



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

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

### Q1 2025 REPORT - SUMMARY

Hidroelectrica Group recorded operational and financial results in the first quarter of 2025 above the budget estimates but lower compared to the same period of 2024. The difficult operational context, marked by unfavorable hydrological conditions, led to a 38% decrease in net electricity production compared to the same period of the previous year – to 2,654 GWh, the lowest level in the last 10 years for the first quarter.

Revenues were 26% lower compared to Q1 2024, and the decrease in operating margin by 42% and net margin by 40% compared to the same period of 2024 reflects the reconfiguration of the revenue structure, with an increasing share of the supply segment. Even in this context, Hidroelectrica Group recorded a gross profit 26% above the forecasted level, demonstrating efficient resource management and the ability to withstand adverse natural cycles.

- **The results recorded in Q1 2025 exceeded the estimates included in the approved 2025 Budget, with gross profit coming in 26% above the forecasted level.**
- **Electricity production decreased by 38% compared to the same period of the last year**
- **Revenue decreased by 26% compared to the same period of 2024**
- **Operating margin of 34%, decreased by 42% compared to the same period of last year**
- **Net margin of 32%, decreased by 40% compared to the same period of 2024**
- **Net profit decreased by 56%, from RON 1,326 million to RON 589 million**
- **Earnings per share decreased by 56%, to 1.31 RON/share from 2.95 RON/share.**

Operational KPIs		3M 25	3M 24	Change (%)
<b>Gross electricity production, out of which:</b>	<i>GWh</i>	<b>2,735</b>	<b>4,405</b>	<b>-38%</b>
Electricity production from hydro (gross)	<i>GWh</i>	2,661	4,307	-38%
<b>Net electricity production, out of which:</b>	<i>GWh</i>	<b>2,654</b>	<b>4,296</b>	<b>-38%</b>
Electricity production from hydro (net)	<i>GWh</i>	2,583	4,201	-39%
Electricity production from wind	<i>GWh</i>	72	95	-25%
<b>External Acquisition GWh</b>	<i>GWh</i>	<b>196</b>	<b>179</b>	<b>10%</b>
<b>Total Electricity sales GWh</b>	<i>GWh</i>	<b>2,841</b>	<b>4,475</b>	<b>-37%</b>
Actual number of Hidroelectrica Employees		3,585	3,554	1%
Actual number of Group Employees		5,252	5,156	2%

Source: Hidroelectrica

Financial KPIs		3M 25	3M 24	Change (%)
Revenue	<i>RON million</i>	1,868	2,536	-26%
EBITDA	<i>RON million</i>	867	1,731	-50%
EBITDA Margin	%	46%	68%	-32%
Adjusted EBITDA	<i>RON million</i>	867	1,719	-50%
Adjusted EBITDA Margin	%	46%	68%	-32%
Operating Margin (Operating Profit/Revenue*100)	%	34%	59%	-42%
Net Margin (Profit for the period/Revenue*100)	%	32%	52%	-40%



**HIDROELECTRICA**

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Financial KPIs		3M 25	3M 24	Change (%)
Operating Profit	<i>RON million</i>	643	1,507	-57%
Net Profit	<i>RON million</i>	589	1,326	-56%
Earnings per share	<i>RON/share</i>	1.31	2.95	-56%

Source: Hidroelectrica

In the first quarter of 2025, net electricity production recorded a significant decline of approximately 38% compared to the same period of the previous year, reaching 2,654 GWh – the lowest Q1 level in the past 10 years. This substantial impact was primarily caused by unfavorable hydrological conditions, specifically a severe hydrological drought, with the average flow of the Danube River during Q1 2025 dropping to just 4,257 m<sup>3</sup>/s, approximately 40% below the level recorded in Q1 2024.

This hydrological risk was anticipated by the company and factored into the 2025 revenue and expenditure budget. Through a prudent approach and rigorous financial planning, the natural conditions' impact was partially mitigated by adapting the commercial strategy, including forward market trading and strengthening the supply segment. As a result, the company recorded a gross profit exceeding budget estimates by 26%:

Financial indicators*	3M-2025 Actual	3M-2025 Budget	Degree of achievement (%)
<b>Total Revenue</b>	<b>1,977</b>	<b>1,893</b>	<b>104%</b>
Operating income	1,902	1,824	104%
Financial income	75	69	109%
<b>Total expenses</b>	<b>1,291</b>	<b>1,349</b>	<b>96%</b>
Operating expenses	1,272	1,324	96%
Financial expenses	19	24	80%
<b>Profit before tax</b>	<b>686</b>	<b>545</b>	<b>126%</b>

