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

for Q3 2026



16 November 2026

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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.

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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.

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Identification data of Hidroelectrica

Report date: 16 November 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: 787200IISRQXO9PRB732

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 Q3 2026 Management Board Report

Solid operational and financial performance in the first nine months of 2026, with results significantly exceeding those recorded in the same period of the previous year, despite the sharp deterioration in hydrological conditions in Q3

The Hidroelectrica Group recorded significantly stronger operational and financial results compared to the first nine months of 2025, despite the sharp deterioration in hydrological conditions in Q3 2026. Following a first half marked by a normalization of operating conditions, Q3 was characterized by two distinct developments: on the one hand, a significant decline in water flows, impacting electricity generation, and on the other hand, an increased contribution from the electricity supply segment to the Group's revenues. Over the first nine months, revenues increased by 28% compared to the same period of the previous year, while both the operating and net profit margins improved by 1 percentage point.

Key Highlights | 9M 2026 vs. 9M 2025

- **Net electricity generation increased by 10% to 9,328 GWh**
- **Revenues rose by 28% to RON 8,601 million**
- **Operating margin reached 40% and net profit margin stood at 36%, both up by 1 percentage point**
- **Adjusted EBITDA increased by 27% to RON 4,132 million**
- **Operating profit grew by 35% to RON 3,473 million**
- **Net profit increased by 34% to RON 3,108 million**
- **Earnings per share rose by 34% to RON 6.91/share**

Operational KPIs		**9M 2026**	**9M 2025**	**Variation (%)**
Gross electricity production, of which:	***GWh***	9,601	8,732	10%
Electricity production from hydro sources (gross)	*GWh*	9,416	8,542	10%
Net electricity production, of which:	***GWh***	9,328	8,473	10%
Electricity production from hydro sources (net)	*GWh*	9,149	8,289	10%
Electricity production from wind sources	*GWh*	179	184	-3%
Purchase of GWh electricity	***GWh***	1,982	1,657	20%
Total electricity sold GWh	***GWh***	11,310	10,130	12%
Effective number of Hidroelectrica employees		3,532	3,585	(1%)
Actual number of Group employees		5,192	5,289	(2%)

Source: Hidroelectrica

Financial KPIs		**9M 2026**	**9M 2025**	**Variation (%)**
Revenue	*million RON*	8,601	6,698	28%
EBITDA	*million RON*	4,145	3,257	27%
EBITDA Margin	*%*	48%	49%	-
Adjusted EBITDA	*million RON*	4,132	3,256	27%
Adjusted EBITDA Margin	*%*	48%	49%	-
Operating margin (operating profit/revenue*100)	*%*	40%	39%	1pp
Net Margin (Net Profit/Revenue*100)	*%*	36%	35%	1pp
Operating profit	*million RON*	3,473	2,581	35%
Net Profit	*million RON*	3,108	2,314	34%
Earnings per share	*RON/action*	6.91	5.14	34%

Source: Hidroelectrica

Financial Indicators *RON million*	9M 2026 Actual	9M 2026 Initial Budget	Achievement vs. Initial Budget (%)	9M 2026 Revised Budget	Achievement vs. Revised Budget (%)
Total Revenue	**9,056**	**9,198**	**98%**	**8,927**	**101%**
Operating Revenue	8,771	8,977	**98%**	8,706	**101%**
Financial Income	286	221	**129%**	220	**129%**
Total Expenses	**5,367**	**5,536**	**97%**	**5,392**	**100%**
Operating Expenses	5,303	5,478	**97%**	5,334	**99%**
Financial Expenses	64	58	**110%**	58	**110%**
Profit Before Tax	**3,689**	**3,662**	**101%**	**3,535**	**104%**

**The indicators are calculated in accordance with the budget templates prescribed by Order No. 3818/2019 and are aligned with the indicators presented in Form S1040 – Annual Accounting Report submitted to ANAF, prepared at Hidroelectrica S.A. level.*
Source: Hidroelectrica

The Revenue and Expenditure Budget is prepared on the basis of the Company's separate financial statements.

The year 2026 was characterized by two distinct periods: a first half marked by the normalization of hydrological conditions and operational activity, followed by a significant deterioration in hydrological conditions in Q3, driven by below-average rainfall across Romania and a decline in Danube water flows at the country's entry point to historically low levels. These developments had a direct impact on the Group's electricity generation volumes, as well as on the broader energy market, including in the context of the shutdown of Units 1 and 2 at the Cernavodă Nuclear Power Plant.

Q3 was marked by a shift in the Group's revenue structure, driven by the increased contribution of the electricity supply segment, reflecting the transition towards a hybrid business model with a stronger commercial component and an expanded customer base. The expansion of electricity supply activities, combined with lower generation volumes amid unfavorable hydrological conditions, led to increased electricity purchases from the market to meet contractual obligations, both on wholesale markets and the balancing market. The associated risks were managed through a phased contracting strategy and a prudent commercial approach.

In this context, operational efficiency, optimization of the generation–purchase mix, development of renewable energy generation capacities, and implementation of energy storage projects remain strategic priorities for the Group, aimed at reducing structural exposure to hydrological variability and strengthening long-term resilience.

Despite these challenges, cumulative financial performance for the first nine months remained significantly above the level recorded in the corresponding period of 2025. The Group's revenues increased by 28%, while both the operating margin and net profit margin improved by 5 percentage points, reflecting the Group's ability to leverage the competitive advantage provided by the cost structure of hydropower generation.

Information for Q3 2026

Operational indicators		Q3 2026	Q2 2026	Q1 2026	Q3 2025
Gross electricity production, of which:	***GWh***	2,324	3,578	3,699	2,469
Electricity production from hydro sources (gross)	*GWh*	2,273	3,522	3,621	2,415
Net electricity production, of which:	***GWh***	**2,258**	**3,462**	**3,608**	**2,405**
Electricity production from hydro sources (net)	*GWh*	2,210	3,408	3,531	2,354
Electricity production from wind sources	*GWh*	48	54	77	51
Purchase of GWh electricity	***GWh***	**1,000**	**625**	**357**	**983**
Total electricity sold GWh	***GWh***	**3,258**	**4,087**	**3,965**	**3,388**
Effective number of Hidroelectrica employees			3,532	3,562	3,599
Actual number of Group employees			5,192	5,249	5,295

Source: Hidroelectrica

Financial indicators		Q3 2026	Q2 26	Q1 2026	Q3 2025
Revenue	***million RON***	**2,554**	**2,918**	**3,129**	**2,382**
EBITDA	***million RON***	**810**	**1,628**	**1,707**	**1,056**
EBITDA Margin	*%*	32%	56%	55%	44%
Adjusted EBITDA	*million RON*	810	1,615	1,707	1,056
Adjusted EBITDA Margin	*%*	32%	55%	55%	44%
Operating margin (operating profit/revenue*100)	*%*	23%	48%	47%	35%
Net Margin (Net Profit/Revenue*100)	*%*	21%	43%	42%	30%
Operating profit	*million RON*	580	1,413	1,480	830
Net Profit	*million RON*	537	1,264	1,307	**727**
Earnings per share	*RON/action*	1.19	2.81	2.91	1.62

Source: Hidroelectrica

Electricity Supply Segment

As of 30 September 2026, the electricity supply portfolio comprised 1,464,583 consumption points (CPs), representing a 56% increase compared to the same date of the previous year, when the portfolio included 941,364 CPs. This increase of 523,219 consumption points reflects both the acquisition of a significant number of new residential customers and substantial expansion in the non-residential segment.

Client type	No. CS* 30.09.2026	No. CS* 30.09.2025	Variation (%)
Household	1,374,234	894,424	54%
Non-household	90,349	46,940	92%
Total	**1,464,583**	**941,364**	**56%**

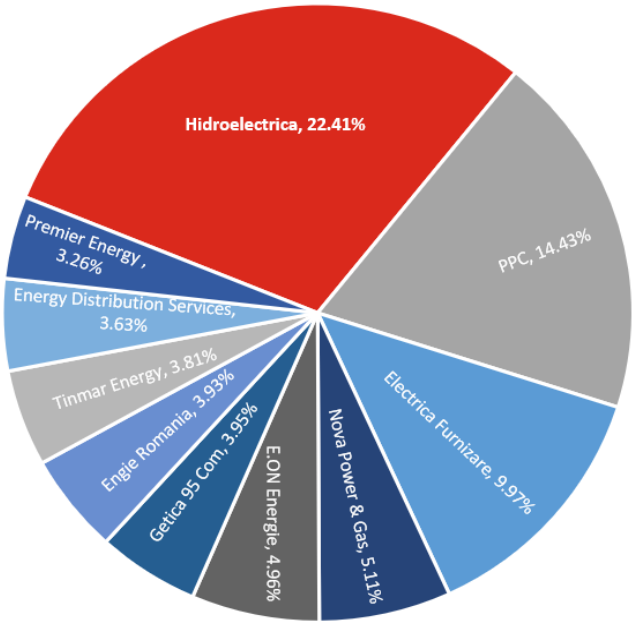
**The number of CS in the portfolio (excluding those directly supplied from the hydroelectric plant bars and those supplied from the transmission network/other non-concessionaire distribution operators)*
Source: Hidroelectrica

The evolution of the portfolio reflects the strengthening of the Company's position in the competitive electricity supply market, driven by the increasing commercial attractiveness of its offers and the strong interest shown by both residential and non-residential customers in its services. From an operational perspective, the rapid expansion of the portfolio has led to a significant increase in the volumes handled across electricity supply processes, directly impacting contracting, billing, consumption data management, customer relations, and the handling of customer requests and complaints.

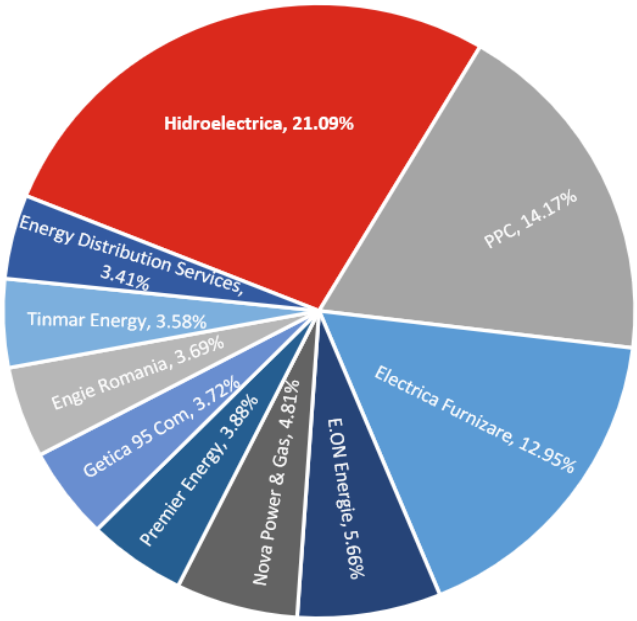
In this context, maintaining adequate operational performance and service quality standards requires continued efforts to strengthen administrative and operational capacity, including through workflow optimization, IT infrastructure development, and the alignment of available resources with current and projected activity levels.

In July 2026, according to the latest available ANRE monthly report, Hidroelectrica held a market share of 22.41% in the competitive segment and a market share of 21.09% in the overall electricity supply market, maintaining its first position in both categories as of the reporting date.

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



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



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

Q3 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 RO13267213 and LEI code 787200IISRQXO9PRB732.

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 Romania's leading electricity producer, largest electricity supplier, and leading provider of ancillary services, playing an essential role in ensuring the security of the National Power System ("SEN").

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

The Company operates seven hydropower branches and one branch managing the Crucea wind farm, as illustrated in the figure below. Among these, Porțile de Fier and Vâlcea are the most significant for the Group in terms of electricity generation capacity and their contribution to the Group's total electricity generation.



*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 30 September 2026, Hidroelectrica has the following subsidiaries (together, the "Group"):

Subsidiary	Activity	Registered Office	% participation at 30 September 2026	% participation at 30 September 2025
Hidroserv S.A. („Hidroserv")	Services (maintenance, repairs, construction)	Bucharest, Romania	100%	100%
Uzina de Constructii Masini 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 25 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 Câlnicel 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 registred 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", the Company's free float representing 19.94% of the share capital.

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 generation capacity is represented by Iron Gates I and Iron Gates II, which together account for approximately 22.75% of the Group's installed capacity and 42.6% of its total electricity production over 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. 2784 issued on 14.07.2026 by the National Energy Regulatory Authority (ANRE) for the commercial operation of electricity generation capacities.

Hidroelectrica is also Romania's leading provider of ancillary services, thereby ensuring the operational stability of the National Energy System (NPS). The Company provides ancillary services (also referred to as "technological system services") to the national transmission system operator, Transelectrica S.A., under Electricity Supply Licence No. 2215 dated 6 May 2020 and its associated licence conditions. Accordingly, Transelectrica S.A. procures technological system services from the Company on a contractual basis, through a procedure regulated by the Romanian Energy Regulatory Authority (ANRE), in order to maintain the operational security of the power system and the quality of transmitted electricity in accordance with the parameters required by applicable regulations.

Electricity Supply to End Customers

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

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

II. Key Events during the reporting period

GMS Meetings

EGMS 27 January 2026

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) Establishment of the Joint Venture Company (JVC) – EDF (50%-50%); (ii) Approval of the Shareholders' Agreement (SHA) for the development of the Tarnița Pumped Storage Hydropower Plant (PSHPP).
- Procurement of legal advisory services in connection with the share capital increase process.
- Documentation for the certification of ownership rights over land plots (Maramureș and Bihor).
- Procurement of legal advisory services for the acquisition of the Frasin-Pângărați Pumped Storage Hydropower Plant (PSHPP).

With a **quorum of 94.50%** at the start of the meeting, all items on the EGMS agenda were approved by the Company's shareholders on the date of the meeting, by a majority of the votes cast.

OGMS 28 April 2026

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 the consolidated and separate financial statements, the Annual Report for 2025, the allocation of profit and distribution of dividends, the discharge of liability of the management bodies, approval of the remuneration report for the Management Board and the Supervisory Board, setting the relevant dates for the dividends, and acknowledgement of the annual evaluation report of the members of the Supervisory Board.

With a **quorum of 95.28%** at the start of the meeting, all items on the OGMS agenda were approved by the Company's shareholders on the date of the meeting, by a majority of the votes cast.

OGMS 29 May 2026

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

- Approval of the 2026 Revenue and Expenditure Budget.
- Approval of the distribution of a special dividend from retained earnings.
- Approval of the Record Date, "Ex-Date" and Payment Date for the special dividend.

Subsequently, 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, having as its object the introduction of new items on the agenda:

- Acknowledgement of the suspension of the mandate agreement of a member of the Supervisory Board, approval of the addendum and authorization of the representative of the majority shareholder to sign it.

With a **quorum of 94.92%** at the start of the meeting, all items on the OGMS agenda were approved by the Company's shareholders on the date of the meeting, by a majority of the votes cast.

OGMS and EGMS 30 July 2026

On 25 June 2026, **Hidroelectrica's Management Board** convened the **OGMS and EGMS for 30 July 2026**. The **EGMS** was convened pursuant to a decision of the **Management Board**, while the **OGMS** was convened following a request dated 3 June 2026 from the **Ministry of Energy**, acting on behalf of the Romanian State in its capacity as shareholder, with the following main items on the agenda:

OGMS:

- Approval of the Ministry of Energy's perspective on Hidroelectrica's investment strategy.

EGMS:

- Approval of the updated technical and economic indicators for the Siret Cosmești–Movileni HPP Development investment and the optimization of the investment objective.
- Information regarding the investment projects Jiu River HPP Development on the Livezeni–Bumbești sector and Floating Photovoltaic Panel System – Nufărul Pilot Project, as well as transactions with other public enterprises.

With a **quorum of 94.87%** at the start of the OGMS and a **quorum of 94.86%** at the start of the EGMS, all items on the agendas of both meetings were approved by the Company's shareholders, by a majority of the votes cast or held, as applicable, with the exception of item 1 on the EGMS agenda, which was rejected.

OGMS 23 October 2026

On 21 September 2026, **Hidroelectrica's Management Board** convened the **OGMS** for **23 October 2026**, following requests from the Ministry of Energy dated 27 August and 10 September 2026, with the following main items on the agenda:

- Establishing that Mr. Silviu-Razvan Avram had breached his legal and contractual obligations and received amounts to which he was not entitled following the suspension of his mandate by operation of law.
- Approving measures to determine and recover the damages incurred, hold Mr. Silviu-Razvan Avram liable, initiate legal proceedings, and acknowledge the termination of his mandate by operation of law.
- Authorizing the Management Board and the President of the Management Board/Chairperson of the meeting to undertake the necessary legal steps and formalities.
- Approving the initiation of the selection procedure for five members of the Supervisory Board, in accordance with Government Emergency Ordinance No. 109/2011, with the procedure to be conducted by the Ministry of Energy.
- Presentation of the Supervisory Board Report for Q2 2026.

Subsequently, the agenda was supplemented following a request received on 7 October 2026 from the Ministry of Energy, acting on behalf of the Romanian State in its capacity as shareholder, as well as pursuant to a decision of Hidroelectrica's Management Board, with the addition of the following items:

- Election of an interim member of the Supervisory Board, determination of the five-month term of office and remuneration, approval of the mandate agreement, and authorization of the Ministry of Energy's representative to sign the agreement.

- Approval of the revised Revenue and Expenditure Budget for 2026.

With a **quorum of 94.43%** at the start of the meeting, all items on the OGMS agenda were approved by the Company's shareholders on the date of the meeting, by a majority of the votes cast.

The resolutions of the OGMS meeting held on 23 October 2026 are presented in the *Subsequent Events* section.

