

# 1Q21 Results Presentation

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Lisbon, 13 May 2021

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# 1Q21 Highlights: -8% Recurring EBITDA (~0% ex-forex) compensated by stronger bottom line with Recurring Net Profit +6% YoY

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## 1Q21 Key Figures<sup>(1)</sup>

Recurring  
EBITDA

**€844m**  
(ex-forex ~0% YoY)

Recurring  
Net Profit

**€159m<sup>(2)</sup>**  
(+6% YoY)

Adj. Net Debt/  
EBITDA

**3.4x<sup>(3)</sup>**  
(FFO/Net Debt ~21%<sup>(4)</sup>)

Dividend

**0.19€/share**  
(paid on the 26<sup>th</sup> Apr-21)

## Highlights



**Strong Hydro Resources** (+28% vs. avg)



**Distributed Volumes increase** in Brasil (+4.4%)



**Successful EDPR ABB €1.5 Bn & Hybrid €750m**



**Rating upgrades** by credit agencies



**Weaker wind resources** (-3% vs. LT avg GCF)



**ERCOT Weather Event in Feb-21** (-€21m Net Profit)



**Brazilian Real depreciation** (-26% YoY)

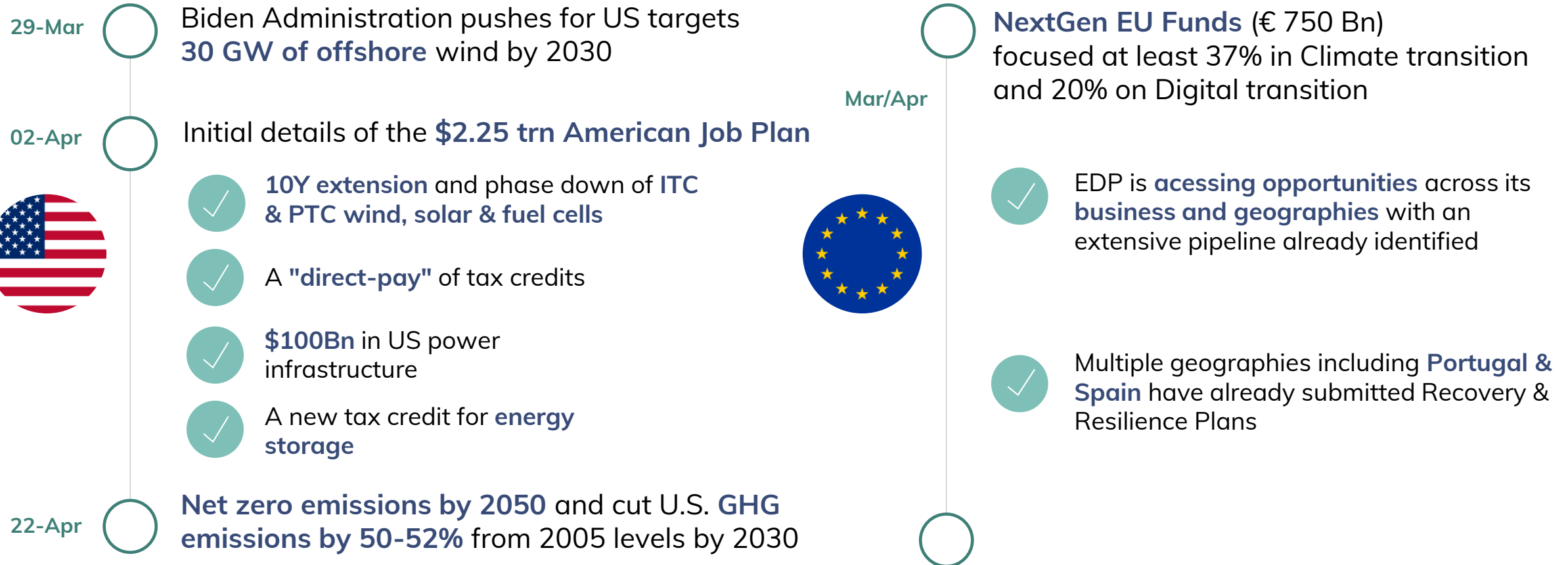
(1) Disclosure of 1Q20 recurring EBITDA & net profit, adjusted for the two disposals closed in December 2020, 6 hydro plants in Portugal and 2 CCGTs and B2C portfolio in Spain, for comparison going forward | (2) Recurring Net Profit includes extraordinary energy tax/CESE | (3) Net debt adjusted by Regulatory Receivables, including Lease liabilities (IFRS16) and 1.5 bn EDPR ABB / EBITDA Recurring | (4) FFO/ND formula consistent with rating agencies methodologies, considering EDP definition of EBITDA Recurring and adjusted by 1.5 bn EDPR ABB.

# Despite some headwinds in 1Q21, a well diversified portfolio together with risk management best practices allowed to offset main challenges *edp*



(1) Hydro coefficient - Portugal | (2) PPA / Hedged | (3) EDPR for 2021.

