



**Consolidated Report of the Management Board
of Societatea de Producere a Energiei Electrice
în Hidrocentrale „Hidroelectrica” S.A.
for Q1 2026**



14 May 2026



Contents

IDENTIFICATION DATA OF HIDROELECTRICA	4
SUMMARY OF Q1 2026 MANAGEMENT BOARD REPORT	5
Q1 2026 MANAGEMENT BOARD REPORT.....	8
I. GROUP PRESENTATION	8
II. KEY EVENTS DURING THE REPORTING PERIOD	11
III. SHAREHOLDERS STRUCTURE AND SHARE PRICE EVOLUTION.....	13
IV. FINANCIAL RESULTS AT AND FOR THE PERIOD OF THREE AND NINE MONTHS ENDED ON 31 MARCH 2026	15
1. FINANCIAL INDICATORS	15
2. NET DEBT/ (CASH) ADJUSTED.....	15
3. BREAKDOWN OF REVENUE	16
4. OPERATING EXPENSES	18
5. INVESTMENT ACTIVITY	19
6. CASHFLOW	ERROR! BOOKMARK NOT DEFINED.
7. FINANCIAL POSITION.....	28
V. RISK MANAGEMENT	30
VI. SUBSEQUENT EVENTS	31
MANAGEMENT STATEMENT.....	33
GLOSSARY OF TERMS AND DEFINITIONS	34
CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....	35

Notes:

This report is based on the condensed consolidated interim financial statements prepared in accordance with IAS 34 Interim Financial Reporting adopted by the European Union and drafted according to the provisions of Law no. 24/2017 on financial instruments issuers and market operations, republished, and of Regulation no. 5/2018 issued by the Financial Supervisory Authority.

This report does not constitute a recommendation/offer/invitation to purchase shares issued by Hidroelectrica. This report contains consolidated-level information regarding the key operational indicators of the Hidroelectrica Group. Therefore, these pieces of information reflect the results and financial position for the reporting period available as of the date of this report and do not guarantee the future performance of the Group. The information in this document is selective and may require updates, revisions, and modifications under certain circumstances. Hidroelectrica assumes no obligation or commitment to publish any updates, revisions, or modifications to any information contained in this report, unless required by applicable law.

Certain figures included in this Report have been subject to rounding adjustments; as a result, figures presented for the same illustrated category in different tables may vary slightly. Additionally, the figures presented as totals in certain tables may not be an arithmetic aggregation of the preceding figures. Moreover, the percentages in the tables have been rounded and, as a result, may not sum up to 100%. Calculations, variations, and other percentages may slightly differ from their actual calculations due to the rounding of underlying financial, statistical, and operational information.

In case this report refers to any information from any external source, this information should not be considered adopted/approved by Hidroelectrica as accurate/correct.

This report may contain forward-looking statements. These statements reflect the current knowledge of the company as well as expectations and forecasts about future events. By their nature, forward-looking statements are subject to various risks, many of which are beyond the company's control, which could cause the actual results of the company to significantly differ from the expressed or anticipated results and performances. None of the future forecasts in this report should be considered promises, nor should they be considered implying an assurance or guarantee that the assumptions on which the future forecasts were based or the information and statements contained in this report are correct, accurate, or complete.

This report does not contain all the information that may be necessary regarding the company and its actions. Each person who accesses this report should conduct their own analysis.

The content of this report is the property of Hidroelectrica, and this document or any part of it may not be reproduced by any other person without the consent of Hidroelectrica.



Identification data of Hidroelectrica

Report date: 14 May 2026

Issuer's name: Societatea de Producere a Energiei Electrice în Hidrocentrale Hidroelectrica S.A.

Registered office: 15-17 Ion Mihalache Boulevard, 10-15 Floors, District 1, Bucharest, Romania

Phone: +40 21 303 25 00

Unique registration code with the Trade Registry: 13267213

Fiscal Registration Code: RO13267213

Registration number with the Trade Registry: J2000007426409

Legal Entity Identifier (LEI) Code: 787200IISRQX09PRB732

International Securities Identification Number (ISIN): RO4Q0Z5RO1B6

Subscribed and paid-up share capital: RON 4,498,025,670

Main characteristics of the issued securities: 449,802,567 ordinary, nominative, freely transferable shares, each with a nominal value of 10 RON/share, issued in dematerialized form.

Regulated market on which the issued securities are traded: the company's shares are listed on the Bucharest Stock Exchange (ticker symbol: H2O).

Summary of Q1 2026 Management Board Report

Hidroelectrica Group recorded operational and financial results in the first three months of 2026 significantly above those achieved in the same period of 2025. Revenues increased by 67% compared to the same period of 2025, while the operating margin of 47% and the net margin of 42% reflect the reconfiguration of the revenue structure, with an increasing contribution from the supply segment.

Q1 2026 compared to Q1 2025

- **The Hidroelectrica Group recorded significantly improved results, with gross profit increasing by 122%**
- **Net electricity production increased by 36%**
- **Revenues advanced by 67%**
- **Operating margin reached 47%, up by 37%**
- **Net margin reached 42%, up by 32**
- **Net profit increased by 122% to RON 1,307 million, from RON 589 million**
- **Earnings per share increased by 122% to RON 2.91/share, from RON 1.31/share.**

Within this framework, the Hidroelectrica Group implemented a prudent commercial policy, actively managed price and volume risks, and dynamically calibrated the production–procurement mix, maintaining a solid financial position and results aligned with energy market developments.

The supply portfolio expanded at an accelerated pace, confirming the repositioning towards a hybrid business model, with a stronger commercial footprint and an expanded customer base. Market purchases increased, while market risk was managed through phased contracting and commercial discipline. Robust liquidity and the low level of indebtedness support the financing of the investment plan. Operational efficiency, optimization of the production–procurement mix, the development of renewable energy sources (RES) and storage projects aimed at reducing structural exposure to hydrological variability and strengthening long-term resilience, as well as predictability in governance, remain key priorities for the Group in the period ahead.

Operational KPIs		3M 26	3M 25	Change (%)
Gross electricity production, out of which:	GWh	3,699	2,735	35%
Electricity production from hydro (gross)	GWh	3,621	2,661	36%
Net electricity production, out of which:	GWh	3,608	2,654	36%
Electricity production from hydro (net)	GWh	3,531	2,583	37%
Electricity production from wind	GWh	77	72	7%
External Acquisition GWh	GWh	357	196	82%
Total Electricity sales GWh	GWh	3,966	2,841	40%
Actual number of Hidroelectrica Employees		3,562	3,584	-0.6%
Actual number of Group Employees		5,249	5,270	-0.4%

Source: Hidroelectrica



Financial KPIs		3M 26	3M 25	Change (%)
Revenue	RON million	3,129	1,868	67%
EBITDA	RON million	1,707	867	97%
EBITDA Margin	%	55%	46%	18%
Adjusted EBITDA	RON million	1,707	867	97%
Adjusted EBITDA Margin	%	55%	46%	18%
Operating Margin (Operating Profit/Revenue*100)	%	47%	34%	37%
Net Margin (Profit for the period/Revenue*100)	%	42%	32%	32%
Operating Profit	RON million	1,480	643	130%
Net Profit	RON million	1,307	589	122%
Earnings per share	RON/share	2.91	1.31	122%

Source: Hidroelectrica

Revenues amounted to RON 3,129 million, 67% above the level recorded in the same period of the previous year, with an operating margin of 47% and a net margin of 42%, reflecting the Group's ability to capitalize on its traditional competitive advantage derived from the low cost of own hydropower generation. The increased dependence on the wholesale electricity market and the reconfiguration of the revenue structure, with a growing contribution from the supply segment, influenced margin levels.

As at 31 March 2026, the supply portfolio comprised 1,312,627 consumption sites (CS), representing an increase of 108% compared to the same date of the previous year, when 630,927 CS were recorded. This increase of 681,700 CS reflects both the attraction of a significant number of new household customers and a strong expansion in the non-household segment.

Client type	No. CS* 31.03.2026	No. CS* 31.03.2025	Change (%)
Household	1,247,527	601,382	107%
Non-household	65,100	29,545	120%
Total	1,312,627	630,927	108%

*The number of CS in the portfolio (excluding those directly supplied from the hydroelectric plant bars and those supplied from the transmission network/other non-concessionaire distribution operators)

Source: Hidroelectrica

The evolution of the portfolio reflects the consolidation of the Company's position in the competitive electricity supply market, driven by the increasing commercial attractiveness of its offers and the high level of interest shown by both household and non-household customers in the services provided.

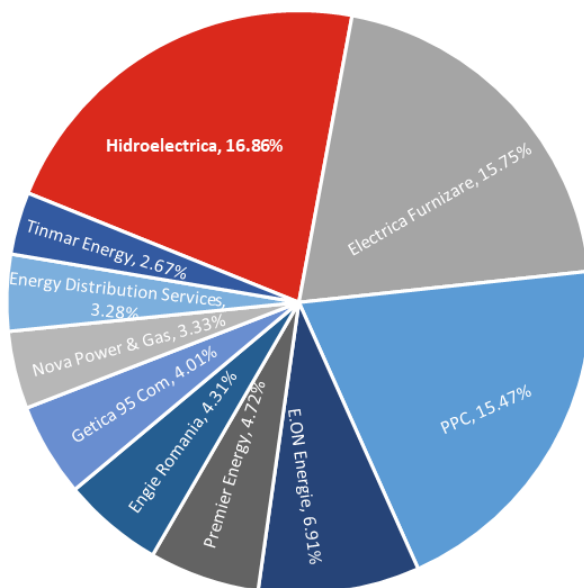
From an operational perspective, the accelerated growth of the portfolio has led to a significant increase in the volumes managed across supply-related processes, with a direct impact on contracting activities, billing, consumption data management, customer relations, and the handling of requests and complaints.

In this context, maintaining an adequate level of operational performance and quality indicators requires the continuation of measures aimed at strengthening administrative and operational capacity, including through workflow optimization, the development of IT infrastructure, and the adaptation of available resources to the current and forecasted level of activity. At the same time, the portfolio evolution highlights the need to implement continuous operational scaling and digitalization measures

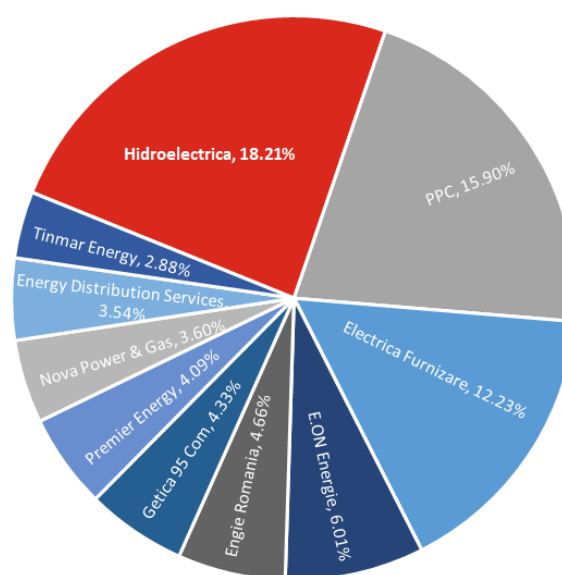
in order to support an efficient, predictable supply model focused on improving the quality of services provided to end customers.

In January 2026, according to the latest available monthly report published by [ANRE](#), Hidroelectrica held a market share of 18.21% on the competitive segment and a market share of 16.86% at the level of the total electricity supply market, maintaining the leading position in both categories as at the reporting date.

Market shares based on the quantity sold on the competitive market (January 2026)



Market shares based on the quantity sold on the total supply market (January 2026)



Source: ANRE Report on the Results of Monitoring the Electricity Market in January 2026

During the first three months of 2026, Hidroelectrica actively continued its strategic initiatives aimed at diversifying its renewable energy generation portfolio, pursuing the objective of remaining a 100% green company. Activities carried out during this period included the identification, analysis, and documentation of new investment opportunities, advancing the screening, due diligence, and preliminary structuring processes for potential transactions, both for the acquisition of stakes in existing projects and for the development of new generation capacities. These initiatives were conducted in parallel with the implementation of projects already included in the operational portfolio, demonstrating a balanced approach between sustainable growth and the rigorous execution of ongoing projects, with a constant focus on meeting implementation timelines.

This integrated approach — combining the exploration of external growth opportunities with the consolidation of internal capabilities — has the potential to strengthen the Company’s competitive advantage, diversify revenue sources, and mitigate structural exposure to the seasonal and hydrological risks specific to hydropower generation. At the same time, in the context of the announcement regarding the removal of electricity price caps, the Company anticipated an increase in demand for supply services, adopted a proactive position, and began procuring a significant portion of its energy requirements from the Day-Ahead Market (DAM), dynamically adapting to market developments.

Q1 2026 Management Board Report

I. Group presentation

Societatea de Producere a Energiei Electrice în Hidrocentrale Hidroelectrica S.A. ("Hidroelectrica" or "the Company") is a joint stock company managed in a two-tier system that carries out its activity in accordance with the Romanian legislation, established under the Romanian Government Decision nr. 627 of 13 July 2000, registered in Romania at the Trade Register Office attached to the Bucharest Tribunal under no. J2000007426409, with headquarters located in Romania, Bucharest, 15-17 Ion Mihalache Boulevard, floors 10-15, District 1, having sole registration code 13267213 and LEI code 787200IISRQX09PRB732. The telephone/Fax number of the Company is +40 21.303.25.00.

Starting from 12 July 2023, the regulated market on which the Company's shares are traded is the Bucharest Stock Exchange.

Organizational structure

Hidroelectrica is the main electricity producer in Romania and the main system service provider in Romania, with an essential role in the security of the National Power System ("NPS").

The Company owns and operates 188 hydropower plants and micro-hydropower plants (including five pumping stations) with a total installed hydropower generation capacity of approximately 6.3 GW and a wind farm with a total installed capacity of 108 MW.

The company has 7 hydroelectric branches and one branch that manages the Crucea wind farm, presented in the image below, the Iron Gates (Porțile de Fier) and Vâlcea being the most important for the Group in terms of their capacity to produce electricity and their share in the Group's total energy production.



*Hidroelectrica's branches; *PDF represents Porțile de Fier (Iron Gates)*

Source: Hidroelectrica



The Company has been committed to producing 100% renewable energy since its establishment and has played a key role in designing and developing technological and operational concepts that have become industry standards. At the same time, Hidroelectrica operates as a wholesale energy seller as well as a direct electricity supplier to end customers, including both residential (household) consumers and non-residential consumers (businesses across various industrial sectors such as automobile manufacturing, telecommunications, and construction, among others).

As a hydropower and wind energy producer, the Company leverages synergies between its generation and supply portfolios, while also capitalizing on the diversification of its energy mix by integrating other renewable sources, such as wind and solar energy, alongside hydropower.

As of 31 March 2026, Hidroelectrica has the following subsidiaries (together, the “Group”):

Subsidiary	Activity	Registered Office	% participation at 31 March 2026	% participation at 31 December 2025
Hidroserv S.A. (“Hidroserv”)	Services (maintenance, repairs, construction)	Bucharest, Romania	100%	100%
Uzina de Construcții Mașini Hidroenergetice S.R.L. („UCMH”)	Manufacturing of engines and turbines	Resita, Romania	100%	100%

Source: Hidroelectrica

Hidroserv provides maintenance and repair services for the hydroelectric assets of the Group, ensuring the operation of hydroelectric installations. The company offers a wide range of technical services, including preventive and corrective maintenance, as well as specialized technical consulting. Since October 2016, Hidroserv has been undergoing insolvency proceedings, within which a reorganization plan was approved by the Creditors' Meeting in June 2020 and confirmed by the court-appointed judge. As of 23 October 2023, Hidroserv successfully fully repaid all registered debts by making early payments for the amounts allocated to the final quarters listed in the "Final list of claims.". As a result of the implementation of the reorganization plan, Hidroserv exited the insolvency procedure on 26 June 2025 and is in the process of initiating a new growth cycle.

UCMH is specialized in manufacturing equipment and mechanical components for hydropower plants and other energy installations. UCMH provides technical and production support to Hidroelectrica, contributing to the maintenance program and the rehabilitation and modernization program for hydropower equipment and infrastructure.