Supervisory Board Decisions

Appointment of an Interim CFO

On 28 September 2026, Hidroelectrica's Supervisory Board resolved to appoint a new interim member of the Management Board to the position of Chief Financial Officer (CFO). Further details regarding the appointment are provided 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 as members of the Company's Management Board – CEO and CFO – was published, containing the requirements to be met by the candidates and the criteria for their evaluation/selection, in accordance with Article 35 (6) of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented. The deadline for submitting applications was 20 April 2026.

On 29 May 2026, following the completion of the selection procedure for the members of Hidroelectrica's Management Board, the Supervisory Board approved, by a majority of the votes cast, the appointment of Mr Iulius-Dan Plaveti as President of the Management Board (Chief Executive Officer – CEO) and Mr Mihail-Dan Stan as Member of the Management Board (Chief Financial Officer – CFO), for a term of office until 7 November 2027.

On 11 June 2026, Mr Iulius-Dan Plaveti accepted the CEO mandate. Subsequently, on 25 June 2026, the Supervisory Board took note of Mr Mihail-Dan Stan's non-acceptance of the mandate as Member of the Management Board (Chief Financial Officer – CFO). Under these circumstances, the duties pertaining to the CFO position continue to be performed, on a temporary basis, by Mr Radu-Ioan Constantin, Member of the Management Board (Chief Administrative Officer – CAO).

Legislation with an Impact on the Company

Acceleration of Major Hydropower Investments in Hidroelectrica's Portfolio

In the first half of August 2026, a new legislative framework entered into force aimed at clarifying the status of strategic hydropower projects located in protected areas, following the publication of the Constitutional Court's decision in the Official Gazette on 7 August 2026. This legislation amends Government Emergency Ordinance No. 57/2007 and enables the acceleration of major hydropower investments in Hidroelectrica's portfolio.

The new regulation removes environmental-related administrative barriers by requiring the relevant authorities to revise the boundaries of protected sites within 60 days. This is expected to lead to a direct increase in total installed capacity over the short and medium term, optimizing the Company's renewable energy generation profile and strengthening the fundamental value of its assets.

Changes to Water Usage Tariffs Applied by the National Administration "Romanian Waters"

Law No. 155 of 20 July 2026, amending and supplementing certain legislative acts in the water sector, introduced legislative changes concerning increases in water usage tariffs for hydropower generation, as well as their estimated impact on the Company's cost structure.

Pursuant to Article IV, paragraphs (1) and (2) of Law No. 155 of 20 July 2026, the following phased mechanism for adjusting the system of contributions, tariffs and penalties has been established:

a) Effective from the date of entry into force of the Law, the contribution per MWh applicable to economic operators generating electricity through hydropower plants, regardless of installed capacity, which demonstrate the technical impossibility of installing flow or volume measuring devices, shall be indexed by 7.32%, corresponding to the Consumer Price Index (CPI) for 2025;
b) Effective from 1 January 2027, a 2.00% increase shall apply to contributions, tariffs and penalties under the economic mechanism for each category of water users, except for the contribution applicable to irrigation – raw surface water and groundwater;
c) Effective from 1 January 2028, a 4.00% increase shall apply to contributions, tariffs and penalties under the economic mechanism for each category of water users, except for the contribution applicable to irrigation – raw surface water and groundwater;
d) Effective from 1 January 2029, a 3.70% increase shall apply to contributions, tariffs and penalties under the economic mechanism for each category of water users, except for the contribution applicable to irrigation – raw surface water and groundwater.

In addition, in January of each year, the operator shall notify beneficiaries of the revised contribution level, resulting from CPI indexation and the application of the phased annual increases outlined above.

According to the Company's estimates, based on the National Bank of Romania's (NBR) forecasts for average annual inflation, the gradual increase in water usage tariffs for hydropower generation could reach a cumulative 35% by the end of 2029, resulting in a 6–9% increase in total costs, depending on annual hydropower generation levels. In an average hydrological year, the water usage tariff, currently standing at RON 37/MWh and accounting for approximately 16–17% of the Company's total costs, could increase to represent 22–23% of total costs by 2029.

Other Key Events

Investments

Investment in Energy Storage at Iron Gates II

On 10 September 2026, Hidroelectrica awarded Synergy Construct a contract worth RON 296.8 million for the development of a Battery Energy Storage System (BESS) at Porțile de Fier II. The project will have an installed power capacity of 64 MW and a storage capacity of 434.76 MWh, making it the largest battery energy storage facility in the Company's portfolio. The investment benefits from RON 43.4 million in funding through the Modernisation Fund and will contribute to optimizing the generation profile, enhancing portfolio flexibility, and improving the utilization of renewable energy. The project is aligned with Hidroelectrica's strategy to modernize and diversify its energy infrastructure.

Signing of the Contract for the Construction of Tudor Vladimirescu PV Power Plant

On 25 May 2026, Hidroelectrica signed the EPC contract for the construction of the Tudor Vladimirescu Photovoltaic Power Plant (PVPP), Brăila County, awarded to Enevo Group SRL following an open tender procedure. The project, with a value of RON 151.2 million, will have an installed capacity of 45.94 MWp and an estimated annual production of 59.21 GWh, representing an important step in the Company's strategy to diversify its renewable energy generation portfolio.

Signing of the Contract for the Refurbishment of Râul Mare Retezat HPP

On 21 May 2026, Hidroelectrica signed the contract for the refurbishment of the Râul Mare Retezat Hydropower Plant, one of the Company's most important modernization projects, with a value of EUR 188.5 million, excluding VAT. The contract was awarded to the consortium Andritz Hydro GmbH – COBRA Instalaciones y Servicios S.A., and the investment will enable the recovery of approximately 135 MW of available capacity through the modernization of the main equipment and the implementation of modern technological solutions, contributing to increased operational efficiency and strengthened energy security.

Signing of the Contract for the Turnkey Implementation of the "Țara Hațegului Photovoltaic Park" Project

On 19 February 2026, Hidroelectrica signed the contract for the turnkey implementation of the "Țara Hațegului Photovoltaic Park" project, with a value of RON 24.4 million, excluding VAT, awarded to the consortium ELECTRO-ALFA INTERNATIONAL S.A. – GENERAL ME.EL ELECTRIC S.R.L. The project aims to develop a photovoltaic park with an installed capacity of 8.9 MWp and an estimated annual production of approximately 11 GWh, representing a further step in the Company's strategy to expand its renewable energy generation capacity.

Unfavorable Hydrological Conditions and Declining Danube River Flows

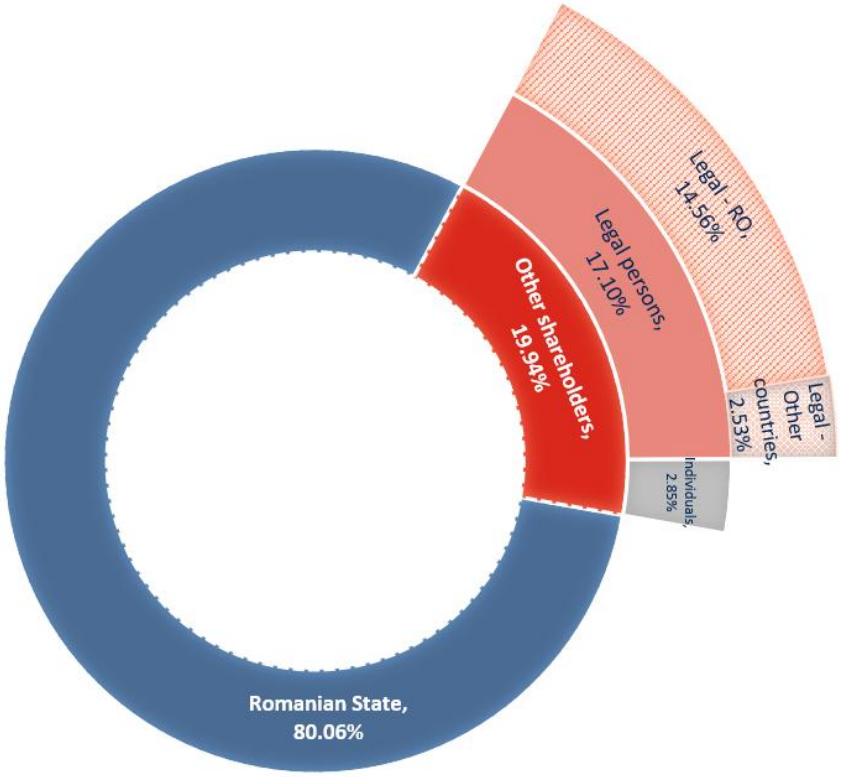
Starting in July 2026, hydrological conditions in Romania deteriorated significantly, driven by below-average rainfall and a sharp decline in Danube River flows, which fell below 1,300 m^3/s along the Baziaș–Iron Gates II section, at the river's entry point into Romania, reaching historically low levels and remaining significantly below long-term averages.

These conditions had a direct impact on Hidroelectrica's electricity generation in Q3 2026, against a broader backdrop of pressure on the Romanian energy market, also marked by the shutdown of Units 1 and 2 at the Cernavodă Nuclear Power Plant.

In this context, Hidroelectrica closely monitored developments in hydrological conditions and their impact on operational activities, seeking to adjust electricity generation to the availability of water resources in order to ensure their efficient management and maintain operational continuity, while fulfilling its obligations regarding the safe and secure operation of the National Power System.

III. Shareholders Structure and Share Price Evolution

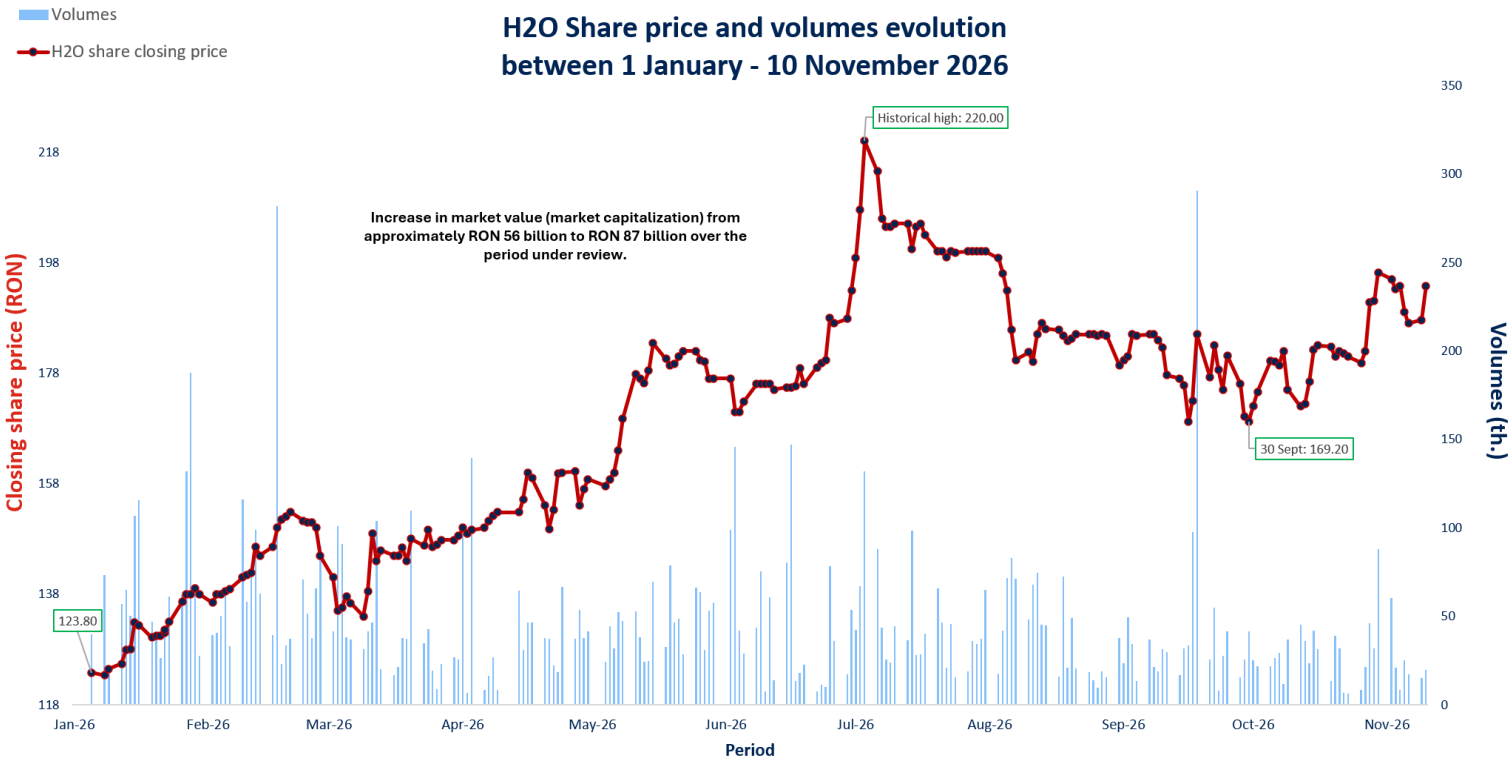
Shareholder structure as at 30 September 2026



Shareholder	Ownership	Percentage of ownership in the share capital
Romanian State through Ministry of Energy	360,094,390	80.0561%
Legal persons	76,899,644	17.0963%
Individuals	12,808,533	2.8476%
Total	**449,802,567**	**100.0000%**

Source: Depozitarul Central, Hidroelectrica

During the period 1 January – 30 September 2026, according to information published by the BVB, Hidroelectrica shares recorded a minimum closing price of RON 123.8 (8 January 2026) and a maximum closing price of RON 220 (3 July 2026), corresponding to a market capitalization of RON 98.96 billion (approximately EUR 18.8 billion). The average share price during the period under review was RON 166.90.



Source: BSE, Hidroelectrica

As of 30 September 2026, Hidroelectrica ranked 4rd in the BVB trading ranking for the one-year period, while, as of the same date, the Company ranked first in terms of market capitalization among Romanian companies listed on the BVB, recording a market capitalization of RON 86.8 billion.

IV. Financial Results at and for the period of nine months ended on 30 September 2026

1. Financial Indicators

million RON

Indicators	9M 2026	9M 2025	Variation (%)
Revenue	8,601	6,698	28%
EBITDA	4,145	3,257	27%
Operating profit	3,473	2,581	35%
Net Profit	3,108	2,314	34%
Earnings per share (RON)	6.91	5.14	34%

Source: Hidroelectrica

Indicators	Calculation method	30 September 2026
Current liquidity indicator	Current Assets/Current Liabilities	3.03
Leverage ratio indicator	Borrowed Capital/Equity x 100	1.02
Leverage ratio indicator	Borrowed Capital/Committed Capital x 100	1.01
Turnover speed of customer flows	Average Customer Balance/Turnover x 270	36.06
Turnover speed of fixed assets	Turnover/fixed assets	0.43

Source: Hidroelectrica

Information for the third quarter of 2026

Indicators	Q3 2026	Q2 2026	Q1 2026	Q3 2025
Revenue	2,554	2,918	3,129	2,382
EBITDA	810	1,628	1,707	1,056
Operating profit	580	1,413	1,480	830
Net Profit	537	1,264	1,307	727
Earnings per share (RON)	1.19	2.81	2.91	1.62

Source: Hidroelectrica

2. Net debt/(cash) adjusted

million RON	30 September 2026
Bank loans	147
Liabilities related to leasing contracts	67
Cash and cash equivalents	(1,394)
Short-term investments (Investments in corporate bonds and deposits)	(2,325)
Net debt/(cash) adjusted	(3,505)
Adjusted EBITDA	4,132
Adjusted Net Debt/(Cash) to Adjusted EBITDA Ratio	(0.85)

Source: Hidroelectrica

3. Revenue breakdown

		9M 2026	9M 2025	Variation (%)
Energy produced and sold (net)	*GWh*	9,328	8,473	10%
Purchase of electricity	*GWh*	1,982	1,657	20%
Total Electricity Sales	***GWh***	**11,310**	**10,130**	**12%**
Quantity of electricity – wholesale	**GWh**	4,107	4,565	-10%
Wholesale price	RON / MWh	606	528	15%
Wholesale revenue	**th. RON**	**2,487**	**2,409**	**3%**
System Services Revenue	**th. RON**	**207**	**176**	**18%**
Balancing Volumes	GWh	181	130	40%
Balancing Price	RON / MWh	1,370	1,519	-10%
Income from Balancing	**th. RON**	**248**	**197**	**26%**
Supply volumes	GWh	6,739	5,207	29%
Supply tariffs (e,g, pass through)	RON / MWh	514	469	10%
Revenue from supply	**th. RON**	**3,466**	**2,440**	**42%**
Pass through revenues		**2,157**	**1,401**	**54%**
Volumes positive imbalances	GWh	283	229	23%
Positive imbalances	**th. RON**	**(31)**	**(22)**	**41%**
Revenue from power reduction services	**th. RON**	**28**	**54**	**-48%**
Redistribution of additional income	**th. RON**	**32**	**37**	**-14%**
Other revenue from customer contracts	**th. RON**	**7**	**5**	**40%**
Revenue	**th. RON**	**8,601**	**6,698**	**28%**

**The amount of positive imbalances recorded in the nine-month period ended 30 September 2026 is 283 GWh (nine-month period ended 30 September 2025: 229 GWh)*

Source: Hidroelectrica

Energy produced and sold (net)

In the first nine months of 2026, net electricity generation increased by 10% compared to the same period of 2025, from 8,473 GWh to 9,328 GWh. Net hydropower generation reached 9,149 GWh (+10%), while wind power generation amounted to 179 GWh (-3%).

