for operating cash flows, when using the indirect method, will be the operating profit or loss sub-total.

Alpiq is currently assessing the impact of implementation of IFRS 18, in particular the structure of the income statement, the cash flow statement and the additional disclosures required for MPMs.

1.3 Significant uncertainty in estimation and judgement

The preparation of the consolidated financial statements requires the management to exercise judgement and make estimates and assumptions. These may significantly affect recognised assets and liabilities, reported income and expenses and disclosures. Estimates and assumptions are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Actual amounts may differ from these estimates. Any revisions to estimates and assumptions are recognised and disclosed in the period in which they are identified.

Explanations of significant judgments and estimation uncertainties that may lead to material adjustments in recognized assets and liabilities, reported income and expenses, and other disclosures are outlined below and highlighted in the respective notes.

Description	Significant judgements	Estimation uncertainties	Further information in note
Net revenue	x		2.2
Employee benefits		x	2.4
Income tax		x	2.6
Financial instruments	x	x	3.2
Property, plant and equipment		x	4.1
Intangible assets		x	4.2
Investments in partner power plants and other associates	x	x	4.3
Provisions	x	x	4.7
Contingent liabilities and guarantees	x	x	4.8

1.4 Changes in the presentation of the financial statements

Alpiq reviews the presentation of financial reporting in terms of transparency, comprehensibility and accuracy on an ongoing basis. In the Annual Report 2024, the following adjustments are made:

- Figures are presented to one decimal place reflecting a more accurate picture of Alpiq’s financial statement. For consistency and comparability, previous year figures are also presented to one decimal place.
- Alpiq has discontinued the separate presentation of the “Share Premium” component within equity, reclassifying it entirely to Retained Earnings. This reclassification has no impact on total equity and has been applied retrospectively, with previous year figures adjusted by CHF 4,904.4 million for comparability. This change in presentation has been made to simplify the equity structure by removing inactive categories, since the “Share Premium” component has not been actively used in recent years.
- The disclosure of accounting policies has been streamlined, with a focus on Alpiq-specific applications and interpretations that emphasise relevance and materiality. Redundancies have been removed to improve clarity.
- Content and structure of selected notes have been adjusted to align with industry and company-specific conditions, improving transparency and readability.
- The layout has been updated to align with Alpiq’s refreshed corporate design.

1.5 Events after the reporting period

There were no reportable events after the reporting date of 31 December 2024.

2 Performance

2.1 Segment information

Alpiq Group segment reporting is based on the Group's internal management structure and the internal financial information provided to the chief operating decision maker. The reportable segments at Alpiq consists of three elements along the company's value chain: Assets, Trading, and Origination. The Executive Board evaluates each of these elements separately for the purposes of performance assessment and resource allocation. Segment results (EBITDA and adjusted EBITDA) are the key performance indicators used for internal management and assessment purposes at Alpiq. For more information about adjusted EBITDA, please refer to the unaudited explanations in the Financial Review. In addition to energy procurement and production costs, operating costs comprise all costs of operations, including personnel and service expenses.

- The Assets segment covers the production of electricity by Alpiq's Swiss and international power plants through different technologies such as hydro (including small-scale hydropower), nuclear, thermal, wind and solar, as well as the operation and optimisation of these power plants. It also comprises several wind farm projects in Switzerland and abroad. The Alpiq Swiss power plant portfolio includes run-of-river power plants, storage and pumped storage power plants (including Nant de Drance), as well as interests in the Gösgen and Leibstadt nuclear power plants. In addition, the Assets segment manages shares in HYDRO Exploitation SA and Kernkraftwerk-Beteiligungsgesellschaft AG (KBG). It also covers the production of electricity and heat at thermal power plants in Hungary, Italy and Spain. The power plant portfolio is made up of gas-fired combined-cycle power plants and gas-fired turbine power plants. Power is sold on the European electricity trading market, and the power plants are used by the respective grid operators to balance the grids.
- The Trading segment covers proprietary trading activities with standardised and structured products for electricity and gas, as well as emission allowances and certificates. The Trading segment also includes foreign exchange and liquidity management.
- The Origination segment covers activities to optimise electricity production from third-party renewable energy and direct marketing and energy management for industrial and business customers. This includes the trading and sale of standardised and structured products in various countries, with the aim of helping partners to achieve their cost efficiency and sustainability goals, thereby creating value and increasing customer benefit. The Origination segment also covers the company's Swiss sales and origination activities as well as retail activities in France.

The segment results are carried over to the Alpiq Group's consolidated figures by including the units with limited market operations (Corporate), Group consolidation effects and other reconciliation items. The latter comprises reallocations totalling CHF 13.4 million (previous year: CHF 13.8 million) between external net revenue and other income due to differences in account structures used for internal and external reporting purposes. This column also includes the foreign currency effects of using alternative average exchange rates for management reporting purposes that differ from those pursuant to IFRS Accounting Standards. Corporate includes the financial and non-strategic investments which cannot be allocated directly to the value chain, as well as the activities of the Group headquarters, including Alpiq Holding Ltd. and the functional units.

2024: Information by segment

CHF million	Assets	Trading	Origination	Corporate[1]	Consoli-dation	Reconcili-ation	Alpiq Group
Net revenue from third parties	1,939.1	886.9	3,827.7	– 37.9		20.5	6,636.3
Inter-segment transactions[2]	2,130.6	2,387.7	886.8	0.7	– 5,399.4	0.3	6.7
Net revenue	**4,069.7**	**3,274.6**	**4,714.6**	**– 37.3**	**– 5,399.4**	**20.8**	**6,643.0**
Other income	31.4	2.1	0.9	19.4	– 16.2	– 13.4	24.3
Total revenue and other income	**4,101.1**	**3,276.7**	**4,715.5**	**– 17.8**	**– 5,415.6**	**7.3**	**6,667.3**
Energy and other costs	– 2,961.4	– 3,235.6	– 4,381.8	– 109.5	5,415.6	– 7.5	– 5,280.4
EBITDA[3]	**1,139.7**	**41.0**	**333.7**	**– 127.4**	**0.0**	**– 0.2**	**1,386.9**
Depreciation, amortisation and impairment	– 101.9	– 0.1	– 2.8	– 9.7			– 114.5
EBIT	**1,037.7**	**40.9**	**330.9**	**– 137.1**	**0.0**	**– 0.2**	**1,272.3**
Net capital expenditure on property, plant and equipment and intangible assets	**72.1**	**1.8**	**13.5**	**8.7**			**96.1**
Property, plant and equipment	1,694.4	0.1	3.3	96.7			1,794.5
Intangible assets	61.8	1.7	14.9	18.0			96.4
Investments in partner power plants and other associates	2,125.1			2.6			2,127.7
Non-current assets	**3,881.2**	**1.8**	**18.2**	**117.3**	**0.0**	**0.0**	**4,018.5**
Number of employees at 31 December	**424**	**111**	**216**	**599**			**1,350**

1 Negative net revenue is attributable to the change in the fair value measurement of financial derivatives, which are presented in net revenue (see note 2.2).

2 The net effect of CHF 6.7 million results from currency effects on intragroup energy transactions.

3 Earnings before depreciation, amortisation and impairment losses, share of results of partner power plants and other associates, finance costs, finance income and income tax expense

2023: Information by segment

CHF million	Assets	Trading	Origination	Corporate	Consoli-dation	Reconcili-ation	Alpiq Group
Net revenue from third parties	2,754.3	1,161.0	5,018.0	31.5		5.4	8,970.2
Inter-segment transactions [1]	1,320.6	1,993.0	1,492.7	– 30.6	– 4,788.1	1.0	– 11.4
Net revenue	**4,074.9**	**3,154.0**	**6,510.6**	**0.9**	**– 4,788.1**	**6.4**	**8,958.8**
Other income	31.5	1.1	0.4	21.2	– 16.2	– 13.8	24.3
Total revenue and other income	**4,106.5**	**3,155.2**	**6,511.1**	**22.1**	**– 4,804.4**	**– 7.5**	**8,983.1**
Energy and other costs	– 2,605.0	– 3,020.7	– 6,262.3	– 97.0	4,804.4	3.5	– 7,177.1
EBITDA [2]	**1,501.5**	**134.4**	**248.8**	**– 74.9**	**0.0**	**– 3.9**	**1,806.0**
Depreciation, amortisation and impairment	– 99.5	– 0.4	– 3.1	– 9.4			– 112.4
EBIT	**1,402.0**	**134.0**	**245.8**	**– 84.4**	**0.0**	**– 3.9**	**1,693.6**
Net capital expenditure on property, plant and equipment and intangible assets	**68.8**		**1.4**	**6.7**			**76.9**
Property, plant and equipment	1,652.0	0.2	4.2	91.7			1,748.1
Intangible assets	50.0		3.5	19.4			72.9
Investments in partner power plants and other associates	2,153.1			2.3			2,155.4
Non-current assets	**3,855.1**	**0.2**	**7.6**	**113.4**	**0.0**	**0.0**	**3,976.4**
Number of employees at 31 December	**393**	**94**	**193**	**541**			**1,221**

1 The net effect of CHF – 11.4 million results from currency effects on intragroup energy transactions.

2 Earnings before depreciation, amortisation and impairment losses, share of results of partner power plants and other associates, finance costs, finance income and income tax expense

2024: Information by geographical area

CHF million	Switzerland	Germany	France	Italy	Spain	Luxem-bourg	United Kingdom	Nether-land [1]	Other countries	Alpiq Group
Net revenue [2] from third parties	**1,746.9**	**814.9**	**1,425.3**	**1,307.3**	**492.8**	**583.7**	**573.6**	**– 866.6**	**558.5**	**6,636.3**
Property, plant and equipment	1,354.7	0.5	111.2	187.6	39.6				100.8	1,794.5
Intangible assets	61.2		13.6	5.1					16.4	96.4
Investments in partner power plants and other associates	2,122.3		0.2		0.6				4.6	2,127.7
Non-current assets	**3,538.2**	**0.5**	**125.0**	**192.8**	**40.2**	**0.0**	**0.0**	**0.0**	**121.8**	**4,018.5**

1 Negative net revenue is attributable to the change in the fair value measurement of energy derivatives, which are presented in net revenue (see note 2.2).

2 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF – 11.4 million.

2023: Information by geographical area

CHF million	Switzerland	Germany	France	Italy	Spain	Luxem-bourg	United Kingdom	Nether-lands[1]	Other countries	Alpiq Group
Net revenue[2] from third parties	**1,841.2**	**2,287.8**	**1,425.9**	**1,990.4**	**433.0**	**1,426.1**	**138.1**	**– 309.1**	**– 263.3**	**8,970.2**
Property, plant and equipment	1,382.1	0.7	111.8	196.3	33.0				24.2	1,748.1
Intangible assets	59.1		8.0	5.7						72.9
Investments in partner power plants and other associates	2,151.2		0.1		0.9				3.2	2,155.4
Non-current assets	**3,592.4**	**0.7**	**119.9**	**202.0**	**33.9**	**0.0**	**0.0**	**0.0**	**27.4**	**3,976.3**

1 Negative net revenue is attributable to the change in the fair value measurement of energy derivatives, which are presented in net revenue (see note 2.2).

2 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF – 11.4 million.

Net revenue from external customers by country is allocated based on the customer's country of domicile. Those countries in which Alpiq generated the most net revenue in the reporting period are presented separately in this segment information. There were no transactions with any single external customers that amounted to 10% or more of the consolidated net revenue of the Alpiq Group. Non-current assets consist of property, plant and equipment (including right-of-use assets), intangible assets and investments in the respective countries.

2.2 Net revenue

The Alpiq Group's net revenue comprises revenue from contracts with customers (IFRS 15) and income from energy and financial derivatives (IFRS 9).

2024: Disaggregation of net revenue

CHF million	Asset	Trading	Origination	Corporate	Total
Revenue from energy and grid services	1,802.7	877.9	3,861.5		6,542.0
Revenue from other services	13.4				13.4
Total revenue from contracts with customers	**1,816.1**	**877.9**	**3,861.5**	**0.0**	**6,555.4**
(Loss) / income from energy and financial derivatives	137.9	8.2	– 27.4	– 37.9	80.8
Net revenue from third parties[1]	**1,954.0**	**886.1**	**3,834.1**	**– 37.9**	**6,636.3**

1 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF 6.7 million.

2023: Disaggregation of net revenue

CHF million	Asset	Trading	Origination	Corporate	Total
Revenue from energy and grid services	2,082.0	1,182.8	5,300.0		8,564.8
Revenue from other services	13.2	0.3			13.4
Total revenue from contracts with customers	**2,095.2**	**1,183.1**	**5,300.0**	**0.0**	**8,578.2**
(Loss) / income from energy and financial derivatives	668.3	– 23.4	– 284.6	31.5	391.9
Net revenue from third parties[1]	**2,763.4**	**1,159.8**	**5,015.4**	**31.5**	**8,970.2**

1 The difference to net revenue in the income statement results from currency effects on intragroup energy transactions of CHF – 11.4 million.

Accounting policies

Alpiq generally satisfies its performance obligations as principal. However, for performance obligations related to the transmission of energy, Alpiq acts as agent in all represented markets. Where Alpiq acts as agent, revenue is recognised net of the corresponding costs.

Revenue from energy and grid services

Revenue from energy supply from contracts with customers ("own use exemption" pursuant to IFRS 9) is generally recognised over the period agreed for completion of performance. However, for energy supplies, Alpiq has a right to consideration that directly corresponds to the value to the customer of the energy already supplied. For such cases, Alpiq exercises the practical expedient and recognises revenue in the amount that can be billed. In some contracts, Alpiq sells the proportionate right in energy production of a power plant. Revenue from these contracts is recognised over the period that corresponds to the timing of the costs.

Revenue from stand-ready obligations to deliver ancillary services is recognised on a straight-line basis during the period in which Alpiq is available to render these services. Revenue for called ancillary services is recognised when the energy is delivered.

Contractual penalties – for example, for deviations between the delivered and contractually agreed quantity of energy – represent variable components in energy sales. They are included in the estimation of the transaction price only when they become highly probable. This is normally the case towards the end of the delivery period. Estimation of the point in time of when such variable price components are recognised requires significant judgement.

Revenue from other services

Revenue from other services from contracts with customers is recognised generally over the time period over which the performance obligation is satisfied on a straight-line basis. However, Alpiq applies the following practical expedient: if Alpiq has a right to consideration that directly corresponds to the value to the customer, then revenue is recognised in the amount that can be billed.

Practical expedients applied regarding revenue from contracts with customers

Alpiq exercises the practical expedient provided in IFRS 15 and, wherever possible, opts not to disclose the remaining performance obligations at the end of the reporting period. After application of this practical expedient, the remaining performance obligations disclosed by Alpiq at the end of the reporting period are not significant.

Alpiq applies the practical expedient and does not capitalise incremental costs of obtaining a customer contract, as far as these costs would be amortised within one year. Due to the application of this practical expedient, Alpiq did not disclose any significant costs of this type.

Income from energy and financial derivatives
Energy and financial derivatives are measured at fair value through profit or loss. Changes in value in energy derivatives are disclosed in net revenue in the period in which they occur. Revenue from trading in energy and financial derivatives comprises net realised gains and losses from settled contracts and unrealised changes in the fair value of unsettled contracts. For more information on measurement, refer to note 3.2.

2.3 Energy and inventory costs

CHF million	2024	2023
Electricity purchased from third parties	–3,372.2	–4,661.4
Electricity purchased from partner power plants	–414.8	–474.7
Gas procurement and CO_2 certificates	–982.0	–1,593.0
Other energy and inventory costs	–84.8	–79.8
Energy and inventory costs before provisions	**–4,853.8**	**–6,808.9**
Movement in provisions for onerous contracts	–0.6	16.2
Energy and inventory costs	**–4,854.4**	**–6,792.7**

The item “Other energy and inventory costs” comprises mainly water taxes, concession fees and plant maintenance costs.

2.4 Employee costs and employee benefits

CHF million	2024	2023
Wages and salaries	–198.4	–185.8
Defined benefit pension costs	–14.4	–11.2
Defined contribution pension costs	–2.0	–2.4
Social security costs and other employee costs	–31.4	–28.8
Employee costs	**–246.2**	**–228.2**

Number of employees at the reporting date

	31 Dec 2024	31 Dec 2023
Employees (full-time equivalents)	1,338	1,210
Apprentices	12	11
Total	**1,350**	**1,221**

Defined benefit plan

The Group operates a number of pension schemes as required by law. The group companies in Switzerland participate in PKE-CPE Vorsorgestiftung Energie, a legally independent pension scheme that meets the criteria of a defined benefit plan in accordance with IAS 19. Employees of foreign subsidiaries are generally covered by state social security schemes or independent defined contribution pension plans in accordance with national practices. These plans meet the criteria of a defined contribution plan according to IAS 19.

PKE-CPE Vorsorgestiftung Energie

PKE-CPE Vorsorgestiftung Energie is a pension fund with the legal form of a foundation and pension fund under the Swiss Civil Code (ZGB) and the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The objective of the foundation is to provide occupational benefits in accordance with the BVG and its ordinances, protecting the employees of the affiliated companies and their families and survivors against the financial consequences of old age, invalidity and death. The Board of Trustees is the most senior governing body of PKE-CPE Vorsorgestiftung Energie. It is composed of an equal number of employee and employer representatives of the affiliated companies and constitutes itself. The benefits provided by PKE-CPE Vorsorgestiftung Energie and their financing, the organisation and administration and the relationship with the affiliated companies, the active insured members and the pensioners are defined in the pension fund and organisational regulations.