# Continued political support towards decarbonization with positive developments for the overall sector



# +6.4 GW capacity additions secured for 21-25 and Asset Rotation on track at attractive valuations

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Accelerated & sustainable growth

## Continued Accelerated and Sustainable Growth...

### Strong execution on capacity deployment

**+1.2 GW<sup>(1)</sup>** of Wind & Solar net capacity added over the last 12 months

**+3.2 GW<sup>(1)</sup>** Added in 1Q21 + Capacity Under Construction as of Mar-21

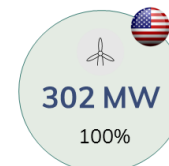
**LT contracts:**  
**6.4 GW secured for 21-25 (32% of the 20GW target)**

**+0.5 GW PPA** signed in Mar/Apr-21

 +0.4 GW  
 +0.1 GW

**+2.5 GW PPAs under negotiations & shortlisted**

## ~€1.1Bn deals signed with closing in 2021 & expected gains of ~€0.2Bn



NIPSCO  
Signed in Oct-19

**2021**  
**Indiana Crossroads Wind B&T**

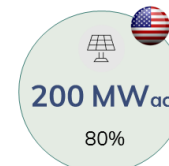


Greencoat Capital  
Signed in Apr-21

**2021**  
**Bright Stalk & Harvest Ridge**

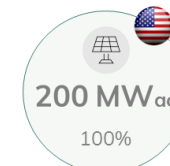


First deal announced in US post CMD at attractive valuation



CCL  
Signed in Sep-20

**2021**  
**Riverstart**



NIPSCO  
Signed in Mar-21

**2022**  
**Indiana Crossroads Solar B&T**



Additional deals in Europe in advanced stage

**On track to deliver >€300m in 2021**

**Key Targets by 2025**

**20GW Gross Additions**

**€8 Bn AR proceeds**

(1) EBITDA MW + Equity MW. (2) May be upsized to 80%.

# Successful execution of EDPR Capital Increase well received by the market, de-risking the 21-25 plan and reinforcing our Balance sheet

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Accelerated & sustainable growth

Positive market feedback and investor appetite...

✓ **€1.5Bn Capital Increase at EDPR**

at a price of **€17.00 /sh** with EDP reducing its stake to **74.98%** and increasing EDPR **free float by ~60%**

✓ **€750m Subordinated Green Notes**

1.875% NC 5.5 Green Hybrid

....Reinforcement of Balance Sheet acknowledged by rating agencies



**S&P Upgrades to BBB with stable outlook**



**Fitch Upgrades BBB with stable outlook**



**Moody's revises outlook to positive**



25-Jan

€750m Hybrid



25-Feb

Strategic Update 2021-2025



03-Mar

€1.5Bn ABB at EDPR



16-Mar

S&P Upgrade to BBB with stable outlook



16-Apr

Completion of Capital Increase



11-May

Moody's revises outlook to positive



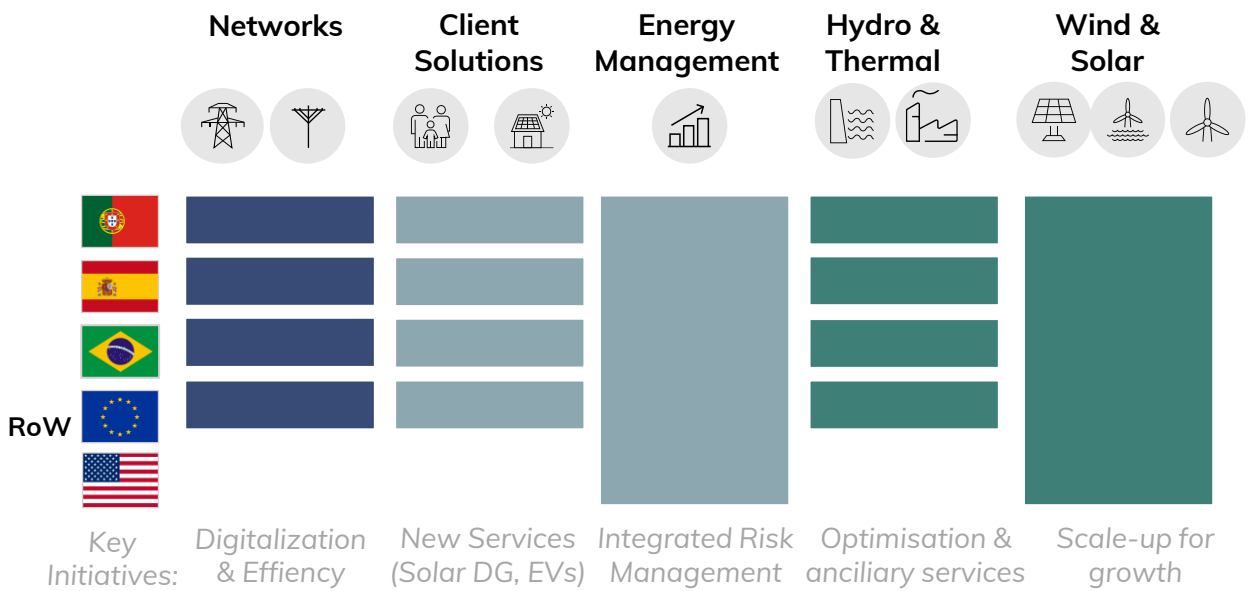
12-May

Fitch Upgrade to BBB with stable outlook

# Organizational alignment with global business platforms in place together with a clear roadmap to deliver the next growth cycle



Structure simplification and organizational alignment with global business platforms to drive further transformation



40 Global initiatives launched to fast-track execution

- Fostering agility and accountability
- Transformative step-up
- EBD Sponsorship