This performance was achieved against the backdrop of challenging hydrological conditions. Following a first quarter in which the average Danube flow remained within normal levels, standing 13% above Q1 2025, hydrological conditions deteriorated significantly. Spring did not bring the usual inflows from snowmelt and precipitation. From July onwards, Danube flows fell to their lowest levels in the past 30 years.

Against this backdrop, generation levels were supported by the active and efficient management of reservoirs and water resources from inland rivers, which offset the reduced contribution from the Danube. Operations were optimised to ensure that available water reserves were utilised during periods of highest value, both for the Company and for the National Power System (SEN).

To meet its contractual obligations while safeguarding primary water resources, the Company adopted a balanced electricity procurement strategy, focusing primarily on solar-generated electricity. The continued deterioration of hydrological conditions, combined with other external factors, led to a 20% increase in electricity purchases in the first nine months of 2026 compared to the same period of 2025, reaching a total of 1,982 GWh.

Compared to the first nine months of 2025, this integrated approach enabled a 12% increase in total electricity sales, reaching 11,310 GWh. At portfolio level, electricity volumes delivered to supply customers increased by 29%, to 6,739 GWh. Meanwhile, the severe drought conditions that emerged in the third quarter led to a 10% decline in wholesale electricity sales, which totalled 4,107 GWh in the first nine months of 2026.

Net electricity generation in Q3 2026 amounted to 2,259 GWh, just 6% below Q3 2025, despite Danube flows reaching historically low levels.

Wholesale revenue

Revenues from the wholesale electricity market increased by 3% in the first nine months of 2026 compared to the same period of 2025, driven by a 10% decline in volumes sold, which was offset by a 15% increase in average prices achieved on these markets.

In the current energy market environment, characterised by volatility and limited electricity availability, the Company's commercial activities were primarily focused on supporting and strengthening its electricity supply business, in line with its development strategy. Consequently, wholesale trading on the markets operated by OPCOM and BRM, excluding transactions on the Day-Ahead Market (DAM) and Intraday Market (IDM), accounted for a smaller share of overall commercial activity, reflecting the Company's strategic priorities during this period.

Heightened volatility in energy market prices, exacerbated by the international geopolitical environment, particularly the ongoing conflict in Ukraine and tensions in the Strait of Hormuz, exerted significant pressure on oil, natural gas and emission allowance prices. At the same time, severe hydrological conditions led to a reduction in Hidroelectrica's electricity generation, against a market backdrop also marked by the shutdown of both nuclear reactors at Cernavodă, with implications for electricity availability at national level.

Revenue from Supply

Supply revenues increased by 42% to RON 3,466 million in the first nine months of 2026, from RON 2,440 million in the same period of 2025. This evolution reflects both the optimization of the supply portfolio structure and commercial strategy, as well as an increase in the customer base and the amount of energy sold.
In order to remain competitive in an environment characterized by increased pressure on commercial margins and increased consumer mobility, the company has permanently adjusted the structure of its commercial offers, aiming both to maintain the attractiveness of its products and to retain the existing customer portfolio.

Income from Balancing

Balancing revenues increased by 26%, to RON 248 million recorded in the first nine months of 2026, from RON 197 million recorded in the same period of 2025. The increase is driven by the 40% increase in the volume of energy on the one hand, offset by the 10% reduction in the selling price in the first nine months of 2026, compared to the same period of 2025.

System Services Revenue

Revenues from system services increased by 18%, to RON 207 million recorded in the first nine months of 2026, from RON 176 million recorded in the same period of 2025.

Other income

In this category, revenues from positive imbalances recorded negative values of RON 31 million in the first nine months of 2026, from -RON 22 million in the same period of 2025. The evolution of these revenues is influenced by the behavior of the other participants in the electricity market in terms of managing imbalances, reflected in positive imbalances at negative prices. At the same time, power reduction services recorded in the generation segment decreased by RON 26 million compared to the same period of 2025.

Information for the third quarter of 2026

		Q3 2026	Q2 2026	Q1 2026	Q3 2025
Energy produced and sold (net)	*GWh*	2,258	3.462	3,608	2,405
Purchase of electricity	*GWh*	1,000	625	357	983
Total Electricity Sales	***GWh***	**3,258**	**4,087**	**3,965**	**3,388**
Quantity of electricity – wholesale	GWh	705	1,693	1,710	1,329
Wholesale price	RON / MWh	559	583	647	543
Wholesale revenue	**th. RON**	**394**	**987**	**1,106**	**722**
System Services Revenue	**th. RON**	**62**	**74**	**71**	**75**
Balancing Volumes	GWh	41	56	84	19
Balancing Price	RON / MWh	1,367	1,441	1,156	1,436
Income from Balancing	**th. RON**	**56**	**95**	**97**	**28**
Supply volumes	GWh	2,465	2,140	2,134	1,947
Supply tariffs (e.g. pass through)	RON / MWh	500	516	528	532
Revenue from supply	**th. RON**	**1,232**	**1,105**	**1,128**	**1,035**
Pass through revenues		**765**	**685**	**707**	**510**
Volumes positive imbalances	GWh	49	196	38	93
Positive imbalances	**th. RON**	**11**	**(43)**	**2**	(4)
Revenue from power reduction services	**th. RON**	**4**	**14**	**10**	11
Redistribution of additional income	**th. RON**	**15**	**13**	**4**	5
Other revenue from customer contracts	**th. RON**	**14**	**(11)**	**4**	**13**
Revenue	**th. RON**	**2,554**	**2,918**	**3,129**	**2,383**

Source: Hidroelectrica

4. Operating Expenses

	9M 2026	9M 2025	Variation
Cost breakdown	*million RON*	*million RON*	*%*
Processed water	355	318	12%
Employee benefits	700	707	-1%
Electricity transmission and distribution	1,791	1,144	57%
Purchased electricity	907	597	52%
Expenditure on green certificates	383	260	47%
Depreciation of tangible and intangible assets	663	661	0%
Impairment adjustments for tangible and intangible assets, net	(12)	(1)	1100%
Impairment losses on trade receivables, net	47	35	36%
Repairs, maintenance, materials and consumables	120	86	39%
Tax for electricity producers	-	123	-100%
Other operating expenses	315	220	43%

Source: Hidroelectrica

Processed water

Wastewater expenses increased by 12%, to RON 355 million in the nine-month period ended 30 September 2026, from RON 318 million in the same period of 2025. This increase was driven by the increase in the amount of electricity produced in the first nine months of 2026 compared to the same period of 2025, as a result of the increase in the amount of wastewater.

Employee benefits

Employee benefit expenses decreased by 1% to RON 700 million in the nine-month period ended 30 September 2026, from RON 707 million in the same period of 2025. This decrease was mainly driven by the decrease in the profit share for 2025 compared to 2024.

Electricity transmission and distribution

Electricity transmission and distribution expenses increased by 57%, to RON 1,791 million in the nine-month period ended 30 September 2026, from RON 1,144 million in the nine-month period ended 30 September 2025. This increase in electricity transmission and distribution expenses is mainly driven by a 29% increase in the volume of electricity supplied, as well as an average increase in distribution tariffs by 3%, starting with 1 January 2026.

Purchased electricity

The purchased electricity increased by 52% in the nine-month period ended 30 September 2026, to RON 907 million, from RON 597 million in the same period of 2025. This evolution is mainly due to the increase in the amount of electricity needed for the supply segment, as a result of the increase in the number of customers, respectively against the background of the reduction in the available energy from its own production.

Expenditure on green certificates

Expenditure on green certificates increased by 47%, to RON 383 million in the nine-month period ended 30 September 2026, from RON 260 million in the nine-month period ended 30 September 2025. This increase in

expenses is mainly caused by the increase in the volume of electricity supplied in the first nine months of 2026, compared to the same period of the previous year.

Tax for electricity producers

The tax for electricity producers was cancelled starting with 1 July 2025, consequently in 2026, this expense was zero.

Other operating expenses

Other operating expenses increased by 43% to RON 315 million in the nine-month period ended 30 September 2026 from RON 220 million in the nine-month period ended 30 September 2025. This increase mainly reflects the impact of the increase in taxes and professional services.

Information for the third quarter of 2026

	Q3 2026	Q2 2026	Q1 2026	Q3 2025
Cost breakdown	*million RON*	*million RON*	*million RON*	*million RON*
Processed water	89	132	134	90
Employee benefits	191	272	237	235
Electricity transmission and distribution	645	559	587	408
Purchased electricity	543	155	209	372
Expenditure on green certificates	139	114	130	98
Depreciation of tangible and intangible assets	222	221	220	221
Impairment adjustments for tangible and intangible assets, net	(0)	(12)	0	0
Impairment losses on trade receivables, net	8	(10)	49	32
Repairs, maintenance, materials and consumables	51	47	22	35
Tax for electricity producers	0	0	0	3
Other operating expenses	148	80	87	68

Source: Hidroelectrica

5. Investment activity

The first nine months of 2026 confirm a significant acceleration in Hidroelectrica's investment programme. Total investments reached **RON 793 million**, nearly three times the amount recorded in the same period of 2025 (RON 271 million), representing a **193% increase**. All investments are financed from the Company's own funds.

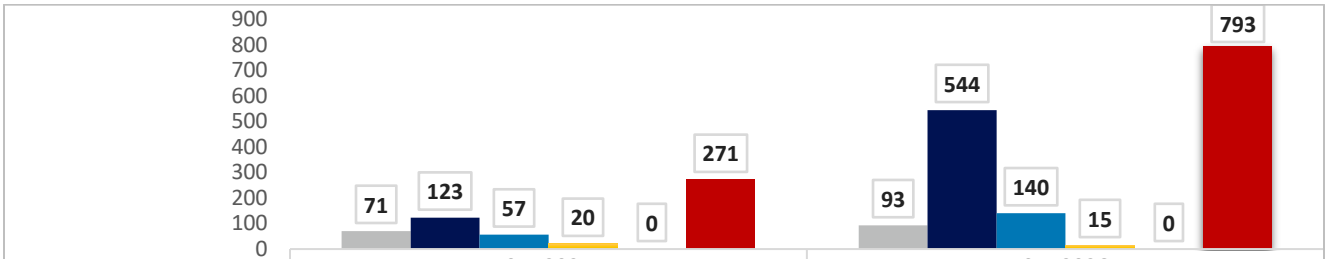
793	544	140	93
RON million	RON million	RON million	RON million
TOTAL INVESTMENTS	**Refurbishment and Modernisation**	**Capitalised Maintenance**	**Development Projects**
+193%	+343%	+147%	+32%

	9M 2026	9M 2025	Variation
	RON million	*RON million*	*%*
TOTAL INVESTMENTS, out of which:	**793**	**271**	**193%**
Development Project CAPEX	93	71	32%
Refurbishment CAPEX	544	123	343%
Maintenance CAPEX	140	57	147%
Standalone equipment and machinery	15	20	-24%

Source: Hidroelectrica

As of the end of September 2026, the comparison of actual investment expenditures with those recorded at the end of September 2025 is presented below:

RON million



	9M 2025	9M 2026
DEVELOPMENT	71	93
REFURBISHMENT	123	544
CAPEX MANTAINANCE	57	140
EQUIPMENT	20	15
M&A	0	0
TOTAL	271	793

Source: Hidroelectrica

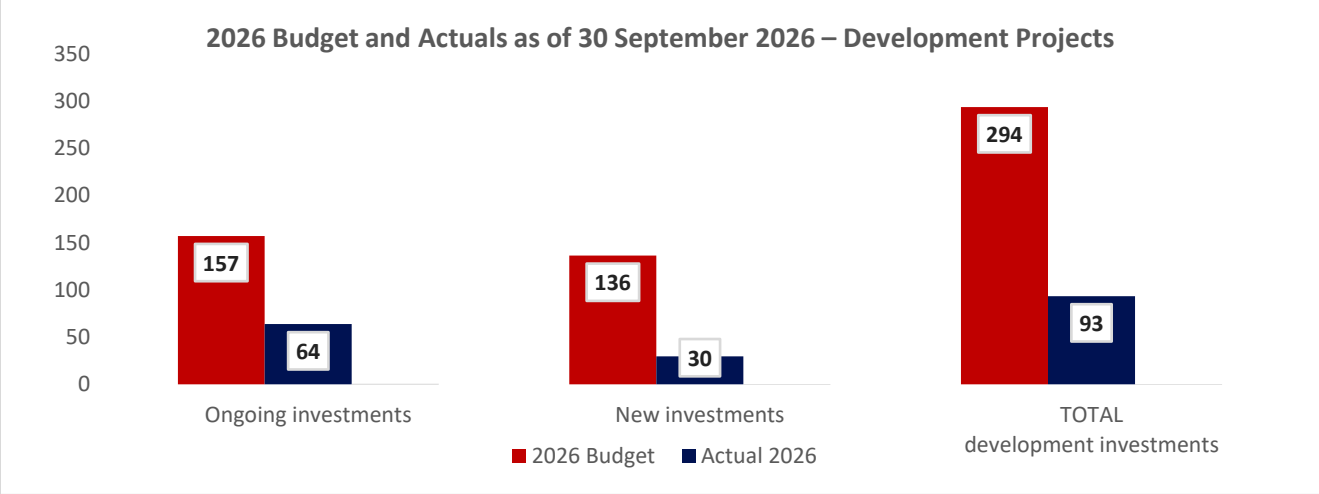
Investment execution is significantly influenced by factors beyond the Company's control, particularly those of a procedural, administrative and legislative nature. These factors do not reflect Hidroelectrica's operational capabilities, but rather the applicable regulatory framework and the complexity of the strategic projects under implementation.

Development Projects

In the first nine months of 2026, investments in development projects reached **RON 93 million**, representing a **32% increase** compared to the same period of the previous year.

For 2026, Hidroelectrica has allocated a budget of RON 294 million for the implementation of development projects (hydropower, photovoltaic, wind and battery energy storage projects). During the first nine months of 2026, investments in development projects reached RON 93 million, representing a 32% increase compared to the same period of the previous year.

RON million



Source: Hidroelectrica

Ongoing Investments

The proposed budget for ongoing investments in 2026 amounts to RON 157 million, allocated to the following projects, whose implementation status is outlined below:

- **Pașcani Hydropower Development** – Project ongoing. The commissioning date will be affected by delays in signing the contract for equipping the dam with radial gates fitted with flaps, following a challenge filed with the National Council for Solving Complaints (CNSC), as well as by the financial situation of the construction contractor, SC Construcții Hidrotehnice SA, which has experienced significant delays in executing the works scheduled for 2026. These circumstances are expected to jeopardize the project's completion date.
  Răstolița Hydropower Development – Contract ongoing, with construction works currently being carried out in areas that do not require deforestation or the removal of land from the national forest fund.
  The project is affected by several constraints arising from the court-ordered suspension of the environmental permit. As a consequence, Government Decision No. 327/2025 concerning the removal of land required for the project from the national forest fund has also been suspended. Furthermore, litigation is ongoing regarding a declaration that Building Permit No. 304/1990 has lapsed. Another significant constraint relates to the financial and economic situation of the contractor, Hidroconstrucția, which is undergoing insolvency proceedings. Its limited technical and financial capacity significantly affects its ability

to mobilize the necessary human, material and logistical resources, directly impacting the pace of execution and compliance with the planned completion deadlines.

- **Surduc–Siriu Hydropower Development** – Contracts are ongoing for construction works and equipment relating to Surduc Dam, the pressure node and the headrace system. Environmental Permit No. 3/14 April 2026 has been issued for Surduc Dam. The procurement procedure for the equipment at Nehoiașu II Hydropower Plant and the extension of the 110 kV substation has been cancelled three times due to a lack of bids or non-compliant bids.

  The execution and implementation of the project are subject to the resolution of ongoing court proceedings initiated by certain environmental organisations, seeking the suspension and annulment of Environmental Permit No. 3/2026, as well as the suspension of the effects of the building permits issued for the headrace and dam works. The court rulings in these proceedings may affect the implementation schedule and the continuation of project works.
- **Jiu River Hydropower Development on the Livezeni–Bumbești Section** – Contracts for connecting Dumitra Hydropower Plant, Bumbești Hydropower Plant and Livezeni Small Hydropower Plant to the National Power System (SEN) are ongoing. Technical assessment reports for equipment and civil structures have been received, and the preparation of the technical documentation required to obtain building permits for the investment projects has commenced. Approval has also been obtained for the removal of land required for the Dumitra Hydropower Plant grid connection facilities from the national forest fund.

  In addition, cadastral documentation has been prepared for the land registration of the expropriation corridors associated with the grid connections of Dumitra Hydropower Plant and Livezeni Small Hydropower Plant, as well as for the registration of the land associated with the Bumbești Pressure Node.

  Constraints and risk factors that may affect the investment completion date: ongoing litigation initiated by environmental non-governmental organisations seeking the annulment and/or suspension of Environmental Permit No. 2/17 June 2025. The outcome of these proceedings may affect the implementation schedule and the investment completion date.
- **Olt River Hydropower Development in the Cornetu–Avrig Gorge Section (Lotrioara–Câineni–Racovița)** – In September 2026, the Water Management Permit and Environmental Permit were issued. The process of updating the estimated cost of the remaining works to reflect current market prices is underway. Based on the updated information, including bids received and requirements set out in the relevant permits and approvals, the technical and economic indicators will be reassessed.

  Constraints that may affect the investment completion date: works cannot resume until the Government Decision on expropriations has been obtained, as this is required for the issuance of the building permit. The project is also affected by overlaps with the A1 motorway route in the Lotrioara and Câineni areas, as well as by the presence of railway bridges downstream of the Racovița Hydropower Plant tailrace canal, which constrain the completion of certain works.

  Regarding connection to the National Power System, limitations on the evacuation of generated electricity exist in the Lotrioara and Câineni areas. The technical solutions required to enable the evacuation of the full installed capacity are complex and involve significant investments, which will be undertaken exclusively by Hidroelectrica.

