

Q&A: Axpo's 2023/24 annual results

Axpo can once again look back on a successful financial year. During the reporting period, the company achieved good results and continued to make progress in the implementation of its strategy.

Our business model has proven its worth once again and we are firmly on course to continue the successful implementation of our company strategy. This includes making a significant contribution to a secure energy supply system, advancing the energy transition and developing renewable energies while growing our customer business with energy trading solutions.

1. Why are the figures worse than in the same period of the previous year?

As we have consistently communicated, the previous year was characterised by significant special circumstances which were not repeated during the reporting year.

However, we still achieved positive financial results for 2023/24 – in fact, one of the best set of results to have been posted in the company's history.

2. Which business divisions contributed most to these good results?

All business divisions performed well and, once again, the largest contribution to earnings came from our customer and trading business.

- The Generation & Distribution division increased its adjusted operating result to CHF 402 million, thanks to the higher production of nuclear and hydro power.
- At CHF 1.1 billion, Trading & Sales again made the largest contribution to earnings, primarily thanks to the provision of tailored customer solutions and its international retail business.
- Our Swiss subsidiary CKW achieved an adjusted result of CHF 116 million. This was down on the previous year due to lower electricity prices.

3. Where did the positive trading business contribution come from?

It came largely from our international customer business (origination). This primarily involves supply and purchase agreements between producers and customers both internationally and in Switzerland. The demand for tailor-made customer solutions is very high and Axpo, as an established energy solutions provider, was able to secure new contracts in this environment.

4. How high was the income from business with Swiss sales customers?

Axpo realised an average price of about 6 centimes per kWh for the electricity it supplied from Swiss power plants, hedged three years ago. This is why Axpo benefited only slightly from higher electricity prices on the spot market. Corporate customers such as distribution system operators, which had hedged their electricity prices three years ago by purchasing from Axpo, were able to pass on correspondingly lower prices to end customers.



Axpo's Swiss subsidiary CKW, which operates in the end-customer sector, is one of the suppliers with the lowest electricity prices in Switzerland and will reduce its prices by a further 30 per cent in 2025.

5. How high is Axpo's liquidity at present?

As at 30 September 2024, liquidity amounted to around CHF 7.3 billion.

6. How does Axpo use this profit?

We are investing in further growth and the reduction of debt. This year, we invested a gross amount of CHF 509 million, primarily in the construction of solar and wind power plants and the expansion of power grids. CHF 279 million (55 per cent) of the investments were made in Switzerland. The project portfolio for electricity generation and transmission over the coming years includes investments of around CHF 2 billion in Switzerland alone.

While no dividend was paid in the last two financial years, the Board of Directors is proposing the distribution to shareholders this year of an ordinary dividend of CHF 241 million and a special dividend of CHF 429 million, due to our good results and solid capital base. The owner cantons and their taxpayers will therefore benefit from Axpo's successful financial year.

In addition, the results also entail a tax contribution of around CHF 330 million.

7. What were Axpo's most important sustainability developments during the past financial year?

- Expansion of renewable energies: Axpo connected more than 300 megawatts of new renewable energy capacity to the grid in the 2023/24 financial year - mainly wind and photovoltaics.
- Low-emission energy production: at around 56gCO₂e/kWh, direct emissions from Axpo's fleet of energy plants are nearly four times lower than the EU average (210 gCO₂e/kWh).
- Increase in the proportion of women employed by Axpo: this has risen to 24.6 per cent (up one percentage point) during the reporting period - a further step towards achieving our goal of 30 per cent by 2030.
- More apprentices: during the year, Axpo increased its number of apprentices in Switzerland from 400 to 426; we offer apprenticeships in sustainable energy professions such as solar engineer and solar installer and aim to employ more than 600 apprentices by 2030 in Switzerland alone.
- Suppliers screened for their Environmental, Social and Governance (ESG) performance: Axpo has checked around 18,000 of our suppliers for ESG risks.
- Electricity generated: Axpo produced a total of 36 terawatt hours of electricity in the 2023/24 financial year, mainly from low-emission sources such as hydro and nuclear energy, an increase of eight per cent on the previous year.
- Sustainable financing: in spring 2024, Axpo concluded a line of credit with a sustainability component totalling EUR 7 billion.
- Growth in the biomethane market: Axpo entered three new biomethane markets in Europe during 2024: Italy, Poland and Portugal.