The plan assets are invested by PKE-CPE Vorsorgestiftung Energie jointly for all affiliated companies, which share the actuarial and investment risks of the pension fund. The Board of Trustees is responsible for the investment of the plan assets. The organisation of the investment activities and the related competencies are specified in the investment regulations and investment strategy. The pension fund is exposed to actuarial and investment risks. In the event of underfunding, the Board of Trustees, in collaboration with a recognised actuarial expert, implements suitable measures to eliminate the underfunding. If necessary, the interest rate on the retirement savings capital, the financing and the benefits in excess of the minimum requirement under BVG may be adjusted to bring them into line with the funds available. If other measures are not sufficient, PKE-CPE Vorsorgestiftung Energie may require the employer and the employee to pay additional contributions to eliminate the underfunding.

Defined benefit liabilities / assets in the balance sheet

CHF million	31 Dec 2024	31 Dec 2023
Present value of defined benefit obligation	618.3	577.0
Fair value of plan assets	657.8	616.0
Deficit / surplus (–)	– 39.5	– 38.5
Asset ceiling		0.5
Net defined benefit liabilities / assets (–)	**– 39.5**	**– 38.5**
Of which, liabilities	1.8	2.0
Of which, assets	41.3	40.5

Reconciliation of net defined benefit liabilities / assets

CHF million	2024	2023
Net defined benefit liabilities / assets (–) at 1 January	**–38.5**	**2.2**
Defined benefit expense recognised in the income statement	14.4	10.2
Defined benefit expense recognised in other comprehensive income[1]	–0.5	–24.3
Contributions by employer to legally independent pension schemes	–14.6	–26.2
Benefits paid directly by employer	–0.3	–0.4
Net defined benefit liabilities / assets (–) at 31 December	**–39.5**	**–38.5**

1 Of which CHF - 0.5 million (previous year: CHF - 62.3 million) related to change in effect of asset ceiling.

Changes in the present value of the defined benefit obligation

CHF million	2024	2023
Present value of defined benefit obligation at 1 January	**577.0**	**632.6**
Interest expense on defined benefit obligations	8.6	11.8
Current service cost	13.6	11.1
Contributions by plan participants	9.6	9.3
Benefits paid	–30.6	–43.9
Administration costs	0.5	0.3
Remeasurements:		
Financial assumptions	45.8	38.8
Demographic assumptions	–1.8	–2.6
Experience adjustments	–4.5	16.4
Settlement[1]		–96.8
Present value of defined benefit obligation at 31 December	**618.3**	**577.0**

1 The provisions in the affiliation agreement between Alpiq and PKE cover the transfer of pensioners from the Alpiq pension scheme to a separate scheme called “Pensioners without employer” if there is a lasting imbalance between active insured persons and pensioners. In 2022, Alpiq was informed by PKE that such an imbalance had existed for some time and that therefore the transfer of a certain number of pensioners had to take place in order to align with the affiliation agreement. The P&L effect of this settlement was taken into account in the figures reported in 2022. The settlement eliminated all further obligations of Alpiq towards the transferred pensioners and resulted in a loss on settlement of CHF 26 million (recognised in 2022). In 2023, the transferred defined benefit obligations and plan assets in the amount of CHF 97 million were derecognised and a cash outflow of CHF 13.4 million to PKE was recorded.

The weighted average duration of the defined benefit obligation at the reporting date is 13.2 years (previous year: 12.6 years).

Changes in the fair value of the plan assets

CHF million	2024	2023
Fair value of plan assets at 1 January	**616.0**	**691.8**
Interest income on plan assets	9.2	13.3
Contributions by employer to legally independent pension schemes	13.6	27.2
Contributions by plan participants	9.6	9.3
Benefits paid	– 30.3	– 43.9
Settlement		– 96.8
Remeasurement on plan assets	39.7	15.1
Fair value of plan assets at 31 December	**657.8**	**616.0**

Asset classes of plan assets

CHF million	31 Dec 2024	31 Dec 2023
Quoted market prices		
Liquidity	15.7	– 2.5
Equity instruments of third parties	256.9	232.0
Debt instruments of third parties	202.5	198.8
Property funds	25.3	30.2
Other investments	58.4	59.1
Total plan assets at fair value (quoted market prices)	**558.8**	**517.6**
Unquoted market prices		
Property not used by the company	99.0	98.4
Total plan assets at fair value (unquoted market prices)	**99.0**	**98.4**
Total fair value of plan assets	**657.8**	**616.0**

Accounting policies

The defined benefit obligation is calculated annually by independent pension experts using the projected unit credit method. This accrued benefit method prorated on service recognises not only the known benefits and benefits accrued at the reporting date, but also expected future salary and pension increases. The Continuous Mortality Investigation (CMI) model with generation tables as a technical basis is used to reflect mortality rates. Mortality data according to the CMI model is calculated based on a long-term rate of change. The net interest result is recognised directly in finance costs / income; any remaining employee benefit costs are included in employee costs. Actuarial gains and losses are recognised in other comprehensive income as part of equity in the period in which they occur. Past service costs are recognised directly in the income statement as employee costs.

As a rule, all plans are funded by both employer and employee contributions. Employer contributions paid or owed to pension schemes that provide defined contribution pension plans are recognised directly in the income statement.

The calculation of the recognised defined benefit liabilities is based on statistical and actuarial assumptions. Such assumptions may differ substantially from actual circumstances due to changes in market conditions and the economic environment, higher or lower exit rates, longer or shorter lives of plan participants and other estimated factors. Such deviations may have an impact on the defined benefit liabilities recognised in future reporting periods.

Actuarial assumptions

in %	31 Dec 2024	31 Dec 2023
Discount rate	1.00	1.50
Projected interest rate for retirement assets	2.00	2.00
Expected rates of salary increase (weighted average)	2.00	1.00
Estimated long-term rate of change in the CMI model (basis: Occupational Pensions Act 2020)	1.25	1.25

Sensitivity analysis

In each case, the sensitivity analysis takes into consideration the influence on the net defined benefit obligation in the event that one assumption changes while all other assumptions remain unchanged. This approach does not take into account that some assumptions are dependent on others.

CHF million	2024	2023
Discount rate		
0.25% increase	–19.5	–17.3
0.25% reduction	20.8	18.4
Projected interest rate for retirement assets		
0.25% increase	5.5	4.6
0.25% reduction	–5.4	–4.5
Rate of salary increase		
0.25% increase	2.1	1.7
0.25% reduction	–2.0	–1.7
Life expectancy		
1 year increase	22.1	20.8
1 year reduction	–22.6	–21.3

Expected contributions by the employer and plan participants for the next period

Employer social security contributions are estimated at CHF 12.9 million and employee contributions are estimated at CHF 8.0 million for 2025.

2.5 Finance costs and finance income

CHF million	2024	2023
Finance costs		
Interest expense	– 42.8	– 51.7
Capitalised borrowing costs	0.4	0.3
Net interest on pension plans and provisions	– 0.6	– 1.5
Other finance costs [1]	– 35.9	– 33.4
Net foreign exchange losses [2]	– 43.8	– 57.9
Total	**– 122.7**	**– 144.2**
Finance income		
Interest income	32.8	41.9
Gain from remeasurement of interest rate derivatives	0.3	0.3
Other finance income	1.4	5.2
Total	**34.5**	**47.4**
Financial result	**– 88.2**	**– 96.8**

1 Of which an amount of CHF – 20.6 million (previous year: CHF – 20.6 million) was recognised as a commitment fee for the federal bailout fund.

2 Of which an amount of CHF – 48.7 million (previous year: CHF – 27.3 million) relate to the recycling of accumulated exchange rate differences previously recognised in equity as part of the liquidation of foreign subsidiaries.

2.6 Income tax

Reconciliation

CHF million	2024	2023
Earnings before tax	1,176.7	1,573.5
Expected income tax rate (Swiss average rate)	15.20%	15.00%
Income tax at the expected income tax rate	– 178.9	– 236.0
Tax effects from:		
Difference in expected income tax rate compared to locally expected income tax rates	– 44.3	– 43.4
Income exempt from tax [1]	0.6	21.0
Non-deductible expenses for tax purposes	– 11.4	– 26.9
Valuation from tax loss carryforwards and use of unrecognised tax loss carryforwards	– 0.6	44.1
Effect of changes in tax rates	0.1	1.3
Previous years	1.6	2.0
Other effects	– 0.4	
Total income tax expense	**– 233.3**	**– 237.9**
Effective income tax rate	19.83%	15.12%

1 Predominantly relates to income from participations.

Income tax expense charged to the income statement

CHF million	2024	2023
Current income tax	– 269.2	– 121.0
Deferred income tax	35.9	– 116.9
Income tax	**– 233.3**	**– 237.9**

Change in deferred tax assets and liabilities

CHF million	Deferred tax assets	Deferred tax liabilities	Net deferred tax liabilities
Balance at 31 December 2022	**142.9**	**332.6**	**189.7**
Deferred taxes recognised in the income statement	– 24.0	92.9	116.9
Deferred taxes recognised in other comprehensive income		9.5	9.5
Currency translation differences	– 7.7	– 0.2	7.5
Balance at 31 December 2023	**111.2**	**434.8**	**323.6**
Acquisition of subsidiaries	1.0	0.9	– 0.1
Deferred taxes recognised in the income statement	– 69.2	– 105.1	– 35.9
Deferred taxes recognised in other comprehensive income		– 6.1	– 6.2
Currency translation differences	2.5	0.1	– 2.4
Balance at 31 December 2024	**45.5**	**324.6**	**279.1**

Deferred tax assets and liabilities by origination of temporary differences

CHF million	31 Dec 2024	31 Dec 2023
Tax losses and tax assets not yet used	21.3	18.0
Property, plant and equipment	20.6	23.2
Other non-current assets	11.1	7.6
Current assets	16	36.1
Provisions and liabilities	22.4	69.2
Total gross deferred tax assets	**91.4**	**154.1**
Property, plant and equipment	114	117.5
Other non-current assets	159.3	165.3
Current assets	51	151.5
Provisions and liabilities	46.2	43.4
Total gross deferred tax liabilities	**370.5**	**477.7**
Net deferred tax liabilities	**279.1**	**323.6**
Tax assets recognised in the balance sheet	45.5	111.2
Tax liabilities recognised in the balance sheet	324.6	434.8

At 31 December 2024, individual subsidiaries held tax loss carryforwards totalling CHF 201.3 million (previous year: CHF 207.4 million), which are available for offsetting against future taxable profits. Of these, the Alpiq Group has not recognised tax benefits on tax loss carryforwards of CHF 106.4 million (CHF 133.0 million) in the balance sheet item "Deferred tax assets", as these are recognised only to the extent that realisation of the related tax benefit is probable. The average tax rate on tax loss carryforwards not eligible for capitalisation is 17.9% (18.7%). These tax loss carryforwards expire in the following periods:

CHF million	31 Dec 2024	31 Dec 2023
Within 1 year	13.3	
Within 2 – 3 years	36.8	53.8
After 3 years	51.4	54.3
Unlimited use	4.9	24.9
Total unrecognised tax loss carryforwards	**106.4**	**133.0**

In addition, there are unrecognised deductible temporary differences totalling CHF 1.9 million (CHF 11.1 million).

Global minimum corporate taxation

Under an OECD Inclusive Framework, more than 140 countries agreed to enact a two-pillar solution to address the challenges arising from the digitalisation of the economy. Pillar Two introduces a global minimum Effective Tax Rate (ETR), where multinational groups with consolidated revenue of more than EUR 750.0 million are subject to a minimum ETR of 15% on income arising in low-tax jurisdictions.

As of 1 January 2024, various countries have changed their tax laws accordingly. In Switzerland, the Qualified Domestic Minimum Top-up Tax (QDMTT) applies to financial years starting on or after 1 January 2024; the Income Inclusion Rule (IIR) will apply to financial years starting on or after 1 January 2025.

Alpiq exceeds the consolidated revenue threshold of EUR 750.0 million and is therefore within the scope of the Pillar Two rules. The temporary safe harbour rules were applied in the assessment of Pillar Two's impact on Alpiq's tax position for financial year 2024. No global minimum tax expense is expected in any jurisdiction; consequently, no respective income tax liabilities were recognised.

Assumptions are made based on local legal principles in calculation of current income tax. Income taxes that are actually payable may deviate from the values originally calculated, as in some cases the definitive assessment is not finalised until years after the end of the reporting period. The resulting risks are identified, assessed and recognised where necessary. Deferred tax assets are calculated in part using far-reaching estimates. The underlying forecasts pertain to a period of several years and comprise, inter alia, a forecast of future taxable income and interpretations of the existing regulatory framework. The temporary mandatory relief from deferred tax accounting is applied in respect of the effects of the Pillar Two global minimum tax.

2.7 Earnings per share

	2024	2023
Earnings after tax attributable to equity investors of Alpiq Holding Ltd. (CHF million)	941.8	1,332.7
Interest on hybrid capital attributable to the period (CHF million) [1]	−35.6	−30.7
Share of Alpiq Holding Ltd. shareholders in earnings (CHF million)	**906.2**	**1,302.0**
Weighted average number of shares outstanding	33,110,364	33,110,364
Earnings per share in CHF, basic and diluted	**27.37**	**39.32**

1 On 15 November 2024, Alpiq exercised its call option and repaid the hybrid bond. For more details, refer to Note 3.3

No circumstances exist that would lead to a dilution of earnings per share.

3 Risk management, financial instruments and financing

3.1 Financial risk management

General principles

Risk management is integral to the successful strategic, operational and financial management of Alpiq Group and management of risk is crucial for its financial performance. Robust and comprehensive risk governance is therefore both a business and a strategic necessity.

The principles of the Group's risk management policy are established by the Board of Directors. The Executive Board is responsible for their development and implementation and the Risk Management Committee monitors compliance with the principles and policies. The principles of risk management in the Alpiq Group are outlined in the Group Risk Policy, which comprises guidelines for entering into, measuring, managing and mitigating business risks, and specifies the organisation and responsibilities related to risk management. The responsible units manage their risks within the framework of the risk management policy and the limits defined for their areas of activity. The objective is to maintain a reasonable balance between the business risks incurred, earnings generated and risk-bearing equity.

The Group Risk Policy governs a number of directives divided into three main categories: Energy Risk Management, Business Risk Management and Financial Risk Management. The Energy Risk Management directives define the processes and methods to manage market and credit risks in the energy business. They also regulate the management of liquidity fluctuations caused by trading activities on stock exchanges and under bilateral arrangements (over-the-counter; OTC) to settle margin differences. The Business Risk Management directives govern the annual risk assessments, the process for approval of new energy products and the definition and monitoring of measures to reduce exposure to operational and strategic risks. They also define the principles of the hedging strategy for energy production trading books. The Financial Risk Management directive defines the substance, organisation and system for financial risk management within the Alpiq Group, including management of financing, working capital, liquidity, foreign currency and interest rate risks.

The Risk Management functional unit is responsible for the overarching enterprise risk management and reports to the CFO. It provides methods and tools for implementation of risk management and actively steers energy-related risks. The unit ensures timely reporting to the Board of Directors, Executive Board and the Risk Management Committee. During the annual business risk assessment process, strategic and operational risks throughout the Group are recorded and assessed, and then assigned to the identified risk owners for management and monitoring. The Risk Management functional unit monitors implementation of the measures. Exposure limits are set for market, credit and liquidity risks, which are adjusted in the context of the company's overall risk-bearing capacity and with compliance monitored on an ongoing basis.

Energy risk

The management of energy risk covers credit risks, liquidity risk and market risks. Although market, credit and liquidity risks are addressed in separate directives, the three are interdependent and need to be managed with an integrated approach. This does not imply that each risk factor is of equal weight or importance. Whereas market or credit risk potentially results in effective losses, liquidity risk impacts cashflow and operational capital temporarily (until the cash collateral is returned).

Credit risk

Credit risk is managed primarily by application of rating-based credit limits. The Alpiq Group classifies counterparties or groups of counterparties (with similar risk characteristics) in risk categories (AAA to CCC) based on probability of default. Once established, these ratings are applied as the basis for setting credit limits. Such limits may be increased if collateral (such as guarantees, advances or insurance cover) is provided. The ratings of active counterparties are reviewed periodically, and credit limits are adjusted where appropriate. Contracts are entered into only with counterparties that meet the requirements outlined in the Credit Risk Directive.

Credit risk management deals with potential losses arising from business partners' inability to meet their contractual obligations to the Alpiq Group. It encompasses all business units and subsidiaries that transact significant business volumes with external counterparties. It entails regular monitoring of outstanding receivables from counterparties and their expected future developments, as well as analysis and monitoring of the creditworthiness of new and existing counterparties. In addition to energy derivatives recognised as financial instruments on the balance sheet, credit risk management also covers physical receipt and delivery contracts.

The maximum credit risk corresponds to the carrying amount of the financial assets and was calculated at CHF 3,981.6 million at 31 December 2024 (previous year: CHF 6,104.4 million). The replacement values of energy derivatives and receivables, and thus the credit risk associated with several counterparties in various countries, decreased compared to the previous year mainly due to lower energy prices. Overall credit risk is a consistent but not significant input factor in fair value measurement.