  As of the date of this report, the Environmental Permit obtained in September 2026 is being challenged in court by an environmental non-governmental organisation.

- **Cerna–Belareca Hydropower Development** – Procedures are underway to obtain the building permit, extend the grid connection contract, secure the necessary land and conduct market consultations for the procurement of construction and installation works.
  The investment completion date may be affected by ongoing litigation concerning land overlaps identified following the cadastral registration of the Cornereva reservoir basin, delays in the expropriation of land required for the valve house, and the limited capacity of the contractor, Hidroconstrucția SA, which is undergoing insolvency proceedings.
- **Bistra–Poiana Mărului Hydropower Development** – Project ongoing, with outstanding works relating to the Ruieni and Râul Alb hydropower stages. A contract for the preparation of expropriation documentation is currently underway.
  Constraints that may affect the investment completion date relate to the refusal of Composesoratul Bucova, the landowner, to grant access to the site for surveying activities. A report concerning the initiation of legal proceedings is currently being prepared.
- **Cerna–Motru–Tismana Hydrotechnical and Energy Complex – Phase II** – The revised technical and economic indicators are pending approval by the General Meeting of Shareholders. Procedures are underway to obtain the necessary permits and award contracts for the remaining works.
- **Vânători Hydropower Plant** – Modernisation and safety improvement works on the headrace canal are ongoing under an existing contract, in accordance with the agreed schedule.
- **Rehabilitation of Monitoring and Control Equipment at Cerna, Târgu Jiu and Vădeni Dams** – Contract ongoing, in accordance with the agreed schedule.

New Investments

For 2026, Hidroelectrica plans to allocate a budget of RON 136 million to the development of photovoltaic projects and energy storage facilities, as part of its strategy to expand and modernise its operations. These initiatives support the integration of complementary renewable electricity generation technologies and contribute to strengthening the Company's resilience to fluctuations in hydrological resources, exacerbated by the effects of climate change.

These investments mark a new stage in the development of Hidroelectrica's portfolio, extending its traditional hydropower-based business model towards a more balanced operational structure that encompasses the diversification of electricity generation technologies and their integration with energy storage systems.

Developing a flexible and adaptable energy portfolio supports both the Company's strategic objectives of modernisation and sustainable growth and the mitigation of risks arising from variable hydrological conditions.

The implementation status of new investment projects aimed at developing photovoltaic electricity generation capacity and energy storage facilities is presented below:

- **Tudor Vladimirescu Photovoltaic Power Plant** (installed capacity: 45.94 MWp; estimated annual generation: 59.21 GWh) – This investment project will make a significant contribution to grid stability in southern Romania, benefiting from a strategic connection to the National Power System. It will also harness the solar potential of Brăila County, increasing and diversifying renewable electricity generation capacity.

A turnkey contract for the design and construction of the photovoltaic park is currently underway. The final version of the Detailed Technical Design has been completed and submitted, and the Building Permit has been obtained.

- **Țara Hațegului Photovoltaic Park – Hunedoara County** (installed capacity: 8.9 MWp; estimated annual generation: 11.83 GWh) – This investment will contribute to diversifying Hidroelectrica's generation portfolio through the development of photovoltaic capacity, leveraging existing energy infrastructure through integration with Subcetate and Bretea Hydropower Plants, optimising the use of renewable resources, reducing greenhouse gas emissions and strengthening the Company's contribution to the energy transition and national energy security.

  The design and construction contract is ongoing. The design phase has been completed and approved by the Technical and Economic Committee (CTE), and the notice to proceed with construction works has been issued.
- **Nufărul Floating Photovoltaic System** – Pilot Project (installed capacity: 10 MWp; estimated annual generation: 13.48 GWh) – This project represents Hidroelectrica's first investment in floating solar technology, making use of the water surface of the Ipotești Hydropower Plant reservoir and contributing to the diversification of the Company's renewable electricity generation portfolio. The project will improve operational efficiency and the utilisation of generated electricity by leveraging the synergies between solar and hydropower generation at the site. The turnkey contract for the construction of the floating photovoltaic system is currently being implemented in accordance with the agreed schedule.
- **Harnessing Photovoltaic Potential at Power Plants Located Along the Middle and Lower Sections of the Olt River** – Rooftop Photovoltaic Systems (650 W photovoltaic panels, 100 kW inverters and energy optimisation systems; installed capacity: 2,923.05 kWp; estimated annual generation: 3,711.23 MWh) – The contract is progressing according to schedule. Rooftop photovoltaic installations have been commissioned at four hydropower plants (Călimănești, Dăești, Râureni and Govora), out of the 20 facilities included in the project.
- **Battery Energy Storage System at Porțile de Fier II Hydropower Plant** (power capacity: 64 MW; storage capacity: 435 MWh) – The turnkey contract is currently underway. This represents the Company's largest battery energy storage project and is co-financed through the Modernisation Fund. The facility will be integrated into the existing infrastructure of the Porțile de Fier II Hydropower Complex and connected to the 110 kV grid. The system will enable the optimisation of renewable electricity generation, reduce imbalances within the National Power System and limit wear and tear on hydropower units currently used to provide ancillary services.
- **Li-ion Battery Energy Storage System at Crucea Nord Wind Farm** (nominal storage capacity: 72 MWh) – The turnkey contract is currently underway. Commissioning will take place following the issuance of the updated Grid Connection Certificate for Crucea Nord Wind Farm. The testing programme required for certification as a Balancing Service Provider has been approved by Transelectrica.
- **Photovoltaic Park and Battery Energy Storage System at Bistra–Poiana Mărului Hydropower Development – Zervești Polder** – The technical and economic documentation has received a favourable opinion from Hidroelectrica's Technical and Economic Committee (CTE-HE). The documents required to launch the procurement procedure are currently pending approval by the Management Board.

- **Energy Storage System at Retezat Hydropower Plant** (installed power capacity: 90 MW; storage capacity: 360 MWh) – Documentation is being prepared for the launch of the procurement procedure.
- **Energy Storage System at Ruieni Hydropower Plant** (installed power capacity: 50 MW; storage capacity: 200 MWh) – Documentation is being prepared for the launch of the procurement procedure.

Continuing its strategy to expand renewable electricity generation capacity, Hidroelectrica intends to broaden its investment portfolio through new projects integrating complementary green energy generation technologies and energy storage systems. The Company is currently evaluating and seeking approval for several projects in **the pre-investment phase**, including:

- **Floating Photovoltaic System at Hydropower Plants on the Lower Olt River** – Upgrade and Optimisation with BESS Energy Storage Systems (total photovoltaic installed capacity: 100 MWp; estimated annual generation: 124.7 GWh; total BESS power capacity: 200 MW; nominal storage capacity: 800 MWh). The Design Department of SPEEH Hidroelectrica S.A. has prepared the feasibility study for the project, which has received a favourable opinion from the Technical and Economic Committee (CTE-HE). The investment proposal is to be submitted for approval to the General Meeting of Shareholders.
- **Tudor Vladimirescu Battery Energy Storage System (BESS)** (installed power capacity: 30 MW; storage capacity: 120 MWh) – The feasibility study has received a favourable opinion, and the investment project is currently undergoing approval.

By developing and integrating energy storage capacity and photovoltaic generation facilities into its existing infrastructure, Hidroelectrica is strengthening its leading position in renewable electricity generation and diversifying its asset portfolio, enhancing its ability to ensure the continuity and security of electricity supply. At the same time, the Company contributes to maintaining the stable and secure operation of the National Power System, strengthening its resilience to variations in natural conditions and volatility in the energy market.

Investments in Refurbishment and Modernisation Projects

As of 30 September 2026, investments in refurbishment and modernisation projects reached **RON 544 million**, representing a **343% increase** compared to the same period of the previous year.

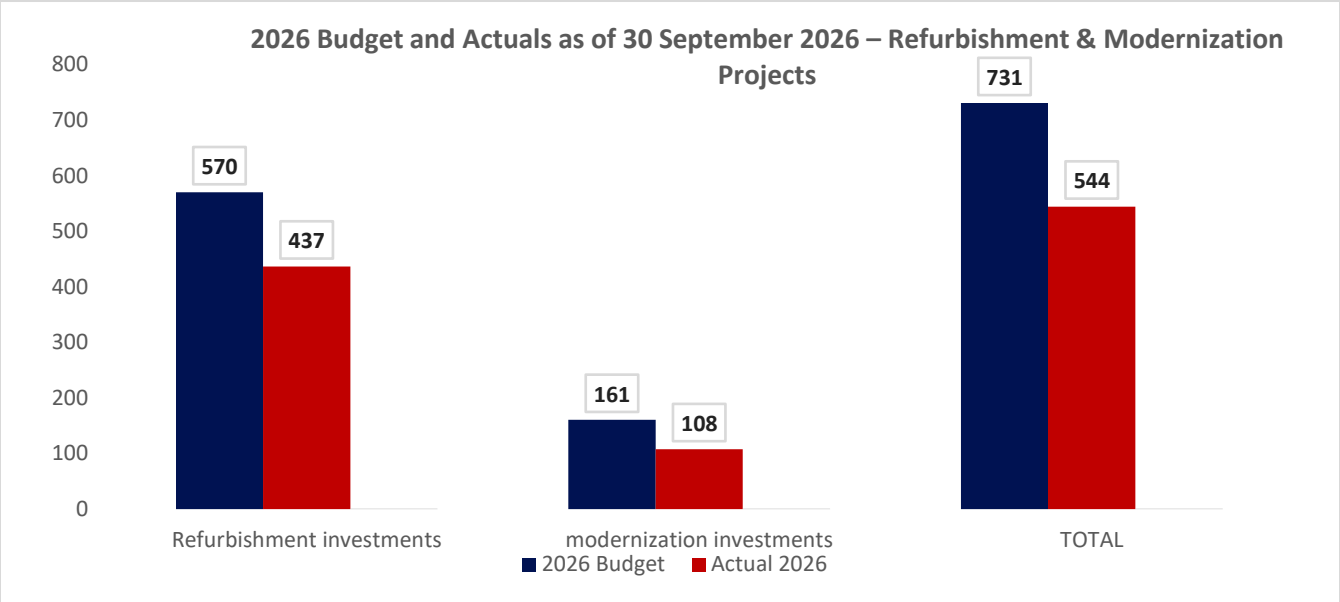
In line with Hidroelectrica S.A.'s Investment Strategy, refurbishment activities aim to implement the programme for the development and execution of modernisation and refurbishment projects across the Company's hydropower facilities. These activities include the preparation and development of refurbishment and modernisation projects for hydropower plants, generating units, associated equipment and substations, as well as the continuation of ongoing projects at various stages of implementation (procurement, design, construction, acceptance, warranty period monitoring, etc.).

Hidroelectrica's proposed and revised budget for refurbishment and modernisation projects in 2026 amounts to RON 731 million, of which RON 570 million is allocated to refurbishment projects and RON 161 million to modernisation projects.

As of 30 September 2026, investments in refurbishment and modernisation projects totalled RON 544 million, representing a **343% increase** compared to the same period of the previous year.

A summary of the implementation status of refurbishment and modernisation projects is presented below:

RON million



Source: Hidroelectrica

Refurbishment Projects

The budget allocated to refurbishment projects in 2026 amounts to RON 570 million and covers the following projects, whose implementation status is outlined below:

- **Refurbishment of Stejaru Hydropower Plant –** Two contracts are currently underway to continue and complete the investment project:
    - Pressure node (Butterfly Valve Chamber) – works ongoing (Electromontaj);
    - Hydropower Units 1–4 – works ongoing (Hidroserv).
- **Refurbishment of Vidraru Hydropower Development –** Contracts are currently underway for refurbishment works and services, environmental monitoring, consultancy and technical assistance.

Regarding the planned commissioning dates of the refurbished hydropower units, the project is progressing in accordance with the execution schedule. The reservoir filling level depends on hydrometeorological conditions.

- **Refurbishment of Râul Mare Retezat Hydropower Plant** – Contract ongoing, signed in May 2026 with the consortium comprising Cobra Instalaciones y Servicios SAU and Andritz Hydro. Procurement procedures are currently being prepared for consultancy and technical assistance services, as well as occupational health and safety coordination services for temporary and mobile construction sites throughout the design and execution phases of the investment project.
- **Refurbishment of Petrimanu, Lotru Aval and Jidoaia Pumping Stations** – Contract ongoing (Electromontaj SA).

- **Rehabilitation Works at the Romanian Navigation Lock within the Porțile de Fier I Hydropower and Navigation Complex** – Works contract ongoing with DSD NOELL GmbH for the collars of the downstream lock's mitre gate.
- **Refurbishment of Vadu Pumping Station** – Contract award procedure ongoing.

In addition to the refurbishment projects outlined above, the following investment projects are at various stages of implementation:

- **Refurbishment of Mărișelu Hydropower Plant** – A market research procedure is underway to obtain non-binding offers from potential bidders. The process aims to identify optimal technical solutions for refurbishing the hydropower plant, as well as suitable financial and commercial arrangements, to support the update of the feasibility study.
- **Refurbishment of Brădișor Hydropower Plant** – The revised technical and economic indicators for the investment project were approved in June 2026. The documentation required to launch the contract award procedure is being prepared and is currently undergoing review.
- **Refurbishment of Gogoșu Hydropower Plant** – Contract award procedure ongoing.
- **Installation and Commissioning of Hydropower Unit 1 and Its Auxiliary Systems at Porțile de Fier II Hydropower Plant** – The contract award procedure has been completed, and the contract was signed in July 2026 with S.S.H. Hidroserv S.A.
- **Refurbishment of the 6 kV Substation at Vânători Hydropower Plant** – The contract award procedure was cancelled. Subsequently, the overall cost estimate and technical and economic indicators were updated, and the revised indicators were reapproved. The technical and economic documentation required to launch a new contract award procedure is currently being prepared.

Modernisation Projects

The budget allocated to modernisation projects in 2026 amounts to RON 161 million and covers the following projects, whose implementation status is outlined below:

- **Modernisation of Vaduri Hydropower Plant: Hydropower Unit 2, 110 kV Substation, and Mechanical and Electrical Equipment at the Power Plant and Dam** – Contract ongoing (Hidroserv and UCMH).
- **Modernisation of Hydropower Unit 2 at Remeți Hydropower Plant, Including the 110 kV Substation, General Plant Systems, Pressure Node and Drăgan Dam** – Contract ongoing (Hidroserv and UCMH).
- **Modernisation of Hydropower Unit 2 at Arcești Hydropower Plant and Replacement of the Automation and Monitoring System for the Auxiliary Services of Hydropower Unit 1** – Contract ongoing (UCMH and Hidroserv).
- **Modernisation of the 110 kV, 20 kV and 6.3 kV Substations at Târgu Jiu and Vădeni Hydropower Plants** – Project completed.
- **Modernisation of Electrical Systems Associated with Hydromechanical Equipment and the Hydraulic Actuation System at Gogoșu Spillway Dam** – Contract ongoing (DSD NOELL GmbH). An addendum has been signed extending the contractual deadline to the end of 2026.
- **Modernisation of the VIR Actuation System at Porțile de Fier I Hydropower Plant** – Contract ongoing (Hidroserv SA). As of September 2026, approximately 90% of the contracted equipment had been delivered, while execution works were ongoing.

- **Modernisation of the SCADA System at Olt Hydropower Directorate (DHE Olt)** – Contract ongoing with the consortium comprising Enevo Group SRL and Eximprod Engineering SRL. The SCADA and MDM systems, including hardware and communications infrastructure, have been delivered and installed at the agreed location, in accordance with the approvals issued by the Technical and Economic Committee (CTE). The installed DHE equipment and applications have been operational since August 2026.

In addition to the modernisation projects outlined above, the following projects are at various **stages of implementation:**

- **Modernisation of the 110 kV Substation at Moroieni Hydropower Plant, the 6.3 kV and 110 kV Substations at Dobrești Hydropower Plant, and the 6.3 kV and 20 kV Substations at Scropoasa Hydropower Plant** – The contract award procedure was cancelled. Subsequently, the overall cost estimate and technical and economic indicators were updated, and the revised indicators were reapproved.
- **Modernisation of Electrical Substations: 110 kV at Golești, Merișani and Băiculești Hydropower Plants, and 6.3 kV and 110 kV at Budeasa Hydropower Plant** – The overall cost estimate and technical and economic indicators have been updated, and the investment project is to be submitted for reapproval.
- **Modernisation of the Electrical Substation at Gilău I Hydropower Plant** – The contract award procedure was cancelled due to a lack of bids. The overall cost estimate and technical and economic indicators have been updated, and the investment project is to be submitted for reapproval.
- **Modernisation of Eight Pumping Stations Located Behind the Dykes (Bratia, Topolog, Olanu, Bistrița, Teslui, Teslui–Fărcașele, Olteț and Poganu)** – Procurement procedure ongoing.

