



## Press release

Morges, 8 April 2025

Romande Energie Group 2024 results

# Sharp fall in 2024 after an exceptional 2023

**As forecast, the Romande Energie Group has reported a sharp decline in 2024 profits relative to its outstanding performance of 2023. These results reflect the impact of adverse regulatory trends on the Group's energy supply margin, which in turn heaped significant pressure on its EBIT, while shielding customers. An asset impairment charge compounded the negative impact on EBIT. Efficiency improvements will be introduced and the pace of investment spending fine-tuned. Even though the Group's 2025 EBITDA and EBIT are forecast to be in line with 2024, operating performance is expected to improve steadily over the longer term given its financial strength.**

- Revenues down 10% at CHF 832 million (CHF 928 million in 2023), the second-highest level ever recorded by the Group
- Adjusted EBIT at CHF 23 million, in line with estimates. Reported 2024 EBIT under Swiss GAAP FER at CHF 14 million, down CHF 9 million as a result of non-operating items
- 2024 net profit at CHF 26 million following repayment of a hybrid loan and restatement of Alpiq's profit (as an associate) under Swiss GAAP FER, leading to a negligible contribution for 2024
- Robust and dependable cash flow from operations at CHF 147 million and a new CHF 150 million green loan
- Capital expenditure of CHF 163 million in energy infrastructure set to continue at slower pace
- Unchanged dividend of CHF 1.44 per share recommended
- 2025 adjusted EBITDA and adjusted EBIT expected to be in line with 2024, excluding non-operating items
- Gradual upturn in profitability underpinned by the Group's strong financial foundations, strategy of consolidation and an efficiency drive

*"In stark contrast to the exceptional results of 2023, our performance in 2024 bore the brunt of regulatory impacts, which dragged down the Group's profitability, but shielded our customers," commented Patrick Bertschy, Interim CEO. "The strength of our business model and the inroads made by our three business units stand out despite these headwinds. A new era lies ahead for Romande Energie, under new leadership and a strategy of streamlining our operations. We have every confidence that our business will perform strongly despite unrelenting regulatory pressure in the near term. That's why we're implementing a set of measures that will improve efficiency and profitability at the Group in the years ahead."*

## Context and pricing policy favourable to customers

Today's energy markets reflect the priorities of the energy transition, such as the rapid expansion of solar energy. But they have also been buffeted by a series of crises, starting with the pandemic, followed by geopolitical events and energy shortages. The end result has been unprecedented volatility affecting short-term purchases and sales. As a result, Romande Energie has implemented a pricing strategy aimed at keeping its customer bills stable. It has reduced the energy component of its electricity charges while leaving solar feed-in tariffs unchanged over the year. The implementing ordinances for the Electricity Act, which passed in June 2024, attempt to address the new realities. They seek to protect end customers' purchasing power, but expose distribution system operators to market conditions. Romande Energie's 2024 results reflect these various developments.

## Strong revenues, but lower than in 2023

After a very significant rise in 2023, when the top line rose 24%, the Group's revenues decreased by 10% to CHF 832 million in 2024 (2023: CHF 928 million). Nonetheless, this was the highest revenue figure in Romande Energie's entire history other than in 2023.

The 2024 decline flowed directly from the expected fall in the **Energy Solutions business unit's** revenues, which dropped 20%. The knock-on effects of the lower market prices, combined with weaker energy volumes sold in the deregulated market and a pricing policy kept intentionally favourable for regulated customers were key factors contributing to the decline.

## Heavy regulatory impact on EBIT

In line with its expectations, Romande Energie's 2024 adjusted EBIT (before non-operating items) totalled CHF 23 million, compared with CHF 89 million in 2023. After net non-operating expenses of CHF 9 million, 2024 EBIT under Swiss GAAP FER came to CHF 14 million.

The Group's EBIT was squeezed by an energy supply margin under peak pressure, the primary cause of the severe correction in 2024. The outstanding performance in 2023 was inflated by a clawback in that year as the effects of the 2021-2022 energy crisis were not initially passed in full to customer rates. Several factors account for the hefty contraction in the margin. Of these, the most significant is the impact of having to sell surplus energy at prices below spot levels since 2022-2023 (over CHF 30 million). This type of loss cannot be clawed back under the legislation currently in force. Solar energy generation has seen a spectacular surge in Switzerland, but chiefly in the summer when there is not much demand. Given the power generated cannot currently be stored, it has to be sold on extremely unfavourable terms. Secondly, the authorised margin was lowered from CHF 75 to CHF 60 per invoice recipient, energy tariffs for customers were reduced substantially, and the average price method again had an impact.