In addition to the strict monitoring and management of credit risk by means of internal rating-based credit limits per counterparty and the retention of collateral, Alpiq has various counterparties and customers in different countries, which prevents a concentration of risk. Thus, credit risk for derivatives and receivables is broadly diversified and there was no concentration of risk with any counterparty at year end. Information about the effect of credit risk on receivables is disclosed in note 4.5.

Offsetting of financial assets and liabilities
A substantial portion of the energy contracts entered into by the Alpiq Group are based on agreements with a netting arrangement. Netting arrangements are used widely in energy trading to reduce the volume of effective cash flows. Items relating to the same counterparties are presented on a net basis in the balance

sheet only if a legally enforceable right to offset the recognised amounts applies under the netting arrangement and there is an intention to settle on a net basis.

			31 Dec 2024			31 Dec 2023
CHF million	Gross	Offsetting	Net (balance sheet)	Gross	Offsetting	Net (balance sheet)
Financial assets						
Trade receivables	1,872.5	– 746.2	1,126.3	2,361.1	– 1,104.7	1,256.4
Energy derivatives [1]	1,593.4	– 906.7	686.7	4,494.0	– 2,226.3	2,267.7
Currency and interest rate derivatives	0.7		0.7	35.1		35.1
Derivatives designated for hedge accounting	1.5		1.5	36.2		36.2
Financial liabilities						
Trade payables	1,293.2	– 746.1	547.1	2,069.5	– 1,104.7	964.8
Energy derivatives [2]	1,309.2	– 906.7	402.5	3,985.2	– 2,226.3	1,758.9
Currency and interest rate derivatives	2.1		2.1	1.4		1.4
Derivatives designated for hedge accounting	21.8		21.8	25.7		25.7

1 Of which a net amount of CHF 4.9 million (previous year: CHF 3.2 million) originates from own-use contracts designated at fair value on initial recognition.

2 Of which a net amount of CHF 8.3 million (previous year: CHF 23.8 million) originates from own-use contracts designated at fair value on initial recognition.

Financial collateral

Additional collateral, such as guarantees, variation margin payments or insurance cover, is obtained where necessary in order to hedge the risk of the failure of one party to fulfil its part of the deal and defaulting on its contractual obligations. The amount to be provided changes according to the net obligation calculated every day on the basis of price fluctuations. As a rule, the collateral held by the Alpiq Group covers both unrecognised energy transactions involving physical delivery and transactions recognised as financial instruments. Financial collateral received and issued in connection with bilateral agreements to settle margin differences is presented as follows:

		31 Dec 2024		31 Dec 2023
CHF million	Collateral received	Collateral issued	Collateral received	Collateral issued
Cash collateral [1]	0.8	4.1	10.2	77.4
Guarantees [2]	114.4	84.7	58.9	231.4
Total	**115.2**	**88.8**	**69.1**	**308.8**

1 Contained under “Receivables” or “Other current liabilities” respectively

2 Guarantees to third parties in favour of third parties are presented in note 4.8.

Liquidity risk

Margin agreements are commonly used on energy commodity exchanges and among energy traders to reduce counterparty risk. A margin agreement is a collateralisation agreement to ensure both parties' performance. Consequently, Alpiq has to provide or can demand significant collateral in the form of cash or bank guarantees depending on energy price movements and related to the value of the net obligation. In addition, these can result in significant changes in liquidity, as both Alpiq and its counterparties are in most cases contractually entitled to replace cash collateral with bank guarantees in the short term and vice versa. The Alpiq Group manages such variable liquidity requirements by means of an early warning system, continuous balancing of the underlying positions, maintenance of sufficient liquidity resources and committed credit lines from banks. The role of liquidity management is to plan, monitor, provide and optimise liquidity of the Alpiq Group on a monthly rolling basis.

The anticipated cash flows of financial liabilities and derivative financial instruments are disclosed in the table below. Where the intention exists to refinance loans at the end of the contract term but refinancing has not yet been contractually secured, a cash outflow on maturity is assumed. Accordingly, actual cash flows can differ significantly from the contractual maturities. The cash flows from derivatives are presented net when netting arrangements are in place with counterparties and the amounts are expected to be settled net. Depending on the future changes in value of the derivatives until maturity, the effective cash flows may deviate significantly from the amounts reported. In order to demonstrate the effective liquidity risk from derivative financial instruments, the cash inflows and outflows from contracts with positive and negative replacement values are shown in the following table.

2024: Maturity analysis of financial liabilities and derivative financial instruments

	Carrying amount	Cash flows					
CHF million		Total	< 1 month	1 – 3 months	4 – 12 months	1 – 5 years	> 5 years
Trade payables	547.1	– 547.1	– 439.9	– 98.4	– 8.8		
Bonds	825.0	– 889.3			– 219.8	– 509.2	– 160.3
Loans payable	357.2	– 408.5	– 0.3	– 28.1	– 50.9	– 279.3	– 49.9
Lease liabilities	31.9	– 36.6	– 0.8	– 1.5	– 4.6	– 22.6	– 7.1
NCI put option	35.1	– 38.6				– 38.6	
Other financial liabilities	117.5	– 112.2	– 65.1	– 28.1	– 11.8	– 7.2	
Cash outflows from non-derivative financial liabilities		**– 2,032.3**	**– 506.1**	**– 156.2**	**– 295.8**	**– 856.9**	**– 217.3**
Energy derivatives	284.2						
Cash inflows		2,640.4	0.5	561.0	1,048.0	917.2	113.7
Cash outflows		– 1,791.2	– 8.5	– 247.3	– 854.2	– 675.3	– 5.9
Currency / interest rate derivatives	– 21.7						
Cash inflows		2,208.8	442.1	1,435.8	226.5	104.4	
Cash outflows		– 2,239.8	– 443.2	– 1,461.2	– 228.2	– 107.2	0.0
Net cash inflows / (outflows) from derivative financial instruments		**818.2**	**– 9.1**	**288.3**	**192.0**	**239.2**	**107.8**

2023: Maturity analysis of financial liabilities and derivative financial instruments

CHF million	Carrying amount	Cash flows Total	< 1 month	1 – 3 months	4 – 12 months	1 – 5 years	> 5 years
Trade payables	964.8	– 964.8	– 761.7	– 126.0	– 77.1		
Bonds	1,085.2	– 1,178.5			– 288.8	– 724.2	– 165.5
Loans payable	475.7	– 515.5	– 0.4	– 5.6	– 172.7	– 300.1	– 36.7
Lease liabilities	35.1	– 40.3	– 1.1	– 1.0	– 4.3	– 23.6	– 10.3
Other financial liabilities	140.4	– 140.6	– 80.6	– 44.2	– 15.8		
Cash outflows from non-derivative financial liabilities		**– 2,839.7**	**– 843.8**	**– 176.8**	**– 558.7**	**– 1,047.9**	**– 212.5**
Energy derivatives	508.8						
Cash inflows		3,969.8	0.0	800.6	1,881.2	1,192.2	95.8
Cash outflows		– 3,052.4	– 15.4	– 574.9	– 1,731.2	– 724.3	– 6.6
Currency / interest rate derivatives	44.2						
Cash inflows		4,358.0	441.4	556.0	3,240.7	119.9	
Cash outflows		– 4,337.5	– 440.1	– 551.5	– 3,226.7	– 119.2	
Net cash inflows / (outflows) from derivative financial instruments		**937.9**	**– 14.1**	**230.2**	**164.0**	**468.6**	**89.2**

Market risk

The Alpiq Group's exposure to market risk comprises primarily energy price risk, foreign currency risk and interest rate risk. These risks are monitored on an ongoing basis and managed using financial instruments. Market risk is measured in accordance with the Market Risk Directive; handling of currency risk and interest rate risk is defined in the Financial Risk Directive. The Market Risk Directive sets out rules on taking, measuring, limiting and monitoring risks. The Risk Management Committee monitors compliance with risk limits through regular reports provided by the Risk Management functional unit.

Energy price risk

Energy price risk refers to potential price fluctuations that could have an adverse effect on the Alpiq Group. These fluctuations may arise from factors such as market price movements, variations in price volatility or changing correlations between markets and products. Market liquidity risks also belong to this category. They occur when an open energy position cannot be closed out or can be closed out only on very unfavourable terms due to a lack of market bids. Future own-use energy transactions are normally not reported as financial instruments unless the fair value option or hedge accounting for firm commitments are applied in accordance with IFRS 9. Energy transactions are also conducted to optimise Alpiq's power plant portfolio. A large proportion of the replacement values for energy derivatives shown at the reporting date are attributable to optimisation positions, with positive and negative replacement values generally cancelling each other out. Alpiq also engages in energy derivatives trading. The energy derivatives concluded by the Alpiq Group are usually forward contracts or futures. The fair values are calculated on the basis of the difference between the contractually fixed forward prices and current forward prices applicable at the reporting date. The risks associated with trading and optimisation transactions are managed via clearly defined responsibilities and stipulated risk limits in accordance with the Market Risk Directive. Risk Management reports regularly on compliance with these limits to the Risk Management Committee, the Executive Board and the Board of

Directors, using a formalised risk reporting system. Risk positions are monitored in accordance with the Value at Risk (VaR) industry standards.

Foreign currency risk

The Alpiq Group seeks wherever possible to mitigate foreign currency risks through natural hedging of operating income and expenses denominated in foreign currencies. The remaining foreign currency risk is hedged by means of forward transactions in accordance with the Group's Financial Risk Directive. Foreign currency risk arising from energy generation or purchasing is contractually transferred to the counterparty wherever possible. Where this is not possible or is only partly possible, forward currency contracts with a medium-term hedging horizon are deployed to manage exposure centrally on the market in line with the Group's Financial Risk Directive. Hedge accounting is used to avoid fluctuations in results. The foreign currency derivatives are all OTC products. The fair values are calculated on the basis of the difference between the contractually fixed forward prices and forward prices applicable at the reporting date. Net investments in foreign subsidiaries are also exposed to changes in foreign exchange rates, although the difference in inflation rates should offset these changes in the long term. Investments in foreign subsidiaries (translation risks) are therefore not hedged.

Interest rate risk

The risks arising from volatility in interest rates relate to the interest-bearing financial assets and liabilities of the Alpiq Group. According to the Group's Financial Risk Directive, liquidity is invested for a maximum of two years. This means that a change in interest rates applied to interest-bearing assets has an impact on financial income. The funding required for the business is obtained on a long-term basis at fixed interest rates. Financing instruments with variable interest rates, particularly those that are long-term, are generally hedged by means of interest rate swaps. The interest rate derivatives are all OTC products. The fair value is determined by discounting the contractually agreed payment streams with current market interest rates.

Sensitivity analysis

To illustrate the sensitivity of the Alpiq Group's financial results to market risks, the effects of reasonably possible changes in the market risks listed above are set out below. The sensitivities are based in each case on financial instruments recognised on the reporting date. The possible annual percentage changes in the fair value of energy derivatives are derived from the commodity market prices for electricity, gas, coal and oil over the past year. The sensitivities are calculated by applying maximum deviations from the mean with a 99% confidence level. Taking into consideration historical fluctuations, the reasonably possible changes in foreign currency prices are estimated at 5%. Interest rate swap sensitivity is shown as the effect on the change in fair value that would arise from a 1% parallel shift in the yield curve. Alpiq quantifies each type of risk on the assumption that all other variables remain constant. The effects are shown before tax.

			31 Dec 2024			31 Dec 2023
CHF million	+ / – in %	+ / – effect on earnings before income tax	+ / – effect on OCI before income tax	+ / – in %	+ / – effect on earnings before income tax	+ / – effect on OCI before income tax
Energy price risk	35.9	102.1		84.7	448.1	
EUR / CHF currency risk	5.0	16.0	71.3	5.0	47.1	36.6
EUR / CZK currency risk	5.0	0.3		5.0	0.8	
EUR / PLN currency risk	5.0	0.2		5.0	1.3	
Interest rate risk	1.0	11.1	0.1	1.0	6.8	0.3

3.2 Financial instruments

Carrying amounts and fair values of financial assets and liabilities

The fair values of financial assets and financial liabilities are summarised in the following table. Not included therein are cash and cash equivalents, trade receivables and trade payables, as well as miscellaneous receivables and liabilities where the carrying amounts differ only insignificantly from their fair values.

	31 Dec 2024		31 Dec 2023	
CHF million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value through profit or loss				
Financial investments	1.1	1.1	1.4	1.4
Positive replacement values of derivatives				
Energy derivatives[1]	686.7	686.7	2,267.7	2,267.7
Currency and interest rate derivatives	0.7	0.7	35.1	35.1
Derivatives designated for hedge accounting	1.5	1.5	36.2	36.2
Financial liabilities at amortised cost				
Bonds	825.0	858.5	1,085.2	1,105.0
Loans payable	357.2	365.5	475.7	474.0
NCI put option	35.1	35.1		
Financial liabilities at fair value through profit or loss				
Negative replacement values of derivatives				
Energy derivatives[2]	402.5	402.5	1,758.9	1,758.9
Currency and interest rate derivatives	2.1	2.1	1.4	1.4
Derivatives designated for hedge accounting	21.8	21.8	25.7	25.7

1 Of which a net amount of CHF 4.9 million (previous year: CHF 3.2 million) originates from own-use contracts designated at fair value on initial recognition.

2 Of which a net amount of CHF 8.3 million (previous year: CHF 23.8 million) originates from own-use contracts designated at fair value on initial recognition.

Fair value hierarchy of financial instruments

The fair value hierarchy shown below was used to classify the financial instruments:

Level 1:
Quoted prices in active markets for identical assets or liabilities

Level 2:
Valuation model based on prices quoted in active markets that have a significant effect on the fair value

Level 3:
Valuation models utilising inputs that are not based on quoted prices in active markets and which have a significant effect on the fair value

At the reporting date, the Alpiq Group measured the following assets and liabilities at their fair value or disclosed a fair value.

CHF million	31 Dec 2024	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Financial investments	1.1		1.1	
Energy derivatives	1,593.4		1,542.4	51.0
Currency and interest rate derivatives	0.7		0.7	
Derivatives designated for hedge accounting	1.5		1.5	
Financial liabilities at amortised cost				
Bonds	858.5	858.5		
Loans payable	365.5		365.5	
NCI put option	35.1		35.1	
Financial liabilities at fair value through profit or loss				
Energy derivatives	1,309.2		1,269.7	39.5
Currency and interest rate derivatives	2.1		2.1	
Derivatives designated for hedge accounting	21.8		21.8	

CHF million	31 Dec 2023	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Financial investments	1.4		1.4	
Energy derivatives	4,494.0		4,384.8	109.2
Currency and interest rate derivatives	35.1		35.1	
Derivatives designated for hedge accounting	36.2		36.2	
Financial liabilities at amortised cost				
Bonds	1,105.0	1,105.0		
Loans payable	474.0		474.0	
Financial liabilities at fair value through profit or loss				
Energy derivatives	3,985.2		3,929.8	55.4
Currency and interest rate derivatives	1.4		1.4	
Derivatives designated for hedge accounting	25.7		25.7	

The energy, currency and interest rate derivatives comprise only OTC products, the majority of which are classified as Level 2. Fair value of energy derivatives is determined using a price curve model. The observable input factors (market prices) in the price curve model are supplemented by hourly forward prices, which are arbitrage-free and compared with external price benchmarking on a monthly basis.

The fair value of the loans payable correspond to the contractually agreed interest and amortisation payments discounted at market rates.

Energy derivatives disclosed under Level 3 are measured using methods that in some cases use input factors, such as long-term energy prices or discount rates, that cannot be derived directly from an active market. In complex cases, a discounted cash flow method is used for measurement. The determination of these input parameters and the application of specific valuation models for non-standardised products require significant management estimates.

Level 3 energy derivatives

The following table shows the development of Level 3 energy derivatives:

	2024		2023	
CHF million	Assets	Liabilities	Assets	Liabilities
Fair values at 1 January	**109.2**	**55.4**	**278.4**	**379.6**
Purchases	0.6		10.7	
Settlements	– 52.1	– 13.0	– 82.3	– 107.8
Fair value changes of derivatives still held at period end	– 15.0	– 2.4	– 23.5	– 147.0
Fair value changes of derivatives settled / sold / transferred	6.5	– 1.3	– 49.3	– 62.0
Transfer from Level 3			– 20.1	– 10.7
Currency translation differences	1.8	0.8	– 4.7	3.3
Fair values at 31 December	**51.0**	**39.5**	**109.2**	**55.4**

Transfers from Level 2 to Level 3 relate to energy derivatives measured on the basis of input factors that are no longer observable in an active market due to decreased market activity. Transfers out of Level 3 relate to energy derivatives measured on the basis of input factors that became observable in the financial year. Alpiq always applies reclassifications between Level 2 and Level 3 at the end of the reporting period. Both in the reporting year and during the previous year, no transfers between Level 1 and 2 took place.

A change in the price of EUR 1 of the underlying commodity would lead to an increase / decrease in the fair value of Level 3 instruments of CHF 6.5 million. The sensitivity analysis does not include any inter-dependencies between different commodities. In order to hedge contracts assigned to Level 3, Alpiq enters into hedges that may be classified as Level 2 or Level 1. It is also possible that the Level 3 instrument is a hedge for an own-use contract. Thus, the sensitivity analysis of Level 3 instruments does not include the offsetting effect from the hedging position or the own-use contract.