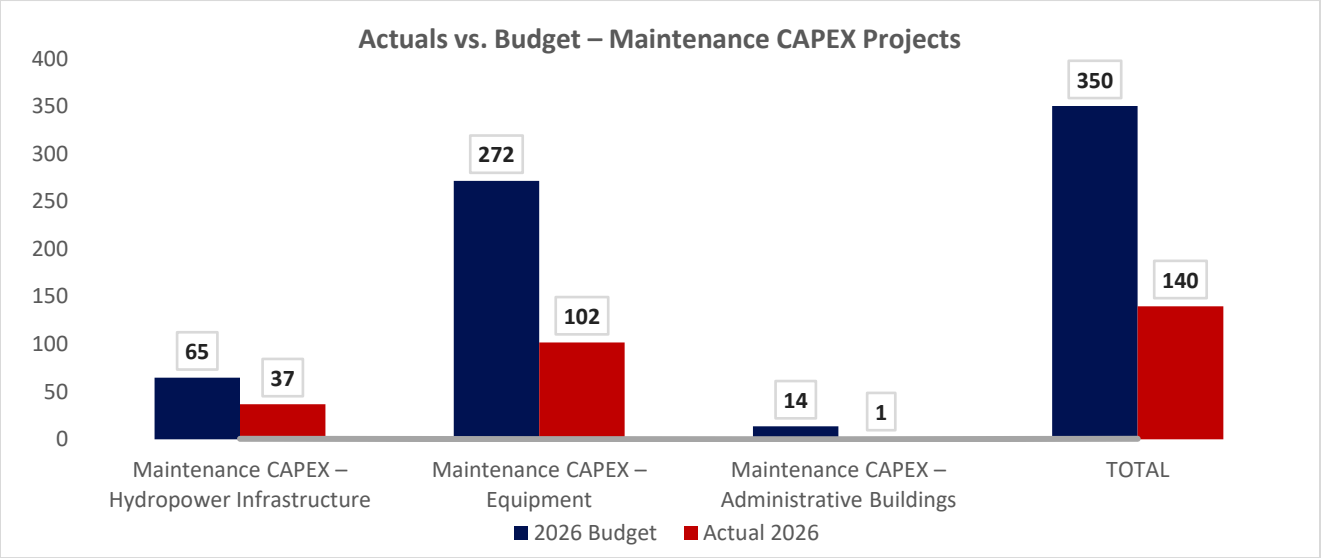
Modernisation of Automation, Protection, General Auxiliary and Security Systems at Upper Olt Hydropower Plants – The contract award procedure was cancelled. A market research procedure has been completed, and the feasibility study is currently being updated.

<u>Maintenance Investments (Maintenance CAPEX)</u>

As of 30 September 2026, investments in this segment reached **RON 140 million**, representing a **147% increase** compared to the same period of the previous year.

For 2026, the total budget allocated to capitalised maintenance investments in hydropower structures, equipment and administrative buildings amounts to RON 350 million.
As of 30 September 2026, actual investments in this category totalled RON 140 million, representing a 147% increase compared to the same period of the previous year.

RON million



Source: Hidroelectrica

Capitalised Maintenance Investments – Hydrotechnical Structures

During the first nine months of 2026, maintenance works on hydrotechnical structures (CAPEX) were carried out at facilities operated by the Bistrița, Cluj, Curtea de Argeș, Hațeg, Porțile de Fier and Sebeș branches, totalling RON 37 million, representing a 163% increase compared to the amount recorded as of 30 September 2025.
Intervention works on existing structures are complex and are carried out in accordance with Law No. 169/2026 on the Spatial Planning, Urban Planning and Construction Code. Depending on the nature of the interventions, works on existing structures require technical assessments performed by certified experts, the preparation of technical and design documentation, the obtaining of permits, approvals and authorisations required under applicable legislation, and the execution of works by contractors meeting the qualification and authorisation requirements established by the legal framework in force.

Capitalised Maintenance Investments – Equipment

By the end of Q3 2026, equipment maintenance works (CAPEX) totalling RON 102 million had been carried out at facilities across seven Hidroelectrica branches, representing a 141% increase compared to the corresponding amount recorded as of 30 September 2025.
The Maintenance and Hydrotechnical Structures Department oversees the investment project entitled "Structural Rehabilitation (Steel Structures, Mechanical Components, Seals and Embedded Parts), Associated Systems (Gate Body Heating, Guide Heating and Lubrication Systems), and Corrosion Protection of Double-Hook Gates at the Porțile de Fier I Spillway Dam", with a contractual completion deadline in 2031.
A budget of RON 28.6 million has been proposed for 2026. The project is progressing in accordance with the agreed execution schedule.

Capitalised Maintenance Investments – Rehabilitation of Administrative Buildings

For 2026, rehabilitation works on administrative buildings (CAPEX) are estimated at a total of RON 13.6 million.

During the first nine months of 2026, CAPEX investments in this category amounted to RON 1.2 million, representing a 136% increase compared to the same period of 2025, and were allocated as follows:

- Bistrița Branch: Sectoral works contract – "Renovation Works on the Bistrița Hydropower Branch Dispatch Centre Building".
- Cluj Branch: Sectoral works contract – "Maintenance Works on Administrative Buildings".
- Râmnicu Vâlcea Branch: Sectoral works contract – "Works Required to Obtain the Fire Safety Authorisation for the Slatina Hydropower Unit Administrative Headquarters".

Hațeg Branch: Sectoral works contract – "Maintenance and Repair Works at the Caransebeș Hydropower Unit Headquarters".

Outlook

Hidroelectrica's investment plan remains on track for implementation. The measures adopted – including **the rescheduling of activities, relaunching of procurement procedures, updating of technical documentation, and strengthening of cooperation with the relevant authorities** – lay the groundwork for accelerating the pace of investment implementation throughout 2026.

6. Cashflow

	9M 2026	9M 2025	Variation
	million RON	*million RON*	%
Net cash from operating activity	3,190	2,807	14%
Net cash from investment activity	1,232	768	60%
Net cash used in financing activity	(4,215)	(4,119)	2%
Net increase/(decrease) in cash and cash equivalents	206	(543)	138%
Cash and cash equivalents on January 1	1,188	1,582	-25%
Cash and cash equivalents as of 30 September	1,394	1,039	34%

Source: Hidroelectrica

Net cash from operating activity

Net cash from operating activity amounted to RON 3,190 million in the nine-month period ended 30 September 2026, compared to RON 2,807 million in the nine-month period ended 30 September 2025. This increase is mainly the effect of the increase in cash generated from operating activity as a result of the increase in sales in conditions of high profitability.

Net cash from investment activity

Net cash from investment activity amounted to RON 1,232 million in the nine-month period ended 30 September 2026, compared to RON 768 million in the nine-month period ended 30 September 2025. This increase mainly reflects the net evolution of receipts from deposits established for investment purposes, as well as the increase in payments for the acquisition of tangible assets, in the context of the acceleration of the investment program.

Net cash used in financing activity

The net cash used in the financing activity was in the amount of RON (4,215) million in the nine-month period ended 30 September 2026, compared to the net cash used in the financing activities in the amount of RON (4,119) million in the nine-month period ended 30 September 2025.

Information for the third quarter of 2026

	Q3 2026	Q2 2026	Q1 2026	Q3 2025
	million RON	*million RON*	*million RON*	*million RON*
Net cash from operating activity	541	960	1,689	840
Net cash from investment activity	1,203	1,264	(1,235)	(632)
Net cash used in financing activity	(1,389)	(2,800)	(26)	(428)
Net increase/(decrease) in cash and cash equivalents	354	(576)	428	(219)
Cash and cash equivalents at the beginning of the quarter	1,039	1,616	1,188	1.258
Cash and cash equivalents as of 30 September	1,394	1,039	1,616	1.039

Source: Hidroelectrica

7. Financial Position

million RON	30 September 2026 Unaudited	31 December 2025 Audited	Variation %
Active			
Fixed assets			
Tangible assets	19.323	19.429	(1%)
Intangible assets	33	37	(8%)
Numbers	71	23	209%
Other fixed assets	559	374	49%
Total fixed assets	**19.986**	**19.863**	**1%**
Circulating Active			
Stocks	140	124	13%
Trade receivables	1.748	1.698	3%
Investments in deposits	2.325	3.732	(38%)
Cash and cash equivalents	1.394	1.188	17%
Numbers	34	32	6%
Other current assets	214	65	229%
Total active circulante	**5.855**	**6.839**	**-14%**
Total active	**25.841**	**26.702**	**-3%**
Equity and liabilities			
Equity			
Share capital	5.527	5.527	0%
Reserve from the revaluation	10.744	11.084	(3%)
Other reserves	1.018	1.030	(1%)
Result carried forward	3.693	4.539	(19%)
Total equity	**20.982**	**22.180**	**(5%)**
Liabilities			
Long-term debts			
Bank loans	48	118	(59%)
Leasing	56	62	(10%)
Revenue recorded in advance	183	192	(5%)
Current corporate income tax liabilities	-	8	-
Deferred tax liabilities	1.373	1.397	(2%)
Obligations regarding employee benefits	138	140	(1%)
Supplies	1.044	1.009	3%
Suppliers and similar accounts	31	15	107%
Other long-term liabilities	50	58	(14%)
Total long-term liabilities	**2.923**	**2.999**	**(3%)**
Current liabilities			
Current portion of bank loans	99	95	4%
Current portion of the lease	11	10	10%
Suppliers and similar accounts	1.181	777	52%
Debts related to customer contracts	48	48	(0%)
Current Corporate Income Tax	105	181	(42%)
Revenue recorded in advance	9	6	50%
Employee benefits	82	156	(47%)
Supplies	82	104	(21%)
Other current liabilities	319	146	118%
Total current liabilities	**1.936**	**1.523**	**27%**
Total liabilities	**4.859**	**4.522**	**7%**
Total equity and liabilities	**25.841**	**26.702**	**(3%)**

Source: Hidroelectrica

Trade receivables

The balance of trade receivables increased by 3% to RON 1,748 million as of 30 September 2026 from RON 1,698 million as of 31 December, 2025, an increase mainly generated by the increase in sales in the supply segment and the change in customer payment behavior by postponing payments beyond maturity.

Investments in deposits

The balance of investments in deposits decreased by 38%, to RON 2,325 million as of 30 September 2026, from RON 3,732 million as of 31 December, 2025. This decrease is mainly driven by the reduction in cash available to be placed in deposits, as a result of the payment of dividends for 2025.

Other current assets

Other current assets increased by 229%, reaching RON 214 million as of 30 September 2026, compared to RON 65 million as of 31 December 2025. This increase was mainly driven by advance payments for electricity purchases, as well as local taxes and duties relating to the 2026 financial year, including the tax on special constructions. The Group recognised payments relating to uncertain tax treatments as an asset in accordance with IFRIC 23, Uncertainty over Income Tax Treatments, as these amounts would either be refunded if the Group prevailed in the litigation concerning the existence of the tax liability or used to settle the liability if the litigation was resolved unfavourably. In May 2026, the court issued a final ruling in favour of the Group, and the amount of RON 64 million is expected to be offset during the current reporting period.

Current corporate income tax liabilities

The balance of current corporate income tax liabilities decreased by 42% to RON 105 million as of 30 September 2026, from RON 181 million as of 31 December, 2025.

Employee benefits

Short-term employee benefits, outstanding as of 30 September 2026, decreased by 47%, to RON 82 million, from RON 156 million as of 31 December, 2025. This decrease was determined by the payment in January 2026 of the obligations related to the salary rights of December 2025, which also included the contributions related to the additional rights according to the collective labor agreement.

Supplies

The balance of long-term provisions increased by 3% to RON 1,044 million as of 30 September 2026 from RON 1,009 million as of 31 December, 2025. This increase was mainly caused by the update of the provisions for abandonment in 2026.

Other current liabilities

The balance of other current liabilities increased to RON 319 million as of 30 September 2026, from RON 146 million as of 31 December, 2025. This increase mainly reflects the dividend tax liability related to the special dividend paid in September 2026.

V. Litigation

Litigation with Hidroconstrucția SA

Potential exposure: RON 32.8 million as of 30 September 2026 and 31 December 2025
Claimant: Hidroconstrucția SA
Case No. 44443/3/2016, currently Case No. 11314/3/2021
Subject matter of the case: Claims – recovery of costs generated by the suspension of construction works related to certain investment projects under execution.

Hidroconstrucția SA claims the recovery of costs generated by the suspension of construction works carried out prior to Hidroelectrica entering insolvency proceedings. The Group maintains that such claims are unfounded, considering Hidroelectrica's insolvency proceedings and the fact that the claimant lost its right to pursue the claims because it did not register them in the schedule of creditors.

In March 2018, the court of first instance dismissed Hidroconstrucția SA's claims. This decision was appealed by Hidroconstrucția SA. The Group also appealed the decision, as it provided for administrative fees to be borne by Hidroelectrica.

In April 2019, the Court of Appeal referred the case back to the court of first instance for retrial. The case was reopened by the court of first instance (Case No. 11314/3/2021).

In April 2022, the court ordered the preparation of an expert report in the field of hydrotechnical construction and an accounting expert report by independent experts. The expert report in the field of hydrotechnical construction was prepared in the case, with both parties raising objections to its content. The court partially admitted the objections raised by the parties, and the next hearing, scheduled to allow the expert to respond to the admitted objections and in view of the absence of the accounting expert report, was set for 17 June 2026.

At the hearing held on 17 June 2026, the court ordered the adjournment of the case in order to allow Hidroconstrucția to review the objections submitted by Hidroelectrica. The next hearing was scheduled for 11 November 2026.

At the hearing held on 11 November 2026, the court deferred its ruling on the objections filed by Hidroelectrica. The next hearing was scheduled for 10 March 2027.

Litigation relating to complex investment projects is presented in the Annex to this report.

VI. Risk Management

Strategic Risk Management at Company Level

Hidroelectrica plays an essential role in Romania's energy system, being the leader in electricity generation and a key provider of ancillary services for the National Power System. By the nature of its activities, 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.

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, such as programmes aimed at reducing the risk of water shortages and floods, strengthening dam safety, investments in new generation capacities and the modernization of critical infrastructure. Integrating climate considerations into decision-making processes is essential for maintaining operational resilience.

Sustainability of Production Assets

Hydropower developments play an essential role in the country's energy security. Hidroelectrica invests in their modernization and refurbishment, aiming to extend their useful life, increase efficiency and implement modern remote-control solutions (SCADA). The strategy also targets the development of new projects, in parallel with ensuring the maintenance of existing infrastructure.

Exposure to Energy Price Volatility

Price fluctuations in energy markets influence the Company's revenues and margins. Hidroelectrica applies measures to mitigate price risk, including forward contracts, optimization of generation based on hydrological conditions and control of operating costs.

Cybersecurity

In the context of accelerated digitalization and geopolitical risks, the Company has strengthened its cyber defence systems through technical solutions, specific 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 its operational activities and financial results. The Company maintains an ongoing dialogue with the relevant authorities, aiming to adapt rapidly to changes in national and European regulatory policies.

Environmental Compliance

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

Health, Safety, and Environment (HSE)

The Company continues to act responsibly, with the objective of 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 Explanatory Notes to the Financial Statements attached to this report.

VII. Subsequent Events

GMS Meetings

At the OGMS held on 23 October 2026, all items on the agenda were approved by the Company's shareholders by a majority of the votes cast. Further information on the agenda items is available in the *Key Events during the Reporting Period section.*

Appointment of Interim CFO

Effective 1 October 2026, Ms Florentina Susnea commenced her term as a provisional member of Hidroelectrica's Management Board, serving as Chief Financial Officer (CFO), following the resolution adopted by the Supervisory Board on 28 September 2026. Her term of office is limited to a maximum of five months, in accordance with the provisions of Government Emergency Ordinance No. 109/2011 on the Corporate Governance of Public Enterprises, as subsequently amended and supplemented.

Composition of the Supervisory Board

At its meeting held on 22 October 2026, the Supervisory Board acknowledged the resignation of Mr Silviu-Răzvan Avram from his position as Chairman of the Supervisory Board, effective 22 October 2026. At the same meeting, the Supervisory Board also acknowledged Mr Silviu-Răzvan Avram's resignation from his mandate as a member of the Supervisory Board, effective 22 October 2026.

To ensure business continuity and the effective functioning of the Company, the Supervisory Board resolved to elect Mr Ion Ariton as Chairman of the Supervisory Board, effective 22 October 2026.

Notification of Intent to Request the Application of Cumulative Voting for the Election of Supervisory Board Members

On 6 November 2026, the Company received a Notification of Intent to Request the Application of Cumulative Voting for the Election of Members of the Supervisory Board of SPEEH HIDROELECTRICA S.A., submitted pursuant to Article 29(2^2) of Government Emergency Ordinance No. 109/2011 on the Corporate Governance of Public Enterprises, as subsequently amended and supplemented, by the following minority shareholders, collectively holding at least 5% of the Company's subscribed and paid-up share capital: NN Privately Managed Pension Fund, AZT Viitorul Tău Privately Managed Pension Fund, AZT Moderato Voluntary Pension Fund, AZT Vivace Voluntary Pension Fund, BCR Privately Managed Pension Fund, BCR Plus Voluntary Pension Fund and Vital Privately Managed Pension Fund.

The notification was submitted following the approval by the OGMS held on 23 October 2026 of the initiation of the selection procedure for five members of Hidroelectrica's Supervisory Board, in accordance with the provisions of Government Emergency Ordinance No. 109/2011 on the Corporate Governance of Public Enterprises, as subsequently amended and supplemented.

Unfavourable Hydrological Conditions and Declining Danube River Flows

The cumulative nine-month results reflect stronger performance compared to the corresponding period of 2025, but also incorporate a significant deterioration in profitability in Q3.

Reduced hydrological resource availability and increased electricity requirements to serve the supply portfolio have substantially changed the mix of energy sources used to meet contractual obligations. These developments highlight the sensitivity of financial results to the availability of own generation and the cost of meeting contractual commitments. Quarterly comparisons are significantly influenced by the seasonality of hydropower generation.

The unfavourable hydrological conditions experienced in Q3 2026 continue to pose challenges to Hidroelectrica's operations in Q4, as water resources available for electricity generation remain limited. The impact of these conditions has also been felt across the National Power System, including through the temporary shutdown of both nuclear reactors at Cernavodă due to low Danube water levels, adding further pressure on the Romanian electricity market.

Accordingly, the main sources of uncertainty for Q4 are the evolution of river flows and usable water reserves in reservoirs, the volume of electricity purchases required to meet delivery obligations, and electricity prices during the relevant trading intervals. A persistent shortfall in own generation, combined with high electricity purchase prices, could place additional pressure on EBITDA, net profit and operating cash flow.