On 22 February 2023, the Company was declared the winner of the sale procedure for the ABC business lines and the Călnicel platform, which were previously owned by U.C.M. Reșița S.A. In January 2024, following approval by the EGMS of Hidroelectrica, a new subsidiary was established: **Uzina de Construcții Mașini Hidroenergetice S.R.L.**, through which the business was taken over from U.C.M. Reșița S.A. The main activity of the new subsidiary is the manufacture of engines and turbines (NACE code 2811).



Share capital and main characteristics of the shares issued by the Company

The Company's registered share capital of RON 4,498,025,670 is fully subscribed and paid-up, being divided into 449,802,567 freely transferable ordinary registered shares, each with a nominal value of RON 10/share, issued in dematerialized form, with ISIN code RO4Q0Z5RO1B6 and traded on the regulated market administered by BVB under the symbol "H2O".

Group's main activities

Generation of Electricity and System Services

The Group produces electricity through the operation of 188 hydropower plants and micro-hydropower plants (including five pumping stations) and 36 wind turbines of 3MW each, objectives strategically located in eight branches on the territory of Romania. The portfolio of hydroelectric power plants in operation consists of approx. 54% hydroelectric plants with accumulation, 46% run-of-river plants and less than 1% pumping capacities. The main production capacity is represented by the Iron Gates I and the Iron Gates II, accumulating approximately 22.75% of the installed capacity and 42.6% of the total electricity production in the last ten years.

Hidroelectrica entered the wind energy production sector through the acquisition of Crucea Wind Farm, which represented 4% of Romania's total wind capacity in 2022. Subsequently, the General Meeting of Shareholders approved the merger by absorption of this entity into Hidroelectrica, effective 31 December 2022.

The electricity produced by the company is traded on the wholesale energy markets as well as on the retail market (through its electricity supply activities for end consumers).

For the operation of its generation capacities, Hidroelectrica operates under License No. 332, issued on 24 July 2001 by the National Energy Regulatory Authority (ANRE) for the commercial operation of electricity generation capacities, valid until 24 July 2026, in accordance with industry regulations and standards.

Hidroelectrica is also the primary provider of system services in Romania, ensuring the stability and operational security of the National Energy System (NPS). The company supplies system services (also known as "technological system services") to Transelectrica S.A., the national transmission system operator, under the Electricity Supply License and associated conditions No. 2215, issued on 6 May 2020.

Through this regulated procedure overseen by ANRE, Transelectrica S.A. purchases technological system services from Hidroelectrica under a contract-based framework, ensuring the safe operation of the energy system and maintaining the quality of transmitted electricity in compliance with the applicable regulatory requirements.

Supply of electricity to end costumers

The electricity market for end consumers in Romania is liberalized, allowing all consumers to freely choose their electricity supplier at negotiated prices. The competitive electricity market provides consumers with the flexibility to select the supplier and offer that best meet their needs at a competitive price.



The supply tariff includes, in addition to the price of electricity, the costs of electricity transmission and distribution, the contribution to the support scheme for high-efficiency cogeneration and the cost of green certificates.

II. Key Events during the reporting period

Preliminary Key Operational Indicators' publication

- On 11 February 2026, Hidroelectrica published preliminary key operational indicators for 2025.
- On 29 April 2026, Hidroelectrica published preliminary key operational indicators for Q1 2026.

OGMS Meetings

On 23 December 2025, the **Hidroelectrica Management Board convened the Extraordinary General Meeting of Shareholders for 27 January 2026**, with the following main items on the agenda:

- (i) The establishment by S.P.E.E.H. Hidroelectrica S.A., together with EDF Power Solutions International, of a joint venture/partnership (Joint Venture Company – JVC) with equal stakes of 50%–50%;
- (ii) The Shareholders' Agreement (SHA) to be concluded by S.P.E.E.H. Hidroelectrica S.A. with EDF Power Solutions International, setting out the terms and conditions governing the operation of the joint venture/partnership (Joint Venture Company – JVC) to be established by the parties for the development of the Tarnița Pumped Storage Hydropower Plant (CHEAP Tarnița) – the Proposed Investment/Opportunity.
- The procurement of legal advisory services in connection with the share capital increase process of S.P.E.E.H. Hidroelectrica S.A.
- The documentation prepared for obtaining the Certificate of Attestation of Property Rights over land assets in the patrimony of S.P.E.E.H. Hidroelectrica S.A., for six sites, of which five are located in Maramureș County and one site is located in Bihor County.
- The procurement of legal advisory services in view of the Company's objective to acquire, upon commissioning, the CHEAP Frasin–Pângărați power plant, with an installed capacity of 300 MW, to be developed and constructed by Hidro Blue Energy SRL.

All items on the agenda of the Extraordinary General Meeting of Shareholders (EGMS) were approved on the date of the meeting by the Company's shareholders, with the majority of votes cast.

On 26 March 2026, the Hidroelectrica **Management Board** convened the **Annual Ordinary General Meeting of Shareholders (OGMS) for 28 April 2026**, with the following main items on the agenda:

- Approval of Hidroelectrica's audited separate and consolidated annual financial statements for the financial year ended 31 December 2025.
- The Annual Report, comprising the Management Board Report, the Supervisory Board Report and the Sustainability Statement, for the financial year ended 31 December 2025.
- Allocation of the 2025 net profit, including approval of a total gross dividend amounting to RON 3,305,313,609, as well as a gross dividend per share of RON 7.348365.
- Discharge of liability of the Supervisory Board and the Management Board for the financial year ended 31 December 2025.

- The Remuneration Report of the Supervisory Board and the Management Board for the 2025 financial year.
- Approval of 4 June 2026 as the „Record Date”, 3 June 2026 as the „Ex-Date”, and 25 June 2026 as the „Payment Date” for the dividends related to the 2025 financial year.
- The annual evaluation report of the members of the Supervisory Board.

Information regarding the resolution of the OGMS held on **28 April 2026** is presented in the [Subsequent Events](#) section.

Selection process for Management Board members – CEO and CFO

On 20 March 2026, the announcement regarding the recruitment and selection of candidates for two positions of member of the Company’s Management Board – CEO and CFO – was published, including the eligibility requirements and the evaluation/selection criteria, in accordance with Article 35 (6) of OUG 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented. The deadline for submission of applications was 20 April 2026.

As of the date of this report, the selection procedures are ongoing, in line with the committed completion timeline.

Other key events

Signing of the turnkey contract for the “Țara Hațegului Photovoltaic Park” project

On 19 February 2026, Hidroelectrica announced the signing of the turnkey contract for the “Țara Hațegului Photovoltaic Park” project, with a value of RON 24,412,390.00 excluding VAT. The contract was awarded following an open tender procedure, in which four bids were submitted. Following their evaluation, the winning bid was submitted by the consortium of ELECTRO-ALFA INTERNATIONAL S.A. and GENERAL ME.EL ELECTRIC S.R.L., with ELECTRO-ALFA INTERNATIONAL S.A. acting as consortium leader.

The project involves the development of a photovoltaic park with an installed capacity of 8.9 MWp and an estimated average annual production of approximately 11 GWh. The investment will contribute to increasing renewable generation capacity, reducing carbon emissions, and supporting national and European energy transition objectives.

The project will be implemented on a turnkey basis and will include design, equipment supply, construction works, testing, commissioning, and technical assistance during the warranty period. The contract duration is 12 months, of which 2 months are allocated for the design phase and 10 months for execution.

Through this investment, Hidroelectrica further strengthens its position as a leader in renewable energy generation in Romania, continuing its strategy to develop new renewable capacity complementary to its hydropower portfolio.

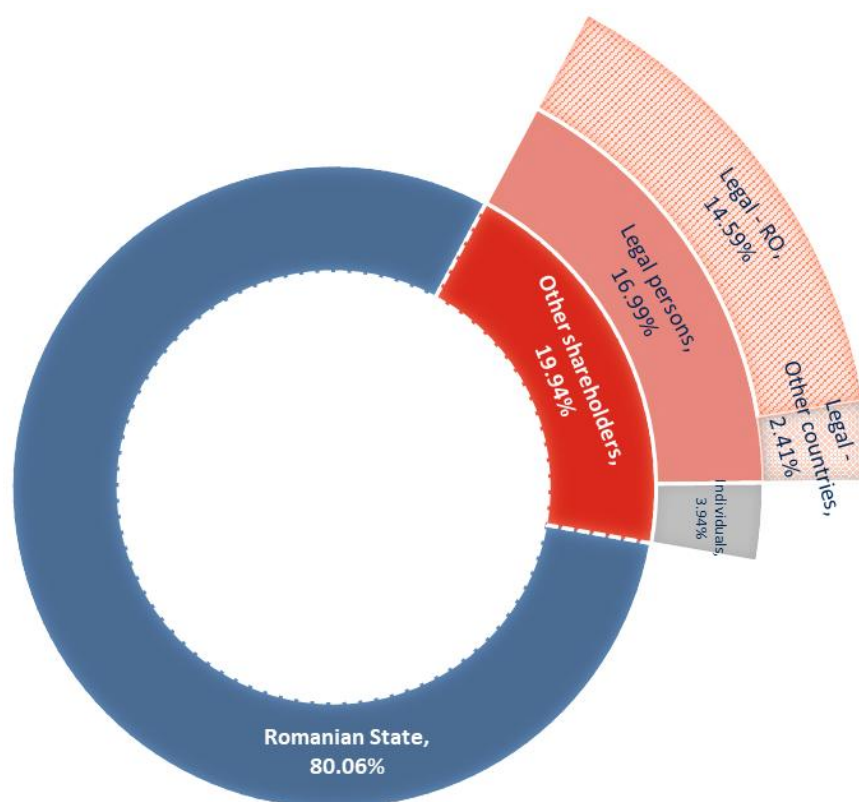
Memorandum Proposal pursuant to GEO 89/2025

On 6 February 2026, Hidroelectrica submitted to the Ministry of Energy the proposed Memoranda for Hidroelectrica and its subsidiaries, respectively Hidroserv and UCMH, pursuant to GEO 89/2025, requesting exemptions in order to fill the vacant positions existing at the end of 2025, necessary for maintaining the safe operation of hydropower assets and continuing strategic investments for the national energy system, as well as for increasing the number of employees compared to the workforce level recorded at the end of 2025, in order to ensure the resources required for the proper conduct of the electricity supply activity.

As of the date of this report, the submitted Memoranda have not been approved.

III. Shareholders Structure and Share Price Evolution

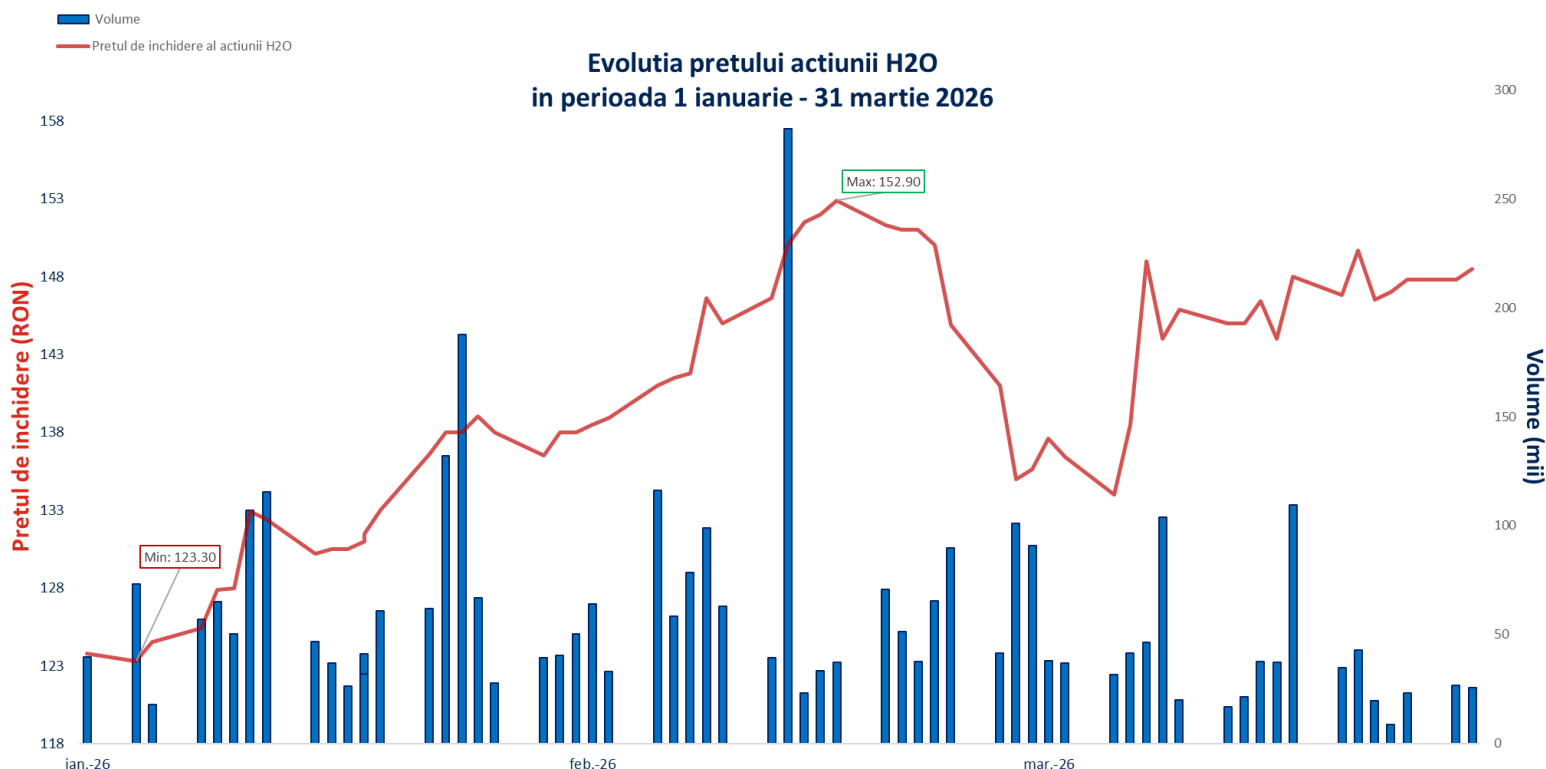
Shareholder structure as at 31 March 2026



Shareholder	Ownership	Percentage of ownership in the share capital
Romanian State through Ministry of Energy	360,094,390	80.0561%
Legal persons	76,458,964	16.9983%
Individuals	13,249,213	2.9456%
Total	449,802,567	100.0000%

Source: Depozitarul Central, Hidroelectrica

During the period 1 January – 31 March 2026, according to information published by the Bucharest Stock Exchange (BVB), Hidroelectrica shares recorded a minimum closing price of RON 123.3 (8 January 2026) and a maximum closing price of RON 152.9 (20 February 2026), while the average share price amounted to RON 140.1.



Source: BSE, Hidroelectrica

As of 31 March 2026, Hidroelectrica ranked third on the Bucharest Stock Exchange in terms of trading value over a one-year period. On the same date, the company held the top position among Romanian-listed companies by market capitalization, reaching a value of RON 66,8 billion.

