

BKW GROUP

Half-Year Report 2024



We create spaces for life.

 **BKW**

FACTS & FIGURES

In a nutshell

Revenue

in CHF million

2330

EBIT

in CHF million

438

Operating net profit

in CHF million

303

Investments and acquisitions

in CHF million

197

Operating cash flow

in CHF million

171

Number of employees

12,083

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Title page

Alba Sanchez, a solar installer at Solstis AG, which is part of BKW Building Solutions, is still one of the few women in this profession. Together with her colleagues, the native Spaniard installs solar systems on the roofs of companies in western Switzerland – from the substructure and cabling to the panels.

LETTER TO SHAREHOLDERS

A strong BKW continues to invest in the energy transition

The BKW Group¹ continued its successful trajectory in the first half of 2024. It generated strong EBIT, to which the Energy business made a significant contribution. The outlook for 2024 as a whole is also positive. Due to the successful Energy business, stable results in the Grid business, and the expected upward trend in the Services business, BKW is increasing its EBIT guidance for the 2024 fiscal year.



Roger Baillod and Robert Itschner in the BKW trading room.

Dear Shareholders,
Ladies and Gentlemen,

We are pleased to report an extremely positive first half of 2024. Approval of the Electricity Act on June 9 by the Swiss people is both a mandate and an incentive for BKW to continue driving forward projects for the expansion of renewables in dialogue with all stakeholders. BKW continued its successful course and can report strong results for the first half of the year.

BKW increased its EBIT by 3.2 percent year-on-year to CHF 438 million. Operating net profit amounted to CHF 303 million.

Strong Energy business

The Energy business once again made a significant contribution to the overall result. Although revenue was lower than in the same period of the previous year due to the lower price level on the energy markets, EBIT was maintained at the previous year's level. The main drivers of this

¹ The BKW Group comprises BKW AG and its Group companies. For better readability, the Group will be referred to below as BKW. Where the text relates to BKW AG or BKW Energie AG, this is expressly mentioned.

positive development were the successful energy management and trading result, higher hedged electricity prices, and increased production of hydropower plants.

Solid Grid business

The Grid business again made a stable contribution to earnings in the first half of 2024. The electricity grid must be expanded quickly so that it can cope with the expansion of photovoltaic systems. Every year BKW invests over CHF 120 million in a secure grid infrastructure. BKW has also launched the nationwide expansion of smart meters, which will last until 2028.

Upward trend in the Services business

Revenue in the Services business was higher in the first half of 2024 than in the same period of the previous year. BKW has a growing order backlog – from building technology to supply infrastructure and engineering. The two-year program to increase profitability is also showing results: In the first half of 2024, BKW was able to match the previous year's performance in the Services business.

Implementation of the sustainability strategy

BKW made further important progress in the area of sustainability in the first half of 2024. It has started to convert its 3,000 vehicles to electric drive. BKW's goal is to fully electrify its vehicle fleet by 2030. BKW has also started working with the responsible purchasing organizations to integrate suppliers in a sustainable procurement process. BKW has also integrated sustainability into its remuneration system.

Increase in EBIT guidance

With its three business areas of Energy, Grid and Services, BKW will continue to invest along the entire energy value chain in the second half of 2024. This ranges from energy production, storage and trading to distribution, supply infrastructure, energy-efficient buildings and electromobility.

Driven by the successful energy management and trading performance in the first half of 2024, BKW has revised its guidance upwards. BKW now expects EBIT in the range of CHF 700 to 800 million for the 2024 fiscal year. In addition, BKW is currently focusing on revising its 2030 Strategy. BKW will present the details at the Capital Markets Day on November 8, 2024.

These expectations indicate that: BKW has also been very successful this year. This is only possible thanks to our customers, suppliers, shareholders, and our employees, who are committed to BKW every day. We look forward to continuing on this successful path with all of you in the second half of the year.

Kind regards



Roger Baillod
Chairman of the Board



Robert Itschner
CEO

Investments in domestic electricity production

BKW wants to continue investing in domestic electricity production – despite objections from associations. The company pressed ahead with construction planning for the Tramelan wind farm in the first half of the year. BKW is pleased that the municipality of Saint-Imier approved the expansion of the ground-mounted solar plant on Mont-Soleil on June 9. With annual electricity generation of around eleven gigawatt hours, the expanded plant will contribute to regional winter electricity production. In addition, KWO, in which BKW holds a stake, submitted the license application at the end of May for the Grimsensee enlargement. This will enable Switzerland to shift 240 gigawatt hours of summer electricity to the winter and thus significantly increase security of supply during the cold months.

Financial Result

6 Financial Result

7 BKW increases profitability

FINANCIAL RESULT

BKW increases profitability

BKW further increased EBIT in the first half of 2024 with revenue at the previous year's level. Total operating income fell slightly by CHF 67 million or 3% to CHF 2,330 million, with lower revenue in the Energy business being almost offset by higher revenues in the Grid and Services businesses. By contrast, EBIT increased by CHF 14 million to CHF 438 million, 3% higher than the previous year's positive result. At CHF 303 million, operating net profit, excluding the funds for decommissioning and waste disposal (STENFO), remained at the previous year's level. Reported net profit amounted to CHF 363 million, up 7% on the previous year's value.

EBIT exceeded the previous year's figure by 3%

In the first half of 2024, BKW once again exceeded the previous year's very positive result. EBIT increased by 3% to CHF 438 million. These strong earnings are the result of BKW's business model with the three business areas of Energy, Grid and Services, as a combination of stable business areas and growth areas.

The increase in the operating result is attributable to the Grid business. The Energy business generated EBIT on par with the same period of the previous year, with positive and negative influences offsetting each other.

In the first half of 2024, the Services business increased its revenue primarily through organic growth. The order situation remains very good and is being driven mainly by Germany.

Earnings increased slightly compared to the same period in the previous year.

Operating net profit, excluding the performance of the funds for decommissioning and waste disposal (STENFO), amounted to CHF 303 million and was thus at the previous year's level. Thanks to the positive performance of the funds for decommissioning and waste disposal (STENFO), the reported net profit amounted to CHF 363 million and was 7% higher year-on-year.

BKW will benefit from the successful energy management and trading performance in the first half of 2024 and is therefore increasing its guidance. BKW now expects EBIT in the range of CHF 700 to 800 million for the 2024 fiscal year.

Increased EBIT and net profit

CHF millions	1 st half-year 2024	1 st half-year 2023	% change
Sales	2,330.0	2,397.1	-3%
Energy procurement/transport	-620.5	-799.9	-22%
Operating costs	-1,127.5	-1,059.1	6%
EBITDA	581.9	538.1	8%
Depreciation, amortisation and impairment	-167.7	-136.6	23%
Income from associates	24.1	23.0	5%
EBIT	438.3	424.5	3%
Financial result excluding change in value of STENFO	-41.8	-50.2	-17%
Income taxes excluding change in value of STENFO	-93.9	-70.1	34%
Operating net profit¹	302.6	304.2	-1%
Change in value of STENFO net of tax	60.0	35.8	
Net profit	362.5	340.0	7%

1 "Operating net profit" corresponds to the net profit before proceeds from STENFO and is more suitable as a measure of operating performance than the reported net profit, since the proceeds from these funds are not operational in nature and BKW has no direct influence on how they are invested.