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

Source: Hidroelectrica

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



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### Breakdown of revenue

		3M 25	3M 24	Change (%)
Generation Energy Sold (Net)	GWh	2,654	4,296	-38%
External Acquisitions	GWh	196	179	10%
<b>Total Energy Sale</b>	<b>GWh</b>	<b>2,841</b>	<b>4,475</b>	<b>-37%</b>
<i>Wholesale Energy Sold</i>	<i>GWh</i>	<i>1,131</i>	<i>2,897</i>	<i>-61%</i>
Wholesale Price	RON / MWh	529	437	21%
<b>Wholesale Revenue</b>	<b>RON million</b>	<b>599</b>	<b>1,265</b>	<b>-53%</b>
<i>Quantity of electricity-Supply</i>	<i>GWh</i>	<i>1,604</i>	<i>1,318</i>	<i>22%</i>
Supply Prices (ex pass through)	RON / MWh	408	471	-14%
<b>Supply Revenue related to active energy</b>	<b>RON million</b>	<b>655</b>	<b>622</b>	<b>5%</b>
<b>Transferred costs (pass trough)</b>	<b>RON million</b>	<b>466</b>	<b>380</b>	<b>23%</b>
<i>Quantity of electricity - Balancing</i>	<i>GWh</i>	<i>55</i>	<i>94</i>	<i>-42%</i>
Balancing Price	RON / MWh	1,568	1,535	2%
<b>Balancing Revenue</b>	<b>RON million</b>	<b>86</b>	<b>144</b>	<b>-40%</b>
<b>System Services (STS) Revenue</b>	<b>RON million</b>	<b>41</b>	<b>64</b>	<b>-36%</b>
<b>Other revenues from customer contracts, out of which:</b>	<b>RON million</b>	<b>21</b>	<b>61</b>	<b>-66%</b>
Positive imbalances revenue*	RON million	(4)	(119)	-97%
Power reduction services revenue	RON million	7	144	-95%
Redistribution of additional revenues	RON million	17	36	-53%
<b>Revenue</b>	<b>RON million</b>	<b>1,868</b>	<b>2,536</b>	<b>-26%</b>

\* The quantity of positive imbalances recorded in the three-month period ended 31 March 2025 is 51 GWh (three-month period ended 31 March 2024: 166 GWh)

Source: Hidroelectrica

### Generation Energy Sold (Net)

In the first quarter of 2025, net electricity production recorded a significant decrease of approximately 38% compared to the same period of the previous year, reaching 2,654 GWh – the lowest Q1 level in the past 10 years. This decline was primarily driven by unfavorable hydrological conditions, reflected in the average flow of the Danube River, which dropped to 4,257 m<sup>3</sup>/s in Q1 2025, approximately 40% below the level recorded in Q1 2024.

This structural reality placed direct pressure on operating revenues, particularly in the wholesale segment, where the volumes available for sale decreased by 61%.

### Wholesale Revenue

In the January–March 2025 period, the average wholesale selling price recorded a significant increase of approximately 21% compared to the same period of the previous year. This increase was mainly driven by trading on forward markets, following the elimination of the regulated MACEE mechanism as of 1 January 2025. Forward trading allowed the company to secure more favorable prices for the electricity sold, thus helping to partially offset the impact of low hydrology on wholesale revenues.



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In the short term, compared to Q1 2024, the reduction in volumes available for sale during Q1 2025 limited the company's ability to fully benefit from the rise in wholesale revenues (as the company was unable to significantly capitalize on the approximately 83% increase in SPOT market prices compared to the same period of 2024).

The impact of forward trading of electricity delivered in Q1 2025 was significant in supporting the increase in the average selling price and preserving commercial margin during a low-volume period. However, this was not sufficient to fully compensate for the sharp drop in volumes available for short-term trading, resulting in a 53% decrease in wholesale market revenues compared to Q1 2024.

### *Supply Revenue*

Supply segment revenues increased by 5%, reaching RON 655 million in the first three months of 2025, up from RON 622 million in the same period of 2024. This growth reflects both an expansion of the customer base and the effective adjustment of the company's commercial policy in a highly competitive market environment.

The increase in revenues was primarily driven by a higher volume of electricity supplied to end customers. However, this positive effect was partially offset by lower average selling prices.

The decline in selling prices was mainly influenced by heightened volatility in the electricity market, which led to significant fluctuations in end-user tariffs. Another contributing factor was the amendment to the fiscal framework applicable to energy producers, specifically the lowering of the threshold for the windfall tax, which indirectly eased pricing pressure across the supply chain.

In addition, previous developments in the wholesale market—characterized by a supply-demand imbalance in favor of supply—resulted in an energy surplus that drove down trading prices. This market context enabled competing suppliers to access electricity at lower costs, directly impacting resale prices in the retail segment.

To remain competitive in a market marked by shrinking commercial margins and high consumer mobility, the company revised its commercial offering structure accordingly, focusing on both maintaining product attractiveness and strengthening customer retention.

### *Balancing Revenues*

Balancing revenue decreased by 40%, to RON 86 million in the first three months of 2025 from RON 144 million in the same period of 2023. The decrease is due to a 42% reduction in the volume of energy in the first three months of 2025 compared to the same period in 2024.

### *Other revenues from customer contracts*

Other revenues from customer contracts decreased by 67%, to RON 20 million in the three-month period ended 31 March 2025, from RON 61 million in the same period of 2024. The evolution of these revenues is influenced by the behavior of the other participants in the electricity market regarding the management of imbalances. The increase in prices recorded on the market for positive imbalances resulted in a RON 115 million increase in Group revenues from positive imbalances during the first three months of 2025



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compared to the same period of 2024. At the same time, revenues from power reduction services recorded in the generation segment decreased by RON 137 million compared to the same period of the previous year.

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Hidroelectrica is the largest energy producer in Romania with 100% renewable energy portfolio and the main provider of essential technological services within the National Energy System, making it a vital company within a strategic sector with implications for national security.

The Q1 2025 Management Board Report, along with the reviewed Consolidated Condensed Interim Financial Statements for the three-month period ended 31 March 2025, are available on the website [www.hidroelectrica.ro](http://www.hidroelectrica.ro), under the Investor Relations section -> Results and Reports -> Financial Information, at <https://www.hidroelectrica.ro/article/1d9b2bea-d6ea-71ac-7ab2-1c4faecc87a7>.

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