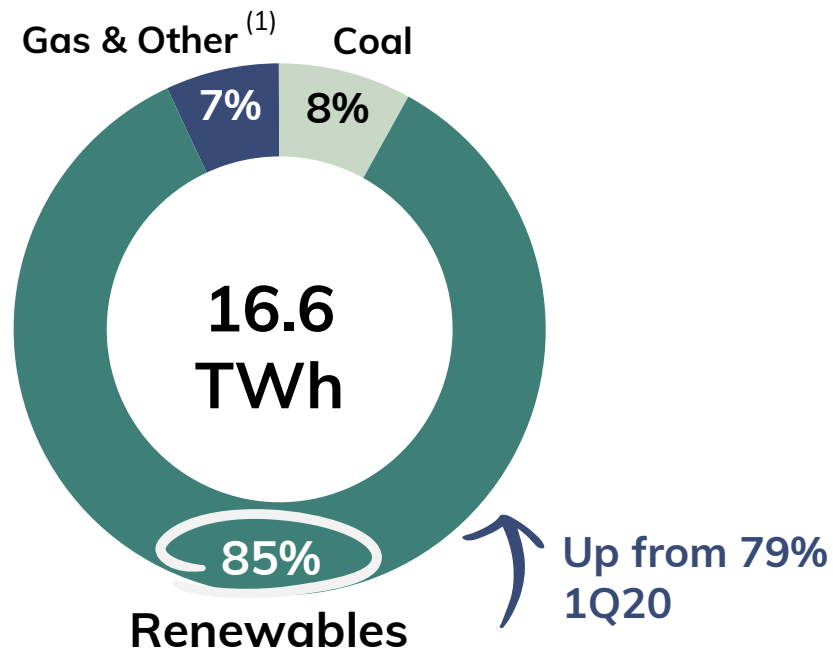
Driving organizational change to fast-track execution



# EDP continues its decarbonization path and increased presence in Renewables with 85% Renewable generation in 1Q21



## Electricity generation mix, %



- ✓ CO<sub>2</sub> Specific Emissions<sup>(2)</sup> -9% YoY | -69% vs. 2015  
Revenues from coal -37% YoY to 4% in 1Q21
- ✓ On track to shut down **Soto 3** & **Abono 1** (0.7 GW)
- ✓ Market Recognition as key Green player with the inclusion in **S&P Global Clean Energy Index**

Coal-free by 2025

100% RES Generation & Carbon neutral by 2030

(1) Includes residual contribution from other technologies (Nuclear, Cogeneration and Waste) | (2) gCO<sub>2</sub>/kWh (Scope 1+2).

# Important milestones achieved on EDP's commitment to implement the best Governance standards



## Newly appointed General Supervisory Board

**Dual Model of Corporate Governance**, ensuring separation of functions and specialization of supervision

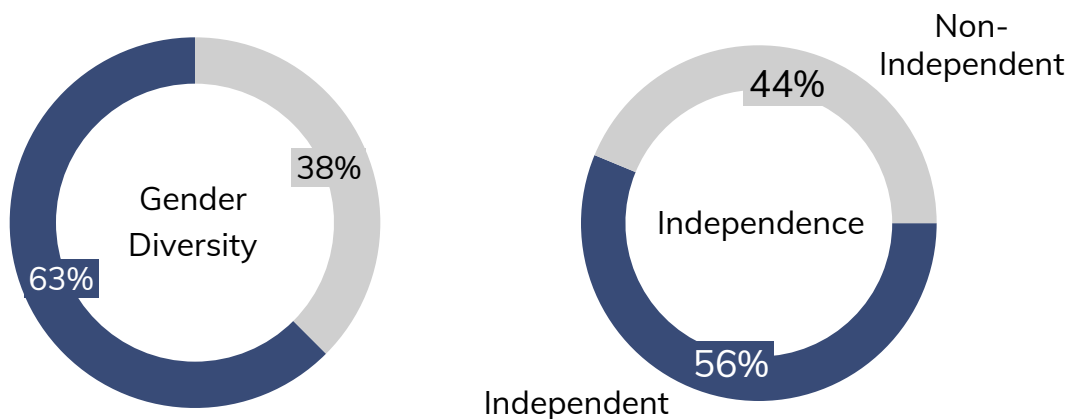


**GSB** n° of members decreased from **21** to **16**

Combined n° of members from **EDP & EDPR main corporate bodies** reduced from **45** to **33**



**Majority of independent members reinforced**



## New EBD's remuneration policy in line with best practices



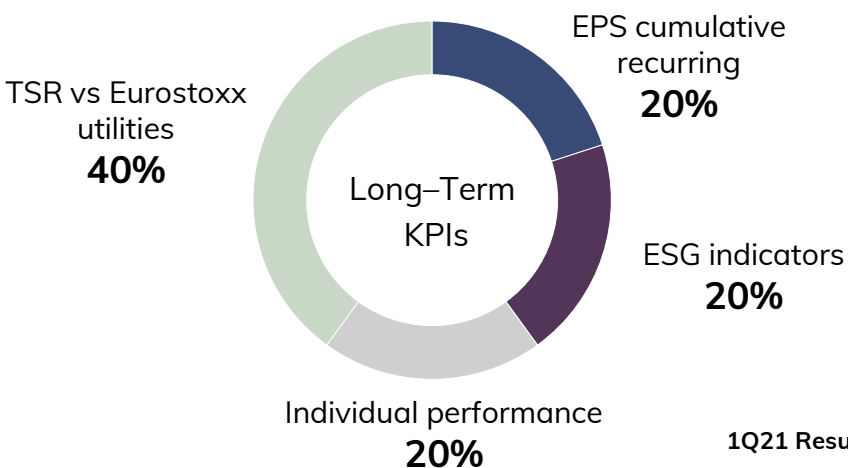
Long-term incentive settled in **shares with deferred payment**