Better financial result and positive fund performance

The comparable financial result, excluding the performance of STENFO, improved by CHF 8 million to CHF -42 million as a result of exchange rate gains. The income tax expense, excluding deferred taxes on the change in value of the funds, increased by CHF 24 million to CHF 94 million. Various factors, such as lower participation deductions in Switzerland and non-reported deferred tax assets, contributed to this increase.

Due to timing effects, there are limits to the interpretation of the applicable taxes at mid-year. BKW does not expect any impact from the effects of the Global Minimum Tax regulation (Pillar 2).

The assets in STENFO achieved a positive performance of 6.1% in the reporting period and are above the target return of 2.1% and the return of the previous period of 3.9%.

Lower cash flow from operating activities

CHF millions	1 st half-year 2024	1 st half-year 2023	% change
Cash flow from operating activities before utilisation of nuclear provisions	219.7	546.5	-60%
– Payments for decommissioning and disposal	-48.8	-55.4	
Cash flow from operating activities	170.9	491.1	-65%
Cash flow from investing activities before reimbursement from STENFO	-183.6	-181.6	
+ Reimbursements from STENFO	34.8	16.7	
Cash flow from investing activities	-148.7	-164.9	
Cash flow from financing activities	-218.3	-232.5	
Cash and cash equivalents 30.06	586.8	889.9	

To improve comparability and assist with interpretation, BKW uses the cash flow indicators before utilization of nuclear provisions and payments for decommissioning and disposal of the Mühleberg Nuclear Power Plant. Operating cash flow before utilization of nuclear provisions decreased to CHF 220 million compared to the previous period (previous year: CHF 546 million). At CHF 171 million, the reported cash flow from operating activities is also lower than in the previous period. The main reason for this reduction is an increase in net working capital of CHF 179 million compared to a reduction of CHF 98 million in the previous period.

Inventories increased by CHF 50 million, in particular due to higher gas inventories in trading. Unbilled work (work in progress), particularly at Infra Services due to numerous major orders in the German high-voltage market, led to a further increase of around CHF 130 million.

BKW invested CHF 222 million in non-current assets and acquisitions in the first half of 2024 (previous year: CHF 233 million). Around 63% of this went into growth investments. The majority of the acquisition payments related to outstanding purchase price payments from previous years. Most of the CHF 84 million investment in replacement and maintenance was dedicated to modernization of the distribution grid, with a total investment of CHF 44 million.

Operational flexibility ensured by high equity and adequate long-term debt capital

CHF millions	30.06.2024	31.12.2023	% change
Current assets	2,685.5	2,780.1	-3%
Non-current assets	8,415.3	8,231.4	2%
Current liabilities	1,892.1	2,162.8	-13%
Non-current liabilities	3,885.8	3,801.8	2%
Shareholders' equity	5,323.0	5,047.0	5%
Balance sheet total	11,100.8	11,011.6	1%

The balance sheet has remained largely unchanged compared to the same period of the previous year. Equity increased by CHF 0.3 billion in the first six months of 2024 and amounted to a solid CHF 5.3 billion as of the balance sheet date. In addition to the strong operating result and the positive performance of STENFO, the recognition of hedging gains (hedge accounting) as well as actuarial gains from the calculation of pension obligations (IAS 19) also strengthened equity. Notwithstanding the dividend payment, the equity ratio increased further to 48% (end of 2023: 46%).

BKW's financing situation is at a very good level. As a result of the decrease in cash and cash equivalents and current financial assets, due to the increase in net working capital, in conjunction

with the dividend payment and stable financial liabilities, net debt temporarily increased by CHF 177 million to CHF 1,129 million as of the balance sheet date. However, with cash and cash equivalents of CHF 587 million, BKW has sufficient short-term liquidity and remains operationally flexible. In addition, BKW still has unused committed credit lines totaling CHF 1 billion. It would also be possible to increase the credit line by a further CHF 0.5 billion, if required. The financial framework necessary for implementing and safeguarding financial and operational flexibility is sufficient and ensured at all times. Net financial debt is also at a low level relative to EBITDA, which further increases operational flexibility.

Energy: Stable core business

The Energy business is consistently geared to the opportunities and challenges of the changing energy market. It comprises the production, sale, and trading of electricity, certificates, and energy-related raw materials. The business also includes production-related wind and solar power services.

Stable EBIT despite reduction in total operating income

CHF millions	1 st half-year 2024	1 st half-year 2023	% change
Electricity sales Switzerland	492.5	475.4	4%
Other electricity sales	436.6	637.0	-31%
Income from proprietary energy trading	62.5	52.3	20%
Other energy business	60.9	70.4	-13%
Other operating income and own work capitalised	6.2	9.4	-34%
Total operating income	1,058.7	1,244.5	-15%
Energy procurement	-520.5	-735.0	-29%
Operating costs	-133.9	-129.3	4%
EBITDA	404.3	380.2	6%
Depreciation, amortisation and impairment	-70.3	-43.1	63%
Income from associates	6.4	7.1	-10%
EBIT	340.4	344.2	-1%
Employees 30.06.	941	940	0%
Investments	73	135	-46%

Total operating income in the Energy business decreased by 15% to CHF 1,059 million. This development is mainly due to the lower price levels on the energy markets. Higher volumes in the hydro sector and prices hedged at a higher level largely offset lower volumes at thermal power plants at the level of total operating income.

In the first half of 2024, BKW produced a total of 4.7 TWh of energy, 0.3 TWh above the level of the previous year (4.4 TWh). The increases were largely due to hydro, wind and photovoltaic (PV) sources. Wet weather conditions led to an increase in production at the hydropower plants from 1.7 TWh to 2.2 TWh. The amount of electricity produced from wind power and PV systems increased further by 0.1 TWh to 1.0 TWh, due to the commissioning of new wind farms in Sweden and improved wind conditions. This means that 68% of BKW's total production (previous year period: 57%) comes from renewable energies. The production volume of the nuclear power plants increased by 0.1 TWh to 1.1 TWh due to increased availability. The electricity production of the thermal power plants decreased by 0.2 TWh.

Sales in the basic supply segment remained stable at 1.1 TWh. In the electricity sales business with independent customers, volumes rose to 2.3 TWh (previous year: 2.1 TWh). This was due to the stabilization of prices which meant that more contracts could be concluded or extended. The remaining volumes were traded on the whole-sale market.

The cost of energy procurement fell by 29% to CHF 520 million, in particular due to the decrease in prices on the energy markets. Further effects stem from the end of the windfall clawbacks and improved performance of the KKL fund.

In the reporting period, the Energy business benefited from the normalization of the markets due to clever positioning. At CHF 340 million, EBIT remained at the level of the previous year's period despite a recognized impairment of CHF 24 million on a new construction in the Hydro Switzerland division. A lower but still very good management and trading result was offset by higher volumes in the hydro and nuclear sectors as well as prices hedged at a favorable level.

Grid: Higher earnings contributions and further investments in modernization

The Grid business area builds, operates, and maintains BKW's distribution grid. The grid not only transports electricity from power plants to consumers but also measures production and consumption, transforms voltage, monitors and analyzes load flows, integrates decentralized production facilities such as photovoltaic systems and wind turbines and ensures an overall secure, efficient and effective operation of its distribution grid.