Development of day one gains and losses

Measurement of financial instruments with valuation inputs not entirely based on quoted prices in active markets may result in deviations between the fair value and the transaction price at the time of entering the contract. These deviations are recognised as day one gains or losses and are amortised on a straight-line basis until the markets of the valuation inputs used become active.

The following table shows the reconciliation of the change in deferred day one gains and losses. These items relate entirely to Level 3 energy derivatives.

	2024		2023	
CHF million	Day one gains	Day one losses	Day one gains	Day one losses
Balance at 1 January	**22.7**	**8.3**	**20.6**	**12.0**
Deferred profit / loss arising from new transactions	0.6		10.7	
Profit or loss recognised in the income statement	– 6.3	– 3.2	– 7.6	– 3.1
Currency translation differences	0.7	0.4	– 1.0	– 0.6
Balance at 31 December	**17.7**	**5.5**	**22.7**	**8.3**

Expense / income related to financial assets and liabilities

CHF million	2024 Income statement	2024 Other comprehensive income	2023 Income statement	2023 Other comprehensive income
Net gains / losses (excluding interest)				
Financial assets and liabilities at fair value through profit or loss	11.7		325.8	
Own use contracts designated at fair value on initial recognition	44.2		72.7	
Financial assets at amortised cost	– 21.2		– 22.7	
Financial instruments designated for hedge accounting	14.3	– 50.6	– 1.9	14.9
Interest income and expense				
Interest income for financial assets at amortised cost	32.8		41.9	
Interest expense for financial liabilities at amortised cost	– 42.5		– 51.3	
Interest expense for financial liabilities measured at fair value and designated for hedge accounting	– 0.3		– 0.4	

For information on the impairment of trade receivables, see note 4.5.

Accounting policies

Financial investments, securities and derivatives are measured at fair value through profit or loss. All other financial assets and liabilities are measured at amortised cost. The Alpiq Group does not have financial instruments measured at fair value through other comprehensive income.

Financial assets and liabilities at fair value through profit or loss
Changes in value of the financial instruments measured at fair value are recognised through profit or loss in the financial result, with the exception of energy derivatives and currency derivatives concluded in connection with the hedging of energy transactions. Changes in the fair value of derivatives in connection with the energy business are presented in net revenue.

In principle, future own-use energy transactions are not reported in the balance sheet. This also includes contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments. By way of exception, Alpiq irrevocably designates some of these transactions as contracts measured at fair value through profit or loss, if otherwise an accounting mismatch would occur.

Hedging is usually carried out using physical forwards or future contracts and are related mainly to Alpiq's own asset portfolio in Switzerland. Such non speculative hedging transactions with physical forward contracts or futures contracts are treated as own-use contracts. They are not reported as derivative financial instruments measured at fair value, but rather as executory contracts. Revenue or costs from such activities is recognised on delivery. Margin calls related to futures are recorded as other receivables or other liabilities.

Financial assets and liabilities at amortised cost
With the exception of trade receivables, financial assets and financial liabilities at amortised cost are initially recognised at fair value plus or minus direct transaction costs. Trade receivables are measured at transaction price.

For the subsequent measurement of financial assets at amortised cost, any impairments are calculated using the expected credit loss model according to which losses on unsecured financial assets expected in future are also recognised. Impairment losses expected in the future are determined using publicly available probability of default, which takes into account forward-looking information and historical probabilities of default. For financial assets, losses that are expected to occur in the next 12-month period are generally recognised. If the credit risk increases significantly for specific counterparties, impairment is recognised on the assets affected over the entire residual term of the asset. In accordance with IFRS 9, the simplified approach is applied to trade receivables for the measurement of the expected losses by recognising the lifetime expected credit losses (see note 4.5).

Alpiq analyses historical credit losses and derives a forward-looking estimate of expected credit losses taking, into account the economic conditions and information obtained externally. The estimates are reviewed and analysed periodically. However, actual results may differ from these estimates, resulting in adjustments in subsequent periods.

Hedge accounting

Cash flow hedge accounting

	31 Dec 2024		31 Dec 2023	
	Foreign currency hedges	Interest rate swaps	Foreign currency hedges	Interest rate swaps
Derivative financial instruments in current assets (in CHF million)	1.5		36.2	
Derivative financial instruments in current liabilities (in CHF million)	21.6	0.2	25.3	0.4
Nominal amount (in CHF million)	5.2		1,103.8	
Nominal amount (in EUR million)	1,490.0	10.9	1,712.9	38.7

Change in cash flow hedge reserves

	2024		2023	
CHF million	Foreign currency hedges	Interest rate swaps	Foreign currency hedges	Interest rate swaps
Cash flow hedge reserves at 1 January	**46.7**	**– 5.1**	**33.7**	**– 4.7**
Recognition of gain / loss	– 36.6	0.3	13.4	– 0.4
Reclassification of realised gain / loss to net revenue	– 14.3		1.9	
Reclassification of realised gain / loss to financial result		0.3		0.4
Change from partner power plants and other associates		0.3		
Ineffective portion posted in finance income		– 0.3		– 0.4
Income tax expense	7.7		– 2.3	
Cash flow hedge reserves at 31 December	**3.5**	**– 4.5**	**46.7**	**– 5.1**

Foreign currency hedges
Foreign currency positions from the sale of Swiss production capacity in euros are hedged with forward transactions on the basis of the expected transaction volumes. Each spot component is designated as a hedging instrument for hedge accounting. The unrealised gains / losses of the spot components are included in other comprehensive income taking deferred taxes into account. Changes in the forward components are recognised through profit or loss. There were no ineffective portions of the hedge from the foreign currency hedges at the reporting date. The underlying transactions will be recognised in the income statements 2025 to 2029.

Interest rate swaps
As of 31 December 2023, interest rate swaps were in place to hedge interest rate exposure to the varying interest rates of project financing facilities in Italy. Following the full repayment of these financing facilities in 2024, the associated interest rate swaps were unwound, leading to the termination of the hedge accounting relationship.

Fair value hedge accounting

In 2022 and 2023, Alpiq applied fair value hedge accounting under IFRS 9 for a firm commitment related to a fixed-priced physical energy purchase contract. In 2024, the hedging instruments expired, and no new hedging instruments were designated. As a result, the hedge accounting relationship was discontinued.

Hedged item
The fair value changes of the hedged items are recorded in net revenue and reflected in the balance sheet line items “Other non-current assets” and “Other current liabilities”.

	Other non-current assets	Other current liabilities	Net hedged item
Carrying amount of the hedged item at 31 December 2022	**2.0**	**37.4**	**35.4**
Fair value movement included in the hedge relationship	– 2.0	24.6	26.6
Release of fair value adjustment due to matured hedge relationship		– 37.4	– 37.4
Carrying amount of the hedged item at 31 December 2023	**0.0**	**24.6**	**24.6**
Release of fair value adjustment due to matured hedge relationship		– 24.6	– 24.6
Carrying amount of the hedged item at 31 December 2024	**0.0**	**0.0**	**0.0**

Hedging instruments

In 2023, only futures maturing in 2024 were designated as hedging instruments. In 2024, no additional futures were designated. Since futures are settled daily in cash, no outstanding exposure is recognised on the balance sheet.

	31 Dec 2024	31 Dec 2023
Nominal amount in CHF million		62.0
Nominal amount in MWh		489,669.0
Average forward price in CHF		132.8

3.3 Financing

Capital management

Capital management includes financing and debt structuring, supervision of trade financing activities, management and control of guarantees, cash and liquidity management, and safeguarding against the risk that Alpiq Holding Ltd., or another group company, becomes unable to meet its payment obligations. All these activities are regulated in the Financial Risk Directive.

As part of the budgeting and planning process, the Board of Directors takes note of the financial targets and the required target liquidity on an annual basis. Target liquidity consists of risk capital and required working capital. In addition, the Board of Directors receives regular reports.

Alpiq Holding Ltd. procures a significant portion of financing centrally for the Alpiq Group. The Swiss capital market remains the main source of financing. The aim pursued in financing the Group is that the level of financial liabilities contributes to a solid credit rating in line with industry standards.

The capital management strategy in principle focuses on the Group's reported consolidated equity and net debt-to-EBITDA ratio. In 2024, Alpiq successfully repaid its outstanding hybrid bond in full, reinforcing its financial position and commitment to disciplined capital management.

At 31 December 2024, the Group reported an equity ratio of 58.3%, which is 12.4 percentage points above the previous year. This strong increase was driven mainly by lower energy prices, which reduced the value of energy derivatives and receivables, leading to a decline in total assets.

The net debt-to-EBITDA ratio before non-operating effects ratio is calculated and compares with the previous year as follows:

CHF million	31 Dec 2024	31 Dec 2023
Non-current financial liabilities	994.5	1,192.0
Non-current financial liabilities under liabilities held for sale	0.6	1.0
Current financial liabilities	254.8	404.0
Financial liabilities	**1,249.9**	**1,597.0**
Current term deposits	117.3	370.7
Cash and cash equivalents	1,561.1	1,572.9
Financial assets (liquidity)	**1,678.4**	**1,943.6**
Net cash	**– 428.4**	**– 346.6**
Adjusted EBITDA [1]	962.4	1,183.8
Net cash / adjusted EBITDA	**– 0.4**	**– 0.3**

1 For more information about adjusted EBITDA, please refer to the unaudited explanations in the Financial Review.

Financial liabilities

CHF million	Bonds	Loans payable	Lease liabilities	NCI put option	Total
Non-current financial liabilities at 1 January 2024	824.8	337.2	30.0		1,192.0
Current financial liabilities at 1 January 2024	260.4	138.5	5.1		404.0
Financial liabilities at 1 January 2024	**1,085.2**	**475.7**	**35.1**	**0.0**	**1,596.0**
Acquisition / disposal of subsidiaries		10.5			10.5
Proceeds from financial liabilities [1]		31.3	1.8		33.1
Repayment of financial liabilities	– 260.0	– 166.2	– 6.8		– 433.0
Unwinding of discount	0.2	0.8	1.4		2.3
Adjustment of lease agreements			– 0.4		– 0.4
Other changes	– 0.4			35.1	34.7
Currency translation differences		5.2	0.9		6.1
Financial liabilities at 31 December 2024	**825.0**	**357.2**	**31.9**	**35.1**	**1,249.3**
Non-current financial liabilities at 31 December 2024	625.1	308.0	26.3	35.1	994.5
Current financial liabilities at 31 December 2024	199.9	49.2	5.6		254.8

1 Lease liabilities in amount of CHF 1.8 million not cash effective.

CHF million	Bonds	Loans payable	Lease liabilities	Total
Non-current financial liabilities at 1 January 2023	709.3	331.1	34.9	1,075.3
Current financial liabilities at 1 January 2023	140.3	379.5	5.9	525.7
Financial liabilities at 1 January 2023	**849.6**	**710.6**	**40.8**	**1,601.0**
Proceeds from financial liabilities [1]	375.2	163.1	4.1	542.4
Repayment of financial liabilities	– 139.6	– 388.1	– 7.3	– 535.0
Unwinding of discount		0.6	0.5	1.1
Adjustment of lease agreements			– 0.4	– 0.4
Reclassified to “Liabilities held for sale”			– 1.0	– 1.0
Currency translation differences		– 10.5	– 1.6	– 12.1
Financial liabilities at 31 December 2023	**1,085.2**	**475.7**	**35.1**	**1,596.0**
Non-current financial liabilities at 31 December 2023	824.8	337.2	30.0	1,192.0
Current financial liabilities at 31 December 2023	260.4	138.5	5.1	404.0

1 Lease liabilities in amount of CHF 4.1 million not cash effective.

Bonds

Bonds outstanding at the reporting date

CHF million	Maturity	Earliest repayment date	Effective interest rate %	Carrying amount at 31 Dec 2024	Carrying amount at 31 Dec 2023
Alpiq Holding Ltd. CHF 260 million nominal amount, 2.63% fixed rate	2014 / 2024	29 Jul 2024	2.71		260.2
Alpiq Holding Ltd. CHF 200 million nominal amount, 1.63% fixed rate	2022 / 2025	30 May 2025	1.69	200.0	200.0
Alpiq Holding Ltd. CHF 250 million nominal amount, 1.75% fixed rate	2022 / 2026	24 Jun 2026	1.63	249.9	250.0
Alpiq Holding Ltd. CHF 220 million nominal amount, 3.13% fixed rate	2023 / 2027	29 Apr 2027	3.03	220.2	220.0
Alpiq Holding Ltd. CHF 155 million nominal amount, 3.38% fixed rate	2023 / 2030	29 Apr 2030	3.32	154.9	155.0

The weighted interest rate on the bonds issued and listed on the SIX Swiss Exchange based on the nominal value at the reporting date is 2.52% (previous year: 2.43%), and that on the loans payable is 2.03% (2.61%). The latter also includes project financing denominated in euros. The weighted average interest rate of the bonds and the loans payable is 2.36% (2.48%).

Credit lines

The Alpiq Group has the following bank credit lines:

CHF million	31 Dec 2024	31 Dec 2023
Non-earmarked credit lines committed by banks and financial institutions	1,700.0	859.1
Of which, utilised		30.0
Of which, still available	1,700.0	829.1

In 2023, Alpiq Group had a bilateral term loan of CHF 30 million, which was fully drawn. The facility was subject to an equity ratio covenant, which was complied with as of 31 December 2023. The loan was fully repaid in 2024. As of 31 December 2024, Alpiq's financing agreements no longer include any covenant requirements.

Equity

Share capital

The share capital of CHF 0.331 million (previous year: CHF 0.331 million) consists of 33,110,364 registered shares at a par value of CHF 0.01 each and is fully paid in. The shareholder structure breaks down as follows:

	Stakes in % at 31 Dec 2024	Stakes in % at 31 Dec 2023
EOS HOLDING SA	33.33	33.33
Schweizer Kraftwerksbeteiligungs-AG	33.33	33.33
EBM (Genossenschaft Elektra Birseck)	19.91	19.91
EBL (Genossenschaft Elektra Baselland)	6.44	6.44
Eniwa Holding AG	2.12	2.12
Aziende Industriali di Lugano (AIL) SA	1.79	1.79
IBB Holding AG	1.12	1.12
Regio Energie Solothurn	1.00	1.00
WWZ AG	0.96	0.96

At the Annual General Meeting on 15 May 2025, the Board of Directors of Alpiq Holding Ltd. will propose a dividend distribution of CHF 4.90 per share (totalling CHF 162.2 million) for the financial year 2024. In the previous year, the dividend was CHF 3.50 per share, totaling CHF 115.9 million.

Hybrid capital

In 2013, Alpiq issued a CHF 650.0 million public hybrid bond on the Swiss capital market. The bond had no maturity date and was classified as equity under IFRS Accounting Standards. Alpiq retained the option to repay the bond annually on 15 November. In September 2024, Alpiq announced its decision to exercise this option, and on 15 November 2024 the notional amount of CHF 650.0 million, along with interest of CHF 40.7 million, was repaid. In the previous year, interest payments of CHF 29.5 million were made and accrued interest amounted to CHF 5.0 million. Interest after tax attributable to 2024 amounted to CHF 35.6 million (previous year: CHF 30.7 million).

Non-controlling interest put option

Alpiq and the minority shareholders of P2X have included a put option in the shareholder agreement, allowing the minority shareholders to sell their shares to Alpiq at the beginning of 2028 at a predefined price, subject to the achievement of certain milestones. The present value of the purchase price, amounting to CHF 35.1 million, is recognised as a non-current financial liability, with a corresponding reduction in retained earnings.

4 Operating assets and liabilities

4.1 Property, plant and equipment

In 2024, Alpiq acquired two companies and integrated them into the consolidated financial statements. For detailed information, see note 5.1.

CHF million	Land and buildings	Power plants	Others [1]	Assets under construction and prepayments	Right-of-use assets	Total
Net carrying amount at 1 January 2024	**110.3**	**1,495.2**	**32.4**	**78.7**	**31.5**	**1,748.1**
Acquisition of subsidiaries	0.2			47.4		47.6
Investments		0.7	6.9	96.4	1.8	105.8
Own work capitalised				1.5		1.5
Reclassifications	– 0.6	47.7	6.9	– 57.0		– 3.0
Reclassified to “Assets held for sale”				– 0.1		– 0.1
Disposals		– 4.0		– 1.1	– 0.5	– 5.6
Depreciation	– 2.4	– 88.4	– 6.5		– 5.2	– 102.5
Impairment		– 0.5		– 0.3		– 0.8
Currency translation differences	0.1	1.2	1.8	0.2	0.2	3.5
Net carrying amount at 31 December 2024	**107.6**	**1,451.9**	**41.5**	**165.7**	**27.8**	**1,794.5**
Of which, cost value	170.2	4,754.1	88.6	182.8	65.7	5,261.4
Of which, accumulated depreciation	– 62.5	– 3,302.3	– 47.1	– 17.1	– 37.9	– 3,466.9

1 Includes transmission assets, machinery, equipment and vehicles as well as decommissioning, restoration and maintenance costs

In 2024, investments categorised as “Others” amounted to CHF 6.9 million, reflecting the revaluation of an existing decommissioning provision in Italy. In 2023, investments in this category amounted to CHF 13.4 million, including a CHF 4.6 million increase in decommissioning provisions and a CHF 8.8 million revaluation of an existing provision. These transactions were non-cash effective.