**Three year period** for the assessment of long-term performance



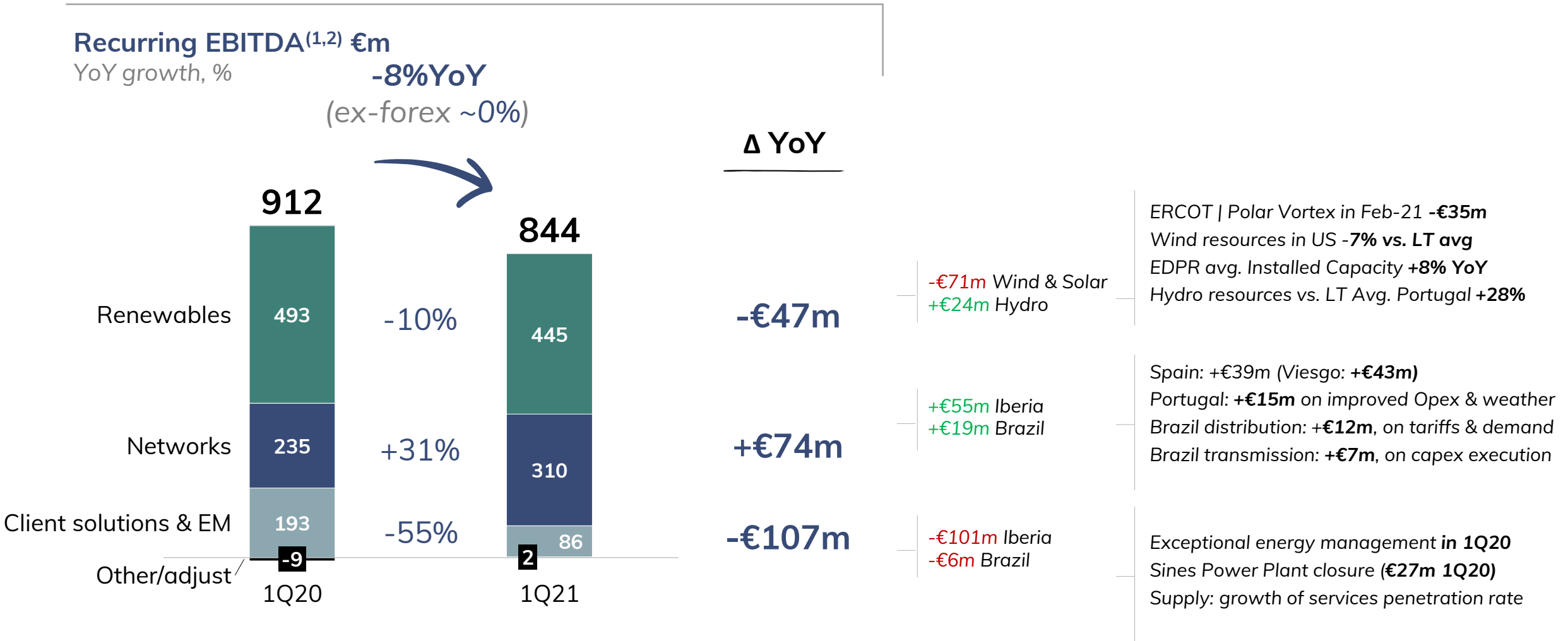
**ESG** linked compensation (% RES Share, CO<sub>2</sub> Emissions reduction, Gender Diversity, amongst others)







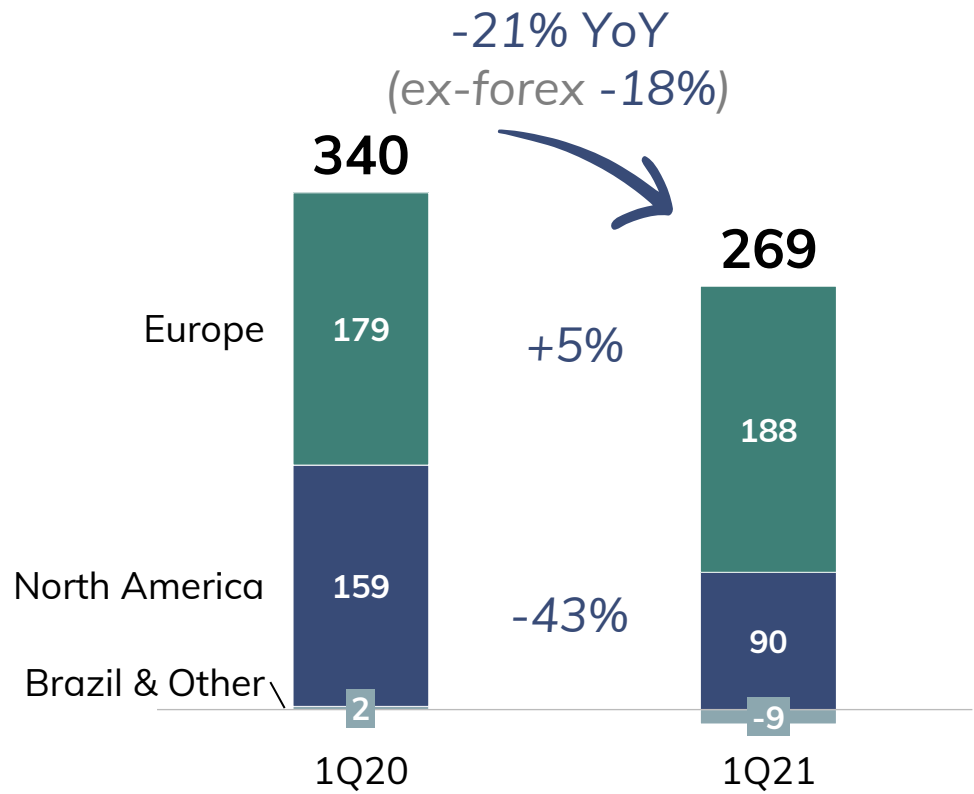
# Recurring EBITDA -8% YoY (flat ex-forex), US renewables penalized by Ercot event/low load factors, normalization of Energy Management Iberia *edp*



