



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

Q3 2023 REPORT

SUMMARY

Hidroelectrica Group registers increasing operational and financial results for the first 9 months of 2023, compared to the same period of 2022, with improvements in the Group's operating margin and net margin by 5% and 8%, respectively, mainly due to the high, above average hydraulics and the execution of the strategy supply portfolio.

- **Electricity production increased by 38% compared to the same period of the last year**
- **Revenue increased by 32% compared to the same period of 2022**
- **Operating margin of 63%, increased by 5% compared to the same period of last year**
- **Net margin of 54%, increased by 8% compared to the same period of of 2022**
- **Net profit increased by 42%, from RON 3,648 million to RON 5,184 million**
- **Earnings per share increased by 42%, from RON 8.13 / share to RON 11.55 / share.**

Operational KPIs		9M 23	9M 22	Change (%)
Gross electricity production, out of which:	GWh	14,489	10,550	37%
Electricity production from hydro (gross)	GWh	14,244	10,317	38%
Net electricity production, out of which:	GWh	14,101	10,253	38%
Electricity production from hydro (net)	GWh	13,857	10,020	38%
Electricity production from wind	GWh	244	233	5%
External Acquisition GWh	GWh	1,316	571	130%
Total Electricity sales GWh	GWh	15,416	10,823	42%
Actual number of Hidroelectrica Employees		3,554	3,443	3%
Actual number of Group Employees		4,718	4,611	2%

Financial KPIs		9M 23	9M 22	Change (%)
Revenues	RONm	9,555	7,231	32%
EBITDA	RONm	6,583	4,877	35%
EBITDA Margin	%	69%	67%	2%
Adjusted EBITDA	RONm	6,581	4,842	36%
Adjusted EBITDA Margin	%	69%	67%	3%
Operating Margin (Operating Profit/Revenues*100)	%	63%	59%	5%
Net Margin (Profit for the period/Revenues*100)	%	54%	50%	8%



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Breakdown of revenue

		9M 23	9M 22	Change (%)
Generation Energy Sold (Net)	GWh	14,101	10,253	38%
External Acquisitions	GWh	1,316	571	130%
Total Energy Sale	GWh	15,416	10,823	42%
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Wholesale Energy Sold	GWh	10,503	7,748	36%
Wholesale Price	RON / MWh	497	540	-8%
Wholesale Revenues	RONm	5,223	4,181	25%
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Quantity of electricity-Supply	GWh	4,671	2,634	77%
Supply Prices (ex pass through)	RON / MWh	546	435	26%
Supply Revenues related to active energy	RONm	2,552	1,146	123%
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Transferred costs (pass trough)	RONm	1,094	426	157%
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Quantity of electricity - Balancing	GWh	242	442	-45%
Balancing Price	RON / MWh	1,393	2,686	-48%
Balancing Revenues	RONm	337	1,187	-72%
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System Services (STS) Revenues	RONm	245	250	-2%
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Other revenues from customer contracts	RONm	104	41	154%
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Revenues	RONm	9,555	7,231	32%

Generation Energy Sold (Net)

The energy produced and sold (net) increased by 38% (14,101 GWh) in the nine-months period ending on 30 September 2023 from 10,253 GWh in the previous similar period, registering a net production related to the third quarter of 2023 by 22% higher than the net production related to the third quarter of 2022. This increase was mainly due to the drought that characterized the third quarter of 2022.

Wholesale Revenues

Considering the surplus production of 38% compared to the same period of the previous year, combined with the new operating conditions of the wholesale market (implementation starting from 1 January 2023 of MACEE), as well as with the variation of the SPOT price between January and September 2023 compared to the same period in 2022 (62% decrease), the revenue related to these transactions registered a 25% increase in the first nine months of 2023 compared to the same period in 2022.



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Supply Revenues related to active energy

The revenues from the electricity supply activity increased by 123%, to RON 2,522 million revenues in the first nine months of 2023, from RON 1,146 million revenues in the same period of 2022. 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 157%, to RON 1,094 million in the first nine months of 2023, from RON 426 million 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 72%, from RON 337 million recorded in the first nine months of 2023, from RON 1,187 million recorded in the same period of 2022. The decrease recorded is caused by the decrease in the amount of energy related to the Balancing Market from 442 GWh to 242 GWh, as well as by the decrease in the price on the Balancing Market from 2,686 RON / MWh to 1,393 RON / MWh in the first nine months of the current year.

Other revenues from customer contracts

Other revenues refer to revenues related to the 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.

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.



HIDROELECTRICA

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

Karoly BORBELY
Chairman of the Management Board

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