CHF million	Land and buildings	Power plants	Others[1]	Assets under construction and prepayments	Right-of-use assets	Total
Net carrying amount at 1 January 2023	**110.8**	**1,525.2**	**21.8**	**88.2**	**36.4**	**1,782.4**
Investments			13.4	66.1	3.7	83.2
Own work capitalised				1.7		1.7
Reclassifications	2.3	69.6	0.9	–72.2		0.6
Reclassified to “Assets held for sale”				–2.8	–0.7	–3.5
Disposals					–0.4	–0.4
Depreciation	–2.3	–87.9	–3.7		–5.9	–99.8
Currency translation differences	–0.5	–11.7		–2.3	–1.6	–16.1
Net carrying amount at 31 December 2023	**110.3**	**1,495.2**	**32.4**	**78.7**	**31.5**	**1,748.1**
Of which, cost value	176.4	4,755.2	75.3	95.5	64.6	5,167.0
Of which, accumulated depreciation	–66.1	–3,260.0	–42.9	–16.8	–33.1	–3,418.9

1 Includes transmission assets, machinery, equipment and vehicles as well as decommissioning, restoration and maintenance costs

Leases

Alpiq is lessee in various contracts particularly in connection with power plants, land, building and IT infrastructure rentals. These leases are concluded for a fixed term of one month to 20 years and may contain renewal or termination options. The table below shows the change in net carrying amounts of the right of use assets capitalised in the balance sheet line item “Property, plant and equipment”:

CHF million	Rights of use buildings	Rights of use power plants	Rights of use others	Total
Net carrying amount at 1 January 2024	**15.6**	**15.4**	**0.5**	**31.5**
Investments	1.7		0.1	1.8
Divestments / early termination	–0.5			–0.5
Depreciation	–2.7	–2.2	–0.3	–5.2
Currency translation differences	0.4	–0.1		0.2
Net carrying amount at 31 December 2024	**14.5**	**13.1**	**0.3**	**27.8**
Of which, cost value	27.2	33.5	5.0	65.7
Of which, accumulated depreciation	–12.7	–20.4	–4.8	–37.9

CHF million	Rights of use buildings	Rights of use power plants	Rights of use others	Total
Net carrying amount at 1 January 2023	**17.0**	**18.2**	**1.2**	**36.4**
Investments	3.5		0.2	3.7
Divestments / early termination	– 0.4			– 0.4
Reclassified to “Assets held for sale”	– 0.7			– 0.7
Depreciation	– 2.8	– 2.3	– 0.8	– 5.9
Currency translation differences	– 1.1	– 0.5		– 1.6
Net carrying amount at 31 December 2023	**15.6**	**15.4**	**0.5**	**31.5**
Of which, cost value	27.1	33.0	4.5	64.6
Of which, accumulated depreciation	– 11.5	– 17.6	– 4.0	– 33.1

The change in carrying amounts of the lease liabilities included under financial liabilities can be seen in note 3.3.

Contractual obligations

At the reporting date, the Group had contractual commitments of CHF 59.1 million (previous year: CHF 78 million) for the construction and acquisition of property, plant and equipment.

Pledged assets

The power plants of En Plus S.r.l., Milan/IT, Enpower 3 S.r.l., Milan/IT and Società Agricola Solar Farm 4 S.r.l., Milan/IT, are funded through common project financing arrangements with banks. The related liabilities are reported on the consolidated balance sheet. The Alpiq Group has pledged CHF 105.5 million of its interest in these power plants to the financing banks as collateral (previous year: CHF 118.3 million). In addition, Alpiq has pledged all its shares in the associate Tormoseröd Vindpark AB, Karlstad, SE, of CHF 4.6 million in the context of project financing for the construction of a wind farm in Sweden (CHF 3.5 million). For information about pledged cash and cash equivalents, see note 4.6.

Accounting policies

Property, plant and equipment is stated at cost, net of accumulated depreciation and any impairment losses. Obligations to restore land and sites after licence expiry or decommissioning are accounted for individually in accordance with the contract terms.

Depreciation is applied to property, plant and equipment on a straight-line basis over their estimated useful lives, or to the expiry date of power plant licences. Assets under construction and prepayments are not subject to depreciation until they are completed or in working condition and have been reclassified to the corresponding asset category. The estimated useful lives of the various classes of assets is as follows:

- Power plants: 20 – 80 years
- Transmission assets: 15 – 40 years
- Buildings: 20 – 60 years
- Machinery, equipment and vehicles: 3 – 20 years

- Land: only in case of impairment
- Assets under construction and prepayments: if impairment is already evident

The residual value and useful life of an asset are reviewed regularly, but at least at each financial year end, and adjusted where required. At every reporting date, an analysis is performed to determine whether there is any indication that items of property, plant and equipment are impaired.

The calculation of the useful life, residual value and recoverable amount involves estimates. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. If an asset does not generate cash inflows that are independent of those from other assets, the recoverable amount of the individual asset is estimated for the cash-generating unit to which the asset belongs. Value in use is calculated by discounting the estimated future cash flows based on budget figures approved by management, business assumptions and other relevant factors. These assumptions are based on historical empirical data and current market expectations, and therefore contain significant estimation uncertainties. These assumptions relate largely to wholesale prices on European forward markets and forecasts of medium-term and long-term energy prices, foreign currencies (in particular EUR/CHF and EUR/USD exchange rates), inflation rates, discount rates, regulatory conditions and investment activities relating to the company. The estimates made are reviewed periodically using external market data and analyses. To calculate the terminal values, the cash flows were extrapolated by a growth rate of 2.0% (previous year: 2.0%). This growth rate corresponds to the long-term average growth that Alpiq expects and represents a forecast. The discount rates applied reflect the current market estimate for the specific risks to be allocated to the assets and represent a best estimate. Actual results may differ from these estimates, assumptions and forecasts, resulting in significant adjustments in subsequent periods.

4.2 Intangible assets

CHF million	Energy purchase rights[1]	Goodwill	Software and other intangible assets	Assets under development and prepayments	Total
Net carrying amount at 1 January 2024	**23.4**	**0.0**	**46.6**	**2.9**	**72.9**
Acquisition of subsidiaries		11.2	5.3		16.5
Investments			6.0	6.6	12.6
Own work capitalised				2.8	2.8
Reclassifications			8.0	–5.0	3.0
Amortisation	–0.7		–10.7		–11.4
Currency translation differences	–0.3	–0.1	0.7	–0.4	0.0
Net carrying amount at 31 December 2024	**22.4**	**11.1**	**55.9**	**6.9**	**96.4**
Of which, cost value	1,484.3	11.1	536.3	6.9	2,038.6
Of which, accumulated amortisation	–1,461.9		–480.4		–1,942.3

1 Includes prepayments for rights to purchase energy in the long term, including capitalised interest, as well as long-term energy purchase agreements acquired in business combinations.

CHF million	Energy purchase rights[1]	Goodwill	Software and other intangible assets	Assets under development and prepayments	Total
Net carrying amount at 1 January 2023	**25.3**	**0.0**	**49.4**	**5.9**	**80.6**
Investments				3.7	3.7
Own work capitalised				3.3	3.3
Reclassifications			9.7	–10.0	–0.3
Amortisation	–1.2		–10.2		–11.4
Impairment			–1.2		–1.2
Currency translation differences	–0.7		–1.1		–1.8
Net carrying amount at 31 December 2023	**23.4**	**0.0**	**46.6**	**2.9**	**72.9**
Of which, cost value	1,484.4		520.6	2.9	2,007.9
Of which, accumulated amortisation	–1,461.0		–474.0		–1,935.0

1 Include prepayments for rights to purchase energy in the long term, including capitalised interest, as well as long-term energy purchase agreements acquired in business combinations.

Goodwill

The goodwill of CHF 11.1 million relates to the acquisition of P2X (see note 5.1) and was tested for impairment at year end. Goodwill is allocated to the cash-generating unit (CGU) P2X.

For impairment testing, cash flows were projected over the expected useful life of the assets based on the latest business plans approved by management, including relevant factors updated after the approval. No terminal value was considered at the end of the useful life of the assets. A pre-tax discount rate of 7.4% was applied and a post-tax discount rate of 5.7%. A change of the pre-tax discount rate to 10.8% would cause the recoverable amount to be exactly the same as the carrying amount.

Impairment losses

In the previous year, impairment losses of CHF 1.2 million were recognised in the Trading segment, because internally developed software could not be used as originally planned. No impairment losses were recognised in 2024.

Accounting policies

Intangible assets are stated at cost, net of accumulated amortisation and any impairment losses. Assets with a limited useful life are generally amortised on a straight-line basis over their estimated useful economic lives. The amortisation period and method are reviewed at each financial year end. The expected useful life of the various classes of intangible assets is as follows:

- Energy purchase rights: 35 to 80 years
- Software: 1 to 6 years
- Goodwill: indefinite (impairment only)

For significant estimation uncertainties and assumptions, see note 4.1.

4.3 Investments in partner power plants and other associates

CHF million	Partner power plants	Other associates	Total
Carrying amount at 1 January 2024	**2,126.1**	**29.3**	**2,155.4**
Dividends	– 28.3	– 0.6	– 28.9
Share of profit / (loss)	– 8.4	1.0	– 7.4
IAS 19 effects recognised in other comprehensive income	6.9	2.9	9.9
Investments		0.2	0.2
Reclassifications	– 1.4		– 1.4
Carrying amount at 31 December 2024	**2,094.9**	**32.8**	**2,127.7**

CHF million	Partner power plants	Other associates	Total
Carrying amount at 1 January 2023	**2,153.8**	**29.4**	**2,183.2**
Dividends	– 22.9	– 0.5	– 23.4
Share of profit / (loss)	– 21.9	– 1.4	– 23.3
IAS 19 effects recognised in other comprehensive income	21.6	1.0	22.6
Investments		0.5	0.5
Reclassifications	– 4.5		– 4.5
Disposals		0.3	0.3
Carrying amount at 31 December 2023	**2,126.1**	**29.3**	**2,155.4**

Summarised financial information

Under the partner agreements in force, the shareholders of partner power plants are required to take on the energy, and payment of the annual costs, allotted to their ownership interest throughout the concession period. Furthermore, nuclear power plant owners are required to pay limited additional contributions to the decommissioning and waste disposal fund, in the event a primary contributor is unable to fulfil payments. The partner agreements run through the useful life of the power plant, or the concession period, and cannot be terminated. For individual partner power plants, Alpiq assigned a portion of the energy to be granted to it due to its ownership interest, and the associated obligation to pay its annual costs, to another company. In such cases, the reported interest relevant from an economic perspective may differ from the interest held pursuant to corporate law. The Alpiq Group's share of the annual costs of all partner power plants in 2024 amounted to CHF 414.8 million (previous year: CHF 474.7 million). This amount is included in energy and inventory costs.

The merger of Atel and EOS, which formed Alpiq in 2009, led to fair value adjustments being made on the acquired assets in the course of the business combination. These fair value adjustments are amortised over the concession periods of the corresponding assets, which results in a negative impact on the share of profit and loss. In the summarised financial information the fair value adjustments are included and calculated on the basis of a weighting.

Material partner power plants 2024

CHF million	Grande Dixence SA	Nant de Drance SA	Kernkraftwerk Gösgen-Däniken AG	Kernkraftwerk Leibstadt AG	Total
Non-current assets	1,956.3	2,008.1	3,877.5	5,234.0	13,075.9
Current assets	17.5	36.1	293.7	412.6	759.9
Non-current liabilities	706.2	213.4	3,469.9	3,928.1	8,317.6
Current liabilities	158.0	1,399.0	307.0	525.2	2,389.2
Total equity	**1,109.6**	**431.8**	**394.2**	**1,193.4**	**3,129.0**
Equity share	60.0%	39.0%	40.0%	27.4%	
Alpiq's share of total equity	**665.8**	**168.4**	**156.6**	**312.3**	**1,303.1**
Income	179.9	125.4	452.1	547.4	1,304.8
Expenses	– 205.0	– 104.5	– 413.6	– 562.7	– 1,285.8
Net income	**– 25.0**	**20.9**	**38.4**	**– 15.3**	**19.0**
Other comprehensive income	3.3		– 4.2	19.6	18.8
Total comprehensive income	**– 21.7**	**20.9**	**34.3**	**4.3**	**37.8**
Alpiq's share of total comprehensive income	**– 13.0**	**8.2**	**13.6**	**1.4**	**10.1**
Dividends received	**9.0**		**10.7**	**5.5**	**25.3**

Material partner power plants 2023

CHF million	Grande Dixence SA	Nant de Drance SA	Kernkraftwerk Gösgen-Däniken AG	Kernkraftwerk Leibstadt AG	Total
Non-current assets	2,014.2	2,062.1	3,565.4	4,984.6	12,626.2
Current assets	26.8	80.3	417.5	639.1	1,163.7
Non-current liabilities	675.4	1,412.9	3,400.7	4,197.3	9,686.2
Current liabilities	219.0	320.2	196.1	215.6	950.9
Total equity	**1,146.6**	**409.3**	**386.2**	**1,210.7**	**3,152.7**
Equity share	60.0%	39.0%	40.0%	27.4%	
Alpiq's share of total equity	**688.1**	**159.8**	**153.8**	**317.0**	**1,318.7**
Income	167.9	123.3	433.1	538.0	1,262.4
Expenses	–194.2	–106.4	–402.8	–534.1	–1,237.4
Net income	**–26.3**	**17.0**	**30.4**	**3.9**	**25.0**
Other comprehensive income	1.4	0.2	38.0	13.9	53.4
Total comprehensive income	**–24.9**	**17.2**	**68.5**	**17.8**	**78.4**
Alpiq's share of total comprehensive income	**–14.9**	**6.8**	**27.6**	**4.9**	**24.5**
Dividends received	**7.4**		**7.1**	**5.6**	**20.1**

The associates classified as material by Alpiq comprise only strategically significant partner power plants. Market values are not available for any of these companies.

Total partner power plants and other associates (Alpiq share)

CHF million	Individually disclosed partner power plants	Other immaterial partner power plants	Other associates	Total 31 Dec 2024	Individually disclosed partner power plants	Other immaterial partner power plants	Other associates	Total 31 Dec 2023
Non-current assets	4,867.1	1,189.1	48.7	6,104.9	4,733.6	1,194.5	40.4	5,968.4
Current assets	248.9	27.5	12.5	288.8	380.4	20.5	16.2	417.2
Non-current liabilities	2,913.1	303.8	22.8	3,239.7	3,405.1	338.6	22.2	3,765.9
Current liabilities	899.8	121.0	5.7	1,026.4	390.3	68.9	5.0	464.2
Total equity	**1,303.1**	**791.8**	**32.8**	**2,127.6**	**1,318.7**	**807.4**	**29.3**	**2,155.4**
Income	479.7	148.0	25.1	652.8	462.5	146.5	31.6	640.6
Expenses	– 475.3	– 160.9	– 24.1	– 660.2	– 458.1	– 172.9	– 32.8	– 663.8
Net income	**4.4**	**– 12.8**	**1.0**	**– 7.4**	**4.6**	**– 26.5**	**– 1.4**	**– 23.2**
Other comprehensive income	5.7	1.2	2.9	9.8	20.1	1.6	1.0	22.7
Total comprehensive income	**10.1**	**– 11.6**	**4.0**	**2.5**	**24.5**	**– 24.8**	**– 0.2**	**– 0.5**

Accounting policies

An associate is a company over which the Alpiq Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee, and which is neither a subsidiary nor a joint arrangement. Significant influence is generally presumed with a share of voting rights ranging from 20% to 50%. Where appropriate, a company may similarly be considered an associate in the consolidated financial statements by application of the equity method, even if the ownership interest is less than 20%. This applies in particular where the Alpiq Group is represented in the authoritative decision-making body, such as the Board of Directors, or where it participates in operating and financial policymaking. The equity method is also applied to assess companies over which Alpiq, despite having a related ownership interest of 50% or greater, has no control, as a result of restrictions in articles of association, contracts or organisational rules.

With regard to associates, Alpiq makes the distinction between partner power plants and other associates. The partner power plants are companies that construct, maintain and operate nuclear power plants or hydropower plants, or manage the energy purchase rights. Goodwill may also arise through purchase of investments in associates and corresponds to the difference between the cost of investment and the Group's share of the fair value of the identifiable net assets. Such goodwill forms part of the carrying amount at which the associate is recognised.

The reporting date of a few partner power plants (hydrological year) and other associates differs from that of the Group. The most recent available financial statements of these companies are used to prepare the consolidated financial statements of the Alpiq Group. Significant transactions and events that occur between the end of the most recent reporting period and 31 December are taken into account in the consolidated financial statements. Reconciliation statements are prepared for companies that do not prepare financial statements in accordance with IFRS Accounting Standards.

Although Alpiq holds a 60% stake in Grande Dixence SA, the company is not fully consolidated due to its governance structure, which restricts Alpiq from exercising unilateral control over key operational and financial decisions. Strategic decisions require broader shareholder agreement, thus limiting control despite the majority holding. Based on management's assessment and professional judgment, Grande Dixence SA is classified as an associate and accounted for using the equity method, reflecting Alpiq's significant influence rather than full control.