# W&S EBITDA -21% YoY, impacted by ERCOT event that penalized both *edp* avg. load factors and avg. selling price in US in 1Q21

## Wind & Solar EBITDA €m

YoY growth, %



	1Q20	1Q21	YoY	
Avg. Installed Capacity, GW	10.5	11.4	+8%	
Prod. deviation vs exp LT Gross Capacity Factor, %	-6%	-3%	3 p.p.	
Electricity Production, TWh	7.8	8.1	+5%	
o/w North America	4.7	4.6	-3%	
Avg. Selling Price NA, USD	44.9	43.1	-4%	

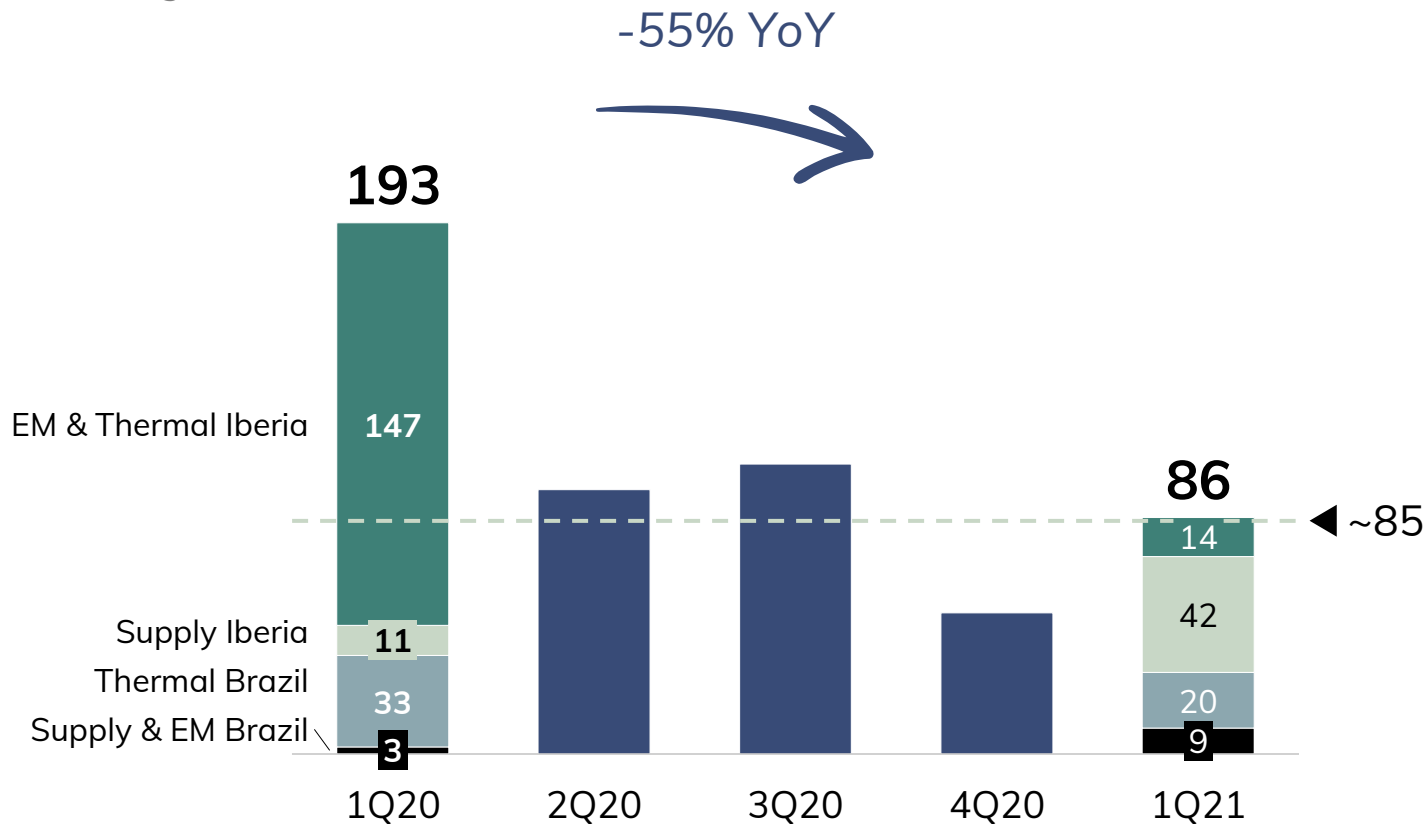




# CS&EM recurring EBITDA<sup>(1)</sup> -55% YoY justified by exceptional strong performance in Iberia energy management activities during 1Q20

## CS&EM Recurring EBITDA €m

YoY growth, %



Penetration of new client solutions  
29% (vs. 25% 1Q20)



Distributed Solar installations  
+36 MWp (YTD)<sup>(2,3)</sup>



Closure of Sines Plant  
€27m EBITDA in 1Q20



1Q20 Downward revision of reference  
availability of Pecém (€5m)



Brazilian Real depreciation  
-26% YoY



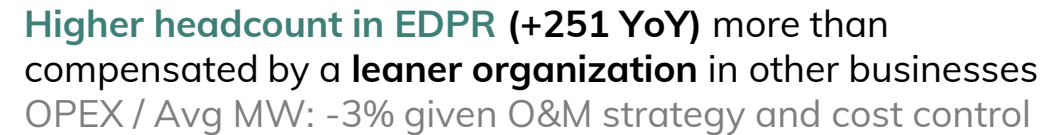
(1) 1Q20 adjusted by the EBITDA correspondent to 2 CCGTs and B2C portfolio in Spain sold to Total (€11m); 1Q21 adjusted by +€21m including the gain from the sale of a 50% stake in the energy supplier CHC in Spain to our partner CIDE | (2) Includes other European markets | (3) Includes 'As a Service + Transactional' | (4) Supply Iberia includes EDP Internacional (France, Poland and Italy).