Higher earnings contributions

CHF millions	1 st half-year 2024	1 st half-year 2023	% change
Total operating income	340.0	274.9	24%
Energy transport expense	-100.3	-65.2	54%
Operating costs	-118.1	-104.9	13%
EBITDA	121.6	104.8	16%
Depreciation, amortisation and impairment	-49.4	-44.8	10%
Income from associates	17.7	15.9	11%
EBIT	89.9	75.9	18%
Employees 30.06.	958	795	21%
Investments	73	51	43%

Total operating income increased by CHF 65 million or 24% to CHF 340 million. Passing on the increased Swissgrid tariff of CHF 37 million increases both the total operating income and the energy transport costs by the same amount and is therefore EBIT neutral. Higher depreciation and amortization as well as the passing on of additional costs also had a neutral effect on EBIT. BKW's tariff increases to a level that covers costs increased EBIT.

EBIT rose by CHF 14 million due to the BKW tariff increase and a better result from Swissgrid in which BKW holds a stake of 37%.

Continued high level of investment in ongoing renewal of the distribution grid

To ensure safe, efficient, and high-performance operation of its distribution grid, BKW invests over CHF 120 million annually. BKW invested CHF 73 million in the first half of 2024 (previous year: CHF 51 million), 60% of which for maintenance.

Services: Improved performance

The Services business comprises BKW Engineering (engineering planning and consulting), BKW Building Solutions (building technology), and BKW Infra Services (services for energy, water, and telecommunications networks and grids). The strong network of specialized companies and their respective competencies enable BKW to be a relevant provider of comprehensive services.

Strong sales growth in Infra Services

CHF millions	1 st half-year 2024	1 st half-year 2023	% change
Sales	948.4	884.4	7%
Operating costs	-885.0	-821.9	8%
EBITDA	63.4	62.5	1%
Depreciation, amortisation and impairment	-38.9	-40.2	-3%
EBIT	24.5	22.3	10%
Employees 30.06.	9,498	9,060	5%
Investments and acquisitions	33	21	57%

Revenue in the Services business increased by 7% to CHF 948 million. The increase was mainly attributable to organic growth. Infra Services in particular was able to significantly increase revenue.

Operating costs in the Service business also rose due to an increase in the amount of materials and external services. Reported EBIT increased by

CHF 2 million. Lower depreciation and amortization in the reporting year as a result of the impairments recognized in 2023 offset one-off profit effects in the prior-year period. Higher Group allocations of CHF 7 million were invoiced. The contribution to earnings from acquisitions was CHF 3 million and operating performance improved to CHF 7 million.

Half-Year Financial Statements

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Consolidated Income Statement

CHF millions	Note	1 st half-year 2024	1 st half-year 2023 ¹
Net sales	6	2,186.5	2,191.8
Own work capitalised		46.4	37.1
Other operating income		97.1	168.2
Total operating income		2,330.0	2,397.1
Energy procurement/transport	7	-620.5	-799.9
Material and third-party services		-404.2	-379.2
Personnel expenses		-569.4	-550.3
Other operating expenses		-154.0	-129.6
Total operating expenses		-1,748.0	-1,859.0
Operating profit before depreciation, amortisation and impairment (EBITDA)		581.9	538.1
Depreciation, amortisation and impairment	8	-167.7	-136.6
Income from associates		24.1	23.0
Operating profit (EBIT)		438.3	424.5
Financial income	9	82.9	53.5
Financial expenses	9	-49.8	-58.9
Profit before income taxes (EBT)		471.4	419.1
Income taxes		-108.9	-79.1
Net profit		362.5	340.0
attributable to:			
– BKW shareholders		349.5	326.6
– Non-controlling interests		13.0	13.4
Earnings per share in CHF (basic and diluted)		6.62	6.19

1 adjusted, refer to note 2.6

Consolidated Statement of Comprehensive Income

CHF millions	Note	1 st half-year 2024	1 st half-year 2023
Net profit		362.5	340.0
Actuarial gains/losses (Group companies)			
– Actuarial gains/losses (–)		73.0	53.9
– Income taxes		–14.8	–11.2
Actuarial gains/losses (associates)			
– Actuarial gains/losses (–)		–10.5	7.3
– Income taxes		1.3	–0.7
Total items that will not be reclassified to income statement, net of tax		49.1	49.3
Currency translations			
– Currency translations		42.1	–19.4
– Income taxes		2.0	–0.3
Hedging transactions			
– Value adjustments		–6.8	144.0
– Reclassification to the income statement		20.3	114.5
– Income taxes		–2.7	–53.5
Total items that may be reclassified to income statement, net of tax		54.9	185.3
Other comprehensive income		104.0	234.6
Comprehensive income		466.5	574.6
attributable to:			
– BKW shareholders		454.8	560.1
– Non-controlling interests		11.8	14.5

Consolidated Balance Sheet

CHF millions	Note	30.06.2024	31.12.2023
Assets			
Cash and cash equivalents		586.8	771.5
Trade accounts receivable and other receivables		881.5	1,041.1
Contract assets		364.1	234.7
Current tax receivables		29.6	35.9
Financial assets	11, 12	181.2	155.4
Derivatives	11	227.4	201.3
Inventories		261.8	210.5
Prepaid expenses and accrued income		153.1	129.7
Total current assets		2,685.5	2,780.1
Financial assets	11, 12	1,185.1	1,172.5
Derivatives	11	163.0	197.1
Credit from employee pension plans		139.7	71.6
Investments in associates		1,417.0	1,407.3
Property, plant and equipment	8	4,141.6	4,035.1
Intangible assets		1,304.9	1,291.4
Deferred tax assets		63.9	56.4
Total non-current assets		8,415.3	8,231.4
Total assets		11,100.8	11,011.6
Shareholders' equity and liabilities			
Trade accounts payable and other liabilities		541.2	626.3
Contract liabilities		242.9	255.7
Current tax liabilities		182.9	197.1
Financial liabilities	11, 12	301.4	317.1
Derivatives	11	184.6	295.9
Provisions		132.5	154.9
Deferred income and accrued expenses		306.6	315.9
Total current liabilities		1,892.1	2,162.8
Financial liabilities	11, 12	1,595.8	1,561.3
Derivatives	11	46.1	6.4
Pension liability		63.4	65.1
Other liabilities		376.5	372.2
Provisions		1,253.4	1,278.5
Deferred tax liabilities		550.6	518.2
Total non-current liabilities		3,885.8	3,801.8
Total liabilities		5,777.9	5,964.6
Share capital		132.0	132.0
Capital reserves		41.3	41.3
Retained earnings		4,845.1	4,675.2
Other reserves		-125.1	-230.4
Treasury shares		-5.5	-2.8
Equity attributable to BKW shareholders		4,887.7	4,615.2
Equity attributable to non-controlling interests		435.3	431.8
Total shareholders' equity		5,323.0	5,047.0
Total shareholders' equity and liabilities		11,100.8	11,011.6

Changes in Consolidated Equity

CHF millions	Share capital	Capital reserves	Retained earnings	Other reserves	Treasury shares	Attributable to BKW shareholders	Attributable to non-controlling interests	Total
Equity at 31.12.2023	132.0	41.3	4,675.2	-230.4	-2.8	4,615.2	431.8	5,047.0
Net profit			349.5			349.5	13.0	362.5
Other comprehensive income				105.3		105.3	-1.3	104.0
Comprehensive income			349.5	105.3		454.8	11.8	466.5
Dividend			-179.5			-179.5	-8.8	-188.3
Distribution on hybrid capital ¹						0.0	-0.9	-0.9
Transactions in treasury shares			-2.9		-2.7	-5.7		-5.7
Share-based payments			2.9			2.9		2.9
Contribution to equity from non-controlling interests						0.0	1.4	1.4
Equity at 30.06.2024	132.0	41.3	4,845.1	-125.1	-5.5	4,887.7	435.3	5,323.0
Equity at 31.12.2022	132.0	41.3	4,401.9	-506.2	-2.1	4,066.9	312.7	4,379.6
Net profit			326.6			326.6	13.4	340.0
Other comprehensive income				233.5		233.5	1.1	234.6
Comprehensive income			326.6	233.5		560.1	14.5	574.6
Dividend			-213.8			-213.8	-12.8	-226.6
Distribution on hybrid capital ¹						0.0	-0.9	-0.9
Transactions in treasury shares			-11.2		-1.3	-12.5		-12.5
Share-based payments			11.1			11.1		11.1
Sale of non-controlling interests			41.3	28.4		69.7	125.6	195.3
Contribution to equity from non-controlling interests						0.0	0.3	0.3
Equity at 30.06.2023	132.0	41.3	4,555.9	-244.3	-3.4	4,481.5	439.4	4,920.9

1 refer to note 28.3 of the notes to the financial statements 2023.