4.4 Inventories

CHF million	31 Dec 2024	31 Dec 2023
CO_2 and other certificates	76.5	10.9
Gas	8.3	10.2
Consumables, supplies and fuels	11.9	11.5
Inventory at fair value	65.9	0.1
Total	**162.6**	**32.7**

Accounting policies

Inventories held for own use comprise mainly gas used for electricity generation at thermal plants, materials for providing operating services, and certificates. Gas is initially recognised at the lower of weighted average cost and net realisable value. Certificates for own use are initially recognised at cost of purchase and further carried at the lower of cost or net realisable value. Any surplus certificates no longer needed for own use are reclassified and measured at their fair value. The other inventories are stated at the lower of cost (calculated applying the FIFO method or the average cost method) and net realisable value. Certificates held for trade with the purpose of generating profit from price fluctuations or dealer's margins are recognised at fair value through profit and loss and are presented in the line item "Inventory at fair value".

4.5 Receivables and other current assets

CHF million	31 Dec 2024	31 Dec 2023
Trade receivables [1]	1,126.3	1,256.4
Prepayments to suppliers	9.1	12.3
Other current receivables	459.0	545.7
Total	**1,594.3**	**1,814.4**

1 Of which an amount of CHF 641.7 million (previous year: CHF 749.6 million) originates from contracts with customers pursuant to IFRS 15.

Alpiq usually grants its customers a payment term of no longer than 30 days. In certain cases, the payment term may be more than 30 days. Trade receivables and trade payables with the same counterparty are offset, provided that a netting agreement exists and payment is made on a net basis. For more information, see note 3.1.

Age analysis of trade receivables

CHF million	31 Dec 2024 Gross	31 Dec 2024 Allowance for ECL	31 Dec 2024 Net (balance sheet)	31 Dec 2023 Gross	31 Dec 2023 Allowance for ECL	31 Dec 2023 Net (balance sheet)
Not past due	1,047.8	– 0.1	1,047.7	1,213.3	– 0.2	1,213.1
1 – 90 days past due	65.4	– 0.5	64.9	35.9	– 2.1	33.8
91 – 180 days past due	2.8	– 0.2	2.6	1.6	– 0.3	1.3
181 – 360 days past due	5.1	– 0.8	4.3	5.4	– 1.2	4.2
Over 360 days past due [1]	112.2	– 105.5	6.7	213.4	– 209.4	4.1
Total	**1,233.4**	**– 107.2**	**1,126.3**	**1,469.6**	**– 213.2**	**1,256.4**

1 Overdue trade receivables related to the years 2021 to 2023

Allowance for expected credit loss (ECL) on trade receivables

CHF million	31 Dec 2024	31 Dec 2023
Carrying amount before impairment	1,233.4	1,469.6
Of which, impaired	– 107.2	– 213.2
Impairment at beginning of year	– 213.2	– 233.2
Impairment charge for the year [1]	– 0.7	– 3.5
Amounts written off as uncollectible	108.8	9.5
Unused amounts reversed	2.5	0.6
Currency translation differences	– 4.5	13.5
Impairment at end of year [2]	– 107.2	– 213.2

1 Of which an amount of CHF – 0.7 million (previous year: CHF – 3.4 million) originates from contracts with customers pursuant to IFRS 15.

2 Of which an amount of CHF – 23.4 million (previous year: CHF – 27.0 million) originates from contracts with customers pursuant to IFRS 15.

The impairment comprises specific bad debt allowances of CHF 107.2 million (previous year: CHF 213.2 million) that were recognised for receivables with concrete indications of a default risk (e.g. insolvency). In accordance with the expected credit loss model, it also includes general bad debt allowances of CHF 0.1 million (CHF 0.2 million) due to the inherent default risk in receivables. For this, individual probabilities of default are calculated for each counterparty amounting to between 0.0% and 3.04% (previous year: between 0.0% and 3.56%), depending on the maturity of the trade receivables.

Trade receivables classified by credit rating

CHF million	31 Dec 2024	in %	31 Dec 2023	in %
Counterparties classified in risk category AAA to A	302.0	26.8	312.9	24.9
Counterparties classified in risk category BBB to B	770.7	68.4	672.2	53.5
Counterparties classified in risk category CCC and below	106.4	9.4	187.4	14.9
Counterparties unrated	54.3	4.8	297.1	23.6
Expected credit losses	– 107.2	– 9.5	– 213.2	– 17.0
Total	**1,126.3**	**100.0**	**1,256.4**	**100.0**

4.6 Cash and cash equivalents

CHF million	31 Dec 2024	31 Dec 2023
Cash at bank and in hand	1,332.3	1,235.8
Term deposits with a maturity of 90 days or less	228.8	337.1
Total	**1,561.1**	**1,572.9**

Cash at bank and in hand include foreign subsidiaries' bank accounts with a total balance of EUR 17.5 million, converted CHF 16.5 million, (previous year: EUR 25.4 million, converted CHF 23.6 million), which is pledged in accordance with regulations in local finance agreements. These funds are therefore not freely available in full for the Alpiq Group.

4.7 Provisions

CHF million	Onerous contracts	Decommis-sioning own power plants	Other	Total
Non-current provisions at 1 January 2024		63.8	45.4	109.2
Current provisions at 1 January 2024	1.0		28.7	29.7
Provisions at 1 January 2024	**1.0**	**63.8**	**74.1**	**138.9**
Increase	0.7	0.4	37.0	38.1
Unwinding of discount		0.9	0.3	1.2
Utilised	– 1.3		– 29.2	– 30.5
Unused amounts reversed		– 1.2	– 2.7	– 3.9
Revalued		6.5		6.5
Currency translation differences	1.2	0.1	– 0.3	1.0
Provisions at 31 December 2024	**1.6**	**70.5**	**79.2**	**151.2**
Non-current provisions at 31 December 2024	0.1	70.5	74.7	145.2
Current provisions at 31 December 2024	1.5		4.5	6.0

Onerous contracts
These provisions comprise the present value of the onerous contracts in place at the reporting date.

The amount of the provisions for onerous contracts depends on various assumptions, relating in particular to the development of wholesale prices on European forward markets and forecasts of medium-term and long-term energy prices. These assumptions associated with uncertainties are made at the reporting date, some of which may result in significant adjustments in subsequent periods.

Decommissioning provision
The provision for decommissioning the Group's own power plant portfolio covers the estimated costs of decommissioning and restoration obligations associated with the Group's existing power plants.

Other provisions
Other provisions include obligations arising from the human resources area, existing and pending obligations from litigation and other operating risks deemed probable.

Please refer to Note 5.2 for information about the legal proceedings related to the sold Kraftanlagen Group.

Provisions for pending obligations from litigation are based on information available in each case and estimates made by management as to the outcome of the litigation. Depending on the actual outcome, the effective cash outflow may differ significantly from the provisions.

4.8 Contingent liabilities / assets and guarantees

ANAF's tax audit at Alpiq Energy SE
Following a tax audit for the period from 2010 to 2014, the Romanian tax authority ANAF (Agenția Națională de Administrare Fiscală) had requested from Alpiq Energy SE contested VAT, corporate income tax, interest and penalties amounting to RON 589.0 million (approximately CHF 111.0 million). On 19 October 2021, the competent Romanian administrative court of first instance followed the arguments of Alpiq Energy SE and revoked ANAF's decision as unlawful. ANAF subsequently appealed this decision to Romania's Supreme Court. On 27 March 2024, the Supreme Court confirmed the decision of the first instance. The decision is final and Alpiq Energy SE fully prevailed in this case. Detailed information about this legal case is disclosed in the Annual Report 2023.

In the context of ANAF's tax claim, Alpiq Energy SE filed a claim against ANAF seeking compensation for damages incurred due to alleged unlawful precautionary measures and the costs associated with a bank guarantee. On 12 December, 2022, the first-instance court ruled in favour of Alpiq Energy SE, awarding damages of approximately RON 10.5 million (approximately CHF 2.0 million). ANAF's appeal was subsequently dismissed by the appellate court, although ANAF retains the right to pursue a higher appeal against this decision. Additionally, in October 2024, Alpiq Energy SE filed an additional administrative damage claim against ANAF for an amount of RON 55.0 million (approximately CHF 10.0 million).

Compensation review proceedings against Alpiq Holding Ltd.
In 2020, appraisal claims were filed against Alpiq Holding Ltd. by two investors Knight Vinke (KVIP International V L.P.) and Merion Capital (Merion Capital LP, Merion Capital ERISA LP and Merion Capital II LP) pursuant to Sec. 105 of the Swiss Merger Act (FusG). The claims seek a review of the compensation of CHF 70.00 per share approved by the Annual General Meetings of Alpha 2020 AG (current Alpiq Holding Ltd.) and former Alpiq Holding AG ("Former Alpiq") and paid to minority shareholders thereof in the squeeze-out merger in 2020.

In February 2023, Alpiq Holding Ltd. and Merion Capital reached an out-of-court settlement and Merion Capital withdrew its appraisal claim in the proceedings started at the Chambre patrimoniale cantonale of canton Vaud, Switzerland, and waived any right to claim any additional payment from Alpiq in relation to Merion's shares acquired as part of the squeeze-out merger.

The proceedings initiated by Knight Vinke are still ongoing, whereby Knight Vinke is seeking a compensation based on a value per share amounting to at least CHF 140.0. Such an amount would correspond to an additional aggregate liability of about CHF 73.0 million to be paid by Alpiq Holding Ltd. to all relevant minority shareholders (excluding Merion Capital). The proceedings are currently pending in the competent court of canton Vaud.

In the context of the voluntary public purchase offer by SKBAG, PricewaterhouseCoopers (PwC) was engaged as an independent expert to prepare and submit a fairness opinion on the appropriateness of the offer price from a financial perspective. At the time, PwC concluded that the offer price was fair and appropriate from a financial perspective. In connection with the squeeze-out merger, Alantra Ltd. was engaged to compile an independent valuation report for the Board of Directors of Alpiq Holding Ltd. (Former Alpiq) and Alpha 2020 Ltd. (current Alpiq Holding Ltd.). Alantra's valuation report determined a value range of CHF 63.30 to CHF 72.50 per share in Former Alpiq and therefore confirmed that the agreed compensation of CHF 70.00 per share was appropriate.

Based on the facts and circumstances known at this time, in particular the two independent valuation reports that deemed the amount of compensation per share to be appropriate, Alpiq considers it unlikely that this litigation will result in a negative outcome for the company.

Other matters
In the previous year, Alpiq had been in negotiations with a contracting party on the termination of a long-term energy sales contract, as Alpiq considered it to be null and void in view of the market conditions. In 2024, a settlement agreement was reached that resulted in the payment of CHF 50.0 million from Alpiq to the contracting party.

There were no significant contingent liabilities from pledges, guarantees and other commitments to third parties in favour of third parties at the reporting date, as was also the case at 31 December 2023. For additional obligations in connection with partner power plants, see note 4.3.

4.9 Other current liabilities

CHF million	31 Dec 2024	31 Dec 2023
Trade payables	547.1	964.8
Hedged firm commitments		24.6
Other current liabilities	117.5	140.4
Advances from customers	11.6	12.9
Total	**676.1**	**1,142.7**

Trade payables to suppliers that are also customers are settled with trade receivables, provided that a netting agreement exists and payment is made on a net basis. For more information, see note 3.1.

5 Group structure

5.1 Business combinations

In 2024, the following companies were acquired and integrated into the consolidated financial statements:

On 12 April 2024, Alpiq acquired a 54.9% stake in P2X Solutions Oy for CHF 45.1 million (EUR 46.8 million). P2X Solutions Oy is a leading Power-to-X developer in the production and sale of green hydrogen and synthetic fuels. The company is currently constructing the first industrial-scale green hydrogen production facility in south-west Finland, in the town of Harjavalta. Scheduled to be operational in early 2025, the facility will boast an electrolysis capacity of 20 MW, positioning it as one of the largest of its kind in Europe.

On 19 June 2024, Alpiq acquired 100% of the shares in Pispantallin Tasapainotus Oy, based in Vantaa, Finland, from Merus Power Oy for CHF 0.72 million (EUR 0.75 million). The company is constructing one of the largest battery energy storage systems in Finland; the 30 MW large-scale battery is set to become operational in Valkeakoski by mid-2025.

The following allocation of fair values was applied in the balance sheet:

CHF million	Fair value
Property, plant and equipment	47.7
Intangible assets	5.3
Deferred income tax assets	1.0
Receivables and other current assets	0.3
Cash and cash equivalents	22.1
Total assets excl. Goodwill from acquisition	**76.4**
Deferred income tax liabilities	0.9
Non-current financial liabilities	10.5
Other current liabilities	3.0
Accruals and deferred income	0.1
Total liabilities	**14.5**
Net assets	**61.9**
Non-controlling interests	27.6
Net assets acquired (Shareholder's of Alpiq Holding AG)	34.3
Acquisition costs for acquired stake	**45.5**
Goodwill from acquisition	**11.2**
Net cash flow arising from acquisition activities:	
Acquisition costs	– 45.5
Cash and cash equivalents acquired with subsidiaries	22.1
Net cash flow	**– 23.4**

5.2 Companies sold

Sale of three Bulgarian companies

The sale of the three Bulgarian companies (Alpiq Energia Bulgaria EOOD, Vetrocom EOOD and Alpiq Wind Services EAD) to Renalfa IPP was conducted in the first half of 2023. The sale price amounted to CHF 76.3 million, which resulted in a net inflow of cash and cash equivalents of CHF 65.7 million. In total, net assets of CHF 70.2 million were disposed of. The loss on disposal amounted to CHF 27.9 million and was recognised in other operating expense.

CHF million	2024	2023
Inflow of cash and cash equivalents		76.3
Selling expenses		– 0.4
Cash and cash equivalents disposed of with subsidiaries		– 10.2
Net cash flow from disposal	**0.0**	**65.7**

CHF million	2024	2023
Inflow of cash and cash equivalents		76.3
Sale of net assets		– 70.2
Selling expenses		– 0.4
Gain / (loss) on disposal (before reclassification of cumulative translation adjustment)	**0.0**	**5.7**
Reclassification of cumulative translation adjustment		– 33.6
Gain / (loss) on the disposal in other operating income / expenses	**0.0**	**– 27.9**

CHF million	2024	2023
Property, plant and equipment		48.0
Intangible assets		7.4
Inventories		1.4
Derivative financial instruments		4.5
Receivables		3.8
Prepayments and accrued income		0.1
Cash and cash equivalents		10.2
Total assets	**0.0**	**75.4**
Non-current provisions		0.8
Deferred income tax liabilities		2.2
Non-current financial liabilities		0.1
Current provisions		0.6
Current financial liabilities		0.1
Other current liabilities		1.2
Accruals and deferred income		0.2
Total liabilities	**0.0**	**5.2**
Net assets	**0.0**	**70.2**

Sale of the Engineering Services business

In 2018, Alpiq sold the Engineering Services business, which comprised the Alpiq InTec Group and the Kraftanlagen Group. As part of the sale of the Engineering Services business, Alpiq must bear any fines and costs of Kraftanlagen Energies & Services SE ("Kraftanlagen") resulting from the proceedings started by the state prosecutor of Munich I and the German Federal Cartel Office in the first quarter of 2015.

In the course of these proceedings, in December 2019, the German Federal Cartel Office imposed a fine of EUR 47.5 million (CHF 44.7 million) on Kraftanlagen. Kraftanlagen refuted the allegations and filed an appeal against the administrative order imposing the fine. In 2022, after several hearings at the Higher Regional Court of Düsseldorf, Kraftanlagen was deemed guilty on two of the indictments and the fine was reassessed at EUR 21 million (CHF 19.8 million). Both the Federal Cartel Office and Kraftanlagen appealed to the Federal Court of Justice.

As of 31 December 2023, Alpiq deemed the risk of Kraftanlagen being convicted along the lines of the decision of the Higher Regional Court of Düsseldorf to be higher than 50% and recogniszed a provision of EUR 21 million (CHF 19.8 million). In its verdict of 17 September 2024, the Federal Court of Justice confirmed the conviction of Kraftanlagen by the Higher Regional Court of Düsseldorf and herewith the fine of EUR 21 million (CHF 19.8 million) became final. Consequently, the existing provision of EUR 21 million (CHF 19.8 million) was utilized. In addition, the Federal Court of Justice rejected the acquittal decision of the remaining projects and sent the case back to the Higher Regional Court of Düsseldorf for reassessment.

Alpiq deems the risk of Kraftanlagen being convicted along the lines of the decision of the Federal Court of Justice to be higher than 50% for a part of the projects subject to reassessment and has recognized a provision of EUR 25.8 million (CHF 24.3 million) as of 31 December 2024.

5.3 Assets held for sale

In the second half of 2023, Alpiq decided to sell 75% of its share in the Spanish project company Novagavia Business S.L and classified the assets and liabilities of the company as held for sale. A buyer was identified. However, due to contractual milestones that must be fulfilled before the transfer of ownership, the sale could not be completed in 2024 but is expected to be finalised in 2025. Despite the delay, the criteria for classification as held for sale under IFRS 5 are fulfilled, as the sale remains highly probable and is actively being pursued within a reasonable timeframe.

Assets

CHF million	31 Dec 2024	31 Dec 2023
Property, plant and equipment	3.5	3.5
Other non-current assets	0.4	0.1
Receivables and other current assets	1.0	0.2
Total assets held for sale	**4.9**	**3.8**

Liabilities

CHF million	31 Dec 2024	31 Dec 2023
Non-current financial liabilities	0.6	1.0
Total liabilities held for sale	**0.6**	**1.0**

Accounting policies

An asset or group of assets and related liabilities (disposal group) is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than continuing use. The Alpiq Group measures non-current assets and disposal groups classified as held for sale at the lower of carrying amount and fair value less costs of disposal. These assets or disposal groups, once classified as held for sale, are no longer depreciated or amortised. They are presented separately from the Group's other assets and liabilities.