The **Energy Solutions business unit** posted an adjusted EBIT loss of CHF 16 million as a result of all these factors combined. After CHF 11 million in impairment losses on district heating facilities employing a novel technology that has not lived up to expectations, it posted a 2024 EBIT loss of CHF 27 million (under Swiss GAAP FER).

## Partial mitigation of the substantial margin contraction

The **Grids business unit** was again the leading contributor to the Group's operating performance, generating stable EBIT of CHF 48 million compared with CHF 49 million in 2023 and a margin of 15%. The **Romande Energie Services business unit** also had a good year, with automation and the strong growth in HVAC activities the main drivers. Its EBIT rose from CHF 5 million to CHF 6 million in 2024, with its margin widening to 4% (3% in 2023).

## Further investment and green financing

Romande Energie pushed ahead with its growth strategy and invested CHF 163 million in 2024, with half of this amount allocated to power distribution grid infrastructure. District heating networks represented the second-largest category of capital expenditure and will remain a priority for the Group over the coming years. The completion of the Sainte-Croix wind farm project and of the Bex-Glarey and Etivaz hydro projects in the previous year accounts for the decline compared with 2023 (CHF 200 million).

To help bring its projects through to fruition and diversify its sources of financing, Romande Energie arranged a CHF 150 million green loan due 2039 with a Swiss bank.

## Modest net profit contribution from Alpiq despite its first-class results

In 2024, Alpiq reported net profit of CHF 943 million under IFRSs (International Financial Reporting Standards). After an accounting restatement of over CHF 200 million in respect of the partial reversing entry of an accounting mismatch for energy derivatives and Alpiq's decision to repay a CHF 650 million hybrid public loan accounted for as equity, Alpiq's contribution to the Group's net profit was reduced to CHF 3 million under Swiss GAAP FER (restated 2023 figure of CHF 65 million). Combined with the CHF 10 million contributed by EOS NER, up CHF 2 million from the previous year, the total contribution from Alpiq and EOS NER to the Group's net profit was CHF 13 million (versus a restated 2023 figure of CHF 76 million). Romande Energie holds a 29.71% interest in EOS Holding SA, which in turn owns 33.33% of Alpiq and 100% of EOS NER SA.

The Group's net profit was CHF 26 million compared with CHF 150 million (after restatement) in 2023.

## Non-operating items and performance analysis

Impairment losses totalling CHF 11 million were recognised in 2024 principally in relation to a new technology used at two district heating plants that failed to deliver the expected performance. In parallel, a CHF 2 million was recorded on the sale of a Romande Energie Services subsidiary. Overall, a net non-operating loss of CHF 9 million was recognised in 2024.

To reflect the Group's operating performance more accurately and provide a more reliable guide from a long-term perspective, Romande Energie also publishes adjusted results (before these non-operating items), in addition to its Swiss GAAP FER results.

Key figures, Romande Energie Group, 31 December 2024	2024			2023 (restated)		
	Adjusted	Non-operating items	Swiss GAAP FER results	Adjusted	Non-operating items	Swiss GAAP FER results
In CHF thousands						
Net revenues	829 965	2 337	832 302	917 890	10 323	928 213
Gross profit	367 737	2 337	370 074	426 359	10 323	436 682
EBITDA	121 168	2 337	123 505	190 274	10 323	200 597
EBIT	22 806	(9 125)	13 681	89 359	10 323	99 682
Share of profit from associates			15 296			76 738
Net profit for the period			26 050			150 446

## Financial strength and dividend policy

Romande Energie Group's financial position remains healthy. Cash flow from operating activities was CHF 147 million in 2024, up from CHF 136 million in 2023 and on a par with previous years.

Thanks to the strong level of cash generated by the Group's operating activities, it is able to continue providing stable and predictable returns to its shareholders. Accordingly, the Board of Directors will propose paying out a dividend of CHF 1.44 per ordinary share. This dividend represents a yield of 3.3% based on the share's closing price on 31 December 2024.