The temporary unavailability of the Cernavodă Nuclear Power Plant units represented an additional constraint on domestic electricity supply during the affected periods. Subsequent announcements by the plant operator regarding the reconnection of the units should be considered separately from the effects already incurred. The impact on Hidroelectrica depends on its net buying or selling position in each trading interval, the extent of contractual coverage and actual balancing costs. Increases in wholesale electricity prices do not translate uniformly into the Group's financial results.

Active water resource management and adjustments to electricity procurement can mitigate exposure but cannot eliminate the risk of margin compression. Investments in generation diversification and energy storage are intended to strengthen portfolio flexibility over the medium and long term. Their contribution to future financial performance will depend on actual commissioning schedules.

In this context, Hidroelectrica is closely monitoring hydrological developments and actively managing available resources by optimising reservoir operations and adapting generation schedules to hydrological conditions and the requirements of the National Power System. At the same time, the Company aims to maintain a balance between the efficient utilisation of hydropower resources, the conservation of water reserves and the fulfilment of contractual obligations, including by adjusting its electricity procurement strategy in response to changing market conditions.

Forward-looking assessments are subject to the hydrological, commercial and market assumptions available as of the reporting date. The Company will disclose information and updates as required under the applicable legal framework.

Although the persistence of unfavourable hydrological conditions may continue to put pressure on electricity generation volumes and the operating cost structure during the final quarter of 2026, Hidroelectrica remains committed to a prudent and proactive approach to managing these challenges, prioritising operational stability,

the efficient use of available resources and the maintenance of a strong financial position. Operational flexibility and balanced management of the generation and supply portfolio remain key factors supporting the Group's ability to adapt to market conditions and manage the impact of external factors on its operations.

Hidroelectrica's Management Board

Iulius-Dan PLAVETI
Chairman of the Board/CEO

Bogdan-Nicolae BADEA	**Radu Ioan CONSTANTIN**	**Ianas RADOI**	**Florentina SUSNEA**
Management Board Member/CIO	Management Board Member/CAO	Management Board Member/COO	Management Board Member/CFO

Management Statement

Based on the information available, we confirm that the Condensed Interim Consolidated Financial Statements prepared for the nine month period ended 30 September 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 Third 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 FSA 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

Iulius- Iulius-Dan PLAVETI
Chairman of the Board/CEO

Bogdan-Nicolae BADEA	**Radu Ioan CONSTANTIN**	**Ianas RADOI**	**Florentina SUSNEA**
Management Board Member/CIO	Management Board Member/CAO	Management Board Member/COO	Management Board Member/CFO

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)
NRRP (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.

Litigation Regarding Complex Investments

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Bucharest Court of Appeal				
40314/3/2013**	Works Contract No. 21DI/26.01.2004 for the development of the Jiu River hydropower scheme on the Livezeni–Bumbești section	20.11.2026	Hidroelectrica S.A.	Consortium of Romelectro S.A., Hidroconstructia S.A. and ISPH Project Development S.A.
Cluj Court of Appeal				
653/33/2025	Suspension of Environmental Agreement No. 2/17.06.2025 pending the first-instance ruling in Case No. 805/33/2025	On 20.03.2026, the court dismissed as inadmissible the application filed by the claimant, Association Bankwatch România – Cluj Branch. An appeal on points of law may be lodged within 5 days of service.	MMAP; Hidroelectrica SA	Association Bankwatch Romania– Cluj Branch
Alba Court of Appeal (cases transferred from the Cluj Court of Appeal)				
805/33/2025	Annulment of Environmental Agreement No. 2/17.06.2025	Delivery of the ruling postponed to 04.11.2026	MMAP; Hidroelectrica SA	Association Bankwatch Romania– Cluj Branch
958/33/2025	Suspension of Environmental Agreement No. 2/17.06.2025 pending the final resolution of Case No. 805/33/2025	Ruling of 17.06.2025: the application for suspension was dismissed as unfounded.	MMAP; Hidroelectrica SA	Association Bankwatch Romania– Cluj Branch

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Ploiești Court of Appeal				
1004/42/2025	Suspension and annulment of Environmental Agreement No. 2/17.06.2025	Ruling of 14.07.2026: The court dismissed as unfounded the objection of lack of standing raised in the statements of defence. It dismissed as unfounded the objection of lack of interest raised in the statements of defence. It dismissed as inadmissible the request to refer to the Constitutional Court of Romania the objection of unconstitutionality concerning Article 20(6) of Government Emergency Ordinance No. 195/2006. An appeal on points of law may be lodged within 48 hours of delivery, to be filed with the Ploiești Court of Appeal. The court dismissed as unfounded the objection that the application for suspension was out of time, raised in the statement of defence. It dismissed as unfounded the objection that the application for suspension and the action were inadmissible due to the absence of a prior administrative complaint, raised in the statements of defence. It dismissed as unfounded the objection that the application for suspension was inadmissible, raised in the statements of defence. It dismissed as unfounded the request for a reference to the Court of Justice of the European Union made by the supporting intervener, BankWatch Romania – Cluj Branch. It dismissed the application for suspension as unfounded. An appeal on points of law may be lodged within 5 days of service, to be filed with the Ploiești Court of Appeal. The court granted the request to refer to the Constitutional Court of Romania the objection of unconstitutionality	MMAP; Hidroelectrica SA	Association Ecolegal

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
		concerning Article 1 of Government Emergency Ordinance No. 175/2022 and ordered that the objection be referred to that court. It dismissed the action as unfounded and dismissed as unfounded the application for supporting intervention filed by Bank Watch Romania – Cluj Branch. Consequently, it granted the applications for supporting intervention in the interests of the defendant, the Ministry of Environment, Waters and Forests, filed by the administrative-territorial units of Bumbești-Jiu and Gorj and by the Ministry of Energy. An appeal on points of law may be lodged within 15 days of service, to be filed with the Ploiești Court of Appeal. The claimant, Ecolegal, lodged an appeal on points of law against the ruling of the Ploiești Court of Appeal. The appeal was registered with the High Court of Cassation and Justice and is undergoing admissibility screening; the first hearing date will be scheduled subsequently.		
High Court of Cassation and Justice				
958/33/2026	Suspension of Environmental Agreement No. 2/17.06.2025 pending the final resolution of Case No. 805/33/2025	09.12.2026	Appellants: Association Bankwatch – Cluj Branch, Association Ecolegal	Respondents: MMAP, Hidroelectrica
653/33/2025	Suspension of Environmental Agreement No. 2/17.06.2025 pending the first-instance ruling in Case No. 805/33/2025	29.10.2026	Appellants: Association Bankwatch – Cluj Branch, Association Ecolegal	Respondents: MMAP, Hidroelectrica; respondent interveners: Prefect of Gorj County, Prefect of

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
				Hunedoara County, Gorj Administrative-Territorial Unit, Bumbești-Livezeni Administrative-Territorial Unit

INVESTMENT PROJECT – RĂSTOLIȚA HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Reghin District Court				
476/289/2023	Annulment of Property Title No. 12968/28.10.2022 issued to Banffy Josika Imre Laszlo	Proceedings stayed pending the final resolution of Case No. 3584/289/2020	Banffy Eva Maria Rozalia Helena Johana; Banffy Josika Imre laszlo; Răstolița Local Commission for Establishing Private Ownership Rights over Land; Vătava Local Commission for Establishing Private Ownership Rights over Land; Mureș County Commission for Establishing Private Ownership Rights over Land	Hidroelectrica S.A.
Mureș Tribunal				
3584/289/2020	Annulment of the record of handover of possession issued to Banffy Josika Imre Laszlo	Delivery of the ruling postponed to 04.11.2026	Banffy Josika Imre Laszlo; Răstolița Local Commission for Establishing Private Ownership Rights over Land; Vătava Local Commission for Establishing Private	Hidroelectrica S.A.

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
			Ownership Rights over Land; Mureș County Commission for Establishing Private Ownership Rights over Land; Mayor of Răstolița Commune	
Cluj Tribunal				
454/117/2025	Annulment of Environmental Agreement No. 6/2024 issued for the Răstolița Hydropower Development	27.10.2026	Mureș Environmental Protection Agency; Hidroelectrica S.A.; Călimani National Park Administration; National Agency for Natural Protected Areas; Romanian Waters National Administration – Mureș River Basin Administration	Association Declic, Association Bankwatch România– Cluj Branch
2176/117/2025	Declaration that Building Permit No. 304/1990 has lapsed and that Annex No. 6703/1997 does not exist; permanent cessation of works at the Răstolița Hydropower Development.	21.01.2027	President of the Mureș County Council; Mureș Administrative-Territorial Unit; Hidroelectrica SA	Association Declic, Association Bankwatch România– Cluj Branch
Cluj Court of Appeal				
365/33/2025	Suspension of the effects of Government Decision No. 327/2025 approving the permanent removal of 37,5263 ha of land from the national forest estate for the	Ruling of 05.10.2026: the application was dismissed as having become moot.	Government of Romania; MMAP; supporting intervener: Hidroelectrica	Association Declic

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
	development of the Răstolița hydropower scheme			
552/33/2025	Suspension of Government Decision No. 327/2025 pending the final resolution of the case, pursuant to Article 15 of Law No. 554/2004; application for annulment of Government Decision No. 327/2025; order requiring Hidroelectrica to restore the previous situation by returning the affected land to its former natural state	Proceedings stayed pending the final resolution of Case No. 454/117/2025	Government of Romania; MMAP; Hidroelectrica SA	Association Declic, Association Bankwatch România– Cluj Branch
97/33/2026	Application for revision of Decision No. 972/2025, delivered in Case No. 3053/117/2025, which dismissed the application for an interim injunction to stop the remaining works at the Răstolița Hydropower Development pending the final resolution of Case No. 2176/117/2025	Ruling of 01.07.2026: the application for revision was dismissed.	President of the Mureș County Council; Mureș Administrative-Territorial Unit; Hidroelectrica SA	Association Declic; Association Bankwatch România– Cluj Branch
High Court of Cassation and Justice				
728/1/2026	Application for revision on the grounds of conflicting judgments in transfer-of-venue cases	Ruling of 22.09.2026: the application for revision was dismissed as unfounded.	President of the Mureș County Council; Ministry of Energy; Mureș Administrative-Territorial Unit; Hidroelectrica SA	Association Declic, Association Bankwatch România– Cluj Branch

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
552/33/2025/a1	Appeal on points of law against the judgment suspending the effects of Government Decision No. 327/2024	Ruling of 20.05.2025: the appeals on points of law were dismissed as unfounded.	Government of Romania; MMAP; Hidroelectrica SA	Association Declic; Association Bankwatch România– Cluj Branch
Bucharest Court of Appeal				
5945/2/2022	Partial annulment of Government Decision No. 1284/2007 and Government Decision No. 1143/2007	12.06.2025: the action brought by Hidroelectrica was dismissed. The judgment was served on 26.03.2026. An appeal on points of law was lodged within the statutory time limit. The hearing of Hidroelectrica's appeal, registered with the High Court of Cassation and Justice, is scheduled for 29.10.2026.	Government of Romania, represented by the General Secretariat of the Government; intervener: MMAP	Hidroelectrica SA

INVESTMENT PROJECT – COSMEȘTI–MOVILENI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Bucharest Court of Appeal				
17808/3/2019*	Partial annulment of Water Management Permit No. 223/11.09.2018 for the "Movileni Hydropower Development – Movileni Reservoir", Vrancea County, and removal from the section "The permit holder is required to" of the obligation under: (i) Item 8: "To take measures to ensure the cleaning of the water surface and removal of floating debris by collecting and	On 19.01.2026, the court dismissed the action brought by Hidroelectrica. The judgment was served on 16.07.2026. An appeal on points of law was lodged within the statutory time limit, and the court stamp duty was paid.	Siret River Basin Administration (ABA Siret)	Hidroelectrica S.A.

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
	transporting it to specially designated locations".			

INVESTMENT PROJECT – SURDUC SIRIU HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Cluj Court of Appeal				
464/33/2026	Suspension of Environmental Agreement No. 3/2026 for the Surduc Siriu Hydropower Development	05.11.2026	MMAP and Hidroelectrica	Association Declic
851/33/2026	Suspension of Environmental Agreement No. 3/2026 for the Surduc Siriu Hydropower Development pending the final resolution of Case No. 619/33/2026	23.11.2026	MMAP and Hidroelectrica	Association Declic
619/33/2026	Annulment of Environmental Agreement No. 3/2026 for the Surduc Siriu Hydropower Development	26.11.2026	MMAP and Hidroelectrica	Association Declic
4715/117/2025	Interim injunction to halt works at the Surduc Siriu Hydropower Development – appeal on points of law	22.06.2026: the case was removed from the court's docket and referred to the Alba-Iulia Court of Appeal, Administrative and Tax Litigation Division. A hearing at the Alba-Iulia Court of Appeal was scheduled for 23.09.2026.	Respondent defendants: President of the Covasna County Council; Covasna County, represented by the President of	Appellant: Association Declic

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
			the Covasna County Council; Hidroelectrica S.A.; Mayor of Zagon Commune	
3757/117/2022	Refusal to process an application for a permit to demolish works	5.11.2026	President of the Covasna County Council; Covasna County, represented by the President of the Covasna County Council; Hidroelectrica SA	Appellant: Association Declic
209/117/2026	Suspension of the effects of Building Permit No. 73/01.07.2024 pending the final resolution of Case No. 158/117/2026; alternatively, cessation of works on the Surduc–Nehoiașu water conveyance system pending the resolution of Case No. 158/117/2026 – appeal on points of law	Ruling of 16.06.2026: the appeal on points of law was allowed; the judgment was set aside in part, and the case was remitted to the Cluj Tribunal for retrial of the application to suspend enforcement of the administrative act.	Respondent defendants: President of the Buzău County Council; Buzău County, represented by the President of the Buzău County Council; Hidroelectrica SA	Appellant: Association Declic
Cluj Tribunal				
3757/117/2022	Refusal to process an application for a permit to demolish works	By Judgment No. 1369 of 11.06.2025, the Cluj Tribunal partially granted the action brought by the claimant, Association Declic, against the defendants, the President of the Covasna County Council, Covasna County and Hidroelectrica S.A. Bucharest. The court upheld the objection of illegality concerning Building Permit No. 42/27.02.2009 issued by the President of the Covasna County Council. It dismissed the claimant's other requests as unfounded. It ordered the defendants	President of the Covasna County Council; Covasna County, represented by the President of the Covasna County Council; Hidroelectrica SA	Association Declic

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
		to pay the claimant RON 5000 in legal costs, representing a partial award of lawyers' fees. Both the claimant, Declic, and the defendant, Hidroelectrica SA, lodged appeals on points of law against Judgment No. 1369/11.06.2025.		
4715/117/2025	Interim injunction to halt works at the Surduc Siriu Hydropower Development	The case was adjourned; the hearing date will be set subsequently, following allocation of the case under the rotation system.	President of the Covasna County Council; Covasna County, represented by the President of the Covasna County Council; Hidroelectrica S.A.; Mayor of Zagon Commune	Association Declic
158/117/2026	Declaration of non-existence, annulment or declaration of lapse of Building Permit No. 73/01.07.2024, and cessation of works until compliance with legal requirements is achieved	Ruling of 23.04.2026: the application was dismissed.	President of the Buzău County Council; Buzău County, represented by the President of the Buzău County Council; Hidroelectrica SA	Association Declic
209/117/2026	Suspension of the effects of Building Permit No. 73/01.07.2024 pending the final resolution of Case No. 158/117/2026; alternatively, cessation of works on the Surduc–Nehoiașu water conveyance system	Ruling of 23.04.2026: the application was dismissed.	President of the Buzău County Council; Buzău County, represented by the President of the Buzău County Council; Hidroelectrica SA; Ministry of Energy	Association Declic

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
	pending the resolution of Case No. 158/117/2026			
209/117/2026*	Suspension of the effects of Building Permit No. 73/01.07.2024 pending the final resolution of Case No. 158/117/2026 – retrial following the setting aside of the judgment and remittal	Ruling of 14.08.2026: the application for suspension was dismissed as out of time.	President of the Buzău County Council; Buzău County, represented by the President of the Buzău County Council; Hidroelectrica SA; Ministry of Energy	Association Declic
1192/117/2026	Declaration of non-existence or annulment of Building Permit No. 3/2022 and suspension of works pending the final resolution of Case No. 1192/117/2026	Ruling on the application for suspension of 30.07.2026: the application was dismissed. The hearing of the application for annulment is scheduled for 25.11.2026.	Hidroelectrica S.A.; Mayor of Zagon Commune; Zagon Commune	Association Declic
High Court of Cassation and Justice				
876/1/2026	Application for transfer of venue in Case No. 464/33/2026	05.06.2026: the application to stay proceedings in Case No. 464/33/2026 was granted. Ruling of 26.06.2026: the application was dismissed.	Association Delic, MMAP	Hidroelectrica SA
939/1/2026	Application for transfer of venue in Case No. 209/117/2026	Ruling of 11.06.2026: the application was dismissed.	Association Declic; President of the Buzău County Council; Buzău County, represented by the President of the Buzău County Council; Hidroelectrica SA	Hidroelectrica SA
1719/1/2026	Application for transfer of venue in Case No. 851/33/2026	08.10.2026: hearing on the application for a stay; 29.10.2026: hearing on the application for transfer of venue.	Association Delic, MMAP	Hidroelectrica SA

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
940/1/2026	Application for transfer of venue in Case No. 4715/117/2025	Ruling of 10.06.2026: the application for transfer of venue was granted, and the case was ordered to be transferred to the Alba-Iulia Court of Appeal.	Association Declic; President of the Covasna County Council; Covasna County, represented by the President of the Covasna County Council; Mayor of Zagon Commune	Hidroelectrica SA

INVESTMENT PROJECT – CERNA–BELARECA HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Caransebeș District Court				
6710/208/2025	Action for recovery of real property	04-05-27	*Caniceanu Daniela // Caniceanu Grigore*	Hidroelectrica S.A.
6711/208/2025	Action for recovery of real property	27-10-26	*Vișescu Ion // Vișescu Ioana*	Hidroelectrica S.A.
6712/208/2025	Action for recovery of real property	08-12-26	*Sorescu Lazar // Sorescu Veronica*	Hidroelectrica S.A.
7077/208/2025	Action for declaratory relief	Hearing date: not yet scheduled	CORNEREVA COMMUNE ADMINISTRATIVE-TERRITORIAL UNIT	Hidroelectrica S.A.
7078/208/2025	Action for recovery of real property	14.04.2027	RĂDOI ANA IUSTINA	Hidroelectrica S.A.
7079/208/2025	Action for recovery of real property	28.10.2026	BUGĂRIN ANA	Hidroelectrica S.A.
7080/208/2025	Action for recovery of real property	09.12.2026	RĂDOI ION	Hidroelectrica S.A.
7081/208/2025	Action for recovery of real property	05-11-26	MARCU ANA	Hidroelectrica S.A.
7082/208/2025	Action for declaratory relief	04-05-27	ANAR // ROMANIAN STATE – MINISTRY OF PUBLIC FINANCE	Hidroelectrica S.A.