5.4 Group companies and investments

Unless otherwise stated in the footnote, the direct ownership interest has not changed compared to the previous year.

Group companies	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Alpiq Holding Ltd.	Lausanne, CH				X	100.0
Aare-Tessin Ltd. for Electricity (Atel)[1]	Olten, CH				X	100.0
Aero Rossa S.r.l.	Milan, IT	X				100.0
Almolina H2 S.L.	Madrid, ES	X				100.0
Alpiq Ltd.[1]	Olten, CH	X	X	X	X	100.0
Alpiq Csepel Kft.	Budapest, HU	X				100.0
Alpiq Csepeli Szolgáltató Kft.	Budapest, HU	X				100.0
Alpiq Deutschland GmbH[1]	Munich, DE				X	100.0
Alpiq Digital Austria GmbH[2]	Vienna, AT				X	0.0
Alpiq EcoPower Ltd.[1]	Olten, CH	X				100.0
Alpiq EcoPower France S.A.S.	Toulouse, FR	X				100.0
Alpiq EcoPower Switzerland Ltd.	Olten, CH	X				100.0
Alpiq Energía España S.A.U.	Madrid, ES	X		X	X	100.0
Alpiq Energia Italia S.p.A.	Milan, IT	X		X	X	100.0
Alpiq Energie Deutschland GmbH	Berlin, DE			X	X	100.0
Alpiq Energie France S.A.S.	Paris, FR			X	X	100.0
Alpiq Energija BH d.o.o	Sarajevo, BA		X			100.0
Alpiq Energija Skopje DOOEL[3]	Skopje, MK		X			100.0
Alpiq Energy Albania SHPK[2]	Tirana, AL		X			0.0
Alpiq Magyarország Kft.	Budapest, HU	X				100.0
Alpiq Energy SE	Prague, CZ		X	X	X	100.0
Alpiq Energy Ukraine LLC[3]	Kyiv, UKR		X			100.0
Alpiq Finland Oy	Vantaa, FI			X		100.0
Alpiq Hydro Aare AG	Boningen, CH	X				100.0
Alpiq Hydro Italia S.r.l.	Milan, IT	X				90.0
Alpiq Italia S.r.l.	Milan, IT				X	100.0
Alpiq Le Bayet S.A.S.	Paris, FR	X				100.0

1 Interest held directly by Alpiq Holding Ltd.
2 Fully owned subsidiary liquidated during 2024.
3 In liquidation
4 Newly founded
5 Newly acquiered, see note 5.1
6 Indirect interest held via Entegra with non-controlling interests of 69.6%.

Group companies	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Alpiq Les Marronniers[4]	Paris, FR	X				100.0
Alpiq Norway AS	Oslo, NO			X		100.0
Alpiq Re (Guernsey) Ltd.	Guernsey, GB				X	100.0
Alpiq Retail France S.A.S.	Paris, FR			X		100.0
Alpiq RomIndustries S.R.L.[3]	Bucharest, RO			X		100.0
Alpiq Services CZ s.r.o.	Prague, CZ		X	X	X	100.0
Alpiq Solutions France S.A.S.	Paris, FR			X		100.0
Alpiq Suisse Ltd.[1]	Lausanne, CH	X			X	100.0
Alpiq Sverige AB[4]	Malmö, SE	X				100.0
Alpiq Turkey Enerji Toptan Satis Limited Sirketi[2]	Istanbul, TR			X		0.0
Alpiq Wind Italia S.r.l.	Milan, IT	X				100.0
Alres Sur 3 S.L.	Madrid, ES	X				100.0
Bel Coster SA	L'Abergement, CH	X				100.0
Birs Wasserkraft AG	Olten, CH	X				100.0
C.E.P.E. Des Gravières S.A.S.	Paris, FR	X				100.0
Cotlan Wasserkraft AG	Glarus Süd, CH	X				60.0
Dixence-Cleuson SA[4]	Hérémence, CH	X				100.0
EESP European Energy Service Platform GmbH[2]	Berlin, DE				X	0.0
Électricité d'Émosson SA	Martigny, CH	X				50.0
En Plus S.r.l.	Milan, IT	X				100.0
Energie Electrique du Simplon SA (E.E.S.)	Simplon, CH	X				82.0
Enpower 2 S.r.l.	Milan, IT	X				100.0
Enpower 3 S.r.l.	Milan, IT	X				100.0
Entegra Wasserkraft AG	St Gallen, CH	X				59.6
Eole Jura SA	Muriaux, CH	X				100.0
EolJorat Nord SA	Lausanne, CH	X				100.0
Horizen GmbH[3]	Berlin, DE			X		100.0
Hydro-Solar Energie AG	Niederdorf, CH	X				65.0
Isento Wasserkraft AG	St Gallen, CH	X				100.0

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Group companies	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Kraftwerke Gougra AG	Sierre, CH	X				54.0
Motor-Columbus Ltd.[1]	Olten, CH				X	100.0
NOVAGAVIA BUSINESS, S.L.	Madrid, ES	X				100.0
Novel S.p.A.	Milan, IT	X				51.0
P2X Solutions Oy[5]	Espoo, FI	X				54.9
Pispantallin Tasapainotus Oy[5]	Vantaa, FI	X				100.0
Salanfe SA	Vernayaz, CH	X				100.0
Società Agricola Solar Farm 2 S.r.l.	Milan, IT	X				100.0
Società Agricola Solar Farm 4 S.r.l.	Milan, IT	X				100.0
Tous-Vents SA	Lausanne, CH	X				100.0
Wasserkraftwerk Hüscherabach AG	Splügen, CH	X				60.0
Wasserkraftwerk Peist AG[6]	Arosa, CH	X				51.0
Wasserkraftwerk Tambobach AG	Splügen, CH	X				70.0

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4 Newly founded
5 Newly acquiered, see note 5.1
6 Indirect interest held via Entegra with non-controlling interests of 69.6%.

Partner power plants and other associates	Place of incorporation	Licence / agreement expiry	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Blenio Kraftwerke AG	Blenio, CH	2042	X				17.0
CERS Holding SAS	Toulouse, FR		X				15.0
Cleuson-Dixence[1]	Sion, CH	2044	X				31.8
Electra-Massa AG	Naters, CH	2048	X				34.5
Engadiner Kraftwerke AG	Zernez, CH	2050/2074	X				22.0
ETRANS AG	Baden, CH					X	33.3
Forces Motrices de Martigny-Bourg S.A.	Martigny, CH	2080	X				18.0
Forces Motrices Hongrin-Léman S.A. (FMHL)	Château-d'Oex, CH	2051	X				39.3
Glattstrom Buchholz AG	St. Gallen, CH		X				23.4
Grande Dixence SA[2]	Sion, CH	2044	X				60.0
Hydrogen Höfe Freienbach AG	Freienbach, CH		X				25.0
HYDRO Exploitation SA	Sion, CH		X				26.2
HyWay S.A.S.	Paris, FR		X				49.0
Kernkraftwerk Gösgen-Däniken AG	Däniken, CH	2039	X				40.0
Kernkraftwerk Leibstadt AG	Leibstadt, CH	2044	X				27.4
Kernkraftwerk-Beteiligungsgesellschaft AG (KBG)	Bern, CH	2041/2043	X				33.3
KohleNusbaumer SA	Blonay, CH		X				35.0
Kraftwerk Ryburg-Schwörstadt AG	Rheinfelden, CH	2070	X				13.5
Kraftwerke Hinterrhein AG	Thusis, CH	2048	X				9.3
Kraftwerke Zervreila AG	Vals, CH	2037	X				21.6
Maggia Kraftwerke AG	Locarno, CH	2035/2048	X				12.5
Nant de Drance SA	Finhaut, CH	2102	X				39.0
Ouvra Electrica Lavinuoz Lavin SA (OELL)	Lavin, CH		X				25.0
ToesStrom AG	Freienstein, CH		X				17.7
Tormoseröd Vindpark AB	Karlstad, SE		X				30.0
Unoenergia S.r.l.	Biella, IT		X				28.0
Wasserkraftwerke Weinfelden AG	Weinfelden, CH	2068	X				49.0

1 Simple partnership

2 Although Alpiq holds direct ownership of 60%, it has no control. For more explanations on accounting policies, see note 4.3

Joint venture	Place of incorporation	Assets	Trading	Origination	Corporate	Direct ownership interest in %
Hydrospider Ltd	Niedergösgen, CH	X				45.0
HyMove S.A.S.	Paris, FR	X				50.0
SC Produccion Renovable S.L.	Barcelona, ES	X				25.0

5.5 Related party transactions

Related parties include partner power plants, other associates and major shareholders with significant influence on the Alpiq Group, employee pension schemes, the Board of Directors and the Executive Board. EOS Holding SA, Schweizer Kraftwerksbeteiligungs-AG, Genossenschaft Elektra Baselland and Genossenschaft Elektra Birseck have significant influence over the Alpiq Group and are referred to below as "Other related companies".

Transactions between the Group and related companies

			2024			2023
CHF million	Partner power plants	Other associates	Other related companies [1]	Partner power plants	Other associates	Other related companies [1]
Total revenue and other income						
Net revenue [2]	80.3	2.3	434.2	73.2	2.7	821.6
Other operating income	3.5	0.5	0.1	4.4	0.4	0.1
Operating expenses						
Energy and inventory costs	– 414.8	– 27.8	– 46.9	– 474.7	– 18.8	– 87.5
Other operating expenses	– 0.4			– 0.4		
Financial result						
Interest income	0.2	0.6	0.1	0.1	0.3	
Other finance costs					0.4	

1 In addition to the shareholders from the previous year, Alpiq has classified Genossenschaft Elektra Baselland and Genossenschaft Elektra Birseck as other related companies. The classification is based on ownership and other relevant factors. The previous year's figures have been adjusted for comparability.

2 Net revenue also contains changes in fair value measurement of energy derivatives, which are presented in net revenue. For further explanation of accounting policies, refer to note 2.2.

Outstanding balances with related companies at the reporting date

CHF million	Partner power plants 31 Dec 2024	Other associates 31 Dec 2024	Other related companies[1] 31 Dec 2024	Partner power plants 31 Dec 2023	Other associates 31 Dec 2023	Other related companies[1] 31 Dec 2023
Assets						
Other non-current assets	0.9	4.6	0.6	0.9	3.8	1.0
Derivative financial instruments			32.8			115.6
Receivables	6.7	0.1	71.6	14.2	0.2	62.4
Prepayments and accrued income[2]	168.3	1.0	0.2	79.6	0.6	0.2
Current term deposits	9.0	7.6	0.5	3.5	7.3	
Liabilities						
Non-current financial liabilities			0.1		0.2	0.1
Current financial liabilities		0.2	0.1			0.1
Other current liabilities	6.7	0.3	1.9	6.4	0.5	13.7
Derivative financial instruments			0.2			1.0
Accruals and deferred income[2]	12.8	3.7	0.1	11.8	1.9	

1 In addition to the shareholders from the previous year, Alpiq has classified Genossenschaft Elektra Baselland and Genossenschaft Elektra Birseck as other related companies. The classification is based on ownership and other relevant factors. The previous year's figures have been adjusted for comparability.

2 Includes mainly accruals related to fund performance and annual costs for Kernkraftwerk Gösgen-Däniken AG and Kernkraftwerk Leibstadt AG.

Investments in partner power plants and other associates are presented in note 4.3. The Alpiq Group has contractual power offtake arrangements with partner power plants. Electricity is purchased according to the ownership interest, although no volumes are agreed contractually. Power generation capacity depends on optimum utilisation of the power plants. The costs of power production at the partner power plants are assumed on a cost-plus basis.

Non-financial energy trading contracts outstanding with other associates and other related companies comprised a contract volume of 165 GWh at 31 December 2024 (previous year: 31 GWh) and a gross value of CHF 8.0 million (CHF 1.2 million).

Members of the Board of Directors and the Executive Board

The total compensation for the Board of Directors and the Executive Board breaks down as follows:

	Board of Directors		Executive Board	
CHF million	2024	2023	2024	2023
Fixed and variable remuneration	1.7	1.9	6.7	6.6
Social security contributions[1]	0.1		1.0	1.1
Total	**1.8**	**1.9**	**7.7**	**7.7**

1 Including employer contributions to AHV / IV, the company pension fund, occupational and non-occupational accident insurance, and sick pay insurance.

The total compensation for the Board of Directors and the Executive Board includes only short-term employee benefits. No share-based payments, severance payments or other long-term benefit payments were made to the members of the Board of Directors or the Executive Board.

KPMG

Statutory Auditor's Report

To the General Meeting of Alpiq Holding Ltd., Lausanne

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Alpiq Holding Ltd. and its subsidiaries (the Group or ALPIQ), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 55 to 119) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion
We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

CLASSIFICATION, RECOGNITION AND MEASUREMENT OF ENERGY CONTRACTS

VALUATION OF PROPERTY, PLANT AND EQUIPMENT, PURCHASE RIGHTS AND INVESTMENTS IN PARTNER POWER PLANTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

CLASSIFICATION, RECOGNITION AND MEASUREMENT OF ENERGY CONTRACTS

Key Audit Matter

As of 31 December 2024, fair values of energy contracts classified as financial instruments are disclosed in the line item "Derivative financial instruments" in non-current assets and in current assets (CHF 242.3 million and CHF 446.7 million), as well as in non-current liabilities and in current liabilities (CHF 140.2 million and CHF 286.2 million).

Fluctuations of the fair values as well as the settlement of corresponding contracts have an impact on the income statement and equity, depending on their classification as "own use contracts" or "energy trading transactions". Furthermore, the classification of derivative financial instruments affects the presentation and disclosure requirements of such contracts.

Models with observable and unobservable input parameters are used in the measurement of energy derivatives as of the balance sheet date. The determination of such input parameters and the application of the appropriate valuation models are subject to significant judgment. The assessment of the intention of an energy contract is also crucial for its correct classification and is subject to significant judgment.

The valuation is based on the complete and accurate recording of all contract parameters. The corresponding contract recording is subject to operational risks in the business processes resulting from the organizational structure of ALPIQ and the large number of energy products traded.

Our response

We have performed the following audit procedures, among others, with respect to the reported derivative financial instruments:

- Testing of controls implemented to ensure the complete and accurate recording of energy contracts; we thereby focused on the segregation of duties and reconciliation of internal contractual data with external confirmations as well as on the IT controls relevant to the business workflows for energy derivatives;
- Involving valuation specialists to test the appropriateness and consistency of the underlying valuation methods. Furthermore, we involved our valuation specialists to review the adequacy of the underlying energy price curves;
- Performing a re-calculation of the valuation of energy derivatives of material components of the portfolio. We used our Data & Analytics Tool (Commodity Valuation Tool) to challenge the valuation methods with the use of independent market data:
- For derivative financial instruments which are not covered by the Data & Analytics technology, testing the correct valuation methodology and the respective input parameters on a sample basis.

For further information on classification, recognition and measurement of energy contracts refer to the following:

— Notes 3.1 and 3.2 to the consolidated financial statements

VALUATION OF PROPERTY, PLANT AND EQUIPMENT, PURCHASE RIGHTS AND INVESTMENTS IN PARTNER POWER PLANTS

Key Audit Matter

As of 31 December 2024, the carrying amounts of “Property, plant and equipment (PPE)”, “Purchase rights” (included in the line item “Intangibles”) and “Investments in Partner power plants” amount to CHF 1,794.5 million, CHF 22.4 million respectively CHF 2,094.9 million.
In 2024, depreciation, amortization and impairment amounting to CHF 114.5 million are recognized in the consolidated income statement. With reference to the “Investments in Partner power plants" and the application of the equity method, energy purchases are recorded in the line item “Energy and inventory costs” (CHF 4,854.4 million) and the net change in the investment in the “Share of results of partner power plants and other associates” (loss of CHF 7.4 million).

ALPIQ owns significant assets resulting from PPE, energy purchase rights and investments in partner power plants which interdependently operate as cash-generating units (CGU) whose profitability and valuation is a result of various valuation parameters. Especially future energy prices, volatility of energy prices, expected production costs and output, development in foreign currency exchange rates, useful lives, weighted average cost of capital (WACC) and inflation rates are subject to significant estimates.

In this respect, Management assesses every year whether there are indications for impairments or impairment reversals due to significant changes that could influence the relevant valuation parameters. Should there be such indications, the carrying amount of the CGU is compared to its recoverable amount (value in use). Differences are recognized as impairment losses or reversals in the income statement. The value in use of the CGU is determined by modelling the discounted cash flows based on the estimated valuation parameters.

As described above, significant judgments and estimates are involved in the assessment of the appropriate valuation. Changes in value (impairment/reversals) might have a material impact on ALPIQ’s financial statements.

Our response

Our audit procedures consisted, among others, of assessing the methodological and mathematical accuracy of the model used for the valuation and of determining the adequacy of the assumptions made for material valuation parameters. In this regard, we involved our own valuation specialist.

We critically reviewed the definition of the cash-generating units and Management’s assessment regarding indicators for impairment and impairment reversals. In particular, we assessed the robustness of the critical valuation parameters used for the indicator assessment such as the price curves, WACCs per CGU, foreign exchange rates and inflation rates.