IV. Financial Results at and for the period of three months ended on 31 March 2026

1. Financial Indicators

Indicators	RON million		
	3M 26	3M 25	Change (%)
Revenue	3,129	1,868	67%
EBITDA	1,707	867	97%
Operating Profit	1,480	643	130%
Profit for the period	1,307	589	122%
Basic and diluted earnings per share	2.91	1.31	122%

Source: Hidroelectrica

Indicators	Calculation method	31 March 2026
Current liquidity indicator	Current assets/Current liabilities	4.55
Degree of indebtedness	Borrowed capital/Own capital x 100	1.11
Degree of indebtedness	Borrowed capital/capital employed x 100	1.09
Trade Receivables turnover	Average Trade Receivable balance/Revenue x 270	143.67
Non-current assets turnover	Revenue/Non-current assets	0.16

Source: Hidroelectrica

2. Net Debt/ (Cash) Adjusted

RON million	31 March 2026
Bank borrowings	190
Lease liabilities	70
Cash and cash equivalents	(1,616)
Short-term Investments (investments in corporate bonds and deposits)	(4,989)
Adjusted Net Debt/(Cash)	(6,345)
Adjusted EBITDA	1,707
Adjusted Net Debt/(Cash) to Adjusted EBITDA Ratio	(3.72)

Source: Hidroelectrica

3. Breakdown of revenue

		3M 26	3M 25	Change (%)
Generation Energy Sold (Net)	GWh	3,608	2,654	36%
External Acquisitions	GWh	357	196	82%
Total Energy Sale	GWh	3,966	2,841	40%
<i>Wholesale Energy Sold</i>	<i>GWh</i>	<i>1,710</i>	<i>1,131</i>	<i>51%</i>
Wholesale Revenue	RON million	1,106	599	85%
<i>Quantity of electricity-Supply</i>	<i>GWh</i>	<i>2,134</i>	<i>1,604</i>	<i>33%</i>
Supply Revenue related to active energy	RON million	1,127	655	72%
Transferred costs (pass trough)	RON million	707	467	51%
<i>Quantity of electricity - Balancing</i>	<i>GWh</i>	<i>84</i>	<i>55</i>	<i>52%</i>
Balancing Revenue	RON million	97	86	13%
System Services (STS) Revenue	RON million	71	41	73%
Other revenues from customer contracts, out of which:	RON million	21	20	5%
Positive imbalances revenue*	RON million	1	(4)	-125%
Power reduction services revenue	RON million	38	51	-25%
Redistribution of additional revenues	RON million	10	7	43%
Revenue	RON million	3,129	1,868	68%

* The quantity of positive imbalances recorded in the nine-month period ended 31 March 2026 is 38 GWh (three-month period ended 31 March 2025: 51 GWh)

Source: Hidroelectrica

Energy Produced and Sold (Net)

In the first quarter of 2026, a significant increase in net electricity production was recorded, rising by approximately 36% compared to the same period of the previous year, reaching a total of 3,608 GWh. The Danube flow reached a normal level of approximately 6,900 m³/s, above the level recorded in the first months of 2025.

Given that this level of hydrological inflows was recorded over a limited period of time, the rapid commercialization of the additional energy output became necessary, with volumes being directed predominantly towards the wholesale market. As a result, quantities sold on this segment increased by 51% compared to Q1 2025.

Wholesale market revenues

Revenues from the wholesale market in the January–March 2026 period increased by 85% compared to the first quarter of the previous year. This growth was driven by several factors, including the increase in volumes sold. The commercial strategy adopted aimed to maximize the value generated for each MWh produced, leveraging the flexibility of the hydropower units to enhance revenues from the wholesale segment. The additional energy volumes generated by the favorable hydrological conditions were therefore efficiently traded, contributing significantly to the Company's financial results in the first quarter of 2026.

Revenues from Supply

Supply revenues increased by 72% to RON 1,127 million in the first three months of 2026, from RON 655 million in the same period of 2025. This development reflects both the optimization of the supply portfolio structure and commercial strategy, as well as the growth in the customer base and the quantity of electricity sold.

In order to remain competitive in an environment characterized by increased pressure on commercial margins and heightened consumer mobility, the Company continuously adjusted the structure of its commercial offers, aiming both to maintain the attractiveness of its products and to strengthen the loyalty of the existing customer portfolio.

Balancing revenues

Balancing revenues increased by 13%, to RON 97 million recorded in the first three months of 2026, from RON 86 million recorded in the same period of 2025. The increase was driven by a 53% rise in energy volumes, partially offset by a 26% decrease in the selling price in the first three months of 2026 compared to the same period of 2025.

System services revenues

Revenues from system services increased by 73%, to RON 71 million recorded in the first three months of 2026, from RON 41 million recorded in the same period of 2025.

Other revenues from contracts with customers

Other revenues from contracts with customers increased by 5%, to RON 21 million in the first three months of 2026, from RON 20 million in the same period of 2025. The evolution of these revenues was influenced by the behavior of other participants in the electricity market regarding imbalance management. At the same time, power reduction services recorded in the generation segment increased by RON 3 million compared to the same period of 2025.

4. Operating Expenses

	3M 2026	3M 2025	Change
<i>Costs breakdown</i>	<i>RON million</i>	<i>RON million</i>	<i>%</i>
Turbinated water	134	99	35%
Employee benefits expenses	237	220	8%
Transport and distribution of electricity	587	382	54%
Electricity purchased	209	95	119%
Green certificates expenses	130	83	56%
Depreciation and amortization	220	220	0%
Impairment loss on trade receivables, net	49	31	57%
Repair, maintenance, materials and consumables	22	23	-6%
Tax for electricity producers	0	16	-100%
Other operating expenses	87	75	16%

Source: Hidroelectrica

Turbinated water

Water usage expenses increased by 35%, to RON 134 million in the three-month period ended 31 March 2026, from RON 99 million in the same period of 2025. This increase was driven by the higher volume of electricity generated in the first three months of 2026 compared to the same period of 2025, following the improvement in hydrological conditions compared to the same period of the previous year.

Employee benefits

Employee benefits expenses increased by 8%, to RON 237 million in the three-month period ended 31 March 2026, from RON 220 million in the same period of 2025. This increase was mainly driven by salary increases resulting from negotiations with the employees' union, applicable starting from May 2025.

Electricity transmission and distribution

Electricity transmission and distribution expenses increased by 54%, to RON 587 million in the three-month period ended 31 March 2026, from RON 382 million in the three-month period ended 31 March 2025. This increase was primarily driven by a 33% increase in the volume of electricity supplied, as well as by an average 3% increase in distribution tariffs starting from 1 January 2026.

Purchased electricity

Purchased electricity expenses increased by 119% in the three-month period ended 31 March 2026, to RON 209 million, from RON 95 million in the same period of 2025. This evolution was mainly driven by the increase in the volume of electricity required for the supply segment, following the growth in the number of customers.

Green certificates expenses

Green certificates expenses increased by 56%, to RON 130 million in the three-month period ended 31 March 2026, from RON 83 million in the three-month period ended 31 March 2025. This increase was

mainly caused by the higher volume of electricity supplied in Q1 2026 compared to the same period of the previous year.

Tax for electricity producers

The tax for electricity producers was repealed starting from 1 July 2025; consequently, this expense amounted to zero in the first quarter of 2026.

Other operating expenses

Other operating expenses increased by 16%, to RON 87 million in the three-month period ended 31 March 2026, from RON 75 million in the three-month period ended 31 March 2025. This increase mainly reflects the impact of higher taxes and professional services expenses.

5. Investment activity

	3M 26	3M 25	Change
	<i>RON million</i>	<i>RON million</i>	%
Development Project CAPEX	12,4	11.8	5%
Refurbishment CAPEX	39	22	74%
Maintenance CAPEX	29	14	107%
Standalone equipment and machinery	10	4	129%
TOTAL INVESTMENTS	90	52	72%

Source: Hidroelectrica

The investments presented above are financed from own sources.

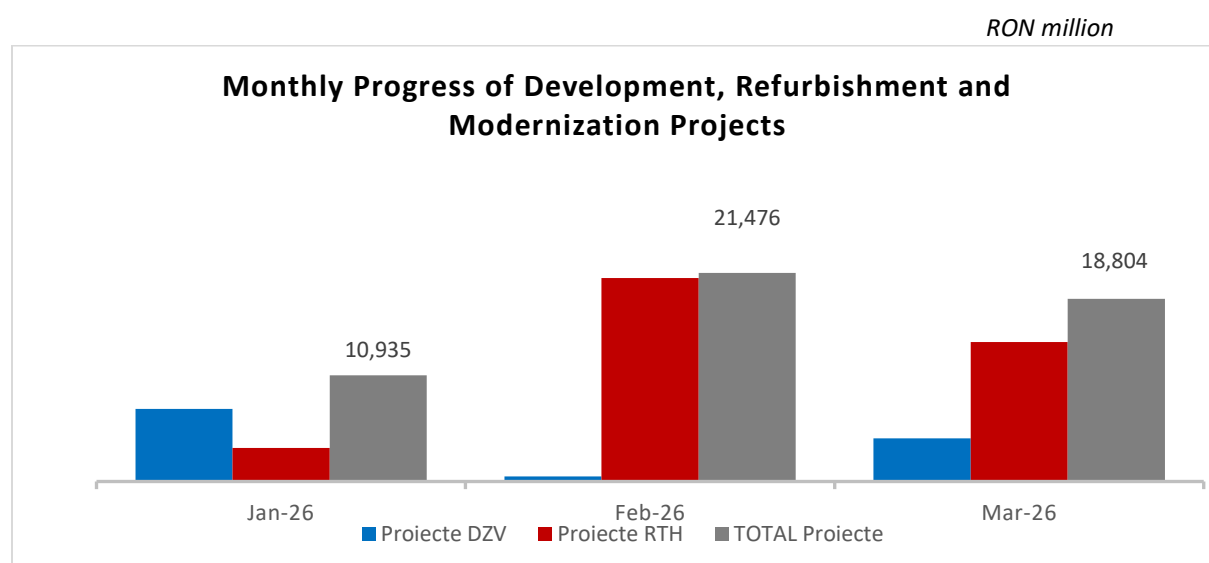
The pace of investment execution is significantly influenced by factors external to the Company, mainly procedural, administrative, and legislative in nature, which do not reflect Hidroelectrica's operational capabilities, but rather the regulatory environment and the complexity of the strategic projects currently under implementation.

Investments in development, refurbishment, and modernization projects continue to face delays, suspensions, or even the discontinuation of certain works, largely caused by constraints and conditions beyond the control of project managers or contract administrators, such as:

- Delays in obtaining environmental permits for several major projects (e.g. Pașcani HPP, Surduc-Siriu HPP, Cornetu Avrig HPP, Cerna-Motru-Tismana Stage II), requiring rescheduling and timeline adjustments;
- Suspension or cancellation of environmental permits issued by the Ministry of Environment, Waters and Forests (e.g. Răstolița HPP, Bumbăști-Livezeni HPP);
- Unfavorable outcomes in ongoing litigation cases and the suspension of works through court injunctions, situations currently subject to legal proceedings;
- Extended procurement procedures caused by additional ex-ante verification stages carried out by the National Agency for Public Procurement (A.N.A.P.), which delayed contract signing but support compliant and transparent execution over the medium term;

- Procurement procedures cancelled due to the lack of bidders, bids exceeding the value allocated through the approved general budget, or offers failing to meet the required commissioning deadlines;
- Procurement challenges filed by bidders (e.g. Tudor Vladimirescu Floating PV Plant, Battery Energy Storage System at Iron Gates II HPP), leading to delays in the award of works contracts;
- Delayed resolution of procurement appeals, significantly exceeding standard timelines;
- Lack of Government Decisions regarding land expropriations;
- Overlaps with other road or railway infrastructure projects;
- Contractors undergoing insolvency or bankruptcy proceedings, leading to the inability to execute contracts according to schedule, lack of responses to requests for quotations, and the absence of a general designer, resulting in inadequate integration of projects into the design schedule;
- The absence of a general designer, leading to the inability to implement contracts according to schedule, as well as insufficient responses to tender requests.

Despite these constraints, the investment plan remains robust and achievable, while the remedial measures adopted — including rescheduling, relaunching procurement procedures, updating technical documentation, and intensifying dialogue with the relevant authorities — are expected to support an acceleration of execution during 2026.



Source: Hidroelectrica

Investments in Development Projects (CAPEX for Projects)

In the first three months of 2026, investment expenditures related to development projects amounted to a total of RON 12.43 million, representing an increase of RON 0.62 million compared to the same period of the previous year.

Investments in progress

For 2026, Hidroelectrica has budgeted RON 202 million for the continuation of major development projects (hydropower projects). As at 31 March 2026, the status of these projects was as follows:

- **Pașcani HPP** – project under implementation, with ongoing contracts progressing according to schedule, without significant constraints or conditions likely to jeopardize the project completion date;
- **Răstolița HPP** – project constrained by the suspension of the environmental permit by the court until the final resolution of the litigation regarding its annulment. As a consequence of the suspension of the environmental permit, Government Decision no. 327/2025 regarding the removal of land from the forestry fund was also suspended. Works carried out by contractors continue on sites that do not require deforestation or removal from the forestry fund. Significant constraints include the insolvency of the general contractor, Hidroconstrucția S.A., and the lack of a general designer;
- **Surduc-Siriu HPP** – ongoing contracts for construction works and equipment related to the Surduc Dam, pressure node, and adduction system. During the Technical Analysis Committee (CAT) meeting held on 4 March 2026, the issuance of the environmental permit for the Surduc Dam was approved. The procurement procedure for the equipment of Nehoiășu II HPP and the extension of the 110 kV substation was relaunched after being cancelled twice previously due to the lack of bids. Constraints remain dependent on the resolution of court actions initiated by the Declic Association regarding the construction continuation permit;
- **Jiu River HPP on the Livezeni-Bumbești sector** – ongoing contracts for the connection to the National Energy System (SEN) of Dumitra HPP, Bumbești HPP, and Livezeni SHPP. The technical expertise for the equipment was accepted, and cadastral documentation for the expropriation corridor related to the SEN connection of Dumitra HPP and Livezeni SHPP was completed. Potential constraints that may affect the project completion deadline include ongoing litigation with the Bankwatch and Ecolegal Associations seeking the annulment/suspension of Environmental Permit no. 2/17.06.2025, as well as obtaining construction permits while the environmental permit remains challenged in court;
- **Olt Gorge HPP on the Cornetu-Avrig sector (Lotrioara-Câineni-Racovița)** – ongoing SEICA, EA, and RIM services contracts, with documentation published on the Ministry of Environment, Waters and Forests website. The project is currently undergoing an update and a revised cost-benefit analysis considering the received offers and the numerous constraints and conditions, including: the impossibility of obtaining the construction permit and resuming negotiations/contracting of remaining works in the absence of the environmental permit and expropriation Government Decision; overlap with the A1 Motorway project (Lotrioara and Câineni); railway bridges downstream of the Racovița HPP tailrace canal condition the completion of works on the second section of the tailrace canal. Regarding the SEN connection (Lotrioara and Câineni), evacuation constraints on the Olt Valley Gorge section result in highly costly grid connection and full-capacity evacuation solutions, which remain entirely the responsibility of Hidroelectrica;
- **Cerna-Belareca HPP** – the urban planning certificate was extended until February 2027. The environmental permit and water management approval were issued in 2025. Ongoing activities include obtaining the construction permit, securing the SEN connection, acquiring land rights, and procurement procedures for construction and installation works (non-binding requests for quotations);
- **Bistra-Poiana Mărului HPP** – project under implementation, with remaining works related to the Rueni and Râul Alb sections. Ongoing activities include the tender procedure for cadastral

documentation required for expropriation (the issuance of the Urban Planning Certificate is conditional upon the completion of expropriations).

In April 2026, the contract for the expropriation documentation was signed;

- **Cerna-Motru-Tismana Hydrotechnical and Energy Complex** – Stage II – Environmental Permit no. 2/09.03.2026 was obtained. The Design Department of SPEEH Hidroelectrica S.A. prepared the Feasibility Study “Update of the technical and economic indicators of the Cerna-Motru-Tismana Hydrotechnical and Energy Complex – Stage II investment objective”, which received a favorable opinion within the Technical and Economic Committee of Hidroelectrica through Opinion no. 22/2026;
- **Vânători HPP** – ongoing contract progressing according to schedule;
- **Rehabilitation of monitoring and control equipment at the Cerna, Tg Jiu, and Vădeni dams** – ongoing contract progressing according to schedule.

New investments

For 2026, Hidroelectrica has budgeted RON 165 million for investments in photovoltaic energy and energy storage projects, continuing the structural transformation of its generation portfolio towards complementary green energy technologies and increased resilience against hydrological variability driven by global warming.

These projects mark another stage in Hidroelectrica’s transition from a business model predominantly based on hydropower generation towards an expanded portfolio incorporating new green energy technologies, designed to be hybrid, flexible, and adaptable. This approach addresses both the objective of technological diversification and the need to mitigate systemic risks, particularly hydrological risk.