INVESTMENT PROJECT – OLT RIVER GORGE HYDROPOWER DEVELOPMENT ON THE CORNETU–AVRIG SECTION				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***

INVESTMENT PROJECT – LIVEZENI BUMBEȘTI HYDROPOWER DEVELOPMENT				
Case No.	***Subject matter***	*Hearing date / Status*	***Defendant***	***Claimant***
Cluj Court of Appeal				
1109/33/2026	Suspension of enforcement of the administrative act, Environmental Agreement No. 4/21.09.2026	05.11.2026	MMAP and Hidroelectrica	INDEPENDENT CENTRE FOR THE DEVELOPMENT OF ENVIRONMENTAL RESOURCES ASSOCIATION (CIDRM)

Consolidated Interim Financial Statements

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

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
for the nine-month period ended on
September 30, 2026

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

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S.P.E.E.H. HIDROELECTRICA S.A. – Two-tier system Company
CONDENSED INTERIM CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION
ON 30 SEPTEMBER 2026
(All amounts are expressed in thousands of RON, unless otherwise indicated)

	Note	September 30 2026 (unaudited)	December 31 2025 (audited)
Assets			
Fixed assets			
Tangible fixed assets		19,322,890	19,429,426
Intangible assets		32,908	36,249
Restricted Cash	**11**	71,182	23,057
Other fixed assets	**14**	559,446	374,334
Total fixed assets		**19,986,426**	**19,863,066**
Current assets			
Stocks		140,401	123,808
Trade receivables	**13**	1,748,050	1,698,378
Investments in deposits	**12**	2,324,558	3,732,016
Cash and cash equivalents	**11**	1,393,892	1,187,734
Restricted Cash	**11**	34,051	32,066
Other current assets	**14**	213,203	64,960
Total current assets		**5,854,155**	**6,838,962**
Total assets		**25,840,581**	**26,702,028**
Equity and liabilities			
Equity			
Share capital	**15**	5,526,898	5,526,898
Reevaluation reserve		10,743,994	11,083,763
Other reserves		1,017,923	1,029,674
Retained earnings		3,693,382	4,539,471
Total equity		**20,982,197**	**22,179,806**
Liabilities			
Non-current liabilities			
Bank loans		49,015	118,358
Lease liabilities		55,720	61,511
Advance revenue		183,060	192,389
Current corporate income tax liabilities	**10**	-	7,822
Deferred tax liabilities		1,372,741	1,396,869
Employee benefits		138,372	139,904
Provisions		1,043,511	1,009,132
Trade payables		31,187	14,901
Other liabilities	**16**	49,820	57,867
Total long-term liabilities		**2,923,426**	**2,998,753**

(continued on page 2)

	Note	September 30 2026 (unaudited)	December 31 2025 (audited)
Current liabilities			
Bank loans		98,249	94,957
Lease liabilities		10,878	10,136
Trade payables		1,180,989	777,323
Liabilities related to customer contracts		48,499	48,392
Current corporate income tax liabilities	**10**	105,326	180,641
Deferred income		7,229	5,606
Employee benefits		82,063	155,541
Provisions		82,454	104,498
Other liabilities	**16**	319,271	146,374
Total current liabilities		**1,934,958**	**1,523,468**
Total liabilities		**4,858,384**	**4,522,221**
Total equity and liabilities		**25,840,581**	**26,702,028**

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

Iulius Dan PLAVETI	**Bogdan-Nicolae BADEA**	**Radu Ioan CONSTANTIN**	**Ianăș RĂDOI**	**Florentina ȘUȘNEA**
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board
Petronel CHIRIAC				**Marian FETIȚA**
Director of the Financial Department				Accounting Manager

	Note	Nine-month period ended on	
		September 30 2026 (unaudited)	**September 30 2025 (unaudited)**
Revenue	**6**	8,600,899	6,697,815
Other income		42,221	32,455
Processed water	**7A**	(355,008)	(318,114)
Employee benefits expenses		(699,991)	(706,660)
Electricity transmission and distribution	**7C**	(1,791,481)	(1,143,868)
Purchased electricity	**7B**	(907,121)	(597,420)
Expenditure on green certificates	**7D**	(383,082)	(260,151)
Depreciation of tangible and intangible assets		(662,952)	(660,888)
Impairment of tangible and intangible assets, net		12,296	951
Impairment losses on trade receivables, net		(46,879)	(34,532)
Repairs, maintenance, materials and supplies		(120,120)	(86,174)
Tax for electricity producers	**7E**	(50)	(122,721)
Other operating expenses		(315,349)	(220,217)
Own work capitalized		99,926	580
Operating profit		**3,473,309**	**2,581,056**
Finance income	**8**	252,383	229,916
Finance cost	**8**	(39,945)	(55,646)
Net financial result		**212,438**	**174,270**
Profit before tax		**3,685,747**	**2,755,326**
Corporate income tax expense	**10**	(578,044)	(441,339)
Net profit		**3,107,703**	**2,313,987**
Earnings per share			
Basic and diluted earnings per share (RON)	**9**	**6.91**	**5.14**
Other comprehensive income			
Impairment losses on tangible assets recognised in the revaluation reserve, net of tax		-	(539)
Total other comprehensive income		**-**	**(539)**
Total comprehensive income		**3,107,703**	**2,313,448**

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

Iulius Dan PLAVETI	**Bogdan-Nicolae BADEA**	**Radu Ioan CONSTANTIN**	**Ianăș RĂDOI**	**Florentina ȘUȘNEA**
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board
Petronel CHIRIAC				**Marian FETIȚA**
Director of the Financial Department				Accounting Manager

	Note	The three-month period ended on	
		September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Revenue	**6**	2,554,148	2,382,447
Other income		23,505	8,991
Processed water	**7A**	(89,237)	(90,018)
Employee benefits expenses		(191,206)	(235,183)
Electricity transmission and distribution	**7C**	(645,593)	(407,728)
Purchased electricity	**7B**	(543,338)	(371,963)
Expenditure on green certificates	**7D**	(138,943)	(97,975)
Depreciation of tangible and intangible assets		(221,604)	(220,807)
Impairment of tangible and intangible assets, net		52	(143)
Impairment losses on trade receivables, net		(8,396)	(32,142)
Repairs, maintenance, materials and supplies		(50,869)	(35,396)
Tax for electricity producers	**7E**	0	(2,584)
Other operating expenses		(147,853)	(67,719)
Own work capitalized		39,256	158
Operating profit		**579,922**	**829,938**
Finance income	**8**	70,690	56,006
Finance cost	**8**	(14,165)	(19,157)
Net financial result		**56,525**	**36,849**
Profit before tax		**636,447**	**866,787**
Corporate income tax expense	**10**	(99,796)	(140,239)
Net profit		**536,651**	**726,548**
Earnings per share			
Basic and diluted earnings per share (RON)	**9**	**1.19**	**1.62**
Other comprehensive income			
Impairment losses on tangible assets recognised in revaluation reserve, net of tax		-	(539)
Total other comprehensive income		**-**	**(539)**
Total comprehensive income		**536,651**	**726,009**

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

Iulius Dan PLAVETI Chairman of the Management Board	**Bogdan-Nicolae BADEA** Member of the Management Board	**Radu Ioan CONSTANTIN** Member of the Management Board	**Ianăș RĂDOI** Member of the Management Board	**Florentina ȘUȘNEA** Member of the Management Board
Petronel CHIRIAC Director of the Financial Department				**Marian FETIȚA** Accounting Manager

	Share capital	Reevaluation reserve	Other reserves	Retained earnings	Total equity
Balance as of January 1, 2025 (audited)	**5,526,898**	**11,548,962**	**1,025,970**	**4,749,312**	**22,851,142**
Total comprehensive income					
Net profit	-	-	-	2,313,987	**2,313,987**
Other comprehensive income					
Impairment of tangible assets recognised in revaluation reserve, net of tax	-	(539)	-	-	**(539)**
Total other comprehensive income	**-**	**(539)**	**-**	**-**	**(539)**
Total global result	**-**	**(539)**	**-**	**2,313,987**	**2,313,448**
Transactions with the Company's shareholders					
Contributions and distributions					
Dividend	-	-	-	(4,043,229)	**(4,043,229)**
Total transactions with the Company's shareholders	**-**	**-**	**-**	**(4,043,229)**	**(4,043,229)**
Other changes in equity					
Transfer of revaluation reserve to retained earnings as a result of depreciation and disposals of property, plant and equipment	-	(347,898)	-	347,898	**-**
Balance as of September 30, 2025 (unaudited)	**5,526,898**	**11,200,525**	**1,025,970**	**3,367,968**	**21,121,361**

(continued on page 6)

	Share capital	Reevaluation reserve	Other reserves	Retained earnings	Total equity
Balance as of January 1, 2026 (audited)	**5,526,898**	**11,083,763**	**1,029,674**	**4,539,471**	**22,179,806**
Total comprehensive income					
Net profit	-	-	-	3,107,703	**3,107,703**
Other comprehensive income					
Impairment of tangible assets recognised in revaluation reserve, net of tax	-	-	-	-	-
Total other comprehensive income	**-**	**-**	**-**	**-**	**-**
Total global result	**-**	**-**	**-**	3,107,703	**3,107,703**
Transactions with the Company's shareholders					
Contributions and distributions					
Dividend	-	-	-	(4,305,314)	**(4,305,314)**
Total transactions with the Company's shareholders	**-**	**-**	**-**	**(4,305,314)**	**(4,305,314)**
Other changes in equity					
Transfer of revaluation reserve to retained earnings as a result of depreciation and disposals of property, plant and equipment	-	(339,768)	-	339,768	-
Other movements			(11,752)	11,752	-
Balance as of September 30, 2026 (unaudited)	**5,526,898**	**10,743,994**	**1,017,923**	**3,693,382**	**20,982,197**

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

Iulius Dan PLAVETI Chairman of the Management Board	**Bogdan-Nicolae BADEA** Member of the Management Board	**Radu Ioan CONSTANTIN** Member of the Management Board	**Ianăș RĂDOI** Member of the Management Board	**Florentina ȘUȘNEA** Member of the Management Board
Petronel CHIRIAC Director of the Financial Department				**Marian FETIȚA** Accounting Manager

	Note	Nine-month period ended on	
		September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Cash flows from operating activities:			
Net profit		3,107,703	2,313,987
Adjustments for:			
Depreciation of tangible assets		658,962	655,116
Depreciation of intangible assets		3,990	5,772
Gain on impairment of tangible and intangible assets, net		(12,296)	(951)
Impairment losses on trade receivables, net		46,879	34,532
Reduction of inventory value		(1,058)	(701)
Losses/(gain) on disposals of property, plant and equipment		13,752	(2,334)
Earning from exchange rate differences		(854)	(1,535)
Interest income		(245,274)	(216,497)
Provisions for risk and charges		(22,044)	22,740
Interest expenses		41,307	57,313
Corporate income tax expense		578,044	441,339
		4,169,111	**3,308,781**
Changes in:			
Trade receivables		(96,551)	(171,619)
Stocks		(15,535)	(19,037)
Restricted cash		(50,109)	(38,736)
Other assets		(335,524)	(81,991)
Trade payables		288,760	192,919
Advance revenue		(7,707)	(5,273)
Employee benefits		(75,010)	(63,118)
Other liabilities		(8,785)	74,591
Cash generated from the operating activities		**3,868,650**	**3,196,517**
Interest paid		(6,980)	(9,671)
Corporate income tax paid		(669,621)	(379,431)
Net cash from operating activities		**3,192,049**	**2,807,415**
Cash flows from investment activities:			
Acquisition of property, plant and equipment		(423,823)	(229,727)
Acquisition of intangible assets		(649)	(20,686)
Proceeds from disposal of property, plant and equipment		1,132	6,545
Payments for deposits held for investment purposes		(4,540,000)	(6,174,830)
Receipts from deposits held for investment purposes		5,949,816	6,940,509
Interest received		245,086	246,663
Net cash from investment activities		**1,231,562**	**768,474**

(continued on page 8)

	Note	Nine-month period ended on	
		September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Cash flows from financing activities:			
Loan repayments		(66,052)	(70,044)
Payments related to leasing contracts		(5,048)	(7,074)
Dividends paid		(4,146,353)	(4,041,578)
Net cash used in financing activitoes		**(4,217,453)**	**(4,118,696)**
Net increase/(decrease) in cash and cash equivalents		**206,158**	**(542,807)**
Cash and cash equivalents on January 1	**11**	1,187,734	1,581,617
Cash and cash equivalents as of September 30	**11**	**1,393,892**	**1,038,810**

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

Iulius Dan PLAVETI	**Bogdan-Nicolae BADEA**	**Radu Ioan CONSTANTIN**	**Ianăș RĂDOI**	**Florentina ȘUȘNEA**
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board
Petronel CHIRIAC				**Marian FETIȚA**
Director of the Financial Department				Accounting Manager

1. REPORTING ENTITY AND GENERAL INFORMATION

(a) General information about the Group

Hidroelectrica S.A. ("Company" or "Hidroelectrica") is a joint stock company, registered in Romania. The Company's registered office is Bd. Ion Mihalache nr. 15-17, Tower Center Building, floors 10-15, Sector 1, Bucharest. The company is registered with the Trade Register Office under no. J2000007426409 and has a unique registration code 13267213.

These condensed interim consolidated financial statements include the Company and its subsidiaries (collectively referred to as the "Group").

The Group's main objects of activity are the production of electricity (hydro and wind) and the supply of electricity to final consumers.

As of September 30, 2026, the Romanian State, through the Ministry of Energy, holds 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: 76,899,644 shares, representing 17.0963% of the share capital, are held by legal entities and 12,808,533 shares representing 2.8476% of the share capital are held by individuals.

The company is managed in a dualistic system, by the Supervisory Board and the Executive Board.

List of subsidiaries

As of September 30, 2026 and December 31, 2025, Hidroelectrica has the following subsidiaries:

Subsidiary	Activity	Registered office	% participation as of September 30, 2026	% shareholding as of December 31, 2025
Hidroserv S.A.	Services in the energy sector (maintenance, repairs, construction)	Bucharest, Romania	100%	100%
Uzina de Construcţii Macchine Hidroenergetice S.R.L.	Engine & Turbine Manufacturing	Reșita, Romania	100%	100%

Hidroserv S.A. entered the insolvency procedure in October 2016. In 2020, a plan for the reorganization of the subsidiary was approved by the Creditors' Assembly and confirmed by the syndic judge. On June 25, 2025, the insolvency procedure was completed.

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

All income is obtained in Romania.

(b) Legislative framework

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

ANRE's main responsibilities include: licensing entities operating in the energy sector, issuing regulations applicable to the electricity market, approving regulated prices and tariffs and issuing methodologies for setting regulated prices and tariffs.

(c) Main activities of the Group

Power generation and system services

The Group produces electricity through the operation of 188 hydropower plants and micro-hydropower plants, including 5 pumping stations (the main production capacities being Iron Gates I and Iron Gates II, which represent on average 40% of the total electricity produced in the last ten years) and 36 wind turbines of 3 MW each.

The electricity produced is sold on both the wholesale and retail markets (supply to final consumers).

Hidroelectrica S.A. also provides system services to the national energy system operator, Transelectrica. System services involve providing Transelectrica with an agreed electricity generation capacity within a certain period of time, so as to allow the system operator to achieve permanent balancing of the energy system.

Supply of electricity to final consumers

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

The Group supplies electricity both to non-household consumers at negotiated tariffs and to household consumers. The final supply price includes, in addition to the price of electricity, regulated tariffs (electricity transmission and distribution costs, contribution to the support scheme for high-efficiency cogeneration and the cost of green certificates (see section on *green certificates*)).

As of November 1, 2021, due to the significant increase in energy prices on international and national markets and their impact on consumers in Romania, the Government has implemented support schemes for consumers, as follows: capping electricity supply tariffs for household and non-household consumers until June 30, 2025. The difference between the capped price and the cost recognized by the regulator was partially compensated by a subsidy to cover the impact of the establishment of this mechanism. As the Group submits reimbursement requests to the competent authorities, in accordance with the legislation in force, the claim and related income are recorded in the accounts (Note 6). The electricity price cap schemes have been eliminated as of July 1, 2025.