Consolidated Cash Flow Statement

CHF millions	Note	1 st half-year 2024	1 st half-year 2023
Profit before income taxes		471.4	419.1
Adjustment for non-cash transactions	13	45.2	116.3
Change in net working capital (excl. financial assets/liabilities and derivatives)		-178.8	98.2
Income taxes paid		-111.6	-81.2
Other financial income/expenses (-)		-6.6	-5.9
Cash flow from operating activities before utilisation of nuclear provisions	13	219.7	546.5
Utilisation of nuclear provisions with a claim to refunds of STENFO		-21.3	-23.2
Utilisation of nuclear provisions with no claim to refunds of STENFO		-27.4	-32.2
Cash flow from operating activities		170.9	491.1
Investments in property, plant and equipment		-188.1	-119.9
Disposal of property, plant and equipment		7.8	8.4
Acquisition of Group companies	3	-25.1	-104.6
Disposals of Group companies		0.0	2.8
Investments in associates		0.0	-5.6
Disposals of associates		0.0	9.4
Refunds of STENFO		34.8	16.7
Investments in other current and non-current financial assets		-22.2	-1.8
Disposals of other current and non-current financial assets		26.7	5.0
Investments in intangible assets		-9.2	-8.7
Disposals of intangible assets		0.2	0.0
Interest received		6.1	6.8
Dividends received		20.2	26.6
Cash flow from investing activities		-148.7	-164.9
Purchase/sale of treasury shares		-5.7	-12.7
Sale of non-controlling interests		0.0	195.3
Contribution to capital from non-controlling interests		1.4	0.3
Distribution on hybrid capital		-0.9	0.0
Increase in current and non-current financial liabilities		19.1	11.0
Decrease in current and non-current financial liabilities		-55.2	-198.9
Increase in other long-term liabilities		22.3	6.9
Interest paid		-11.0	-7.8
Dividends paid		-188.3	-226.6
Cash flow from financing activities		-218.3	-232.5
Translation adjustments on cash and cash equivalents		11.3	-1.6
Net change in cash and cash equivalents		-184.7	92.1
Cash and cash equivalents at start of reporting period		771.5	797.8
Cash and cash equivalents at end of reporting period	13	586.8	889.9

Notes to the Half-Year Financial Statements

1 Business Activities

BKW AG, Bern (CH), along with its Group companies (hereinafter "BKW" or the "BKW Group"), is an international energy and infrastructure company. Its company network and extensive expertise allow it to offer its customers a full range of integrated solutions. The Group plans, builds and operates infrastructure to produce and supply energy to businesses, households and the public

sector, and offers digital business models for renewable energies. The service portfolio of the BKW Group ranges from energy, infrastructure and environmental projects to integrated offerings in building technology, and extends to the construction, service, and maintenance of energy, telecommunications, transport and water networks.

2 Accounting Principles

2.1 Basis for preparation

The unaudited consolidated half-year financial statements as of June 30, 2024, have been prepared in accordance with the International Accounting Standard on Interim Financial Reporting (IAS 34) and should be read in conjunction with the consolidated financial statements as of December 31, 2023. The accounting for these half-year financial statements is based on the principles described in the 2023 Financial Report. The consolidated half-year financial statements for the period ended June 30, 2024, were approved by the BKW AG Board of Directors on August 20, 2024, and released for publication.

The preparation of this half-year report entailed assumptions and estimates. Actual results may differ from these estimates.

Due to rounding and the presentation in CHF million, it is possible that individual figures in the consolidated financial statements do not add up exactly to the totals shown. All key performance indicators and deviations are calculated based on the underlying amount and the disclosed rounded amount.

2.2 Application of new or amended standards and interpretations

BKW applies new or amended standards and interpretations from the date on which they come into force.

Various amended standards came into force on January 1, 2024, which have no material impact on BKW's financial position, results of operations and cash flows.

2.3 Long-term incentive plan (LTI)

The members of BKW's Group Executive Board participate in a new LTI plan introduced in 2024 for the allocation of performance share units (PSUs). This plan replaces the previous issuance of BKW shares as a profit-sharing bonus for the Group Executive Board (see 2023 Annual Report, Note 34). The number of these PSUs depends on the extent to which defined long-term performance targets such as the return on capital employed (ROCE), the cash conversion rate (CCR), and the relative total shareholder return (TSR) are achieved. All three criteria are weighted at one third each and measured over the three-year

vesting period. The TSR is measured as a percentile ranking against the SPI Middle Index. An LTI plan always runs for a vesting period of three years, beginning on March 1 and ending on February 28, thus for the first tranche from March 1, 2024, to February 29, 2027. A new LTI plan with a three-year term is launched at the beginning of each fiscal year. At the beginning of the vesting period, a specific number of PSUs are allocated individually, which are calculated by dividing the LTI target amount by the share reference price (average price of BKW shares in the January prior to the allocation of PSUs). The number of PSUs

allocated is therefore fixed, but the number of shares to be transferred is variable depending on the LTI payout factor and the target achievement of the three criteria. At the end of the vesting period, the PSUs are issued to the beneficiaries in the form of shares in BKW AG.

For the 2024 LTI Plan, 9,504 PSUs were allocated to the beneficiaries at the beginning of the

reporting period at a fair value of CHF 117.65/unit, whereby the TSR element was determined based on a Monte Carlo simulation. The reported expense for the first half of 2024 amounts to CHF 0.1 million for the period from March 1 to June 30, 2024.

The other share-based payments were not adjusted and will continue unchanged.

2.4 Foreign currency rates

The reporting currency is the Swiss franc (CHF). The currency exchange rates in relation to the Swiss franc that were applied to the consolidated financial statements are as follows:

		Average 1 st half-year 2024	Average 1 st half-year 2023	Closing date 30.06.2024	Closing date 31.12.2023
Eurozone	1 EUR	0.9612	0.9858	0.9634	0.9260
Norway	100 NOK	8.3652	8.7283	8.4535	8.2381
Great Britain	1 GBP	1.1247	1.1248	1.1383	1.0655
United States of America	1 USD	0.8890	0.9123	0.8999	0.8380
Sweden	100 SEK	8.4411	8.7038	8.4810	8.3454

2.5 Adjustment to presentation

BKW adjusted the presentation of the half-year financial statements in the reporting period. The figures for the reporting year are now shown first, followed by the figures for the previous year's period.

This corresponds to the presentation by the vast majority of corporate groups and thus increases the comparability of the financial statements.