- **Tudor Vladimirescu PV Plant (installed capacity: 45.94 MW, estimated annual output: 59.21 GWh/year)** – the procurement procedure for the turnkey works contract is ongoing, with the procedure currently challenged before the National Council for Solving Complaints (CNSC). The grid connection contract is under implementation. Steps are ongoing to obtain the Construction Permit for the investment project.
- **Țara Hațegului Photovoltaic Park** – Hunedoara County (installed capacity: 8.9 MW, estimated annual output: 11.83 GWh/year) – the design and execution contract is under implementation. Construction Permit no. 5/19.03.2026 was obtained, valid for 24 months. Decision no. 10/13.03.2026 regarding the removal of the land from agricultural use was obtained from the Hunedoara County Directorate for Agriculture. The notice to proceed for the design services contract no. 1/2026 was issued under registration no. 330/27.02.2026. The DTAC and DTOE documentation was accepted through Acceptance Report no. 28554/20.03.2026. Legal fees payable to the State Construction Inspectorate (ISC), amounting to 0.1% and half of the 0.5% quota calculated on the construction and installation value from the General Estimate, were paid. Notifications regarding the commencement of works were submitted to the Bretea Română Municipality (letter no. 639/31.03.2026) and ISC Hunedoara (letter no. 137559/31.03.2026). The process of obtaining the ANRE Establishment Authorization is ongoing.
- **Floating photovoltaic panels system** – “Nufărul” pilot project (installed capacity: 10 MWp, estimated annual output: 13.48 GWh/year) – the turnkey contract for the floating photovoltaic

system is under implementation, with the notice to proceed for execution works issued in March 2026. The Safe Operation Approval CONSIB 164/23.02.2026 was obtained. Ongoing activities include site organization works, obtaining the ANRE Establishment Authorization, environmental monitoring services, preparatory works, and related activities.

- **Capitalization of photovoltaic potential within electricity generation plants located on the middle and lower Olt River sector** – ROOFTOP project (620 W photovoltaic panels, 100 kW inverters, and energy optimization solutions; installed capacity: 2,955.58 kW; estimated annual output: 3,710.87 MWh/year) – the Technical Project was approved in December 2025, the notice to proceed for execution works was issued on 9 February 2026, and works are currently ongoing.
- **Battery Energy Storage System at Iron Gates II HPP (storage capacity of 256 MWh)** – currently under procurement procedure; the duration of the procurement process has been extended due to additional ex-ante verification stages carried out by A.N.A.P. and as a result of a complaint admitted by CNSC.
- **Li-ion storage installation within the Crucea NORD Wind Farm (nominal storage capacity of 72 MWh)** – turnkey contract under implementation, with a completion deadline of 23 March 2027.
- **Polder Zervești Photovoltaic Park** – project approved in December 2025; Urban Planning Certificate no. 7/12.03.2026 was obtained from the Turnu-Ruieni Municipality. The technical and economic documentation is currently under preparation.

In addition to the projects already under implementation, Hidroelectrica aims to expand its investment portfolio in complementary green energy technologies and currently has under analysis/approval several pre-investment projects, such as:

- **Floating photovoltaic panels system within the Lower Olt hydropower plants** – update and optimization with BESS storage systems – installed PV capacity for the entire development: 100 MWp, estimated annual output: 124.7 GWh/year; nominal installed power/energy storage capacity for the entire development: 200 MW / 800 MWh. The Design Department of SPEEH Hidroelectrica S.A. prepared the Feasibility Study “Floating photovoltaic panels system within the Lower Olt hydropower plants – update and optimization with BESS storage systems”, which received a favorable opinion from the Technical and Economic Committee of Hidroelectrica through Opinion no. 16/2026. A substantiation note was prepared for the Management Board regarding the approval of the investment title;
- **Storage installation at Retezat HPP** – installed capacity of 90 MW and a storage capacity of 360 MWh. The Design Department of SPEEH Hidroelectrica S.A. prepared the Feasibility Study “Battery Energy Storage System at Retezat HPP”, which received a favorable opinion from the Technical and Economic Committee of Hidroelectrica through Opinion no. 28/2026. A substantiation note was prepared for the Management Board regarding the approval of the investment title;
- **Storage installation at Ruieni HPP** – installed capacity of 50 MW and a storage capacity of 200 MWh. The Design Department of SPEEH Hidroelectrica S.A. prepared the Feasibility Study “Battery Energy Storage System at Ruieni HPP”, which received a favorable opinion from the Technical and Economic Committee of Hidroelectrica through Opinion no. 32/2026. A substantiation note was prepared for the Management Board regarding the approval of the investment title;
- **BESS Tudor Vladimirescu** – installed capacity of 30 MW and a storage capacity of 120 MWh. The project is currently in the pre-investment phase. Opportunities for the implementation of battery

storage systems were analyzed based on the existing grid connection architecture to the National Energy System (SEN), the availability of sites owned by Hidroelectrica suitable for implementation, and the possibility of operating the systems using existing personnel, with the objective of optimizing implementation-related costs.

The integration of storage systems and solar energy sources into the existing infrastructure strengthens Hidroelectrica's position both as a supplier of 100% green energy and as an operator capable of ensuring the continuity and security of electricity supply, as well as the safe and stable operation of the National Energy System, regardless of natural conditions or market volatility.

Investments in Refurbishment Projects (CAPEX for Refurbishment)

The refurbishment activity, in line with Hidroelectrica's Investment Strategy, aims to implement the program for the promotion and execution of modernization and refurbishment projects related to hydropower assets. This activity materializes through the preparation and advancement of refurbishment and modernization projects for power plants, hydro units, associated installations and substations, as well as through the continuation of projects already under implementation, currently at various investment stages (procurement, design, execution, acceptance, monitoring during the warranty period, etc.).

The budget proposed by Hidroelectrica for refurbishment and modernization projects in 2026 amounts to RON 655 million, of which RON 475 million is allocated to refurbishment projects and RON 180 million to modernization projects.

As at 31 March 2026, investments in refurbishment and modernization projects totaled RON 39 million, representing an increase of 74% compared to the same period of the previous year. The summary status of refurbishment and modernization projects is presented below:

Refurbishment projects

The budget proposed for 2026, amounting to a total of RON 475 million, is mainly allocated to the following objectives:

○ Stejaru HPP Refurbishment

The refurbishment works related to the "Stejaru HPP Refurbishment" project were divided (from both a technical and contractual perspective) into four investment components:

- Component I: Butterfly Valve House – contract under implementation;
- Component II: Powerhouse, consisting of: Hydro Unit (HU) 5 – completed and commissioned in 2024; HU 1÷4 – contract under implementation with Hidroserv, with a completion deadline of 10 April 2031; the joint control acceptance related to the powerhouse was completed in January 2026; Pressure node – contract under implementation with Electromontaj, with a completion deadline of 30 May 2028;
- Component III: 110 kV Substation – contract under implementation for the remaining works to be executed (110 kV cells T1÷T4);
- Component IV: 220 kV Substation – initiation of the final acceptance procedure.

- **Vidraru HPP Refurbishment** – contract under implementation with Electromontaj and Končar, with a completion deadline of 28 December 2031; environmental monitoring activities are ongoing under contract, as well as consultancy and technical assistance services;
- **Râul Mare Retezat HPP Refurbishment** – procurement procedure currently ongoing;
- **Refurbishment of the Petrimanu, Lotru Aval and Jidoaia pumping stations** – contract under implementation;
- **Rehabilitation works for the Romanian lock within the Iron Gates I Hydropower and Navigation System (SHEN Porțile de Fier I)** – ongoing works aimed at maintaining and optimizing navigation infrastructure; Segment gate valve: contract completed, currently under warranty period; Flat gate valve: contract completed, currently under warranty period; Busked gate collars at the downstream end of the lock: contract signed in February 2026 with DSD NOELL GmbH, with a completion deadline of 9 July 2027.

In addition to the refurbishment projects presented above and currently under implementation, the following projects have also been approved and are at various stages of implementation:

- **Mărișelu HPP Refurbishment** – reanalysis of technical refurbishment solutions for the update of the Feasibility Study, aimed at optimizing the technical solution. Tender specifications and documentation for the market research procedure are currently under preparation;
- **Râul Mare Retezat HPP Refurbishment** – open tender procedure ongoing, currently at the bid evaluation stage. A single bid was submitted by the consortium formed by COBRA and ANDRITZ;
- **Brădișor HPP Refurbishment** – the Feasibility Study Memorandum was updated and approved within the Technical and Economic Committee, in view of the reapproval of the technical and economic indicators.

Modernization projects

The proposed budget for 2026, totaling RON 180 million, is mainly allocated to the following objectives:

- **Vaduri HPP Modernization: HU no. 2, the 110 kV substation, and the mechanical and electrical equipment of the power plant and dam** – contract under implementation with Hidroserv and UCMH, with a completion deadline of 1 May 2027;
- **Modernization works at HU2 of Remeți HPP, including the 110 kV substation, the general installations related to the power plant, the pressure node, and the Drăgan Dam** – contract under implementation with Hidroserv and UCMH, with a completion deadline of 31 December 2027;
- **Modernization of HU2 at Arcești HPP and replacement of the automation and monitoring system related to auxiliary services for HU1** – contract under implementation with UCMH and Hidroserv, with a completion deadline of 31 December 2026;
- **Modernization of the 110 kV, 20 kV, and 6.3 kV electrical substations at Tg Jiu HPP and Vădeni HPP** – contract completed; commissioning report signed on 16 January 2026;
- **Modernization works for the electrical installations related to the hydromechanical equipment and the hydraulic actuation system of the Gogoșu spillway dam** – contract under implementation with DSD NOELL GmbH, with a completion deadline of 25 July 2026;
- **Modernization of the VIR actuation system at Iron Gates I HPP** – contract under implementation with Hidroserv, with a completion deadline of 31 January 2027;

- **SCADA modernization for the Olt Hydropower Branch (DHE Olt)** – contract under implementation with the consortium formed by Enevo Group and Eximprod Engineering, with a completion deadline of 31 July 2027.

In addition to the modernization projects presented above and currently under implementation, the following projects have also been approved and are at various stages of the procurement procedures:

- **Assembly and commissioning of HU1 and its auxiliary installations within the Iron Gates II Hydropower Development (U.H.E. PF II)** – procurement procedure relaunched and currently ongoing;
- **Modernization of electrical substations at: 110 kV Golești HPP, Merișani HPP, Băiculești HPP, as well as 6.3 kV and 110 kV Budeasa HPP** – procurement procedure cancelled due to the absence of submitted bids;
- **Modernization of the electrical substation at Gilău I HPP** – procurement procedure cancelled due to the absence of submitted bids;
- **Modernization of automation, protection, general services, and security installations for the Upper Olt hydropower plants** – procurement procedure currently ongoing.

Maintenance Investments (CAPEX for Maintenance)

In the first three months of 2026, investments in capitalized maintenance related to hydropower constructions, equipment, and administrative buildings amounted to a total of RON 29 million, representing an increase of over 100% compared to the RON 14 million recorded in the same period of 2025.

Maintenance works with capitalization – hydro-technical constructions

In the first three months of 2026, works amounting to a total of RON 2.6 million were carried out at sites within the Bistrița, Cluj, Curtea de Argeș, Hațeg, and Iron Gates branches.

Construction intervention works are complex in nature and fall entirely under the provisions of Law no. 10/1995 regarding quality in construction, requiring the preparation of technical expert assessments and technical designs, the obtaining of permits and authorizations, as well as the execution of works by certified construction companies.

Maintenance works with capitalization – equipment

In the first three months of 2026, equipment maintenance works (CAPEX) amounting to a total of RON 26 million were carried out at sites within seven Hidroelectrica branches.

The Maintenance and Hydrotechnical Constructions Department manages the investment project “Structural rehabilitation (metal structure, mechanical parts, sealing systems and embedded parts), related installations (gate body heating, guide heating and lubrication systems), anticorrosion protection for the double-hook gates of the Iron Gates I spillway dam”, with a contractual completion deadline in 2031. For 2026, a budget of RON 28.6 million has been proposed. The project is currently progressing according to the agreed execution schedule.

Maintenance works with capitalization - rehabilitation of administrative buildings with capitalization

For 2026, rehabilitation works for administrative buildings (CAPEX) amounting to a total estimated value of RON 13.6 million are planned. As at 31 March 2026, requests were ongoing towards the Design Department for the preparation of technical and economic documentation related to intervention works for administrative headquarters, warehouses, and intervention buildings.

6. Cashflow

	3M 2026	3M 2025	Change
	<i>RON million</i>	<i>RON million</i>	<i>%</i>
Net cash from operating activities	1,689	984	70%
Net cash from investing activity	(1,235)	(1,833)	-33%
Net cash used in financing activities	(26)	(27)	-4%
Net increase/(decrease) in cash and cash equivalents	428	(876)	146%
Cash and cash equivalents at 1 January	1,188	1,582	-25%
Cash and cash equivalents at 31 March	1,616	705	126%

Source: Hidroelectrica

Net cash from operating activities

Net cash generated from operating activities amounted to RON 1,689 million in the three-month period ended 31 March 2026, compared to RON 984 million in the three-month period ended 31 March 2025. This increase mainly reflects the higher cash generated from operating activities as a result of increased sales achieved under strong profitability conditions.

Net cash from investing activity

Net cash used in investing activities amounted to RON (1,235) million in the three-month period ended 31 March 2026, compared to RON (1,833) million in the three-month period ended 31 March 2025. This decrease mainly reflects the increase in net cash flows generated from investment-related deposits, correlated with the maturities of previously established deposits.

Net cash used in financing activities

Net cash used in financing activities amounted to RON (26) million in the three-month period ended 31 March 2026, compared to net cash used in financing activities of RON (27) million in the three-month period ended 31 March 2025.

7. Financial position

<i>RON million</i>	31 March 2026 unaudited	31 December 2025 audited	Change %
Assets			
Non-current assets			
Property, plant and equipment	19,305	19,429	-1%
Intangible assets	35	36	-3%
Restricted cash	3	23	-87%
Other non-current assets	371	374	-1%
Total non-current assets	19,713	19,863	-1%
Current assets			
Inventories	134	124	8%
Trade receivables	1,632	1,698	-3%
Investments in deposits	4,989	3,732	34%
Cash and cash equivalents	1,616	1,188	34%
Restricted cash	50	32	56%
Other current assets	226	65	248%
Total current assets	8,647	6,839	26%
Total assets	28,361	26,702	6%
Equity and liabilities			
Equity			
Share capital	5,527	5,527	0%
Revaluation reserve	10,975	11,084	-1%
Other reserves	1,030	1,030	0%
Retained earnings	5,956	4,539	31%
Total equity	23,487	22,810	6%
Liabilities			
Non-current liabilities			
Bank borrowings	118	118	0%
Lease liabilities	60	62	-3%
Current tax liabilities	189	192	-2%
Deferred income	8	8	0%
Deferred tax liabilities	1,381	1,397	-1%
Employee benefits	141	140	1%
Provisions	1,020	1,009	1%
Trade payables	9	15	-40%
Other payables	48	58	-17%
Total non-current liabilities	2,974	2,999	-1%
Current liabilities			
Bank borrowings	71	95	-25%
Lease liabilities	10	10	0%
Trade payables	796	777	2%
Contract liabilities	51	48	6%
Current tax liabilities	449	181	148%
Deferred income	6	6	0%
Employee benefits	140	156	-10%

<i>RON million</i>	31 March 2026 unaudited	31 December 2025 audited	Change %
Provisions	103	104	-1%
Other payables	274	146	88%
Total current liabilities	1,899	1,523	25%
Total liabilities	4,874	4,522	8%
Total equity and liabilities	28,361	26,702	6%

Source: Hidroelectrica

Trade receivables

The balance of trade receivables remained relatively stable, amounting to RON 1,632 million as at 31 March 2026, compared to RON 1,698 million as at 31 December 2025, showing a slight decrease despite the growth of the supply portfolio.

Investments in deposits

The balance of investments in deposits increased by 34%, reaching RON 4,989 million as at 31 March 2026, compared to RON 3,732 million as at 31 December 2025. This increase was mainly driven by the higher cash availability generated from operating activities and the increased profitability of operating activities.

Other current assets

Other current assets outstanding as at 31 March 2026 increased by 248%, to RON 226 million, from RON 65 million as at 31 December 2025. This increase was mainly driven by advance payments made for the purchase of electricity, as well as for local taxes and duties related to the 2026 financial year, including the special construction tax.

