



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

Q1 2024 REPORT - SUMMARY

Hidroelectrica Group records a decrease in operational and financial results for the first 3 months of 2024 compared to the same period in 2023, in line with the approved budget. The Group's operating margin and net margin decreased by 2% and 1%, respectively, compared to the similar period in 2023, mainly due to the decrease in electricity selling prices (both locally and in the interconnected European market) and the quantity of electricity sold.

- **Q1 2024 results mirrors the expectations set forth in the approved 2024 Budget**
- **Electricity production decreased by 3% compared to the same period of the last year**
- **Revenue decreased by 22% compared to the same period of 2023**
- **Operating margin of 59%, decreased by 2% compared to the same period of last year**
- **Net margin of 52%, decreased by 1% compared to the same period of of 2023**
- **Net profit decreased by 23%, from RON 1,723 million to RON 1,326 million**
- **Earnings per share decreased by 23%, from 3.84 RON/share to 2.95 RON/share.**

Operational KPIs		3M 24	3M 23	Change (%)
Gross electricity production, out of which:	GWh	4,403	4,531	-3%
Electricity production from hydro (gross)	GWh	4,307	4,430	-3%
Net electricity production, out of which:	GWh	4,296	4,412	-3%
Electricity production from hydro (net)	GWh	4,201	4,311	-3%
Electricity production from wind	GWh	95	101	-6%
External Acquisition GWh	GWh	179	428	-58%
Total Electricity sales GWh	GWh	4,475	4,840	-8%
Actual number of Hidroelectrica Employees		3,576	3,474	3%
Actual number of Group Employees		5,157	4,612	12%

Source: Hidroelectrica

Financial KPIs		3M 24	3M 23	Change (%)
Revenue	RON million	2,536	3,272	-22%
EBITDA	RON million	1,731	2,184	-20%
EBITDA Margin	%	68%	67%	2%
Adjusted EBITDA	RON million	1,719	2,184	-21%
Adjusted EBITDA Margin	%	68%	67%	2%
Operating Margin (Operating Profit/Revenue*100)	%	59%	61%	-2%
Net Margin (Profit for the period/Revenue*100)	%	52%	53%	-1%
Operating Profit	RON million	1,507	1,985	-24%
Net Profit	RON million	1,326	1,723	-23%
Earnings per share	RON/share	2.95	3.84	-23%

Source: Hidroelectrica



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In the first three months of 2024, Hidroelectrica's results were influenced by the decrease in electricity selling prices, as well as the quantity of electricity sold, leading implicitly to a decrease in revenue from energy sales.

Financial indicators*	RON million		
	Q1-2024 Actual	Q1-2024 Budget	Degree of achievement (%)
Total Revenue	2,886	2,733	6%
Operating income	2,787	2,676	4%
Financial income	99	56	77%
Total expenses	1,315	1,162	13%
Operating expenses	1,295	1,150	13%
Financial expenses	19	12	58%
Profit before tax	1,571	1,571	100%

*The indicators are calculated according to the budget forms of Order 3818/2019 and are aligned with the indicators presented in the form S1040 - Annual accounting reporting to ANAF, prepared at the level of Hidroelectrica SA.

Source: Hidroelectrica

The income and expenses budget is prepared at the level of separate financial statements.

Breakdown of revenue

		3M 24	3M 23	Change (%)
Generation Energy Sold (Net)	GWh	4,296	4,412	-3%
External Acquisitions	GWh	179	428	-58%
Total Energy Sale	GWh	4,475	4,840	-8%
Wholesale Energy Sold	GWh	2,897	3,076	-6%
Wholesale Price	RON / MWh	437	588	-26%
Wholesale Revenue	RON million	1,265	1,809	-30%
Quantity of electricity-Supply	GWh	1,318	1,488	-11%
Supply Prices (ex pass through)	RON / MWh	471	552	-15%
Supply Revenue related to active energy	RON million	622	822	-24%
Transferred costs (pass trough)	RON million	380	333	14%
Quantity of electricity - Balancing	GWh	94	89	5%
Balancing Price	RON / MWh	1,535	1,311	17%
Balancing Revenue	RON million	144	117	23%
System Services (STS) Revenue	RON million	64	69	-7%
Other revenues from customer contracts:	RON million	61	122	-50%
Positive imbalances revenue*	RON million	(119)	92	-229%
Power reduction services revenue	RON million	144	11	1,209%



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		3M 24	3M 23	Change (%)
Redistribution of additional revenues	RON million	36	19	89%
Revenue	RON million	2,536	3,272	-22%

* The quantity of positive imbalances recorded in the 3-month period ended 31 March 2024 is 166 GWh (three-month period ended 31 March 2023: 186 GWh)

Source: Hidroelectrica

Generation Energy Sold (Net)

The energy produced and sold (net production) experienced a slight decrease of approximately 3% in the first quarter of 2024 compared to the same period in the previous year, with a quantity of 4,296 GWh recorded from January to March 2024. This decline was primarily due to hydrological conditions recorded in March 2024, when the average flow rate of the Danube (6,054 m³/s) decreased by approximately 15% compared to the same period in 2023.

Wholesale Revenue

The revenues related to transactions recorded in the period January-March 2024 were impacted by a series of factors determined by market conditions, particularly the decrease in energy prices, combined with the fact that suppliers enrolled in the single procurement mechanism reduced their monthly demand for the quantities of energy that could be acquired through MACEE, where the procurement price of 450 lei/MWh became higher than the price at which they could purchase energy from the Day-Ahead Market.

As a result, the decrease in the SPOT price in the period January-March 2024 compared to the same period in 2023 (by approximately 42%), as well as the non-uptake of the entire allocated quantity to Hidroelectrica in the annual auction held in December 2023 for delivery in 2024 through MACEE (the sale of this available energy being carried out after the publication of auction results on MACEE at market prices, below the threshold of 450 lei/MWh), resulted in a 31% decrease in revenues recorded in the period January-March 2024 compared to the same period in 2023.

Supply Revenue related to active energy

The revenues from the electricity supply activity decreased by 24%, to RON 622 million revenues in the first three months of 2024, from RON 822 million revenues in the same period of 2023. This decrease is due to both the decline in the selling price of electricity and the reduction in the volumes supplied in the first 3 months of 2024 compared to the first three months of 2023.

Transferred costs (pass through)

The transfer costs related to the supply of electricity increased by 14%, to RON 380 million in the first three months of 2024, from RON 333 million in the same period of 2023. The increase in these costs is primarily due to the rise in regulated tariffs, starting from April 2023 and continuing from January 2024, a growth negatively influenced by the decrease in supplied volumes.

Other revenues from customer contracts

Other revenues from customer contracts decreased by 55%, to RON 61 million in the first three months of 2024, from RON 122 million in the same period of 2023. The evolution of these revenues from services



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provided by the Company as Balancing Responsible Party 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 report for the first quarter of 2024 along with the unaudited Consolidated Condensed Interim Financial Statements as of 31 March 2024, 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>.

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