2.6 Adjustment in the half-year financial statements

Breakdown of total operating income

The classification of total operating income was adjusted in the reporting year. There are various concepts for disclosing net revenue in the energy sector. BKW has analyzed the various concepts and is adjusting the disclosure of net revenue in the 2024 reporting year. BKW believes that transactions involving financial instruments (proprietary energy trading and hedging instruments) should be presented as other operating income. Only effective revenue from operating activities

in accordance with IFRS 15 is now shown as revenue. Accordingly, CHF 137.2 million was reclassified from net revenue to other operating income for the prior-year period. BKW considers this accounting principle to be better than the previous presentation as it corresponds to the majority practice in German-speaking countries and will apply this presentation going forward. The adjustment has no impact on the balance sheet or cash flow statement in the 2024 half-year financial statements.

The figures from the comparative period have been adjusted accordingly:

CHF millions	1 st half-year 2023	Adjustments	1 st half-year 2023 adjusted
Net sales	2,329.0	-137.2	2,191.8
Own work capitalised	37.1	0.0	37.1
Other operating income	31.0	137.2	168.2
Total operating income	2,397.1	0.0	2,397.1

Fair value hierarchy disclosure (Note 11)

The disclosure of the carrying amounts of derivatives for hedging transactions in Note 11 incorrectly included futures in previous years. The other derivatives were calculated as the difference between the total derivatives item; the values of the derivatives as of December 31, 2023, have been corrected accordingly.

- Derivatives recognized as assets (assets measured at fair value through profit or loss) now amount to CHF 367.5 million (previous year: CHF 295.7 million), derivatives recognized as assets (assets measured at fair value through

other comprehensive income) now amount to CHF 30.9 million (previous year: CHF 102.7 million)

- Derivatives recognized as liabilities (liabilities measured at fair value through profit or loss) now amount to CHF 268.5 million (previous year: CHF 100.8 million), derivatives recognized as liabilities (liabilities measured at fair value through other comprehensive income) now amount to CHF 33.8 million (previous year: CHF 201.5 million)

The adjustment has no impact on other disclosures in the 2024 half-year financial statements.

3 Business Combinations

Business combinations – first half of 2024

CHF millions	studio grün- grau GmbH	Miscellaneous	Total
Cash and cash equivalents	0.7	0.1	0.9
Trade accounts receivable and other receivables	0.6	0.0	0.7
Other current assets	0.6	0.4	1.0
Property, plant and equipment	0.4	0.3	0.7
Intangible assets	0.0	0.4	0.4
Current liabilities	-0.6	-0.3	-0.9
Financial liabilities	-0.4	-0.3	-0.7
Deferred tax liabilities	-0.0	-0.1	-0.1
Fair value of acquired net assets	1.3	0.6	1.9
Goodwill	1.8	1.0	2.8
Purchase price	3.1	1.6	4.7
Cash and cash equivalents acquired	-0.7	-0.1	-0.9
Contingent consideration	-1.0	-0.5	-1.4
Deferred consideration	-0.2	-0.2	-0.4
Cash outflow	1.2	0.9	2.1

BKW made the following acquisitions in the first half of 2024. The values for the transactions listed are provisional since the purchase price allocations have not yet been finalized.

studio grüngrau GmbH

In June, BKW acquired 100% of the shares in studio grüngrau GmbH, based in Düsseldorf, Germany, in the Engineering unit of the Services business segment. The company has urban planning expertise in the field of landscape architecture and offers property planning, open space planning, landscape planning and urban development and structural planning services throughout Germany.

Contingent purchase price liabilities of CHF 1.0 million and goodwill of CHF 1.8 million were recognized as of the acquisition date. The goodwill recognized is mainly attributable to the expected future synergies and the acquisition of a qualified workforce. Transaction costs of CHF 0.1 million were incurred.

Had the acquisition already been made as of January 1, 2024, total operating income for the first half of 2024 would have been CHF 1.5 million higher and net profit CHF 0.2 million higher. The values are unchanged between the consolidation date and June 30, 2024.

Miscellaneous

In the Engineering unit of the Services business segment, BKW also acquired 100% of the shares in ProBAS AG, headquartered in Weier im Emmental, Switzerland.

The transaction resulted in total goodwill of CHF 1.0 million. The goodwill recognized is mainly attributable to the expected future synergies and the acquisition of a qualified workforce. There were no transaction costs.

Had the acquisition already been made as of January 1, 2024, total operating income for the first half of 2024 would have been CHF 0.5 million higher and net profit CHF 0.2 million higher.

The acquired company generated a total operating income of CHF 0.3 million and a net profit of CHF 0.1 million between the consolidation date and June 30, 2024.

Conditional purchase price payments of CHF 8.0 million and unconditional purchase price payments of CHF 15.1 million were made for acquisitions in previous years.

Business combinations – first half of 2023

CHF millions	Wind park Sweden	Miscellaneous ¹	Total
Cash and cash equivalents	1.1	0.4	1.5
Trade accounts receivable and other receivables	0.0	0.2	0.2
Other current assets	0.1	-0.1	0.0
Financial assets	0.0	0.3	0.3
Property, plant and equipment	116.9	0.1	117.0
Deferred tax assets	0.1	0.0	0.1
Current liabilities	-0.1	-0.8	-0.9
Financial liabilities	-13.7	0.0	-13.7
Provisions	-0.7	0.0	-0.7
Deferred tax liabilities	-4.8	0.0	-4.8
Fair value of acquired net assets	98.9	0.1	99.0
Goodwill	0.0	1.1	1.1
Purchase price	98.9	1.2	100.1
Cash and cash equivalents acquired	-1.1	-0.4	-1.5
Cash outflow	97.8	0.8	98.6

1 Final values, refer to annual report 2023

The values for all the transactions presented in the previous year are provisional since the purchase price allocations had not yet been finalized.

The purchase price allocations are now final. BKW made the following acquisitions in the first half of 2023.

Wind farms in Sweden

In the Energy business segment, BKW acquired 100% of three wind farms with 19 wind turbines in Tjörnäs, Skallberget/Utterberget, and Rosenskog, Sweden, in June. The wind turbines are still under construction and have a planned total capacity of 125 MW.

No contingent purchase price liabilities and no goodwill were recognized as of the acquisition date. Transaction costs of CHF 0.3 million were incurred.

Had the acquisition already been made as of January 1, 2023, total operating income for the first half of 2023 would have been unchanged and net profit CHF 0.2 million higher. The values are unchanged between the consolidation date and June 30, 2023.

Miscellaneous

In the Infrastructure Engineering unit of the Services business segment, BKW acquired the remaining 50% of the shares in Lindschulte Ingenieurgesellschaft GmbH, headquartered in Meppen, Germany.

The transaction resulted in total goodwill of CHF 1.0 million. The goodwill recognized is mainly attributable to the expected future synergies and the acquisition of a qualified workforce. There were no transaction costs.

The acquired company generated total operating income of CHF 0.9 million and a net profit of CHF 0.04 million between the consolidation date and June 30, 2023.

Conditional purchase price payments of CHF 1.3 million and unconditional purchase price payments of CHF 4.7 million were made for acquisitions in previous years.

4 Seasonality and Business Fluctuations During the Year

Experience has shown that only the revenue performance in the Services business is subject to seasonal fluctuations.

Business activity is usually higher in the second half of the year than in the first six months.

5 Segment Reporting

Segments and segment results are defined on the basis of the management approach. In line with the strategy, BKW's reporting guidelines are structured around the Energy, Grid and Services businesses.