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YoY growth, %

## -3% Like-for-Like



**New efficiency program launched ~250 initiatives already identified covering 60% of OPEX target until 2025**

1Q21 Results 17

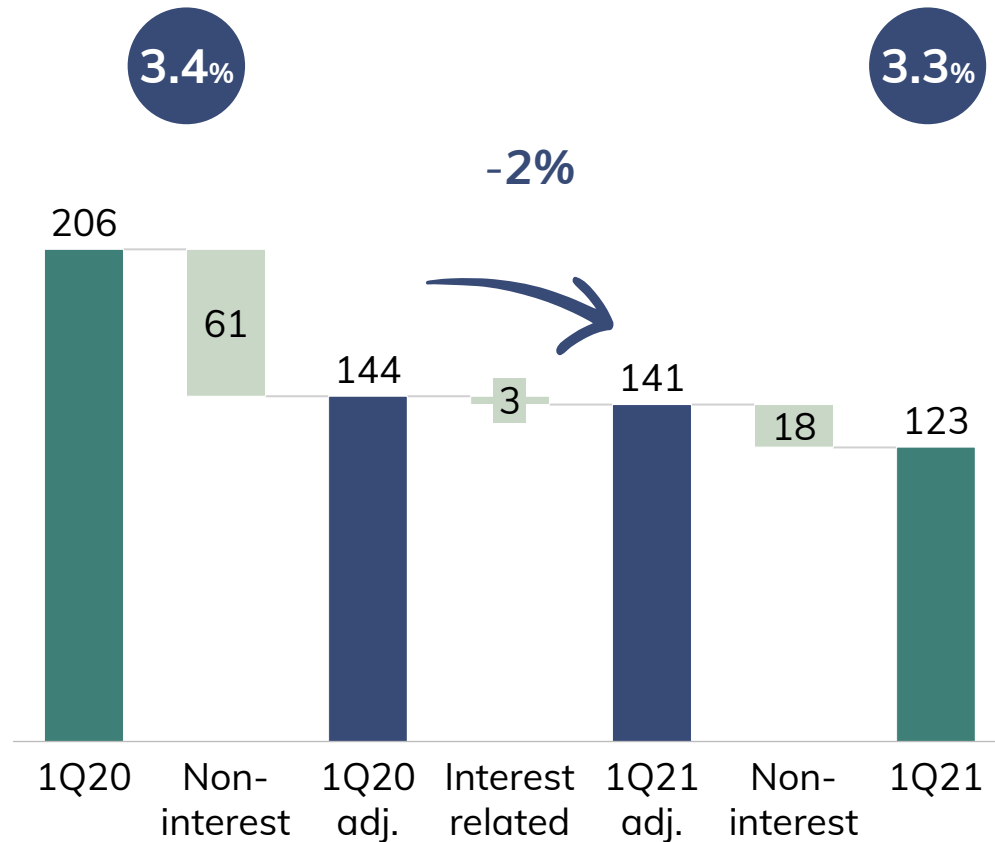
# Net financial costs slight decrease after adjusting by bond buy-back impact in 1Q20 and forex gains in 1Q21



## Net Financial Costs<sup>(1)</sup>

€m

% Avg. Cost of Debt<sup>(2)</sup>



## Bonds issued

	Amount	Coupon	Maturity	
Jan-20 (hybrid)	€750m	1.70%	2080	🌱
Apr-20	€750m	1.63%	2027	🌱
Sep-20	USD850m	1.71%	2028	🌱
Jan-21 (hybrid)	€750m	1.875%	2081	🌱

## 2021-2023 Bond maturities

	Amount	Coupon
Jan-21	USD 750m	5.25%
Jan-21	€553m	4.125%
Jan-22	€1000m	2.625%
Mar-23	€600m	2.375%
Set-23	€600m	1.875%
Nov-23 (Viesgo)	€500m	2.375%

