



S.P.E.E.H. Hidroelectrica S.A.

Two-tier system Company
 15-17 Ion Mihalache Blvd., District 1, Bucharest
 Tower Center Building, 10-15 floors
 RO 13267213, J40/7426/2000
 Share Capital: RON 4.498.025.670

FIRST HALF OF 2023 REPORT

SUMMARY

Hidroelectrica Group registers increasing operational and financial results for the first half of 2023, maintaining the Group's operating margin and net margin, mainly due to high hydraulics, above average, and the execution of the strategy to increase the supply portfolio.

- **Electricity production increased by 45% compared to H1 2022**
- **Revenue increased by 42%**
- **Operating margin of 65%, in line with the same period of last year**
- **Net margin of 57%, increased by 3% compared to the same period of last year**
- **Net profit increased by 46%, from RON 2,697 million to RON 3,946 million**
- **Earnings per share increased by 46%, from RON 6.01 / share to RON 8.80 / share.**

Operational KPIs		H1 23	H1 22	Change (%)
Gross electricity production, out of which:	GWh	10,915	7,387	48%
Electricity production from hydro (gross)	GWh	10,746	7,213	49%
Net electricity production, out of which:	GWh	10,625	7,347	45%
Electricity production from hydro (net)	GWh	10,456	7,173	46%
Electricity production from wind	GWh	169	174	-1%
External Acquisition GWh	GWh	835	329	154%
Total Electricity sales GWh	GWh	11,460	7,677	49%
Number of Employees		3,503	3,442	2%

Financial KPIs		H1 23	H1 22	Change (%)
Revenues	RONm	6,977	4,926	42%
EBITDA	RONm	4,955	3,591	38%
EBITDA Margin	%	71%	73%	-3%
Adjusted EBITDA	RONm	4,955	3,556	39%
Adjusted EBITDA Margin (Operating Profit/Revenues*100)	%	71%	72%	-2%
Operating Margin	%	65%	65%	0%
Net Margin (Profit for the period/Revenues*100)	%	57%	55%	3%



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Breakdown of revenue

		H1 23	H1 22	Change (%)
Generation Energy Sold (Net)	GWh	10,625	7,347	45%
External Acquisitions	GWh	835	329	154%
Total Energy Sale	GWh	11,460	7,676	49%
Wholesale Energy Sold	GWh	8,231	5,739	43%
Wholesale Price	RON / MWh	506	540	-6%
Wholesale Revenues	RONm	4,166	3,099	34%
Quantity of electricity-Supply	GWh	3,077	1,679	83%
Supply Prices (ex pass through)	RON / MWh	548	449	22%
Supply Revenues related to active energy	RONm	1,688	754	124%
Transferred costs (pass trough)	RONm	694	253	174%
Quantity of electricity - Balancing	GWh	151	259	-42%
Balancing Price	RON / MWh	1,336	2,376	-44%
Balancing Revenues	RONm	202	616	-67%
System Services (STS) Revenues	RONm	155	181	-14%
Other revenues from customer contracts	RONm	72	23	213%
Revenues	RONm	6,977	4,926	42%

Generation Energy Sold (Net)

The energy produced and sold (net) increased by 45% (10,625 GWh) in the six-month period ending on June 30, 2023 from 7,347 GWh in the previous similar period. This increase was mainly due to the high hydraulics recorded in the first semester of 2023, but also due to the base effect as a result of the drought that characterized the first semester of 2022.

Wholesale Revenues

Considering the surplus production of 45% compared to the same period of the previous year, combined with the new operating conditions of the wholesale market (implementation starting from January 1, 2023 of MACEE), as well as with the variation of the SPOT price between January and June 2023 compared to the same period in 2022 (48% decrease), the revenues related to these transactions registered a 34% increase in the first semester of 2023 compared to the first semester of 2022.



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Supply Revenues related to active energy

The revenues from the electricity supply activity increased by 124%, from 754 million RON revenues in the first half of 2022, to 1,688 million RON revenues in the same period of 2023. This evolution of revenues is due to the increase in the portfolio of clients.

Transferred costs (pass trough)

The transfer costs related to the supply of electricity increased by 174%, to 694 million RON in the first half of 2023, from 253 million RON in the same period of 2022. The increase in these costs is directly proportional to the increase in the client portfolio to which the increase in regulated tariffs is added.

Balancing Revenues

Revenues from Balancing decreased by 67%, from 616 million RON recorded in the first semester of 2022, to 202 million RON recorded in the first half of 2023. . The decrease recorded is caused by the decrease in the amount of energy related to the Balancing Market from 259 GWh to 151 GWh, as well as by the decrease in the price on the Balancing Market from 2,376 RON / MWh to 1,336 RON / MWh in the first semester of the current year.

System Services (STS) Revenues

Revenues from system services decreased by 14% to 155 million RON in the six-month period ended on June 30, 2023, from 181 million RON in the same period last year. This decrease appears because of the registration of additional revenues calculated for periods prior to 2022 and registered in 2022 according to ANRE Decision no. 167 / 16.02.2022.

Other revenues from customer contracts

Other revenues refer to revenues related to some services provided based on contracts with clients, other than the revenues from the sale of electricity. During the reporting period, other revenues were mainly recorded from services provided by the Company as the Party Responsible for Balancing. The evolution of these revenues is influenced by the behavior of all participants in the electricity market regarding the management of imbalances.



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Hidroelectrica is the largest green energy producer in Romania and a key provider of essential technological services within the National Energy System, making it a vital company within a strategic sector with implications for national security. The company operates 187 power plants with a hydroelectric capacity of 6.3 GW, further complemented by the Crucea wind park boasting an installed capacity of 108 MW.

It is worth noting that Hidroelectrica is listed on the Bucharest Stock Exchange starting 12 July 2023 as the first day of trading.

The report for the first half of 2023 along with the Consolidated Condensed Interim Financial Statements as of 30 June 2023, are available on the website www.hidroelectrica.ro, under the Investor Relations section -> Financial Information, at <https://www.hidroelectrica.ro/article/1d9b2bea-d6ea-71ac-7ab2-1c4faecc87a7>.

Bogdan-Nicolae BADEA
Chairman of the Management Board

Razvan Ionut PATALIU
Member of the Management Board