BKW operates the following three reportable business segments:

- The Energy segment builds, operates and maintains BKW's portfolio of power plants in Switzerland and abroad. It also includes the sale of energy and trading in electricity, certificates and raw materials.
- The Grid segment builds, operates and maintains BKW's distribution grid.
- The Services business segment mainly comprises BKW Engineering (engineering planning and consulting), BKW Building Solutions (building technology) and BKW Infra Services (services for energy, water and communication networks).

The "Miscellaneous" segment covers activities which are centrally managed within the Group. These are primarily central services, real estate, vehicle management and procurement. Some of the costs that arise in conjunction with the build-up of business segments (acquisition/integration costs, technology development costs, etc.) are borne centrally.

Segment figures are determined in accordance with the same accounting policies that are applied for the Group-level presentation of consolidated figures. The prices for intercompany transactions (transfer prices) are based on the market price on the transaction date.

Information by business segment

1st half-year 2024 CHF millions	Energy	Grid	Services	Other	Consoli- dation	Total
External revenue	1,048.6	330.4	923.4	13.6	14.0	2,330.0
– Net sales	964.5	300.6	913.4	8.0	0.0	2,186.5
– Own work capitalised	4.5	27.3	0.5	0.1	14.0	46.4
– Other operating income	79.6	2.5	9.5	5.5	0.0	97.1
Internal revenue	10.2	9.6	25.0	87.2	–132.0	0.0
– Net sales	8.2	0.7	24.2	3.9	–37.0	0.0
– Other operating income	2.0	8.9	0.8	83.3	–95.0	0.0
Total operating income	1,058.8	340.0	948.4	100.8	–118.0	2,330.0
Total operating expenses	–654.4	–218.4	–885.0	–106.7	116.5	–1,748.0
Operating profit before depreciation, amortisation and impairment	404.4	121.6	63.4	–5.9	–1.5	582.0
Depreciation, amortisation and impairment	–70.3	–49.4	–38.9	–11.1	2.0	–167.7
Income from associates	6.4	17.7	0.0	0.0		24.1
Operating profit/loss	340.5	89.9	24.5	–17.0	0.5	438.4
Financial result						33.1
Profit/loss before income taxes						471.5

In the energy segment, impairments of CHF 24.0 million were recognized on a new construction project in the Hydro Switzerland division. The remaining amounts are made up of current depreciation on fixed assets.

1st half-year 2023 CHF millions	Energy ¹	Grid	Services	Other	Consoli- dation	Total
External revenue	1,233.6	272.3	863.7	17.0	10.5	2,397.1
– Net sales	1,088.8	247.2	849.7	6.0	0.1	2,191.8
– Own work capitalised	2.7	22.8	0.1	1.1	10.4	37.1
– Other operating income	142.1	2.3	13.9	9.9	0.0	168.2
Internal revenue	10.9	2.6	20.7	86.3	–120.5	0.0
– Net sales	9.1	0.6	20.6	7.7	–38.0	0.0
– Other operating income	1.8	2.0	0.1	78.6	–82.5	0.0
Total operating income	1,244.5	274.9	884.4	103.3	–110.0	2,397.1
Total operating expenses	–864.3	–170.1	–821.9	–111.8	109.1	–1,859.0
Operating profit before depreciation, amortisation and impairment	380.2	104.8	62.5	–8.5	–0.9	538.1
Depreciation, amortisation and impairment	–43.1	–44.8	–40.2	–10.7	2.2	–136.6
Income from associates	7.1	15.9	0.0	0.0		23.0
Operating profit/loss	344.2	75.9	22.3	–19.2	1.3	424.5
Financial result						–5.4
Profit/loss before income taxes						419.1

1 adjusted, refer to note 2.6

6 Net Revenue

	Switzerland		Abroad	
	1 st half-year 2024	1 st half-year 2024	1 st half-year 2023 ¹	1 st half-year 2023 ¹
CHF millions				
Energy ¹	610.7	353.8	621.5	467.4
Grid	300.5	0.0	247.2	0.0
Services	608.3	305.1	620.9	228.8
Other	8.0	0.0	6.0	0.0
Total net sales	1,527.5	658.9	1,495.6	696.2

1 adjusted, refer to note 2.6

7 Energy Procurement/Transport

	1 st half-year 2024	1 st half-year 2023
CHF millions		
Cost of energy procurement from third parties and associates	519.8	746.7
Provision for onerous energy procurement contracts		
– Provisions used	–13.6	–11.6
– Provisions added (+) / released (–)	14.1	–0.4
Total energy procurement expenses	520.3	734.7
Energy transport expenses	100.2	65.2
Total	620.5	799.9

8 Depreciation, Amortization, and Impairments

In the case of a new construction project in the Hydro Switzerland division, it became apparent that despite complex geological forecasts prepared in advance during the project phase, the extensive impassability encountered did not meet expectations. The necessary project changes lead to unplanned additional costs. In June 2024, the Group Executive Board approved an additional loan for this purpose. As a result of the cost overruns that can now be determined, BKW has reviewed the recoverability of the project. The impairment test resulted in an impairment requirement of CHF 24.0 million, which is recognized accordingly in the 2024 half-year financial statements.

9 Financial Result

CHF millions	1 st half-year 2024	1 st half-year 2023
Interest income	6.0	6.8
Dividend income	0.1	0.1
Value adjustment on STENFO	75.0	44.8
Gains from the disposal of financial assets	0.5	0.0
Currency translations	1.0	0.0
Other financial income	0.4	1.8
Financial income	82.9	53.5
Interest expenses	-20.9	-17.5
Capitalised borrowing costs	0.2	0.0
Interest on provisions	-18.2	-18.5
Net losses on financial assets at fair value through profit or loss	-0.0	-2.9
Impairment of financial assets	0.0	0.2
Currency translations	0.0	-7.3
Other financial expenses	-10.8	-12.9
Financial expenses	-49.8	-58.9
Financial result	33.1	-5.4

10 Dividends

On April 22, 2024, the Annual General Meeting of BKW AG resolved to pay an ordinary dividend of CHF 3.40 for the 2023 fiscal year (previous year: ordinary dividend of CHF 2.80 and extraordinary 125-year dividend of CHF 1.25).

11 Assets and Liabilities Measured at Fair Value

Assets and liabilities measured at fair value are classified into different hierarchy levels based on the measurement method used. The allocation is based on the principles described on page 94 of the 2023 Financial Report, which remain unchanged. There were no transfers between the different levels during the reporting period or during the comparative period.

CHF millions	Carrying amount at 30.06.2024	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Financial assets (current and non-current)				
– Interest in STENFO	1,236.6		1,236.6	
– Debt instruments	50.1		50.1	
Derivatives (current and non-current)	353.9		349.1	4.7
Inventories				
– Certificates (proprietary trading)	15.6	15.6		
Financial assets at fair value through other comprehensive income				
Derivatives (current and non-current) – Hedge Accounting	36.6		36.6	
Non-current financial assets				
– Equity instruments	12.9			12.9
Financial liabilities at fair value through profit or loss				
Other financial liabilities (current and non-current)				
– Contingent purchase price liabilities in relation to business combinations	22.3			22.3
– Other financial liabilities	15.4			15.4
– Liabilities relating to non-controlling interests	0.9			0.9
Derivatives (current and non-current)	206.8		120.1	86.8
Financial liabilities at fair value through other comprehensive income				
Derivatives (current and non-current) – Hedge Accounting	23.8		23.8	

In addition, as of June 30, 2024, liabilities include bonds in the amount of CHF 91.1 million (December 31, 2023: CHF 94.9 million), which are measured at fair value as part of a fair value hedge (Level 2).