For CGUs with indicators for impairments or impairment reversals we performed the following audit procedures:

- Assessing the robustness of the most important parameters used to calculate the recoverable amount of the CGU, especially by comparing the future expected energy prices, the volatility of energy prices, foreign currency exchange rates, WACCs and inflation rates with data of external studies and market data;
- Reconciling the income and cost estimates used with budget figures, and assessing the accuracy of the income and cost estimates based on a retrospective analysis of prior-year income and cost estimates;
- Verifying the useful lives and contract respectively contractual concession durations used for the assets included in the CGU by reconciling these with ALPIQ’s internal accounting policies;
- Recalculating the differences between carrying value and recoverable amount of the CGU and assessing whether any resulting impairment or impairment reversal has been recognized correctly in the financial statements.

For further information on valuation of property, plant and equipment, purchase rights and investments in partner power plants refer to the following:

— Notes 4.1, 4.2 and 4.3 to the consolidated financial statements

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements
The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
— Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Daniel Haas Licensed Audit Expert Auditor in Charge	Corina Wipfler Licensed Audit Expert

Zurich, 25 February 2025

5-year Overview

Income Statement

CHF million	2024	2023	2022[1]	2021	2020
Net revenue	6,643.0	8,958.8	14,631	7,177	3,905
Other operating income	24.3	24.3	38	81	124
Total revenue and other income	6,667.3	8,983.1	14,669	7,258	4,029
Operating expenses	– 5,280.4	– 7,177.1	– 14,323	– 7,335	– 3,747
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,386.9	1,806.0	346	– 77	282
Depreciation, amortisation and impairment[2]	– 114.5	– 112.4	– 97	– 126	– 80
Earnings before interest and tax (EBIT)	1,272.3	1,693.6	249	– 203	202
Share of results of partner power plants and other associates	– 7.4	– 23.3	– 59	– 35	– 35
Financial result	– 88.2	– 96.8	– 74	– 61	– 55
Income tax (expense) / income	– 233.3	– 237.9	– 5	28	43
Earnings after tax from continuing operations	943.4	1,335.6	111	– 271	155
Earnings after tax from discontinued operations	0.0	0.0	0	0	– 56
Net income / (loss)	943.4	1,335.6	111	– 271	99
Net income attributable to non-controlling interests	1.6	2.9	2	1	3
Net income attributable to equity investors of Alpiq Holding Ltd.	941.8	1,332.7	109	– 272	96

1 For the years 2022 and earlier, the decimal place was not adjusted. See note 1.4 of the notes to the consolidated financial statements for more details.

2 In 2022 and 2020, including reversals of impairment losses

Balance sheet

CHF million	2024	2023	2022[1]	2021	2020
Total assets	8,543.2	10,474.5	15,077	13,557	7,368
Assets					
Non-current assets	4,376.0	4,534.6	5,285	4,432	4,440
Current assets	4,167.2	5,939.9	9,792	9,125	2,928
Equity and liabilities					
Total equity	4,976.8	4,811.0	3,529	3,558	3,761
As % of total assets	58.3	45.9	23.4	26.2	51.0
Liabilities	3,566.5	5,663.5	11,548	9,999	3,607

1 For the years 2022 and earlier, the decimal place was not adjusted. See note 1.4 of the notes to the consolidated financial statements for more details.

Other key performance indicators

	2024	2023	2022[1]	2021	2020
Adjusted EBITDA in CHF million	962.4	1,183.8	473	312	262
Net debt (cash) in CHF million	– 428.4	– 346.6	107	675	249
Net debt (cash) / adjusted EBITDA	– 0.4	– 0.3	0.2	2.2	1.0
Number of employees at the reporting date	1,350	1,221	1,180	1,266	1,258

1 For the years 2022 and earlier, the decimal place was not adjusted. See note 1.4 of the notes to the consolidated financial statements for more details.

Per share data

	2024	2023	2022	2021	2020
Par value in CHF	0.01	0.01	0.01	0.01	0.01
Weighted average number of shares outstanding	33,110,364	33,110,364	33,110,364	33,110,364	33,110,364
Net income in CHF	27.37	39.32	2.41	– 9.10	2.01
Dividend in CHF[1]	4.90	3.50	2.80	0.00	1.40

1 2024: to be proposed to the Annual General Meeting / 2022: Extraordinary dividend distributed in September 2023

Financial Statements of Alpiq Holding Ltd.

Income statement

CHF thousand	Note	2024	2023
Income			
Dividend income	2	800,000	
Finance income	3	540,116	580,065
Gain on sale of investments			13,164
Reversal of impairment losses on loans receivable		3,796	507
Reversal of impairment losses on investments		3,812	
Other income	4	1,504	126,786
Extraordinary income	5		122,500
Total income		**1,349,229**	**843,022**
Expenses			
Finance costs	6	–501,528	–673,680
Impairments on loans receivable		–21,243	–3,453
Impairments on investments			–5,100
Other expenses	7	–49,038	–34,353
Direct taxes		–1,714	–4,862
Total expenses		**–573,522**	**–721,448**
Net income		**775,706**	**121,575**

Balance sheet

Assets

CHF thousand	Note	31 Dec 2024	31 Dec 2023
Cash and cash equivalents		1,290,280	1,272,732
Trade receivables	8	1,565	1,719
Other current receivables	9	338,194	658,031
Prepayments and accrued income		3,082	144,977
Current assets		**1,633,122**	**2,077,459**
Loans receivable	10	629,000	1,526,730
Investments	11	4,295,109	4,291,296
Non-current assets		**4,924,109**	**5,818,026**
Total assets		**6,557,230**	**7,895,485**

Equity and liabilities

CHF thousand	Note	31 Dec 2024	31 Dec 2023
Trade payables	12	13,280	189
Current interest-bearing payables	13	2,030,427	3,031,575
Other current liabilities	14	56	10,211
Accruals and deferred income		107,643	240,138
Current provisions	15	34,551	21,918
Current liabilities		**2,185,957**	**3,304,032**
Interest-bearing loans payable			30,000
Bonds	16	625,000	1,475,000
Non-current liabilities		**625,000**	**1,505,000**
Share capital		331	331
Capital contribution reserves		1,740,949	1,740,949
Other capital reserves		3,631	3,631
Legal retained earnings		170	170
Retained earnings carried forward		1,225,486	1,219,797
Net income		775,706	121,575
Equity	**17**	**3,746,274**	**3,086,454**
Total equity and liabilities		**6,557,230**	**7,895,485**

Notes to the Financial Statements

1 Preliminary note

Basis of preparation

The financial statements of Alpiq Holding Ltd., Lausanne, have been prepared in accordance with the provisions of Swiss accounting legislation (Title 32 of the Swiss Code of Obligations). As in the previous year, the company employed no staff during the financial year.

The figures reported in the tables are rounded. Therefore, totals may deviate slightly from the sum of the individual values.

The following section describes the main valuation principles applied that are not specified by law.

Loans receivable / hedges

Loans receivable that are denominated in foreign currencies are measured at the closing rate on the reporting date, whereby unrealised losses are recognised, and unrealised gains are not reported. In the case of derivatives deployed in hedges, too, unrealised losses are recognised, but unrealised gains are not recognised.

Investments

The investments are recognised at cost considering the effect of impairment losses.

Bonds

Bonds are recognised at nominal amount. The discount and issue costs of bonds are recognised as finance costs in the year of issue. Any premium (less issue costs), if material, is recognised as a deferred income and amortised on a straight-line basis over the bond's maturity.

Changes in the presentation of the financial statements

Compared to previous year, figures are rounded to CHF thousand. For consistency and comparability, previous year figures have been adjusted. The layout has been updated to align with Alpiq's refreshed corporate design.

2 Dividend income

Income from investments includes dividend income from subsidiaries.

3 Finance income

CHF thousand	2024	2023
Interest income from group companies	78,831	69,318
Interest income from third parties	17,365	12,280
Other finance income from group companies	4,929	5,583
Other finance income from third parties	34	9
Foreign exchange gain	438,958	492,876
Total	**540,116**	**580,065**

4 Other income

In the previous year, other income included the compensation payment of CHF 103 million for the transfer of the operational treasury business to Alpiq Ltd. and licence fees for a period of six months.

5 Extraordinary income

In the previous year, Alpiq Holding Ltd. sold the trademarks and trademark rights of the Alpiq brand to Alpiq Ltd.

6 Finance costs

CHF thousand	2024	2023
Interest expense to group companies	– 50,740	– 35,387
Interest expense to third parties	– 61,577	– 61,585
Other finance costs to shareholders	– 3,660	– 3,650
Other finance costs to third parties	– 38,883	– 26,726
Foreign exchange loss	– 346,667	– 546,332
Total	**– 501,528**	**– 673,680**

7 Other expenses

Other expenses include the compensation payment of CHF 30 million for the transfer of the operational treasury business to Alpiq Ltd.

8 Trade receivables

CHF thousand	31 Dec 2024	31 Dec 2023
Due from group companies	1,565	1,719
Total	**1,565**	**1,719**

9 Other current receivables

CHF thousand	31 Dec 2024	31 Dec 2023
Due from group companies	232,715	294,993
Due from third parties	105,479	363,038
Total	**338,194**	**658,031**

Other current receivables comprise cash pool balances, loans and term deposits with a maximum term of 12 months as well as receivables from withholding tax and VAT.

10 Loans receivable

CHF thousand	31 Dec 2024	31 Dec 2023
Due from group companies	629,000	1,526,730
Total	**629,000**	**1,526,730**

11 Investments

A list of direct and significant indirect investments is disclosed in note 5.4 of the notes to the consolidated financial statements.

12 Trade payables

CHF thousand	31 Dec 2024	31 Dec 2023
Due from third parties	13,280	189
Total	**13,280**	**189**

13 Current interest-bearing payables

CHF thousand	31 Dec 2024	31 Dec 2023
Due to group companies	1,830,427	2,672,496
Due to third parties	200,000	359,079
Total	**2,030,427**	**3,031,575**

Current interest-bearing payables include cash pooling payables and bonds due for repayment in the next 12 months.

14 Other current liabilities

CHF thousand	31 Dec 2024	31 Dec 2023
Due from third parties	56	10,211
Total	**56**	**10,211**

Other current liabilities include withholding tax and social security contributions.

15 Provisions

Provisions include a provision for the recapitalisation of Alpiq Deutschland GmbH that may become necessary. As part of the sale of the Engineering Services business, Alpiq Deutschland GmbH, for which Alpiq Holding Ltd. has subsidiary liability, must bear any fines and costs of Kraftanlagen Energies & Services SE (formerly Kraftanlagen München GmbH) resulting from the proceedings started by the state prosecutor of Munich I and the German Federal Cartel Office in the first quarter of 2015. The German Federal Court of Justice confirmed on 17 September 2024 the conviction of Kraftanlagen by the Higher Regional Court of Düsseldorf, making the fine of EUR 21 million (CHF 19.8 million) final. Consequently, the existing provision of EUR 21 million (CHF 19.8 million) was utilised. In addition, the Federal Court of Justice rejected the acquittal decision for the remaining projects and referred these back to the Higher Regional Court of Düsseldorf for reassessment. Alpiq considers the risk of further convictions for parts of these projects to be higher than 50% and has therefore recognised an additional provision of EUR 25.8 million (CHF 24.3 million). The recapitalisation provision was therefore also increased at Alpiq Holding Ltd. For more information about this matter, please refer to note 5.2 of the notes to the consolidated financial statements.

16 Bonds

CHF thousand	Maturity	Earliest repayment date	Interest rate in %	Nominal amount at 31 Dec 2024	Nominal amount at 31 Dec 2023
Fixed-rate bond issued by Alpiq Holding Ltd. [1]	2014 / 2024	29 Jul 2024	2,6250		260,000
Fixed-rate bond issued by Alpiq Holding Ltd. [2]	2022 / 2025	30 May 2025	1,6250	200,000	200,000
Fixed-rate bond issued by Alpiq Holding Ltd.	2022 / 2026	24 Jun 2026	1,7500	250,000	250,000
Fixed-rate bond issued by Alpiq Holding Ltd.	2023 / 2027	29 Apr 2027	3,1250	220,000	220,000
Fixed-rate bond issued by Alpiq Holding Ltd.	2023 / 2030	29 Apr 2030	3,3750	155,000	155,000
Public hybrid bond issued by Alpiq Holding Ltd.		15 Nov 2024	6,2541		650,000

1 At 31 December 2023 bond is recognised under "Current interest-bearing payables".

2 At 31 December 2024 bond is recognised under "Current interest-bearing payables".

17 Equity

CHF thousand	Share capital	Capital contribution reserves	Other capital reserves	Legal retained earnings	Retained earnings	Total equity
Balance at 31 December 2022 [1]	**331**	**1,740,949**	**3,631**	**170**	**1,312,506**	**3,057,588**
Extraordinary dividends					– 92,709	– 92,709
Net income					121,575	121,575
Balance at 31 December 2023	**331**	**1,740,949**	**3,631**	**170**	**1,341,372**	**3,086,454**
Dividends					– 115,886	– 115,886
Net income					775,706	775,706
Balance at 31 December 2024	**331**	**1,740,949**	**3,631**	**170**	**2,001,192**	**3,746,274**

1 At 31 December 2022, CHF 3,631 thousand was transferred from capital contribution reserves to other capital reserves. The full amount of CHF 1,740,949 thousand of the capital contribution reserves was confirmed by the Swiss Federal Tax Administration.

18 Collateral provided for third-party liabilities

Guarantees in favour of group companies and third parties totalled CHF 919 million at 31 December 2024 (previous year: CHF 1,183 million). Of this, an amount of CHF 373 million (CHF 679 million) relates to bank guarantees and CHF 546 million (CHF 504 million) to guarantees issued by Alpiq Holding Ltd.

19 Contingent liabilities

In 2020, appraisal claims were filed against Alpiq Holding Ltd. by the two investors Knight Vinke (KVIP International V L.P.) and Merion Capital (Merion Capital LP, Merion Capital ERISA LP and Merion Capital II LP) pursuant to Sec. 105 of the Swiss Merger Act (FusG). In 2023, Alpiq Holding Ltd. and Merion Capital reached an out-of-court settlement and Merion Capital withdrew their appraisal claim while the proceeding initiated by Knight Vinke continues. Alpiq considers it unlikely that this litigation will result in a negative outcome for the company and has therefore not recorded a provision. For more information about this matter, please refer to note 4.8 of the notes to the consolidated financial statements.

20 Events after the reporting period

There were no reportable events after the reporting date of 31 December 2024.

Proposal of the Board of Directors

Appropriation of retained earnings

The Board of Directors proposes to the Annual General Meeting to allocate the retained earnings as follows:

CHF	
Net income for 2024 reported in the income statement	775,706,295
Retained earnings carried forward	1,225,485,870
Retained earnings	**2,001,192,165**
Dividend of CHF 4.90 per share	–162,240,784
Balance to be carried forward	**1,838,951,381**

KPMG

Statutory Auditor's Report

To the General Meeting of Alpiq Holding Ltd., Lausanne

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alpiq Holding Ltd. (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 128 to 135) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

IMPAIRMENT OF INVESTMENTS AND LOANS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

IMPAIRMENT OF INVESTMENTS AND LOANS

Key Audit Matter

As of 31 December 2024, Alpiq Holding Ltd. holds investments for a total amount of CHF 4,295.1 million and recognizes respective impairment reversals for a total amount of CHF 3.8 million. In addition, Alpiq Holding Ltd. holds loans to group companies for a total amount of CHF 861.7 million and recognizes an impairment of loans receivable of CHF 21.2 million and a reversal of impairment losses on loans receivable of CHF 3.8 million.

Management assesses every year whether there are indications for impairments or impairment reversals due to significant changes that could influence the relevant valuation parameters. Should there be such indications, the carrying amount of the investment / loans is compared to its recoverable amount (value in use). Differences are recognized as impairment losses or reversals in the income statement. The value in use of the investment is determined by modelling the discounted cash flows based on the estimated valuation parameters.

The impairment assessment requires significant estimates and assumptions related to future energy prices, volatility of energy prices, expected production costs and output, development in foreign currency exchange rates, weighted average cost of capital (WACC) and inflation rates. Changes in estimates or assumptions may have a material impact on the result of the year.

Our response

Our audit procedures consisted, among others, of assessing the methodological and mathematical accuracy of the model used for the valuation and of determining the adequacy of the assumptions made for material valuation parameters. In this regard, we involved our own valuation specialist.

We critically reviewed Management's assessment regarding indicators for impairment and impairment reversals. In particular, we assessed the robustness of the critical valuation parameters used for the indicator assessment such as the price curves, WACCs, foreign exchange rates and inflation rates.

For investments / loans with indicators for impairments or impairment reversals we performed the following audit procedures:

- Assessing the robustness of the most important parameters used to calculate the recoverable amount of the investments / loans, especially by comparing the future expected energy prices, the volatility of energy prices, foreign currency exchange rates, WACCs and inflation rates with data of external studies and market data;
- Reconciling the income and cost estimates used with budget figures, and assessing the accuracy of the income and cost estimates based on a retrospective analysis of prior-year income and cost estimates;
- Recalculating the differences between carrying value and recoverable amount of the investment / loans and assessing whether any resulting impairment or impairment reversal has been recognized correctly in the financial statements.

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements
The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Daniel Haas
Licensed Audit Expert
Auditor in Charge

Corina Wipfler
Licensed Audit Expert

Zurich, 25 February 2025