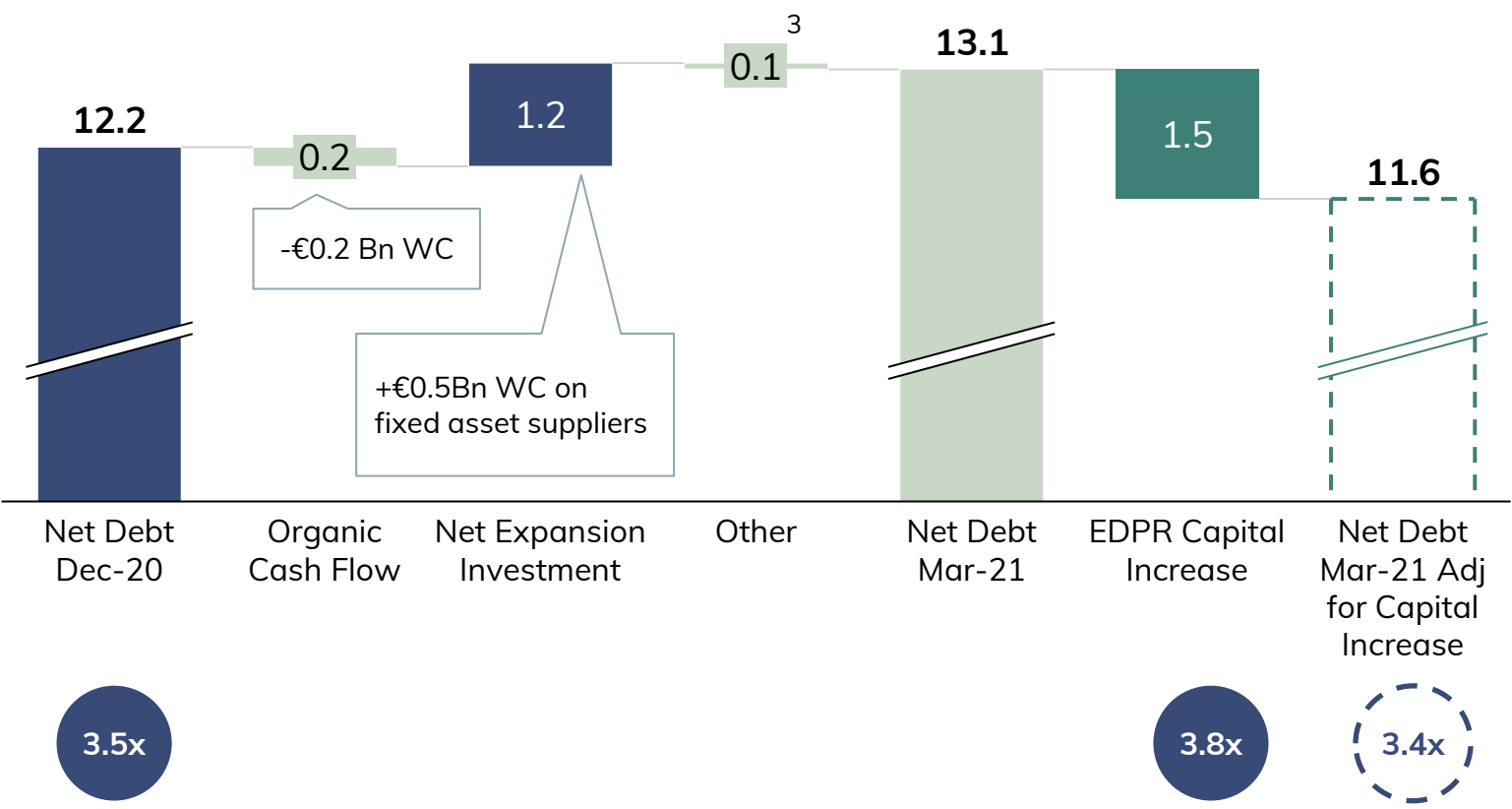
(1) Non-interest items in 1Q20 includes: -€5m net foreign exchange and derivatives differences and -€57m related with one-off cost related to the repurchase of some outstanding debt in 2020. Non-interest items in 1Q21 includes +€18m net foreign exchange and derivatives differences; (2) Annualized gross interests /Avg Gross Debt.

# Net Debt increase mostly explained by cash capex & working capital optimization in the context of high financial liquidity