CHF millions	Carrying amount at 31.12.2023	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Financial assets (current and non-current)				
– Interest in STENFO	1,196.5		1,196.5	
– Debt instruments	49.8		49.8	
Derivatives (current and non-current) ¹	367.5		366.7	0.9
Inventories				
– Certificates (proprietary trading)	18.0	18.0		
Financial assets at fair value through other comprehensive income				
Derivatives (current and non-current) – Hedge Accounting ¹	30.9		30.9	
Non-current financial assets				
– Equity instruments	14.4			14.4
Financial liabilities at fair value through profit or loss				
Other financial liabilities (current and non-current)				
– Contingent purchase price liabilities in relation to business combinations	28.4			28.4
– Other financial liabilities	17.4			17.4
– Liabilities relating to non-controlling interests	0.8			0.8
Derivatives (current and non-current) ¹	268.5		182.1	86.4
Financial liabilities at fair value through other comprehensive income				
Derivatives (current and non-current) – Hedge Accounting ¹	33.8		33.8	

1 Adjusted, see note 2.6

Level 3 assets and liabilities measured at fair value, excluding contingent purchase price liabilities, developed as follows in the first half of the year:

	Assets		Liabilities	
CHF millions	2024	2023	2024	2023
At 01.01.	15.3	7.2	104.6	0.9
Additions	0.0	0.0	7.3	0.0
Disposals	–1.6	–0.1	0.0	0.0
Changes in value included in profit or loss	3.9	–0.0	–8.9	0.0
Changes in value included in other comprehensive income	0.0	–0.0	0.0	0.0
At 30.06.	17.6	7.1	103.0	0.9

The changes in value recognized in profit or loss include:

- in Assets: CHF 3.9 million (comparative period: no change) from derivatives

- in Liabilities: CHF –6.9 million (comparative period: no change) from derivatives and CHF –2.0 million (comparative period: no change) from other financial liabilities

Recognition of contingent purchase price liabilities

Financial liabilities include contingent purchase price liabilities recognized at fair value. The fair value is measured on the basis of the expected cash flows, taking into account the probability of occurrence and current market interest rates, and classified as Level 3 instruments.

CHF millions	Contingent purchase price considerations	
	2024	2023
At 01.01.	28.3	44.2
Additions	1.4	0.0
Disposals	–8.0	–1.3
Changes in value included in profit or loss	–0.0	–3.9
Changes in value included in other comprehensive income	0.5	0.0
At 30.06.	22.2	39.0

Sensitivities of contingent purchase price liabilities

A contingent purchase price liability of EUR 1.0 million was recognized in connection with the acquisition of studio grüngrau GmbH, which is based on the expected EBIT targets for 2024 to 2026. The possible future cash outflows are between zero and EUR 1.6 million. If the target EBIT is reached or exceeded in a year, the maximum amount of EUR 0.5 million is paid out for that year. Conversely, if the EBIT achieved is below the target EBIT in a given year, no payment is made for that year.

A contingent purchase price liability of EUR 0.5 million was recognized in connection with the acquisition of ProBAS AG, which is based on the expected EBIT targets for 2024 to 2026. The possible future cash outflows are between zero and CHF 0.7 million. If the target EBIT is reached or exceeded in a year, the maximum amount of CHF 0.2 million is paid out for that year. Conversely, if the EBIT achieved is below the target EBIT in a given year, no payment is made for that year.

Recognition of day-one gains and losses

BKW offers long-term power purchase agreements (PPA), particularly for renewable energy sources, to counter the increasing volatility in the energy markets. The classification as a Level 1, Level 2 or Level 3 instrument is based on the total term of the contract (one unit of account approach) and the underlying measurement parameters.

When assessing financial instruments using measurement parameters that are not fully based on traded prices in active markets, the measurement of the fair value at the time the contract is concluded may differ from the transaction price. This deviation is treated as a day-one gain or loss and is reversed on a straight-line basis until the markets on which the measurement parameters are based become liquid.

The following table shows the reconciliation of the change in deferred day-one gains and losses. These positions are entirely related to Level 3 energy derivatives.

CHF millions	Day-one gains		Day-one losses	
	2024	2023	2024	2023
At 01.01.	39.0	17.3	-0.4	0.0
Deferred gains or losses from new transactions	6.1	5.4	-0.0	0.0
Changes in gains and losses included in profit or loss	-7.5	-5.5	0.2	0.0
At 30.06.	37.6	17.2	-0.2	0.0

12 Financial Assets and Liabilities Recognized at Amortized Cost

The carrying amounts of the financial assets correspond approximately to the fair value.

Due to the short residual terms to maturity, the carrying amounts of the financial liabilities at amortized cost correspond approximately to the fair values. There is a difference between these values for the bonds included in the financial liabilities. The market price of the bonds (fair value hierarchy Level 1) was CHF 1,207.5 million on the reporting date, while the carrying amount was CHF 1,192.6 million. On December 31, 2023, the corresponding market price was CHF 1,194.9 million and the carrying amount was CHF 1,191.0 million.

Financing/credit lines

As of the balance sheet date, there was an unused committed credit line from banks in the amount of CHF 1 billion (previous year: two unused committed credit lines totaling CHF 2 billion). It would also be possible to increase the credit line by a further CHF 0.5 billion, if required.

13 Additional Disclosures on the Cash Flow Statement

CHF millions	30.06.2024	31.12.2023
Bank and cash balances	586.8	584.8
Term deposits	0.0	186.7
Total cash and cash equivalents	586.8	771.5

CHF millions	1 st half-year 2024	1 st half-year 2023
Depreciation, amortisation and impairment	167.7	136.6
Income from associates	-24.1	-23.0
Financial result	-33.1	5.4
Gains/losses from sale of non-current assets	-1.1	-7.0
Change in non-current provisions (excl. interest and excl. utilisation of nuclear provisions)	5.3	-2.0
Change in assigned rights of use	-7.3	-7.2
Change from the valuation of energy derivatives	-67.6	1.0
Other non-cash positions	5.5	12.5
Total adjustment for non-cash transactions	45.2	116.3

Sub-total "Cash flow from operating activities before utilization of nuclear waste disposal provisions"

To ensure better comparability and assist with interpretation of the effective operating cash flow, the "Cash flow from operating activities" item includes a sub-total of the cash flow before utilization of provisions for nuclear decommissioning and waste disposal.

The reason for this is that the decommissioning of the Mühleberg nuclear power plant will incur costs for nuclear decommissioning and disposal. These costs represent the utilization of existing provisions and are therefore charged to "Cash flow from operating activities" determined in accordance with IAS 7. However, the nuclear decommissioning is not related to BKW's actual operating performance and the reported "Cash flow from operating activities" is therefore not a suitable metric for assessing operating cash generation.

Most of the costs for nuclear decommissioning and waste disposal are borne by STENFO. BKW is thus entitled to a refund of the costs incurred, although the costs incurred and the refund do not coincide chronologically. Both payments into and refunds from STENFO are classified in the cash flow statement as part of "Cash flow from investing activities". This means there is therefore a discrepancy in the presentation of these directly related cash flows. To adequately interpret cash flow, the corresponding individual items presented separately in the cash flow statement should be considered together. Therefore, the utilization of provisions with and without a claim to refunds is now reported separately in "Cash flow from operating activities".