## Strategic refocusing and new leadership

After a recent phase of more rapid expansion and of prospecting new markets, the Group is embarking on a period of strategic retrenchment, refocusing on its core energy supplier business and on energy retrofits for buildings. The organisational structure will be reshaped by 1 July at the latest to better reflect the growth of the business, its targets and also the challenges facing the Group, and to raise its operating efficiency.

The plan is for there to be four business units, including a new Property unit led by Oliviero Lubatti, who is returning to the Management Committee. Energy Solutions will be split in two to form the Energy and Markets units. Aurore Amaudruz will head up the Markets business unit, while a recruitment process has been launched for the Energy business unit, after Guillaume Fuchs left his management role. The Grids business unit, as well as the three support units, will remain unchanged, other than for the appointment of Michel Rizzo, as Chief People & Talent Officer effective 1 May 2025.

François Fellay was appointed CEO of Romande Energie by the Board of Directors on 12 March 2025. He will take up his new role by 1 October 2025 at the latest. In the meantime, Patrick Bertschy will continue to serve as interim CEO following Christian Petit's departure in December 2024.

The reappointment of Guy Mustaki, the Chairman of the Board of Directors, will be proposed at the Annual General Meeting, to provide continuity during the reorganisation of operational management.

## Digital transition and sustainability at the heart of our businesses

Amid the constantly shifting trends in the energy sector, Romande Energie has steadfastly pursued digitalisation of its activities as a key driver for the business. For example, it has introduced smart meters, upgraded its information system, automated low-value tasks, deployed digital services for its customers and analysed data and cybersecurity.

Sustainability has been enshrined in Romande Energie's Articles of Association since May 2024, 90% of its employees have received specialised training, and 40% of its purchases are now made from suppliers applying strict ESG criteria. The increase in the electricity and heat generation is also driving significant improvement in the Group's GHG inventory, as are the CO<sub>2</sub> savings achieved at its customers via the district heating plants. Despite a major commitment to sustainability, the tightening of the assessment criteria applying to the industry is placing a strain on the Group's corporate ratings.

## More positive long-term trends

Looking ahead to 2025, the Romande Energie Group anticipates adjusted EBITDA and adjusted EBIT in line with 2024 after adjusting for non-operating and exceptional items. The inauspicious regulatory environment in Switzerland and the longer-than-anticipated ramp-up to profitability in its investments will continue to have an impact in the short term. This does not call into question its growth strategy, even though the pace of annual capital expenditure is likely to range between CHF 150 million and CHF 180 million per year in most cases.

Romande Energie is currently seeking clarification from the regulatory authorities concerning application of the second batch of ordinances implementing the Electricity Act, which was published in early 2025. The Group is analysing the potential impacts, which could positively or negatively affect earnings, as they are enacted from 2026 onwards.

The Group expects EBITDA to rise by around 50% out to 2030, backing up its confidence in its ability to execute its investment strategy amid the electrification of society and the energy transition, as well as its efficiency and savings plan, which will generate substantial cash over the long term.

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The Annual Report of the Romande Energie Group is available via these links:

- English [2024 Annual Report](#)
- French: [Rapport annuel 2024](#)

An interview with our Interim CEO is available using [this link](#) (French only).

Additional information for the general public can be consulted [here](#) (French only).



## Notes to editorial desks

This press release is being issued outside the trading hours of the SIX Swiss Exchange as required by the SIX Listing Rules on ad hoc publicity.

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## Romande Energie at a glance

The Romande Energie Group, the leading supplier of electricity in Western Switzerland, provides its customers with a wide range of sustainable solutions, which help to lower energy consumption and carbon emissions. These solutions include made-to-measure support to generate its own energy, products and services to enhance energy efficiency, and to champion energy efficiency.

Formed in 1997, **Romande Energie aims to make Western Switzerland the country's first net-zero region.** We are constantly investing significant amounts in expanding our local base of facilities generating renewable energy. Our solar, hydro and biomass power plants, our various district heating networks and our geothermal and wind projects are fulfilling this commitment and distributing more and more renewable energy to our customers.

We have established ourselves as a trusted partner for a society mindful of the importance of protecting the environment, looking after individuals and maintaining a sustainable economy. **Keeping Western Switzerland on track for a sustainable future** lies at the heart of our core purpose.

**For more information on the Romande Energie Group, visit**  
[romande-energie.ch](http://romande-energie.ch)