Current income tax liabilities

The balance of current income tax liabilities increased by 148%, reaching RON 449 million as at 31 March 2026, compared to RON 181 million as at 31 December 2025. The increase recorded as at 31 March 2026 represents the income tax related to the first quarter of 2026, accumulated together with the liability recorded as at 31 December 2025, which is due in June 2026.

Employee benefits

Short-term employee benefits outstanding as at 31 March 2026 decreased by 10%, to RON 140 million, from RON 156 million as at 31 December 2025. This decrease was mainly driven by the payment, in January 2026, of obligations related to the salary rights for December 2025, including contributions related to additional employee benefits granted under the collective labor agreement.

Provisions

The balance of long-term provisions increased by 1%, to RON 1,020 million as at 31 March 2026, from RON 1,009 million as at 31 December 2025. This increase was mainly caused by the update of decommissioning provisions during 2026.

Other current liabilities

The balance of other current liabilities increased by 88%, to RON 274 million as at 31 March 2026, compared to RON 146 million as at 31 December 2025. This increase mainly reflects a higher level of VAT payable, driven by the invoicing of larger volumes compared to December 2025 — particularly in the supply activity — as well as the recognition of the liability related to the special construction tax due in the following quarter.

V. Risk Management

Strategic Risk Management at Company Level

Hidroelectrica plays an essential role within Romania's energy system, being the leading electricity producer and a key provider of technological services for the National Energy System. By the nature of its activity, the Company is exposed to complex risks, and their effective management represents a strategic priority. The Management Board continuously monitors the risk management system, assessing long-term sustainability and medium-term liquidity.

On 6 February 2026, Hidroelectrica submitted to the Ministry of Energy the proposed Memoranda for Hidroelectrica and its subsidiaries, respectively Hidroserv and UCMH, pursuant to GEO 89/2025, requesting exemptions in order to fill the vacant positions existing at the end of 2025, necessary for maintaining the safe operation of hydropower assets and continuing strategic investments for the national energy system, as well as for increasing the number of employees compared to the workforce level recorded at the end of 2025, in order to ensure the resources required for the proper conduct of the electricity supply activity.

As of the date of this report, the submitted Memoranda have not been approved.

Failure to implement the proposed measures due to the non-approval of the Memorandum generates a significant operational and strategic risk consisting in the understaffing at Group level required for operational and commercial activities, with a direct impact on the implementation of maintenance and investment programs, operational efficiency and the Company's ability to adequately manage the accelerated expansion of the electricity supply activity. At the same time, maintaining the personnel deficit may affect compliance with execution deadlines, equipment availability and the sustainability of operational performance over the long term.

Climate Risks and Infrastructure Adaptation

The increasing frequency of extreme weather events highlights the impact of climate change on economic activities. Hidroelectrica implements proactive measures, including programs aimed at reducing the risks associated with water shortages and floods, strengthening dam safety, investing in new generation capacities, and modernizing critical infrastructure. The integration of climate-related considerations into decision-making processes is essential for maintaining operational resilience.

Sustainability of Production Assets

Hydropower developments play a key role in the country's energy security. Hidroelectrica continues to invest in their modernization and refurbishment, aiming to extend asset lifetime, improve efficiency,



and implement modern remote-control solutions (SCADA). The strategy also targets the development of new projects, alongside ensuring the maintenance of the existing infrastructure.

Exposure to Energy Price Volatility

Fluctuations in energy market prices influence the Company's revenues and margins. Hidroelectrica applies price risk mitigation measures, including forward contracts, production optimization based on hydrological conditions, and operational cost control.

Cybersecurity

In the context of accelerated digitalization and geopolitical risks, the Company has strengthened its cybersecurity defense systems through technical solutions, dedicated procedures, and continuous staff training. Cyber threats are managed through a multi-layered approach focused on prevention and rapid response.

Regulatory and Energy Policy Risks

Hidroelectrica is exposed to legislative changes and decisions by public authorities, which may significantly affect operational activity and financial results. The Company maintains an ongoing dialogue with relevant authorities, aiming to rapidly adapt to changes in national and European regulatory policies.

Environmental Compliance

The Company operates under strict environmental protection and water management regulations. Activities are carried out in compliance with environmental permits, while the development of new capacities involves complex assessment procedures, particularly in the vicinity of protected natural areas. Continuous dialogue with environmental authorities supports compliance and the mitigation of related risks.

Health, Safety, and Environment (HSE)

The Company continues to operate responsibly, targeting zero accidents and compliance with all legal requirements. Hidroelectrica continuously monitors HSE risks, conducts training sessions, and promotes an organizational culture based on safety, responsibility, and sustainability.

Credit risk is presented in the Notes to the Financial Statements attached to this report.

VI. Subsequent Events

GMS Meetings

On 26 March 2026, the Hidroelectrica **Management Board** convened the Annual Ordinary General Meeting of Shareholders (OGMS) for **28 April 2026**, with the main items on the agenda presented in the [Key Events](#) section.

During the OGMS held on 28 April 2026, all items on the agenda were approved by the Company's shareholders, with the majority of votes held.



On 27 April 2026, the **Management Board of Hidroelectrica** convened the **OGMS for 29 May 2026**, with the following main items on the agenda:

- Approval of the 2026 Revenue and Expenditure Budget of S.P.E.E.H. Hidroelectrica S.A. It should be noted that the proposal for the approval of the 2026 Revenue and Expenditure Budget within the OGMS scheduled for 29 May 2026 resulted from the delay in the adoption of the State Budget Law for 2026.
- Approval of the distribution, in the form of dividends, of the amount of RON 1,000,000,000 from retained earnings (special dividend), representing surplus realized from revaluation reserves, respectively approval of a gross dividend per share amounting to RON 2.223197.
- Approval of 9 September 2026 as the Record Date, 8 September 2026 as the Ex Date, and 30 September 2026 as the Payment Date.

On 11 May 2026, a request submitted by the Ministry of Energy on behalf of the Romanian State, in its capacity as shareholder, was received regarding the inclusion of the following items on the agenda of the OGMS scheduled for 29 May 2026:

- Acknowledgment of the existence of a suspension situation regarding mandate agreement no. 36089/29.03.2023 concluded with Mr. Silviu Răzvan Avram, pursuant to Article 40 of the agreement, in the absence of notification by the mandatary;
- Approval of the form and content of Addendum no. 5 to the mandate agreement concluded with Mr. Silviu Răzvan Avram, member of the Supervisory Board, in the form proposed by the Ministry of Energy;
- Approval of the mandate granted to the representative of the Romanian State shareholder through the Ministry of Energy within the Ordinary General Meeting of Shareholders of S.P.E.E.H. Hidroelectrica S.A. to sign Addendum no. 5 to the mandate agreement with the Supervisory Board member.

The supplemented convening notice will be published on 15 May 2026.

Publication of preliminary key operational indicators

- On 29 April 2026, Hidroelectrica published the preliminary key operational indicators for Q1 2026.

Hidroelectrica's Management Board

Bogdan-Nicolae BADEA
Chairman of the Management Board

Radu-Ioan CONSTANTIN
Management Board Member

Ianăș RĂDOI
Management Board Member



Management Statement

Based on the information available, we confirm that the Condensed Interim Consolidated Financial Statements prepared for the three month period ended 31 March 2026, in accordance with International Accounting Standard IAS 34 – Interim Financial Reporting as adopted by the European Union, as well as the Consolidated Management Board Report for the first quarter of 2026, prepared in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, as republished, and ASF Regulation no. 5/2018, provide a true and fair view of the assets, liabilities, financial position and profit and loss of the Hidroelectrica Group, and present accurate and complete information regarding the Group’s performance, as available at the date of this report.

Hidroelectrica’s Management Board

Bogdan-Nicolae BADEA
Chairman of the Management Board

Radu-Ioan CONSTANTIN
Management Board Member

Ianăș RĂDOI
Management Board Member

Glossary of terms and definitions

GMS	The General Meeting of Shareholders, which can be either the Ordinary General Meeting of Shareholders (AGOA) or the Extraordinary General Meeting of Shareholders (AGEA)
BSE	Bucharest Stock Exchange
FSA	Financial Conduct Authority
ANRE	Romanian Energy Regulatory Authority (Romanian: Autoritatea Nationala de Reglementare in Domeniul Energiei)
CHE	Hydroelectric plant (Romanian: Centrala hidroelectrica)
AHE	Hydropower station (Romanian: Amenajare hidroenergetica)
CEE	Wind Power Plants (Romanian: Centrale Electrice Eoliane)
CEF	Photovoltaic Power Plants (Romanian: Centrale Electrice Fotovoltaice)
DHE	Hydropower Dispatch
SB	Supervisory Board
GEO	Government Emergency Ordinance
Hidroserv	Company branch, S.S.H. Hidroserv S.A.
GD	Government Decision
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
LEI	The identification code of the legal entity
M&A	Mergers and acquisitions
MACEE	Centralized Electricity Purchasing Mechanism (Romanian: MACEE)
PNRR (PNRR)	The National Recovery and Resilience Plan (Romanian: PNRR)
GDPR	General Data Protection Regulation
OPCOM	The operator of the electricity and natural gas market in Romania - OPCOM S.A,
PAM (MAP)	Maintenance Assurance Plan
NPS	National Power System (Romanian: SEN)
Hidroelectrica	SOCIETATEA DE PRODUCERE A ENERGIEI ELECTRICE IN HIDROCENTRALE "HIDROELECTRICA" S.A.
Transelectrica	The national operator of transport and electricity system ("OTS")

- **EBITDA** is defined as profit/(loss) before tax before (i) depreciation and amortization of property, plant and equipment and intangible assets and (ii) interest income and interest expense,
- **EBITDA Margin** is defined as EBITDA divided by revenue,
- **Adjusted EBITDA** is defined as EBITDA adjusted for (a) impairment/reversal of impairment of property, plant and equipment and (b) gain on bargain purchase of subsidiaries,
- **Adjusted EBITDA Margin** is defined as Adjusted EBITDA divided by revenue,
- **Adjusted Net Debt/(Cash)** is defined as bank loans and liabilities related to leasing contracts minus cash and cash equivalents and short-term investments (investments in deposits and government bonds),
- **Adjusted Net Debt/(Cash) to Adjusted EBITDA Ratio** is defined as Adjusted Net Debt/(Cash) divided by Adjusted EBITDA



Consolidated Interim Financial Statements

S.P.E.E.H. HIDROELECTRICA S.A.
Two-tier system Company



INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the three month period ended
31 March 2026

Prepared in accordance with IAS 34 Interim Financial Reporting
as adopted by the European Union

CONTENTS:	PAGE:
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2026	1-2
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the three month period ended 31 March 2026	3
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the three month period ended 31 March 2026	4
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the three month period ended 31 March 2026	5-6
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS as at and for the three month period ended 31 March 2026	7-27
BASIS OF PREPARATION	
1. REPORTING ENTITY AND GENERAL INFORMATION	
2. BASIS OF ACCOUNTING	
3. USE OF JUDGEMENTS AND ESTIMATES	
4. CHANGE IN ACCOUNTING POLICY	
PERFORMANCE	
5. OPERATING SEGMENTS	
6. REVENUE	
7. OTHER INCOME	
8. OPERATING EXPENSES	
9. FINANCE RESULT	
10. EARNING PER SHARE	
INCOME TAXES	
11. INCOME TAX	
ASSETS	
12. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	
13. INVESTMENTS IN DEPOSITS	
14. TRADE RECEIVABLES	
15. OTHER ASSETS	
EQUITY AND LIABILITIES	
16. EQUITY	
17. OTHER PAYABLES	
FINANCIAL INSTRUMENTS	
18. FINANCIAL INSTRUMENTS – Fair values and risk management	
OTHER INFORMATION	
19. COMMITMENTS	
20. CONTINGENCIES	
21. RELATED PARTIES	

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

(All amounts are in thousand RON, unless otherwise stated)

	Note	31 March 2026 (unaudited)	31 December 2025 (audited)
Assets			
Non-current assets			
Property, plant and equipment		19,304,510	19,429,425
Intangible assets		35,041	36,249
Restricted cash	12	3,000	23,057
Other non-current assets	15	370,732	374,334
Total non-current assets		19,713,283	19,863,066
Current assets			
Inventories		134,488	123,808
Trade receivables	14	1,631,611	1,698,378
Investments in deposits	13	4,989,480	3,732,016
Cash and cash equivalents	12	1,615,753	1,187,734
Restricted cash	12	50,191	32,066
Other current assets	15	225,838	64,960
Total current assets		8,647,361	6,838,962
Total assets		28,360,644	26,702,028
Equity			
Share capital	16	5,526,898	5,526,898
Revaluation reserve		10,974,588	11,083,763
Other reserves		1,029,674	1,029,674
Retained earnings		5,955,934	4,539,471
Total equity		23,487,094	22,179,806
Liabilities			
Non-current liabilities			
Bank borrowings		118,365	118,358
Lease liabilities		59,887	61,511
Deferred income		189,052	192,389
Current tax liabilities	11	7,972	7,822
Deferred tax liabilities		1,380,935	1,396,869
Employee benefits		141,132	139,904
Provisions		1,020,330	1,009,132
Trade payables		8,634	14,901
Other payables	17	47,871	57,867
Total non-current liabilities		2,974,178	2,998,753

(continued on page 2)

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

(All amounts are in thousand RON, unless otherwise stated)

	Note	31 March 2026 (unaudited)	31 December 2025 (audited)
Current liabilities			
Bank borrowings		71,259	94,957
Lease liabilities		10,433	10,136
Trade payables		795,719	777,323
Contract liabilities		50,614	48,392
Current tax liabilities	11	448,513	180,641
Deferred income		5,659	5,606
Employee benefits		139,878	155,541
Provisions		103,320	104,498
Other payables	17	273,977	146,374
Total current liabilities		1,899,372	1,523,468
Total liabilities		4,873,550	4,522,221
Total equity and liabilities		28,360,644	26,702,028

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bogdan-Nicolae BADEA

Chairman of the
Management Board

Radu Ioan CONSTANTIN

Member of the
Management Board

Ianăș RĂDOI

Member of the
Management Board

Petronel CHIRIAC

Finance Director

Marian FETIȚA

Accounting manager

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise stated)

	Note	Three month period ended	
		31 March 2026 (unaudited)	31 March 2025 (unaudited)
Revenue	6	3,128,965	1,868,174
Other income	7	5,810	7,504
Turbinated water	8A	(134,024)	(99,174)
Employee benefits expenses		(236,785)	(219,581)
Transport and distribution of electricity	8C	(586,832)	(382,084)
Electricity purchased	8B	(208,848)	(95,177)
Green certificates expenses		(129,771)	(83,446)
Depreciation and amortization		(220,396)	(219,582)
Impairment on property, plant and equipment net		-	39
Impairment loss on trade receivables, net		(48,795)	(31,139)
Repair, maintenance, materials and consumables		(22,076)	(23,421)
Tax for electricity producers	8D	(50)	(15,738)
Other operating expenses		(87,165)	(75,105)
Own work capitalized		20,063	11,853
Operating profit		1,480,096	643,123
Finance income	9	92,957	78,322
Finance costs	9	(13,730)	(18,992)
Net finance result		79,227	59,330
Profit before tax		1,559,323	702,453
Income tax expense	11	(252,035)	(113,229)
Profit for the period		1,307,288	589,224
Earnings per share			
Basic and diluted earnings per share (RON)	10	2.91	1.31
Other comprehensive income			
Impairment of property, plant and equipment recognized in revaluation reserve, net of tax		-	-
Total other comprehensive income		-	-
Total comprehensive income		1,307,288	589,224

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bogdan-Nicolae BADEA

Chairman of the
Management Board

Radu Ioan CONSTANTIN

Member of the
Management Board

Ianăș RĂDOI

Member of the
Management Board

Petronel CHIRIAC

Finance Director

Marian FETIȚA

Accounting manager

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
 (All amounts are in thousand RON, unless otherwise stated)