14 Events After the Balance Sheet Date

BKW made the following acquisition at the beginning of the third quarter.

An agreement to acquire an additional 31% of the shares in HelveticWind Italia S.r.l. and 30% of the shares in HelveticWind Deutschland GmbH was signed on July 5, 2024. By increasing its equity stake, BKW can expand its existing portfolio of renewable energy generation plants in its core markets. The HelveticWind cooperation was

founded in March 2010 by Energie Wasser Bern and BKW. The aim of the partnership was to realize a wind power portfolio with an installed capacity of over 100 MW in the first few years, which has now been exceeded. HelveticWind owns the Gross Welle, Lüdersdorf-Parstein, Sendenhorst and Wulkow wind farms in Germany and the Ventisei and Eolo wind farms in Italy. The company will be assigned to the Energy business segment.

The purchase price for the two companies amounts to around EUR 5.8 million, all of which will be paid in cash. BKW does not expect any goodwill from these transactions.

Information for Investors

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INVESTOR INFORMATION

Important Information on the BKW share, Bonds and the Financial Calendar

Development of the BKW share price

June 30, 2023 to June 30, 2024



At the beginning of the year, BKW's share price experienced a decline due to profit-taking. Since publication of the 2023 annual results, the BKW share has gained in value and stabilized above the CHF 140 mark towards the end of April. The closing price of the share was CHF 143.30 on June 30, 2024.

Over the last 12 months, the share recorded a negative performance of -7.03% .

The cumulative total shareholder return for the period from 2019 to June 30, 2024 amounts to 142.3% .

Listing

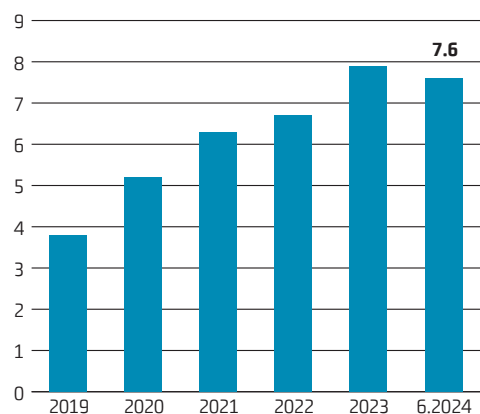
The shares of BKW AG are listed on the main segment of the SIX Swiss Exchange.

Ticker symbol on SIX	BKW
Securities number	13.029.366
ISIN Code	CH0130293662

The BKW share is included in the following indices, among others: SMI Expanded, SMIM, SPI, SPI ex SLI, SPI EXTRA, and Swiss All Share.

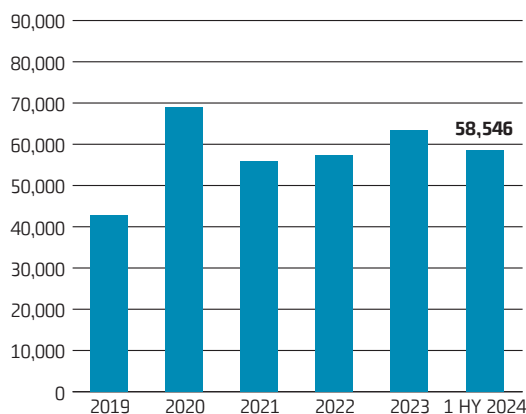
Market capitalization

in CHF billion (as of June 30)



Average daily trading volume on SIX

No. of shares



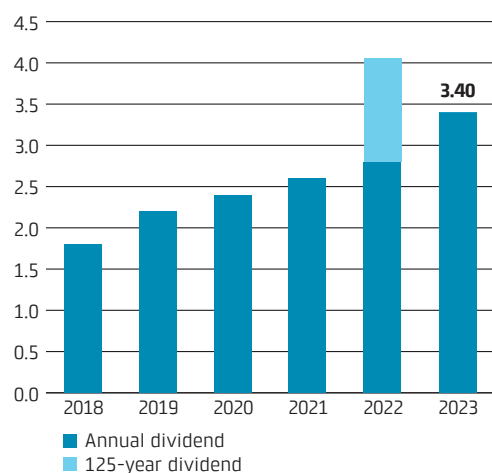
Dividend policy and dividend yield

BKW aims for a consistent dividend payout based on a ratio of 40% to 50% of adjusted net profit.

For fiscal year 2023, an ordinary dividend of CHF 3.40 per share before taxes was distributed. The dividend was paid out on May 26, 2024.

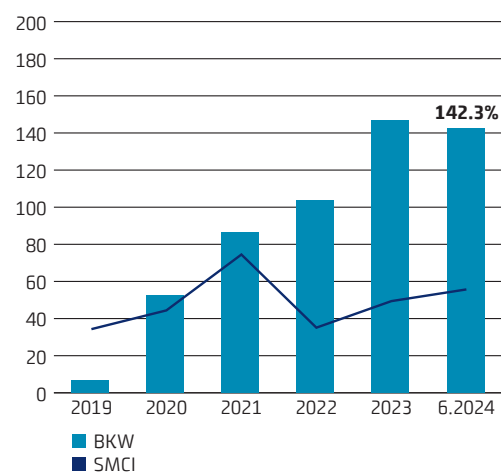
Dividend

in CHF



Total shareholder return

as of June 30 (since January 1, 2019)



Restrictions on share transferability

The company may refuse to register an acquirer of company shares in the register of voting shareholders for the following reasons:

a) If the acquisition results in a natural person, a legal entity, or a partnership (directly or indirectly) holding more than 5% of the total share capital. The same restriction applies to legal entities, partnerships, associations of persons, or joint ownerships that are linked to each other through capital or voting rights, shared management, or in any other way. The

restriction also applies to all natural or legal persons or partnerships that act jointly or in concert to acquire shares;

b) If the acquirer does not expressly declare that they have acquired the shares in their own name and for their own account.

Major shareholders

	30.06.2024	31.12.2023
Canton of Bern	52.54%	52.54%
Groupe E Ltd.	10.00%	10.00%
BlackRock Inc.	> 3%	> 3%

The free float amounts to 37.5%.

Key figures per share

CHF	1 st half-year 2024	1 st half-year 2023	31.12.2023
Par value	2.50	2.50	2.50
Share price			
– period end	143.30	158.00	149.50
– period high	154.00	167.70	167.40
– period low	122.30	126.00	127.60
Earnings per share ¹	6.62	6.19	9.06
Equity per share ¹	92.64	84.88	87.44
Market capitalisation in CHF millions	7,566	8,338	7,891

1 Attributable to shareholders of BKW AG

Bonds

As of June 30, 2024, BKW had the following bonds outstanding:

	Nominal amount	Term	Due	ISIN code
0.00% debenture bond	CHF 200 million	2022–2024	18.10.2024	CH116068141
0.75% debenture bond	CHF 200 million	2018–2025	25.10.2025	CH0435590358
0.875% debenture bond	CHF 200 million	2022–2026	27.04.2026	CH01179184390
0.25% Green Bond	CHF 200 million	2019–2027	29.07.2027	CH0487087295
1.125% Green Bond	CHF 100 million	2022–2029	27.04.2029	CH1179184408
2.5% debenture bond	CHF 300 million	2010–2030	15.10.2030	CH0117843745

Financial calendar

Capital Markets Day	November 8, 2024
Publication of 2024 annual results	March 11, 2025
General Meeting	April 29, 2025

Imprint

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