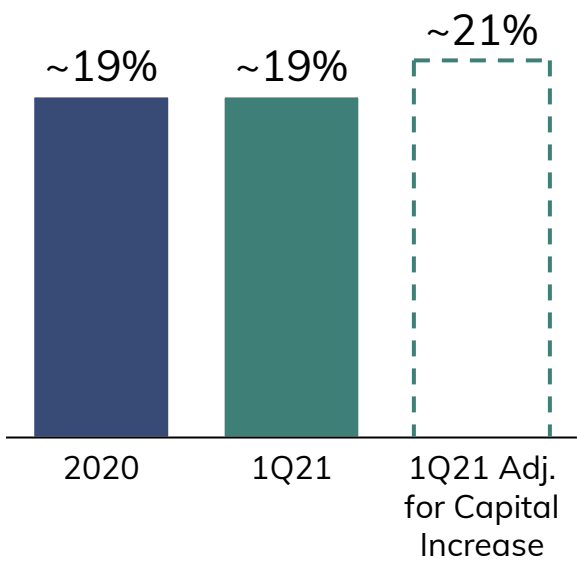


Adj. Net Debt / EBITDA  
x

Change in Net Debt (1)  
€Bn



FFO/Net Debt (2)  
%



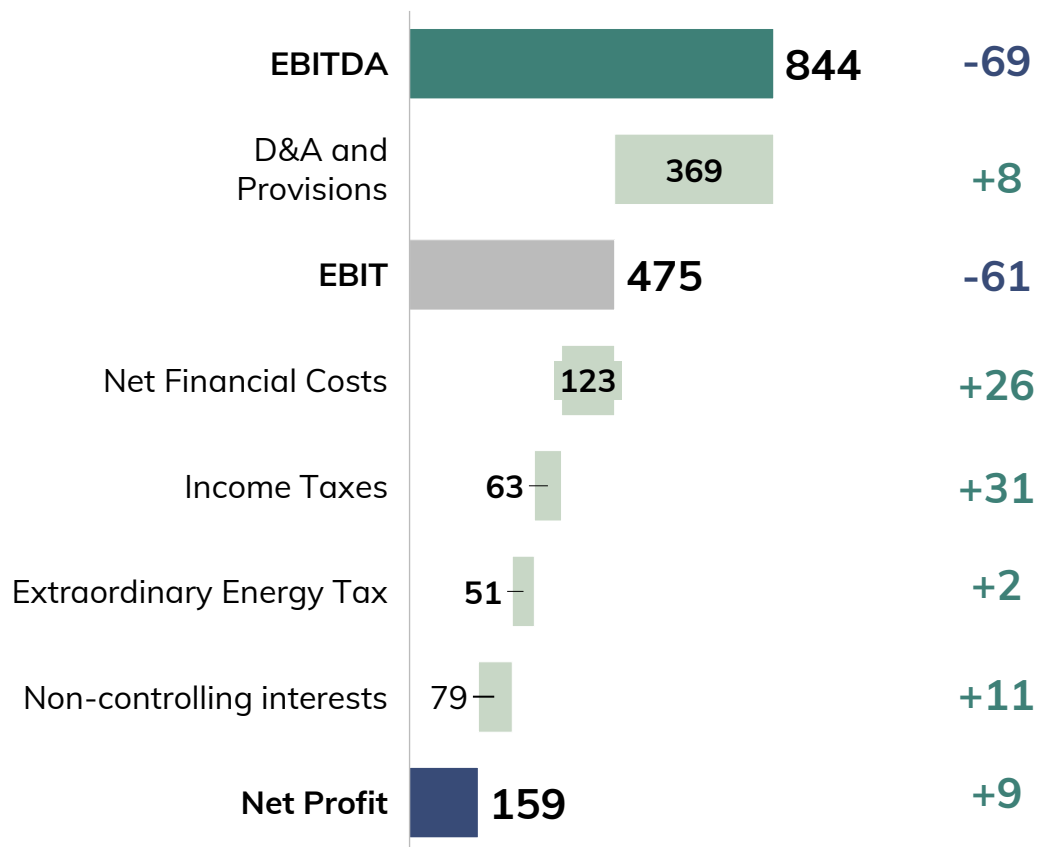
(1) Net Debt Adjusted by Regulatory Receivables/(Liabilities) and including Lease liabilities / EBITDA Recurring | (2) FFO/ND formula consistent with rating agencies methodologies, considering EDP definition of EBITDA Recurring and adjusted by 1.5 bn EDPR ABB | (3) Includes Hybrid -€0.4 Bn, Regulatory receivables +€0.2Bn and Effects of FX €32m.

# Recurring Net Profit +6% benefitting from improved financial results and lower effective tax rate

## Recurring Net Profit <sup>(1)</sup>

€m

Δ YoY

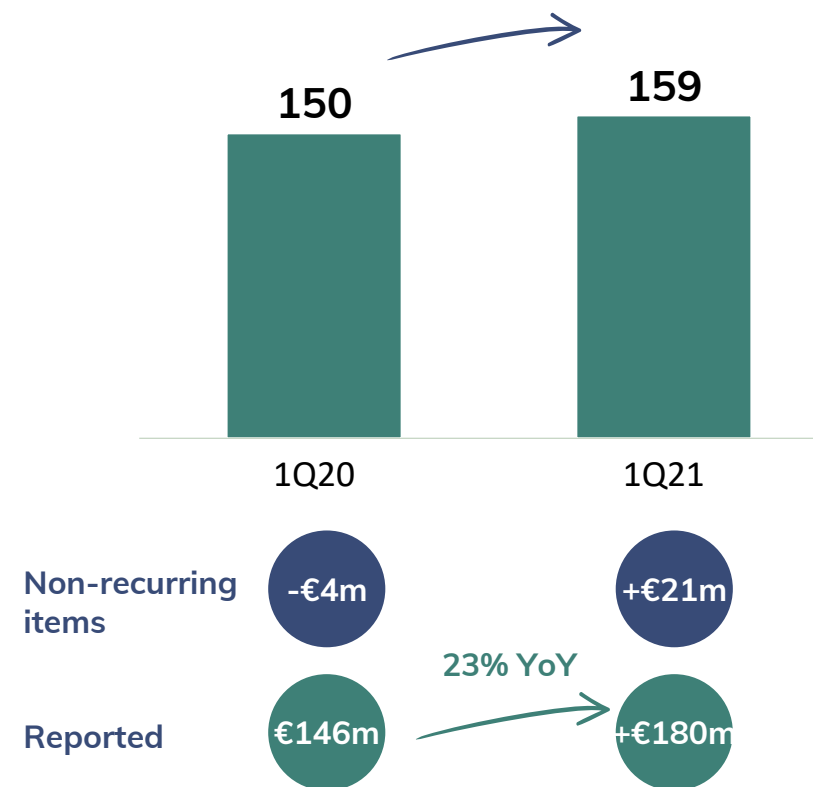


## Recurring Net Profit <sup>(1)</sup>

€m

6% YoY

(ex-forex +15%)



(1) Adjustments and Non-recurring items include: 1Q20 (i) Adjustment for the two disposals closed in December 2020, the 6 hydro plants in Portugal and the 2 CCGTs and B2C portfolio in Spain sold to Total of +€41m and (ii) Non-recurring item of -€45m, related to liability management costs; 1Q21 non-recurring of +€21m related to the gain from the sale of a 50% stake in the energy supplier CHC in Spain to our partner CIDE.





Closing Remarks

*edp*

# Strategic commitments on track as we step up to the challenge to deliver superior value creation



## Key figures and targets

€24 Bn CAPEX in energy transition<sup>(1)</sup>

20 GW gross additions<sup>(1)</sup>

€8 Bn asset rotation

BBB rating in the short term

## 1Q21

€0.7 Bn (93% in RES + Networks)

6.4GW secured (32%) & +3.2 GW added YTD+U/C

~€1.1 Bn signed, other deals on track

Rating upgrades to BBB by S&P & Fitch



Structure **simplification** and organizational **alignment**

**Changing tomorrow now** – 40 Global initiatives launched to **fast-track execution**



ESG excellence and attractive returns

Coal free by 2025

Carbon neutral by 2030

€0.19/share dividend floor

Coal Revenues **-37%** YoY to 4%

**85%** Renewables Generation (+6pp)

€0.19/share dividend paid April 26<sup>th</sup>

## IR Contacts

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The logo for EDP, featuring the lowercase letters 'edp' in a bold, italicized, sans-serif font.