	Attributable to owners of the Company				Total equity
	Share capital	Revaluation reserve	Other reserves	Retained earnings	
Balance at 1 January 2025 (audited)	5,526,898	11,548,962	1,025,970	4,749,312	22,851,142
Total comprehensive income for the period					
Profit of the period	-	-	-	589,224	589,224
Total comprehensive income	-	-	-	589,224	589,224
Other changes in shareholders' equity					
Transfer of revaluation reserve to retained earnings due to depreciation and disposals of property, plant and equipment	-	(115,788)	-	115,788	-
Balance at 31 March 2025 (unaudited)	5,526,898	11,433,174	1,025,970	5,454,324	23,440,366

	Attributable to owners of the Company				Total equity
	Share capital	Revaluation reserve	Other reserves	Retained earnings	
Balance at 1 January 2026 (audited)	5,526,898	11,083,762	1,029,674	4,539,471	22,179,806
Total comprehensive income for the period					
Profit of the period	-	-	-	1,307,288	1,307,288
Total comprehensive income	-	-	-	1,307,288	1,307,288
Other changes in shareholders' equity					
Transfer of revaluation reserve to retained earnings due to depreciation and disposals of property, plant and equipment	-	(109,174)	-	109,174	-
Balance at 31 March 2026 (unaudited)	5,526,898	10,974,588	1,029,674	5,955,934	23,487,094

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bogdan-Nicolae BADEA

Chairman of the Management Board

Petronel CHIRIAC

Finance Director

Radu Ioan CONSTANTIN

Member of the Management Board

Ianăș RĂDOI

Member of the Management Board

Marian FETIȚA

Accounting Manager

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise stated)

	Note	Three month period ended	
		31 March 2026 (unaudited)	31 March 2025 (unaudited)
Cash flow from operating activities:			
Profit for the period		1,307,288	589,224
<i>Adjustments for:</i>			
Depreciation		214,931	218,855
Amortisation		5,465	727
Impairment on property, plant and equipment, net		-	(39)
Impairment loss on trade receivables, net		48,795	31,139
Write-down of inventories		(86)	-
Loss/(gain) on disposal of property, plant and equipment		420	(89)
Net foreign exchange gain		(1)	213
Interest income		(86,176)	(74,509)
Interest expense		13,595	3,593
Provisions		(1,178)	14,107
Income tax expense		252,036	113,229
		1,755,089	896,450
<i>Changes in:</i>			
Trade receivables		17,971	8,865
Inventories		(10,594)	596
Restricted cash		1,932	-
Other assets		(254,199)	(114,884)
Trade payables		79,931	81,585
Deferred income		(3,285)	4,295
Employee benefits		(14,434)	(12,930)
Other payables		118,690	123,402
Cash generated from operating activities		1,691,101	987,379
Interest paid		(2,375)	(3,681)
		1,688,726	983,698
Net cash from operating activities			
Cash flow from investing activities:			
Payments for acquisition of property, plant and equipment		(162,985)	(50,610)
Payments for acquisition of intangible assets		(4,257)	(16,858)
Proceeds from disposals of fixed assets		6,545	-
Payments for deposits held for investment purposes		(3,130,000)	(3,325,413)
Proceeds from deposits held for investment purposes		1,970,000	1,500,000
Interest received		85,620	59,438
Net cash used in investing activities		(1,235,077)	(1,833,443)

(continued on page 8)

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
 (All amounts are in thousand RON, unless otherwise stated)

	Note	Three month period ended	
		31 March 2026 (unaudited)	31 March 2025 (unaudited)
Cash flow from financing activities:			
Repayment of borrowings		(23,660)	(23,106)
Lease payments		(1,328)	(2,749)
Dividends paid		(642)	(894)
Net cash used in financing activities		(25,630)	(26,749)
Net increase/(decrease) in cash and cash equivalents		428,019	(876,494)
Cash and cash equivalents at 1 January	12	1,187,734	1,581,617
Cash and cash equivalents at 31 March	12	1,615,753	705,123

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bogdan-Nicolae BADEA

Chairman of the
Management Board

Radu Ioan CONSTANTIN

Member of the
Management Board

Ianăș RĂDOI

Member of the
Management Board

Petronel CHIRIAC

Finance Director

Marian FETIȚA

Accounting manager

1. REPORTING ENTITY AND GENERAL INFORMATION

(a) General information about the Group

Societatea de Producere a Energiei Electrice in Hidrocentrale Hidroelectrica S.A. (“the Company” or “Hidroelectrica”) is a joint stock company, domiciled in Romania. The Company’s registered office is 15-17 Ion Mihalache Blvd., Tower Center Building, 10-15 floors, Sector 1, Bucharest. The Company is registered at National Trade Register Officer with no. J2000007426409 and has unique registration code 13267213.

These interim condensed consolidated financial statements comprise the Company and its subsidiaries (together referred as the “Group”).

The Group’s main lines of business are power generation (hydro and wind) and electricity supply to end consumers.

As of 31 March 2026, the Romanian State through the Ministry of Energy owns 360,094,390 shares, representing 80.0561% of the share capital and of the total voting rights. The rest of the shares are traded on the Bucharest Stock Exchange as follows: 76,458,964 shares, representing 16.9983% of the share capital are owned by legal persons and 13,249,213 shares representing 2.9456 % of the share capital by individuals.

The Company is governed by a two-tier system comprising the Supervisory Board and the Management Board.

Initial public offering (“IPO”)

Between 23 June and 4 July 2023, the Company went through an initial public offer on Bucharest Stock Exchange. The allocation of the shares was carried out on 5 July 2023, the total offer included the entire holding of Fondul Proprietatea, namely 89,708,177 shares, representing 19.9439 % of the Company's share capital.

The first trading day of Hidroelectrica shares at the Bucharest Stock Exchange was 12 July 2023.

List of subsidiaries

As of 31 March 2026 and 31 December 2025 Hidroelectrica has the following subsidiaries:

Subsidiary	Activity	Registered Office	% participation at 31 March 2026	% participation at 31 December 2025
Hidroserv S.A.	Services (maintenance, repairs, construction)	Bucharest, Romania	100%	100%
Uzina de Construcții Mașini Hidroenergetice S.R.L.	Manufacturing of engines and turbines	Resita, Romania	100%	100%

Hidroserv S.A. entered the insolvency proceedings in October 2016. In 2020, a reorganization plan of the subsidiary was approved by the Assembly of Creditors and confirmed by the insolvency judge. On 25 June 2025 the court has officially closed the insolvency proceedings against S.S.H. Hidroserv S.A, by ordering its reintegration into the economic circuit.

On 22 February 2023, the Company was declared winner of the sales procedure of business lines ABC and Calnicel platform, of UCM Resita SA. In January 2024, the Company set-up a new subsidiary, Uzina de Construcții Mașini Hidroenergetice S.R.L., through which it took-over the business from U.C.M. Reșița S.A.. The transaction was completed on 11 March 2024.

All revenue are generated in Romania.

(b) Regulatory environment

The activity in the energy sector is regulated by the National Energy Regulatory Authority ("ANRE").

The main responsibilities of ANRE include: licensing the entities operating in the energy sector, issuance of regulations applicable to the electricity market, approval of regulated prices and tariffs and issuance of methodologies used to set regulated prices and tariffs.

(c) Main operations of the Group

Electricity generation and system services

The Group generates electricity by operating 188 hydropower plants and micro-hydropower plants, including 5 pumping stations, (the main generation capacities being Portile de Fier I and Portile de Fier II, which represent on average 40% of the total electricity generated in the last ten years) and 36 wind turbines of 3 MW each.

The electricity generated is sold both wholesale and retail (supply to end consumers).

Hidroelectrica S.A. also provides system services to the national electricity system operator, Transelectrica. The system services involve making an agreed power generation capacity available to Transelectrica within a certain period of time, so that to allow the system operator to achieve permanent balancing of the electricity system.

Electricity supply to end users

The electricity market to end users in Romania is liberalized and all consumers are free to choose their electricity supplier from which they can purchase electricity at negotiated prices.

The Group supplies electricity to both non-household consumers at negotiated tariffs and household consumers. The supply price include, in addition to the electricity price, regulated tariffs (the electricity transportation and distribution costs, the contribution to high efficiency co-generation power support scheme, and the cost of green certificates (see *Green certificates* section)).

Starting 1 November 2021, due to the significant increase in energy prices on the international and national markets and the impact thereof on Romanian consumers, the Government implemented consumer support schemes, as follows:

- capping the electricity supply tariffs for household and non-household consumers until 30 June 2025. The difference between the cap price and the regulated cost was partially covered through a subsidy from the State reducing the impact of the capping mechanism. Once the Group submitted the requests for the subsidy to be received from the State authorities as per applicable law, the subsidy and the related income is recorded (Note 6).

The price cap schemes for electricity were eliminated starting 1 July 2025.

Green certificates ("GC")

As a producer of electricity from renewable sources (hydroelectric power in refurbished micro-hydropower plants with an installed capacity of no more than 10 MW and with a service life of at least 15 years from the date of commissioning, and wind power), the Group receives green certificates through the green certificates support scheme.

In the first 3 months of 2026 the Group received 3 green certificates for each MWh generated by the eligible micro-hydropower plant and 0.75 green certificates for each MWh generated by the wind farm. During the first 3 months of 2026, the Group generated from its own production portfolio a number of 2,016 GC from hydropower plants and 57,772 GC from wind power plant (CEE Crucea Nord) (3 months ending 31 March 2025: 6,011 GC from microhydropower plants and 53,945 GC from wind power plant).

The selling price must fall between the minimum and maximum values set by law:

- (a) a minimum trading value of EUR 29.4/GC and;
- (b) a maximum trading value of EUR 35/GC.

As an electricity supplier, the Group is required to purchase a number of green certificates computed by multiplying the annual mandatory purchase quota of green certificates by the quantity (in MWh) of electricity supplied to end users. ANRE establishes the annual mandatory level of purchase obligations (quotas) for green certificates. The Group is eligible to receive green certificates for the production of Crucea Wind farm which are used to partially settle the obligation to comply with the mandatory annual quota. The difference is acquired by the Group to reach the quota and the Group recognizes the amount needed to acquire the green certificates for fulfilling the quota in "Trade payables".

Tax on electricity producers

The tax for electricity producers is computed as 100% of net monthly average selling price in excess of RON 400 per MWh. The tax on electricity producers was applicable until 31 March 2025.

In February 2025, the Government issued a new Emergency Ordinance (GEO no. 6/27.02.2025) extending the applicability of the tax for an additional 3 months, until June 30, 2025. Starting April 1, 2025, the tax for energy producers is calculated by applying a rate of 80% (reduced from 100%) to the difference between the average net monthly selling price and the price of 400 RON per MWh.

The net monthly average selling price is computed based on the monthly revenue of the generation segment, which includes the wholesale of electricity produced and the value of electricity transferred within the same entity from producer portfolio (generation segment) to supplier portfolio (supply segment), less monthly cost for imbalances.

The tax for electricity producers has been eliminated as of July 1, 2025.

Tax on Constructions

Starting with 1 January 2025, the tax on constructions was introduced through Government Emergency Ordinance (GEO) 156/2024, with subsequent amendments, calculated as 0,5%, of the net book value of eligible constructions held as of 31 December of the preceding year and constructions subject to concession contract.

The tax had an impact of 51,133 thousand RON for the period ended 31 December 2025.

2. BASIS OF ACCOUNTING

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2025. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards issued by IASB. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

These interim consolidated financial statements were authorized for issue by the Company's Management Board on 14 May 2026.

The Group also issues an original version of these interim condensed consolidated financial statements prepared in accordance with IFRS Accounting Standards issued by IASB in Romanian language approved at the same date with these financial statements.

3. USE OF JUDGEMENTS AND ESTIMATES

In preparing these interim financial statements, management has made judgements and estimates, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements, except for the judgement below referring to the fair value of property, plant and equipment.

i. Fair value of the property, plant and equipment

Property, plant and equipment, except for assets under construction and right-of-use assets, were revalued by an independent valuation expert at 31 December 2023.

The fair value of the Group's land was estimated using the market comparison approach, the method of direct comparison. The valuation technique used to determine the fair value of the special constructions, the net reconstruction cost was used given that no comparable information were available on the market (include hydro-power facilities and other highly specialized items, with no such works being undertaken in the last decades in Romania). Physical depreciation was determined as the ratio of remaining useful life to the economic useful life of each asset applied to the gross replacement cost.

For the general purpose construction items, the valuation expert determined the net replacement cost (i.e. the cost to replace an asset with another comparable asset available in the market), computed as gross replacement cost, less physical and external depreciation (functional depreciation is accounted for when computing the gross replacement cost – i.e. the replacement cost does not include the cost of specific functionalities that are not specific to the asset subject to valuation)

Based on the assessment conducted as of 31 December 2025 with the involvement of an independent specialist which corroborates the evolution of the construction cost index and other macroeconomic indicators with the forecasted electricity production from hydro-power plants and the forecasted curve of selling price, the Group's management estimate is that the net carrying amount of property, plant, and equipment accounted for using the revaluation model approximates the fair value as of the balance sheet date.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for financial assets and liabilities, and non-financial assets (property, plant and equipment).

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which

the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 17 Financial instruments.

4. CHANGE IN ACCOUNTING POLICY

The accounting policies in effect on December 31, 2025, remain largely unchanged. The IFRS amendments effective since January 1, 2026, did not have a material effect on the interim condensed consolidated financial statements.

5. OPERATING SEGMENTS

A. Basis for segmentation

The Group has identified two reporting segments based on the operating licenses owned – production of electricity and supply of electricity.

The following summary describes the operations of each reportable segment:

Reportable segment	Operations
Electricity generation	Production of electricity through the operation of hydropower plants, micro-hydropower plants and wind turbines, rendering of system services to the system operator (meaning making available an agreed generation capacity for the balancing needs of the energy system). Electricity produced is sold mainly to electricity suppliers and entities that trade electricity on the wholesale electricity market, as well as supplied to final consumers through the electricity supply segment.
Electricity supply	Supply of electricity to non-households and households final consumers. Electricity supplied to end consumers is mainly generated by the electricity generation segment, and where there is a gap or an opportunity, this is covered through spot or forward electricity purchases.

The Management Board of the Company reviews management reports of each segment. Segment profit before tax is used to measure performance because management believes that such information is one of the most relevant in evaluating the results of the segments.

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

B. Information about operating segments

Three month period ended 31 March 2026 (unaudited)	Electricity generation	Electricity supply	Total for reportable segments	Inter-segment eliminations	Consolidated total
External revenue	1,294,236	1,834,729	3,128,965	-	3,128,965
Inter-segment revenue	638,937	-	638,937	(638,937)	-
Segment revenue	1,933,173	1,834,729	3,767,902	(638,937)	3,128,965
Segment profit before tax	1,304,417	254,906	1,559,323	-	1,559,323
Net finance income/ (cost)	87,307	(8,078)	79,229	-	79,229
Depreciation and amortization	(219,992)	(403)	(220,395)	-	(220,395)
Electricity purchased	(32,395)	(805,981)	(838,376)	629,528	(208,848)
Green certificates expenses	-	(139,180)	(139,180)	9,409	(129,771)
Employee benefits expenses	(230,516)	(6,269)	(236,785)	-	(236,785)
Turbinated water	(134,024)	-	(134,024)	-	(134,024)
Tax for electricity producers	(50)	-	(50)	-	(50)
Transport and distribution of electricity	(15,045)	(571,787)	(586,832)	-	(586,832)
Other expenses	(111,811)	(46,225)	(158,036)	-	(158,036)

Three month period ended 31 March 2025 (unaudited)	Electricity generation	Electricity supply	Total for reportable segments	Inter-segment eliminations	Consolidated total
External revenues	752,497	1,115,677	1,868,174	-	1,868,174
Inter-segment revenue	399,174	-	399,174	(399,174)	-
Segment revenue	1,151,671	1,115,677	2,267,348	(399,174)	1,868,174
Segment profit before tax	568,218	134,235	702,453	-	702,453
Net finance income/ (cost)	55,566	3,764	59,330	-	59,330
Depreciation and amortization	(219,303)	(279)	(219,582)	-	(219,582)
Impairment loss on property, plant and equipment and intangible assets, net	39	-	39	-	39
Electricity purchased	(7,867)	(476,980)	(484,847)	389,670	(95,177)
Green certificates expenses	-	(92,950)	(92,950)	9,504	(83,446)
Employee benefits expenses	(213,585)	(5,996)	(219,581)	-	(219,581)
Turbinated water	(99,174)	-	(99,174)	-	(99,174)
Tax for electricity producers	(15,738)	-	(15,738)	-	(15,738)
Transport and distribution of electricity	(12,718)	(369,366)	(382,084)	-	(382,084)
Other expenses	(89,969)	(39,696)	(129,665)	-	(129,665)

Other expenses include the following captions from consolidated statement of profit or loss: Repair, maintenance, materials and consumables, Impairment loss on trade receivables and Other operating expenses. Other income indicator is not presented.

The electricity generation segment includes also system services and production of electricity for system balancing which are billed to the system operator, Transelectrica SA (see details in Note 6).

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
 (All amounts are in thousand RON, unless otherwise indicated)

Inter-segment revenue includes the value of electricity produced and transferred within the same entity from producer portfolio (generation segment) to supplier portfolio (supplier segment) of RON 615,861 thousand for the three months ended 31 March 2026 (three months ended 31 March 2025: RON 386,216 thousand). Inter-segment revenue is calculated based on a methodology approved by the Management Board in 2021. The methodology used for computing transfer price between segments is based on the average electricity production cost in the last 12 months ending 2 months prior to the calculation month, plus an internal margin.

The increase in the profitability of the supply segment in the first three months of 2026 compared to the same period of 2025 is the consequence of the increase in delivered quantities and selling price as a result of the discontinuation of the price ceilings imposed by GEO 27/2022 to the final consumer.

All revenue are generated in Romania.

Total segment assets and total segment liabilities are not included in the management reports reviewed by the Management Board.

6. REVENUE

A. Revenue from contracts with customers

The Group generates revenue from:

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Wholesale of electricity	1,222,195	710,040
Electricity supplied to final consumers (retail sales)	1,834,729	1,115,677
System services	70,710	41,113
Maintenance services	1,331	1,344
Total	3,128,965	1,868,174

Revenue from electricity supplied to final consumers reflects the value of volume supplied, including positive imbalances, which are based on automated or manual meter readings performed by the distribution operators, self-readings reported by the consumers, or based on volume estimated in accordance with the regulation of energy supply to the end of the period, if readings are unavailable.

The majority of the Group's supply revenue in the three month period ended 31 March 2026 represent sales to non-household consumers (approx. 62% of volume, 61% in the first three months of 2025), for which readings are performed at the end of each month, data sent by the distribution operators. Also, approximately 84% (73% in the first three months of 2025) of the volume supplied to household consumers in the three month period ended 31 March 2026 is determined based on meter readings at the end of the period, and the rest is based on estimates of the consumption, all data sent by the distribution operators. Group assesses that the risk of revenue adjustment subsequent to period end that could result from the difference between the meter readings and the estimated volumes would have a limited impact on the financial statements.

For the three month period ended 31 March 2026, the Group produced 3,608 GWh (three month period ended 31 March 2025: 2,654 GWh), and sold 3,966 GWh (three month period ended 31 March 2025: 2,841 GWh). From total quantity sold, 2,134 GWh were supplied to end users in the three month period ended 31 March 2026 (1,604 GWh in the three month period ended 31 March 2025).

Currently, the Group has contracts with customers mainly for periods up to 12 months.

Individual clients who represent more than 10% of the Group's revenue are as follows:

- Transelectrica SA, the electricity system operator - system services and production of electricity for system balancing (latter included in wholesale of electricity) – RON 395,516 thousand in the three month period ended 31 March 2026 (12%), RON 176,162 thousand in the three month period ended 31 March 2025 (9%);

Timing of revenue recognition:

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Revenue transferred over time	3,127,634	1,866,829
Revenue transferred at a point in time	1,331	1,345
Total	3,128,965	1,868,174

7. OTHER INCOME

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Compensations, fines and penalties from suppliers	582	387
Grant income	1,418	1,453
Other income	3,810	5,664
Total	5,810	7,504

8. OPERATING EXPENSES

A. Turbined water

Turbined water represents the water used by the hydropower plants in order to generate electricity. The fee for turbined water established through Government Decision in favor of National Agency for Water Administration is RON 37 per MWh produced.

B. Electricity purchased

The Group purchases electricity in order to fulfill the deficit between the electricity contracted for sales and the actual electricity produced or in order to cover the electricity needs of the supply segment.

In the first three months of 2026 the Group purchased 357 GWh (first three months of 2025: 196 GWh) for RON 208,848 thousand (first three months of 2025: RON 95,177 thousand). The increase in electricity purchases in the first three months of 2026 is mainly due to the increase in the amount of electricity required for the supply segment.

C. Transport and distribution of electricity

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Injection of electricity produced in the national system	13,092	8,853
Distribution of electricity supplied	472,798	303,182
Transport of electricity supplied	100,942	70,049
Total	586,832	382,084

Tariffs for transport and distribution of electricity are regulated. The 54 % increase in transport and distribution costs in the first three months of 2026 compared to the same period in 2025 is driven mainly by a 40 % increase in the volume of electricity supplied, as well as an average 3 % increase in distribution tariffs effective from 1 January 2026.

D. Green certificates expenses

In the first three months of the year 2026, the Group incurred costs of RON 129,771 thousands (first three months of 2025: RON 83,446 thousands) cost of green certificates purchased for the supply segment under the legal obligation to purchase green certificates from renewable energy producers, based on annual targets or quotas established by law, which apply to the quantity of electricity purchased and supplied to final consumers.

E. Tax for electricity producers

The tax for electricity producers is computed as 100% of net monthly average selling price in excess of RON 400 per MWh (450/MWh till 31 March 2024). The tax on electricity producers was applicable until 31 March 2025.

In February 2025, the Government issued a new Emergency Ordinance (GEO no. 6/27.02.2025) extending the applicability of the tax for an additional 3 months, until June 30, 2025. Starting April 1, 2025, the tax for energy producers is calculated by applying a rate of 80% (reduced from 100%) to the difference between the average net monthly selling price and the price of 400 RON per MWh.

Starting 01 July 2025, the tax for electricity producers was eliminated.

9. FINANCE RESULT

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Interest income	86,176	74,509
Other finance income	6,781	3,813
Finance income	92,957	78,322
Interest expense	(2,397)	(3,593)
Unwinding of non-current provisions	(11,198)	(15,424)
Gain or (loss) from foreign exchange differences	(135)	25
Finance expenses	(13,730)	(18,992)
Net finance result	79,227	59,330

The increase in interest income is a result of available cash invested in short-term deposits.

10. EARNINGS PER SHARE

The calculation of earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
<i>Profit attributable to the owners of the Company</i>		
Profit for the period attributable to the owners of the Company	1,307,288	589,224
Profit attributable to ordinary shareholders	1,307,288	589,224
<i>Weighted average number of ordinary shares (basic and diluted)</i>		
Issued ordinary shares at 1 January	449,802,567	449,802,567
Weighted average number of ordinary shares at 31 March	449,802,567	449,802,567
Earnings per share (basic and diluted) RON/share	2.91	1.31

11. INCOME TAX

In the determination of the current and deferred tax the Group takes into account the impact of uncertain tax positions. This assessment relies on estimates and assumptions and may involve a series of judgments about future events.

The Group considers that the accounting records for income tax due are appropriate for all open tax years, based on assessment made by management taking into account various factors, including the interpretation of tax legislation and previous experience. New information may become available that causes the Group to change its judgment regarding the adequacy of the existing tax liabilities; such changes to tax liabilities will have impact in tax expense in the period that such determination is made.

(a) Income tax expense for the period

For the interim condensed consolidated financial statements, the income tax expense for the period is recognized at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the annual tax rate expected for the full financial year.

The Group's consolidated effective tax rate for the three month period ended 31 March 2026 was 16.16 % (three month period ended 31 March 2025: 16.12%).

(b) Global minimum top-up tax

The Group qualifies as a large-scale domestic group and is subject to the global minimum top-up tax according to Law no. 431/2023. The Law transposes into national legislation the provisions of Directive 2523/2022 on ensuring a minimum level of taxation ("Directive 2523"), the Directive which includes the guidelines from the second pillar of the "Global model rules to combat tax base erosion" (called "GloBE rules") issued by the OECD/G20 Inclusive Framework on BEPS as well as the Administrative Guidelines on GloBE rules. For the year 2025, the Group has recorded an expense and a long-term liability regarding the additional top-up tax amounting to RON 7,893 thousand and accumulated balance of 16,089 thousands. For the three months period ended 31 March 2026, no top-up tax should be paid by the Group as the adjusted effective tax rate is above 15%.

(c) Current tax liabilities

As at 31 March 2026 the outstanding amount payable is RON 456,485 thousand (31 December 2025: RON 188,462 thousand) and represents accumulated tax liabilities related to the period ended 31 March 2026 and income tax due as of 31 December 2025, as the legal deadline for the filing of the income tax return is 30 June 2026. The current income tax payable over one year is of RON 7,972 thousand (2025: RON 7,822 thousand).

(d) Potential consequences on income tax

The Group may have potential consequences on corporate income tax that may result from the payment to shareholders of dividends from revaluation reserves transferred to retained earnings which, according to tax law, are taxed at the time of change of destination, to the extent they were previously tax deducted. Thus, the distribution of dividends from such reserves will generate additional income tax. The Company has such reserves transferred to retained earnings at 31 March 2026, which following the distribution would generate additional income tax expense for the Group of RON 29,328 thousand (31 December 2025: RON 27,229 thousand).

The potential tax effect of revaluation reserves taxable at change in destination/distribution (at 16% tax rate) that were not yet transferred to retained earnings, amount to RON 344,439 thousand at 31 March 2026 (RON 346,537 thousand at 31 December 2025).

12. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Cash and cash equivalents

	31 March 2026 (unaudited)	31 December 2025 (audited)
Bank accounts	1,454,388	1,005,233
Bank deposits with a maturity below 3 months	156,544	179,928
Petty cash	174	158
Cash equivalents	4,647	2,415
Total	1,615,753	1,187,734

Restricted cash

As at 31 March 2026, restricted cash includes a collateral deposit of RON 23,057 thousand (31 December 2025: RON 23,057 thousand) at Banca Comerciala Romana for issuance of bank guarantee in favor of OPCOM in relation to the transactions on day-ahead market. During the period until maturity the Group does not have access to this deposit. In addition, the restricted cash includes consigned deposits for dividend payments and consigned cash for compensations to be paid for expropriations.

The Group does not have access to these funds until they are released for their designated purpose.

13. INVESTMENTS IN DEPOSITS

	31 March 2026 (unaudited)	31 December 2025 (audited)
Bank deposits with maturity less than 1 year held for investment purposes	4,989,480	3,732,016
Total	4,989,480	3,732,016

Bank deposits are short-term deposits with maturity between 3 to 12 months held for investment purposes rather than for short term cash commitments. The average interest rate on term deposits was 6.76 % per year in the first three months of 2026 (first three months of 2025: 5.92 % per year).

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

14. TRADE RECEIVABLES

	31 March 2026 (unaudited)	31 December 2025 (audited)
Trade receivables – generation segment (wholesale)	148,395	212,558
Trade receivables – supply segment (retail)	1,789,716	1,749,816
Impairment allowance	(306,500)	(263,996)
Total	1,631,611	1,698,378

The unbilled revenues included in trade receivables amounts to RON 766,099 thousand gross at 31 March 2026, representing 40 % of total gross trade receivables (RON 685,844 thousand at 31 December 2025, representing 30 % of total gross trade receivables), out of which RON 633,526 thousand gross relate to supply segment (RON 595,652 thousand as at 31 December 2025).

Of the invoiced receivables balance at 31 March 2026, RON 131,899 thousand represent trade receivables for which reschedule agreements were signed (31 December 2025: RON 182,739 thousand).

Trade receivables ageing analysis is disclosed in Note 18. Trade receivables due from related parties are disclosed in Note 21.

15. OTHER ASSETS

	31 March 2026 (unaudited)		31 December 2025 (audited)	
	Current	Non-current	Current	Non-current
Payments made in connection with uncertain tax treatments	-	64,486	-	63,612
Prepayments	174,806	299,980	55,150	305,961
Value added tax receivable	1,184	-	1,950	-
Other assets	65,679	6,266	23,693	4,761
Impairment loss on other assets	(15,831)	-	(15,833)	-
Total	225,838	370,732	64,960	374,334

The Group recognized payments in relation to uncertain tax positions as an asset based on IFRIC 23 *Uncertainty over Income Tax Treatments* because they will either be refunded if the Group is successful in the litigations related to the contingent liability or they will be used to pay the potential liability in case of loss of the dispute.

Non-current payments in advance mainly represent advance payment for the AHE Vidraru overhaul contract signed in June 2024 and the comparative figures were reclassified accordingly, from current prepayments in line with their nature. In addition, the balance as of 31 December 2025 include advance payment for CHE Stejaru and Lotru pumping stations for which related contracts were signed in 2025.

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

16. EQUITY

a) Share capital

At 31 March 2026, the authorized, subscribed share capital of the Company is divided into 449,802,567 ordinary shares (31 December 2025: 449,802,567 ordinary shares) with a nominal value of RON 10 per share. The shareholders are entitled to dividends and each share grants a voting right.

Shareholders	31 March 2026		31 December 2025	
	Number of shares	%	Number of shares	%
Ministry of Energy	360,094,390	80.0561%	360,094,390	80.0561%
Legal persons	76,458,964	16.9983%	75,600,136	16.8074%
Individuals	13,249,213	2.9456%	14,108,041	3.1365%
Total	449,802,567	100%	449,802,567	100%

b) Dividends

On 28 April 2026, the Shareholder General Meeting approved the distribution of dividends from the 2025 profit of RON 3,305,314 thousand, representing 100% of the 2025 eligible for distribution net profit in the statutory separate financial statements of the Company.

The value of the distributed dividends per share is 7,348365 RON/share (2025: 8,988897 RON/share).

Liabilities in relation to dividends include:

	31 March 2026	31 December 2025
Dividends payable	6,094	6,452
Tax on dividends withheld from shareholders	-	285
Total	6,094	6,737

17. OTHER PAYABLES

	31 March 2026 (unaudited)		31 December 2025 (audited)	
	Current	Non-current	Current	Non-current
Payables to the State	162,919	-	53,989	-
Performance deposits from suppliers	16,915	47,736	10,357	57,758
Performance deposits from clients (Note 18)	46,076	-	45,505	-
Liabilities in relation to dividends (Note 16)	6,094	-	6,736	-
Other	41,973	135	29,787	109
Total	273,977	47,871	146,374	57,867

At 31 March 2026, payables to the State represent mainly VAT payable of RON 91,750 thousand (31 December 2025: VAT payable of RON 49,448 thousand).

Starting from the second quarter of 2024, the Group requires potential end customers with counterparty risk to provide multiple payment guarantee options, including the establishment of monetary guarantees. In this regard, guarantee deposits are opened by customers, with the deposit amount based on the estimated contractual value of the electricity supplied for a period up to three months, and these deposits remain valid for the entire contractual period.

18. FINANCIAL INSTRUMENTS – Fair Values and Risk Management

(a) Accounting classifications and fair values

In accordance with IFRS 9, the Group's financial assets and liabilities are measured at amortized cost. According to the business model of the Group, financial assets and liabilities are held to collect contractual cash flows and these cash flows are solely payments of principal and interest. The Group did not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(b) Financial risk management

Credit risk

Credit risk is the risk that the Group will incur a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and this risk derives mainly from trade receivables, cash and cash equivalents, and investments in deposits.

Cash and bank deposits are placed in financial institutions that are considered to have high creditworthiness, part of these being held by Romanian State such as CEC Bank and Exim Bank.

Exposure to credit risk

The carrying amount of financial assets represents the maximum exposure to credit risk.

	31 March 2026 (unaudited)	31 December 2025 (audited)
Trade receivables	1,631,611	1,698,378
Cash and cash equivalents	1,615,753	1,187,734
Restricted cash	53,191	55,124
Investments in deposits	4,989,480	3,732,016
Total	8,290,035	6,673,252

Trade receivables

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each client. The Group has established a credit policy according to which each new business client is analyzed individually from the point of view of creditworthiness before the conclusion of a contract, so that the sale is made to the clients with an adequate creditworthiness. For household clients, such credit risk analysis is not performed due to the nature and volume of the customers and due to the legislation in force. Impairment adjustments of trade receivables reflect the expected credit losses, calculated based on the loss rates.

The following table provides information about the exposure to credit risk and expected credit loss (ECL) for trade receivables as at 31 March 2026:

	Expected weighted average loss rate	Gross carrying amount	Impairment loss allowance	Net trade receivables
Not past due	2.04%	1,182,810	(31,289)	1,151,521
Past due - from 0 to 3 months	15.62%	185,422	(28,993)	156,429
Past due - from 3 to 6 months	56.02%	56,505	(31,656)	24,849
Past due - from 6 months to 1 year	90.34%	68,988	(58,783)	10,205
Past due - more than 1 year	100.00%	151,859	(151,859)	-
Total		1,645,584	(306,500)	1,339,084
Customers analyzed individually		292,527	-	292,527
Total trade receivables		1,938,111	(306,500)	1,631,611

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

The following table provides information about the exposure to credit risk and expected credit loss (ECL) for trade receivables as at 31 December 2025:

	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Net trade receivables
Not past due	2.04%	964,353	(19,498)	944,856
Past due - from 0 to 3 months	15.61%	118,051	(18,454)	99,597
Past due - from 3 to 6 months	55.76%	54,937	(30,633)	24,304
Past due - from 6 months to 1 year	89.37%	64,054	(58,124)	5,930
Past due - more than 1 year	100.00%	137,287	(137,287)	-
Total	-	1,338,682	(263,996)	1,074,686
Customers analyzed individually		623,692	-	623,692
Total trade receivables	-	1,962,374	(263,996)	1,698,378

Customers analyzed individually represent outstanding amounts from customers for which the Group believes that there is a negligible risk to collect.

Loss rates for the first three months of 2026 are based on the actual credit loss experienced over the past ten quarters considering the evolution of the supply segment and the delays in invoicing the electricity supplied (31 December 2025: last nine quarters).

The Group has guarantees received from customers of RON 543,240 thousand at 31 March 2026 (RON 591,806 thousand at 31 December 2025) in the form of bank letters of guarantee. Under client guarantees are included as of 31 March 2026, cash deposits of RON 46,076 thousands (31 December 2025: 45,505 thousands) (see Note 17).

19. COMMITMENTS

19.1 Contractual commitments

The Group has the following contractual commitments:

	31 March 2026	31 December 2025
Acquisition of property, plant and equipment and intangible assets	2,414,303	2,516,721

In 2025, the Company signed the contracts for overhaul of CHE Stejaru (RON 496,723 thousand) and high power pumps stations Lotru (RON 497,758 thousand). In June 2024, Hidroelectrica signed the contract for refurbishment works of AHE Vidraru with the Consortium formed of ELECTROMONTAJ (Consortium Leader) and Koncar – Engineering Co. Ltd.

19.2 Guarantees

The Group issued performance guarantees amounting to RON 705,006 thousand as at 31 March 2026 (31 December 2025: RON 704,812 thousand), mainly in connection with the obligations assumed under the CAPEX contracts and the obligations to deliver electricity, and in relation to payment obligations related to electricity purchase transactions on the day-ahead and intra-day markets.

20. CONTINGENCIES

20.1 Litigation, claims and tax uncertainties

The main litigations involving the Group, with a potential exposure of RON 195,206 thousand as at 31 March 2026 and 31 December 2025, are disclosed as contingent liabilities:

a) Litigation with Tax authorities

Potential exposure: RON 63,612,328 as at 31 March 2026 and 31 December 2025

Plaintiff: Hidroelectrica
File no. 638/2/2024 and 1962/2/2024
Subject matter: Annulment of Tax Decision No. A-DAF 6890/11.05.2023

Tax for electricity producers was subject to multiple changes with respect to the method of computation during 2022. The latest change was instated through Law no. 357/2022, which was published on 16 December 2022. The Company applied the provisions of the law starting with 16 December 2022.

As previously mentioned in Note 8D, the Company was subject to a tax control by the General Antifraud Division of ANAF on the tax for electricity producers. As per the control report on 11 April 2023, the tax authorities applied the changes introduced by the law retroactively starting 1 September 2022, and therefore computed additional tax of RON 62,052 thousand.

On 28 April 2023 the Company received the imposing decision for the amount of RON 62,052 thousand. The Company challenged the imposing decision within the procedural term, the challenge being rejected by the General Division for Solving Disputes within the Finance Ministry.

The Company argued in its Court application that successive changes of legislation regarding the calculation methodology of the tax for electricity producers can only be applicable for the future, starting with the date of publication of legislative amendments and not retroactively, as tax authorities considered.

On 17 December 2024, the Court ruled in favor of Hidroelectrica and ordered the reimbursement to the claimant of the amount of RON 62,052 thousand. The Finance Ministry filed an appeal against the court's decision to the High Court of Cassation and Justice, with the next hearing date set on 13 May 2026.

On 7 August 2023, the Company received a decision regarding interest and penalties in the amount of RON 1,560 thousand related to the previously mentioned imposing decision. The Company challenged the decision, initiating proceedings before the Court of Appeal of Bucharest under file no. 1962/2/2024. The file is suspended until the final resolution of case no. 638/2/2024. In relation to the ruling in file no. 638/3/2024, the management believes that the dispute in file no. 1962/2/2024 will also be ruled in the Company's favor.

a) Litigation with Hidroconstructia SA

Potential exposure: RON 98,762,431 as at 31 March 2026 and 31 December 2025

Plaintiff: Hidroconstructia SA

File no. 12257/3/2022

Subject-matter: Termination of Contract no. 672/1989 regarding the Fagaras-Hoghiz investment project; claims

Hidroconstructia SA filed claims to recover RON 98,762,431 consisting of unrealized profits as a result of the suspension by Hidroelectrica of the construction works related to the Fagaras Hoghiz investment project. Also, Hidroconstructia requested the court to enforce the termination of the underlying contract.

In January 2023, the Court ruled in favor of the Company, rejecting Hidroconstructia's claims. The decision was appealed by Hidroconstructia SA.

On 12 October 2023, the Court of Appeal set aside the first Court ruling and granted a new hearing on the merits. On 3 July 2025, the court partially admitted the statement of claim, ordering the termination of the contract, while dismissing the remaining claims as unsubstantiated.

Hidroconstructia filed an appeal against the above mentioned decision, the file being forwarded to the High Court of Cassation and Justice, the first hearing date being set on 20 May 2026.

Based on the court's ruling, Management estimates that the dispute will be settled in the Group's favor and, consequently, an outflow of resources is not probable.

b) Litigation with Hidroconstructia SA

Potential exposure: RON 32,831,841 as at 31 March 2026 and 31 December 2025

Plaintiff: Hidroconstructia SA

File no. 44443/3/2016, currently file no. 11314/3/2021

Subject-matter: Claims - the equivalent value of the costs generated by the cessation of construction works related to investment projects in progress.

Hidroconstructia SA claims the costs generated by the suspension of construction works rendered before the Company's insolvency. The Company argues that such claims have no grounds considering the insolvency process of Hidroelectrica and the fact that the claimant lost its right to claims as it failed to register the claim in the table of creditors.

In March 2018 the first Court rejected the claims of Hidroconstructia SA. This ruling was contested by Hidroconstructia SA. The Company also contested the ruling, as it provided for legal fees for Hidroelectrica.

In April 2019 the Court of appeal sent the case back to the first court for reexamination. The dispute was reopened by the first Court (file no. 11314/3/2021).

In April 2022, the Court requested an expertise report in hydrotechnical constructions and an accounting expertise report to be performed by independent experts. The expert's report has been finalized and both parties have filed objections against the findings of the expert, with the next hearing date being set on 17 June 2026.

Based on the initial first Court ruling, management estimates that the litigation will be ruled in favor of the Company and consequently an outflow of resources is not probable.

20.2 Fiscal environment

Tax audits are frequent in Romania, consisting of thorough verifications of taxpayers' accounting records. Such audits sometimes take place months or even years after the establishment of the tax liabilities. Consequently, companies may be found liable for significant taxes and fines. In addition, the tax legislation is subject to frequent changes, and the authorities often show inconsistency in the interpretation of law.

Tax returns may be subject to revision and corrections by the tax authorities, generally for a five years period after they are filed with the tax authorities.

Romanian tax authorities carried out tax audits on Hidroelectrica's income tax and value added tax until 20 June 2012, while on Hidroserv's income tax until 31 December 2014.

Management believes that adequate provisions have been recognised in the consolidated financial statements for all significant tax liabilities; however, a risk persists that tax authorities might have different views, representing a normal risk in the accounting/tax environment in Romania.

20.3 Decommissioning obligations

The Group identified decommissioning obligations in relation to its hydro-power facilities. Management estimates that, except for the assets abandoned or switched to post-utilisation upon management decisions, and except for its wind farm, for which decommissioning provisions are recognised, the occurrence of events that would require abandonment or switching to post-utilisation of other assets in the public domain or hydro-power plants owned by the Group by the end of the concession contract (28 years from 31 December 2025) is unlikely, considering the long useful life of dams, which can be significantly extended over 100 years by maintenance and improvements.

21. RELATED PARTIES

a) Ultimate controlling party

The Company's ultimate controlling party is the Romanian State, represented by the Ministry of Energy, with a shareholding of 80.0561%.

b) Transaction with key management personnel

Key management personnel include the members of the Management Board and Supervisory Board.

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Management Board remuneration		
Expenses recognized during the period		
Fixed component	493	986
Variable component accrual	-	-
Compensation payments	-	-
Reversal of overaccrual of the previous year	-	-
Total	493	986
Payments made in the period		
Fixed component	493	986
Variable component (for the previous year)	-	-
Total	493	986

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

The Management Board consists of 5 members appointed for a period of four years, currently two positions being open.

Remuneration of executive directors consists of a fixed monthly salary limited to six times the average monthly gross salary for the last 12 months prior to appointment published by National Institute of Statistics (INS) for the Company's activity code (CAEN) according to the classification of activities in the national economy, and a variable component calculated on the basis of the financial and non-financial performance indicators, negotiated and approved by the general meeting of shareholders. The variable remuneration cannot exceed the cap value as defined under HG 109/2011 with subsequent amendments.

The financial and non-financial performance indicators based on which the variable remuneration was determined include:

- Financial indicators: capital expenditure rate, net profit margin, dividend payout rate, leverage, accounts receivable turnover rate, net turnover growth rate.
- Operating indicators: Carrying out the execution schedule for rehabilitation/ modernization works (%) = carrying out the schedule contracted annually/ planned contract schedule for the current year; Carrying out the design according to the annual design plan (%); Carrying out the equipment maintenance programme for planned works (%), powerplants availability; average training hours per employee.
- Services indicators: customer retention rate for supply operations (%); market share of the supply business in the competitive segment (%); customer satisfaction score for supply operations (%).
- Corporate governance indicators: number of investor events; number of Board meetings; defining risk management policies.

The Company has no contractual obligations related to pensions to its former directors.

Supervisory Board remuneration

	Three month period ended	
	31 March 2026 (unaudited)	31 March 2025 (unaudited)
Expenses recognized during the period		
Fixed component	427	444
Variable component accrual	-	-
Reversal of overaccrual of the previous year	-	-
Total	427	444
Payments made in the period		
Fixed component	427	444
Variable component (for the previous year)	-	-
Total	427	444

The Supervisory Board consists of 7 members appointed for 4 years.

Remuneration of the members of the Supervisory Board was approved by shareholders decisions in 2025 and 2026. According to these decisions, the remuneration of the Supervisory Board members consists of a monthly fixed gross salary, limited to two times the average monthly gross salary for the last 12 months prior to appointment published by National Institute of Statistics for the Company's activity code (CAEN) according to the classification of activities in the national economy and a variable component, calculated on the basis of the financial and non-financial performance indicators, negotiated and approved by the general meeting of shareholders.

On 28 July 2025, the Ordinary General Meeting of Shareholders approved the new financial and non-financial key performance indicators resulting from the Company's Management Plan.

There were no loans granted to the members of Supervisory Board or Management Board.

No guarantees were granted / received to / from the members of Supervisory Board or Management Board.

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

c) Transactions with other companies in which the State has control or significant influence

In the normal course of business, the Group has transactions with other entities in which the State has control or significant influence, mainly related to the tax on industrial water, the purchase of electricity, transport and system services and sales of electricity, as follows:

Supplier	Purchases (without VAT) in three months period ended 31 March 2026(unaudited)	Payables (including VAT) 31 March 2026 (unaudited)
Administratia Nationala Apele Romane	178.920	98.691
Transelectrica (Romanian Electricity System Operator)	384.892	124.254
OPCOM (Romanian Electricity Market Operator)	993	282
Distributie Energie Electrica Romania	144.813	46.588
Others	114.170	51.371
Total	823.788	321.186

Supplier	Purchases (without VAT) in three months period ended 31 March 2025 (unaudited)	Payables (including VAT) 31 December 2025 (audited)
Administratia Nationala Apele Romane	97.049	98.226
Transelectrica (Romanian Electricity System Operator)	155.610	152.173
OPCOM (Romanian Electricity Market Operator)	12.584	683
Distributie Energie Electrica Romania	97.334	45.448
Others	40.138	64.514
Total	402.715	361.044

Client	Sales (without VAT)	Receivables Gross Carrying amount (including VAT)	Impairment Loss	Receivables Net Carrying amount (including VAT)
	in three months period ended 31 March 2026 (unaudited)			31 March 2026 (unaudited)
Transelectrica (Romanian Electricity System Operator)	395,516	62,269	-	62,269
OPCOM (Romanian Electricity Market Operator)	1,304,278	4,471	-	4,471
Electrica Furnizare	43,457	9,932	-	9,932
Rompetrol Rafinare	12,196	2,520	-	2,520
Compania municipala Termoenergetica	48,245	10,960	-	10,960
Others	226,199	157,042	(25,054)	131,988
Total	2,029,891	235,062	(25,054)	210,008

S.P.E.E.H. HIDROELECTRICA S.A. Two-tier system Company
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026
(All amounts are in thousand RON, unless otherwise indicated)

Client	Sales (without VAT)	Receivables Gross (including VAT)	Impairment loss	Receivables Net (including VAT)
	in three months period ended 31 March 2025 (unaudited)	31 Decembrie 2025 (unaudited)		
Transelectrica (Romanian Electricity System Operator)	176.162	90.230	-	90.230
OPCOM (Romanian Electricity Market Operator)	32.808	428	-	428
ELECTRICA FURNIZARE	67.218	25.785	-	25.785
ROMPETROL RAFINARE COMPANIA MUNICIPALA TERMOENERGETICA	59.229	32.178	-	32.178
Others	18.708	17.816	-	17.816
	52.016	168.584	(27.692)	140.892
Total	406.141	335.021	(27.692)	307.329

Other customers include mainly public institutions, local authorities and public educational institutions to which the Company supplied electricity.

Bank balances	Bank current accounts	Bank deposits	Bank current accounts	Bank deposits
	31 March 2026 (unaudited)		31 December 2025 (audited)	
Exim Bank (Banca Românească)	79.311	969.503	120.779	1.167.145
CEC Bank	32.222	1.401.876	19.260	100.373
Total	111.533	2.371.379	140.039	1.267.518

Bank transactions	Bank deposits	Interest income	Bank deposits	Interest income
	Three months ended 31 March 2026 (unaudited)		Three months ended 31 March 2025 (unaudited)	
Exim Bank (Banca Romaneasca)	725.000	5.473	2.081.000	24.662
CEC Bank	800.000	7.464	150.000	497
Total	1.525.000	12.937	2.231.000	25.159

22. Subsequent events

On May 29, 2026, the Ordinary General Meeting of Shareholders was convened to approve the income and expenditure budget for 2026 as well as the approval of the distribution in the form of special dividends of the amount of RON 1,000,000 thousand.

Bogdan-Nicolae BADEA

Chairman of the
Management Board

Radu Ioan CONSTANTIN

Member of the
Management Board

Ianăș RĂDOI

Member of the
Management Board

Petronel CHIRIAC

Finance Director

Marian FETIȚA

Accounting manager