Certificate verzi („CV")

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

In the first nine months of 2026, the Group received 3 green certificates for each MWh produced in the eligible micro-hydropower plant and 0.75 green certificates for each MWh produced by the wind farm. In the first nine months of 2026, the Group generated from its own production portfolio 4,675 CV from micro-hydropower plants and 135,787 CV from wind turbines (CEE Crucea Nord wind farm) (the first nine months of 2025: 18,660 CV from micro-hydropower plants and 139,052 CV from wind turbines (CEE Crucea Nord).
The selling price must fall between the minimum and maximum values established by law:

(a) a minimum trading value of EUR 29.4/CV, and
(b) a maximum trade value of EUR 35/CV.

As an electricity supplier, the Group is obliged to purchase a number of green certificates calculated by multiplying the mandatory annual quota for the purchase of green certificates by the quantity (in MWh) of electricity supplied to final consumers. ANRE sets the annual level of the mandatory quota for the purchase of green certificates. The Group is eligible to receive green certificates for the production of the Crucea wind farm, which are used to partially extinguish the obligation to comply with the mandatory annual quota. The difference is purchased by the Company in order to reach the quota, and the Group recognizes the value necessary for the purchase of green certificates to fulfill the quota in "Commercial Debts".

Tax for electricity producers

The tax for electricity producers is calculated by applying the percentage of 100% (80% starting with March 31, 2025) on the average sale price of electricity that exceeds the price of 400 RON/MWh applicable until March 31, 2025. In February 2025, the Government issued a new Emergency Ordinance (GEO no. 6/27,02,2025) extending the applicability of the tax by a period of 3 months from June 30, 2025.

Special constructions tax

As of January 1, 2025, the construction tax was introduced by Government Emergency Ordinance (GEO) 156/2024, as amended, calculated as 0,5% of the net book value of eligible constructions held on December 31 of the previous year, as well as constructions subject to a concession contract. As of September 30, 2026, the Group has registered advance expenses in connection with this tax in the amount of RON 6,155 thousand.

2. THE BASIS OF ACCOUNTING

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

These condensed interim consolidated financial statements have been prepared on a going concern basis.

These condensed interim consolidated financial statements were authorized for issuance by the Company's Executive Board on November 16, 2026.

The Group also prepares a set of condensed interim consolidated financial statements prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union, issued by the IASB in English, approved on the same date as these condensed interim consolidated financial statements.

3. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed interim consolidated financial statements, management has developed professional reasoning and estimates, including opportunities and risks associated with climate change, that affect the application of the Group's accounting policies and the reported values of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The estimates and assumptions underlying them are reviewed periodically. Revisions to the estimates are recognized prospectively.

The significant reasoning developed by management in application of the Group's accounting policies and the main sources of estimation uncertainties were the same as those described in the latest annual consolidated financial statements.

4. CHANGES IN ACCOUNTING POLICIES

The accounting policies in force as at 31 December 2025 remains unchanged. The amendments to IFRS that entered into force on 1 January 2026 did not have a significant effect on the simplified consolidated interim financial statements.

IFRS 18 "Presentation and disclosure of information in financial statements" will replace IAS 1 "Presentation of financial statements". It applies to annual reporting periods beginning on or after January 1, 2027 and introduces consequential changes to IAS 7 "Statement of cash flows". However, IFRS 18 will not have an impact on the recognition or measurement of items in the financial statements. Hidroelectrica is currently working on identifying and assessing the impact of the new standard on the main financial statements and explanatory notes.

5. OPERATING SEGMENTS

A. The basis of segmentation

The Group has identified two reportable segments based on the operating licenses held - electricity generation and electricity supply.

The following table describes the activities of each reportable segment:

Reportable segment	Activities
Electricity production	Electricity production through the operation of hydroelectric power plants, micro-hydropower plants and wind turbines, provision of system services to the system operator (provision of an agreed production capacity for the balancing needs of the energy system). The electricity produced is mainly sold to electricity suppliers and entities that sell 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-household and household final consumers. The electricity supplied to final consumers is mainly produced by the electricity generation segment, and if there is a shortage or opportunity, it is covered by spot or forward electricity purchases.

The Company's Executive Board reviews the management reports of each segment. The pre-tax profit of the segment is used to evaluate performance, as management considers this information to be one of the most relevant in evaluating the results of the segments.

B. Reportable segment information

Nine-month period ended September 30, 2026 (unaudited)	Electricity production	Electricity supply	Total Reportable Segments	Eliminations between segments	Total
External revenues	3,018,994	5,581,905	8,600,899	-	8,600,899
Inter-segments revenue	1,802,988	-	1,802,988	(1,802,988)	-
Segment revenue	**4,821,982**	**5,581,905**	**10,403,887**	**(1,802,988)**	**8,600,899**
Segment pre-tax profit	**2,988,188**	**697,559**	**3,685,747**	**-**	**3,685,747**
Net finance income/(expenses)	206,065	6,373	212,438	-	212,438
Depreciation of fixed assets	(661,742)	(1,210)	(662,952)	-	(662,952)
Reversal of impairment losses on tangible assets	12,296	-	12,296	-	12,296
Purchased electricity	(75,846)	(2,612,535)	(2,688,381)	1,781,260	(907,121)
Expenditure on green certificates	-	(404,809)	(404,809)	21,727	(383,082)
Employee benefits expenses	(678,773)	(21,218)	(699,991)	-	(699,991)
Processed water	(355,008)	-	(355,008)	-	(355,008)
Tax for electricity producers	(50)	-	(50)	-	(50)
Electricity transmission and distribution	(39,518)	(1,751,963)	(1,791,481)	-	(1,791,481)
Other expenses	(382,321)	(100,027)	(482,348)	-	(482,348)

Nine-month period ended 30 September 2025 (unaudited)	Electricity production	Electricity supply	Total Reportable Segments	Eliminations between segments	Total
External revenues	2,884,848	3,812,967	6,697,815	-	6,697,815
Inter-segments revenue	1,154,853	-	1,154,853	(1,154,853)	-
Segment revenue	**4,039,701**	**3,812,967**	**7,852,668**	**(1,154,853)**	**6,697,815**
Segment pre-tax profit	**2,102,455**	**652,871**	**2,755,326**	**-**	**2,755,326**
Net finance income/(expenses)	161,081	13,189	174,270	-	174,270
Depreciation of fixed assets	(659,799)	(1,089)	(660,888)	-	(660,888)
Reversal of impairment losses on tangible assets	951	-	951	-	951
Purchased electricity	(26,262)	(1,701,310)	(1,727,572)	1,130,152	(597,420)
Expenditure on green certificates	-	(284,852)	(284,852)	24,701	(260,151)
Employee benefits expenses	(686,402)	(20,258)	(706,660)	-	(706,660)
Processed water	(318,114)	-	(318,114)	-	(318,114)
Tax for electricity producers	(122,721)	-	(122,721)	-	(122,721)
Electricity transmission and distribution	(41,162)	(1,102,706)	(1,143,868)	-	(1,143,868)
Other expenses	(277,658)	(63,265)	(340,923)	-	(340,923)

Other expenses include the following items in the interim consolidated statement of profit or loss: Repairs, maintenance, materials and consumables, losses on impairment of trade receivables, and Other operating expenses. The other income indicator is not shown.

The power generation segment also includes system services and electricity generation for system balancing, which are invoiced to the system operator, Transelectrica SA (see Note 6).

Revenues between segments include the value of electricity produced and transferred within the same entity from the generation portfolio (electricity generation segment) to the supply portfolio (electricity supply segment) in the amount of RON 1,737,736 thousand for the nine-month period ended September 30, 2026 (nine-month period ended September 30, 2025: RON 1,079,904 thousand). Cross-segment revenues are calculated based on a methodology approved by the Directorate in 2021. The methodology used for the calculation of the transfer price between segments is based on the average cost of electricity production in the last 12 months ended 2 months before the calculation month, plus an internal margin.

All revenues are obtained in Romania. Total assets and liabilities at segment level are not included in the management reports, reviewed by the Executive Board.

6. REVENUE

A. Revenue from customer contracts

The Group earns revenue from:

	The nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Wholesale of electricity	2,808,161	2,707,760
Supply of electricity to final consumers	5,581,905	3,812,967
System Services	207,037	175,648
Maintenance services	3,796	1,440
Total	**8,600,899**	**6,697,815**

Revenues from electricity supplied to final consumers reflect the value of the volume of energy supplied, including positive imbalances, which is based on automatic or manual meter readings made by distribution system operators, self-readings reported by consumers or distribution system operators' estimates of electricity delivered by the end of the period if readings have not yet been taken.

The majorityof retail energy sales in the first nine months of 2026 are to non-household consumers (about 67% of the volume, 65% in the first nine months of 2025), for which readings are taken at the end of each month, data transmitted by distribution operators. Also, about 76% (72% in the first nine months of 2025) of the volume supplied to household consumers in the first nine months of 2026 is determined based on meter readings at the end of the period, and the rest is based on consumption estimation, all data being transmitted by distribution operators. Consequently, the Group considered that the risk of revenue adjustment after the end of the period, which could result from the difference between the meter readings and the estimated volumes, would have a limited impact on the financial statements.

In the nine-month period ended 30 September 2026, the Group produced 9,328 GWh (nine-month period ended 30 September 2025: 8,473 GWh) and sold 11,310 GWh (nine-month period ended 30 September 2025: 10,130 GWh). Of the total quantity sold, 6,739 GWh were supplied to final consumers in the nine-month period ended 30 September 2026 (5,207 GWh in the nine-month period ended 30 September 2025).

The Group currently has predominantly contracts with customers for periods of up to 12 months. Customers who individually represent more than 10% of the Group's revenues are as follows (Note 20.c):

- Transelectrica SA, the electricity system operator – system services and electricity production for system balancing (the latter included in the wholesale sale of electricity);
- OPCOM SA - the operator of the electricity market in Romania, revenues from the sale of electricity on the PZU;
- Metrorex S.A., the operator of the metro network of the Municipality of Bucharest

Timing of revenue recognition:

	The nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Revenue recognized over time	8,597,103	6,696,375
Revenue recognized at a point in time	3,796	1,440
Total	**8,600,899**	**6,697,815**

7. OTHER OPERATING EXPENSES

A. Processed water

Wastewater is the water used by hydropower plants to produce electricity. The tariff for wastewater established by the National Administration of Romanian Waters is 37 RON per MWh, respectively 39,71 RON/MWh starting with July 23, 2026 for each MWh produced.

B. Purchased electricity

The Group purchases electricity to balance the deficit between the electricity contracted for sale and the electricity actually produced or for the needs of the supply activity.

In the first nine months of 2026, the Group purchased 1,982 GWh (first nine months of 2025: 1,657 GWh) for RON 907,121 thousand (first nine months of 2025: RON 597,420 thousand). The increase in electricity purchases in the first nine months of 2026 is mainly due to the increase in the amount of electricity purchased for the supply segment.

C. Electricity transmission and distribution

	The nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Injection of electricity into the national system	34,550	28,060
Distribution of supplied electricity	1,436,737	906,585
Transmission of supplied electricity	320,194	209,223
Total	**1,791,481**	**1,143,868**

Tariffs for electricity distribution and transmission services are regulated. The increase in electricity transmission and distribution expenditure in the first nine months of 2026, compared to the same period in 2025, is mainly driven by an increase in the volume of electricity supplied, as well as an average increase in distribution tariffs from 1 January 2026.

D. Certificate verzi

In the first nine months of 2026, the Group recorded costs amounting to RON 383,082 thousand (first nine months of 2025: RON 260,151 thousand) representing the cost of green certificates purchased for the supply segment, based on the legal obligation to purchase green certificates from renewable energy producers, depending on the annual targets or quotas established by law, applicable to the amount of electricity purchased and supplied to final consumers.

E. Tax for electricity producers

The tax for electricity producers is calculated as 100% on the difference between the average net monthly selling price and 400 RON/MWh (450 RON/MWh until 31 March 2024). The tax for electricity producers was applicable until 31 March 2025.

In February 2025, the Government issued a new Emergency Ordinance (GEO no. 6/27,02,2025) by which it extended the applicability of the tax by 3 months, until June 30, 2025. Starting with April 1, 2025, the tax for energy producers is calculated by applying a rate of 80% (reducedfrom 100%) on the difference between the average net monthly sale price and the price of RON 400 per MWh. Starting with June 30, 2025, this tax is no longer applicable, which resulted in a decrease in expenses compared to the same period last year.

Starting with July 1, 2025, the tax for electricity producers is no longer applicable, resulting in a reduction in expenses by RON 122,671 thousand compared to the period ended on September 30, 2025.

8. FINANCIAL RESULT

	The nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Interest income	245,274	216,497
Other financial income	7,109	13,419
Financial income	**252,383**	**229,916**
Interest expenses	(6,928)	(9,429)
Unwinding of long-term provisions	(34,379)	(47,884)
Gain or (loss) from exchange rate differences	1,362	1,667
Finance cost	**(39,945)**	**(55,646)**
Net financial result	**212,438**	**174,270**

9. EARNINGS PER SHARE

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

	The nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Net profit attributable to the Company's shareholders	3,107,703	2,313,987
Profit attributable to ordinary shareholders	**3,107,703**	**2,313,987**
Ordinary shares issued on January 1	449,802,567	449,802,567
Weighted average number of ordinary shares as of September 30	**449,802,567**	**449,802,567**
Earnings per share (basic and diluted) RON/share	**6.91**	**5.14**

10. PROFIT TAX

When determining current and deferred tax, the Group takes into account the impact of uncertain tax positions. This assessment is based on estimates and assumptions and may involve a number of reasoning regarding future events.

The Group considers that the accounting records for corporate income tax due are adequate for all open fiscal years, based on the assessment made by management, taking into account various factors, including the interpretation of tax legislation and previous experience. New information that would lead the Group to change its reasoning regarding the adequacy of existing tax liabilities may become available; such changes in tax liabilities will have an impact on corporate income tax expenditure during the period in which such a determination is made.

(a) Corporate income tax expense for the nine-month period ended September 30, 2026

For condensed interim consolidated financial statements, corporate income tax expense is recognised at the level of the value determined by multiplying the pre-tax profit for the interim reporting period with management's best estimate of the annual tax rate for the entire financial year.
The Group's effective consolidated tax rate for the nine-month period ended 30 September 2026 was 15.68 % (nine-month period ended 30 September 2025: 16.02%).

(b) *Current corporate income tax liabilities*

As of September 30, 2026, the current corporate income tax liabilities amount to RON 105,326 thousand (December 31, 2025: RON 180,641 thousand) and represent mainly tax related to the third quarter of 2026.

(c) Potential Corporate Tax Consequences

The Group may have potential corporate income tax consequences that may result from the payment of dividends to shareholders from the realised revaluation reserves transferred to the retained profit which, in accordance with tax legislation, are taxed at the time of the change of destination, to the extent that they were previously deducted for tax purposes. Thus, the distribution of dividends from such reserves will generate additional corporate income tax. The Group has such realised revaluation reserves transferred to the retained profit as of September 30, 2026, which following the distribution would generate additional corporate income tax for the Group in the amount of RON 33,524 thousand (December 31, 2025: RON 27,229 thousand).

The potential tax effect of the revaluation reserves taxable on change of destination or distribution (at a tax rate of 16%) that have not yet been transferred to the retained profit is in the amount of RON 340,243 thousand as of September 30, 2026 (RON 346,537 thousand as of December 31, 2025).

11. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Cash and cash equivalents

	September 30, 2026 (unaudited)	December 31, 2025 (Audited)
Bank accounts	1,204,990	1,005,233
Bank deposits with a maturity of less than 3 months	182,224	179,928
Cash on hand	157	158
Cash equivalent	6,521	2,415
Total	**1,393,892**	**1,187,734**

As of September 30, 2026, the restricted cash in the amount of RON 105,233 thousand includes a collateral deposit in the amount of RON 56,057 thousand (December 31, 2025: RON 23,057 thousand) constituted at Banca Comerciala Romana (BCR) for the issuance of bank guarantees in favor of OPCOM in connection with transactions on the Day Ahead Market, as well as collateral deposits in the amount of RON 20,221 thousand (December 31, 2025: RON 25,615 thousand) at CEC for the payment of compensation under expropriation programs.

12. DEPOSIT INVESTMENTS

	September 30, 2026 (unaudited)	31 December 2025 (audited)
Bank deposits with a maturity of less than 1 year held for investment purposes	2,324,558	3,732,016
Total	**2,324,558**	**3,732,016**

Bank deposits are short-term deposits with a maturity of between 3 and 12 months held for investment purposes and not for the purpose of covering short-term payment commitments. The average interest rate on term deposits was 6.58% per annum in the first nine months of 2026 (first nine months of 2025: 6.66% per annum).

13. TRADE RECEIVABLES

	September 30, 2026 (unaudited)	December 31, 2025 (Audited)
Trade receivables – electricity generation (wholesale) segment	164,542	212,558
Trade receivables – electricity supply segment (retail)	1,903,124	1,749,816
Adjustments for impairment losses	(319,616)	(263,996)
Total	**1,748,050**	**1,698,378**

The uninvoiced revenues included in trade receivables are in the gross amount of RON 825,624 thousand as of September 30, 2026, representing 40% of the total gross trade receivables (RON 685,844 thousand as of December 31, 2025, representing 35% of the total gross trade receivables), of which RON 686,972 thousand gross value refers to the electricity supply segment (RON 595,652 thousand as of December 31, 2025).

Of the balance of receivables invoiced as of September 30, 2026, RON 102,024 thousand represent receivables (December 31, 2025: RON 182,739 thousand). The analysis by seniority of the trade receivables is presented in Note 17. The trade receivables to be collected from related parties are presented in Note 20.

14. OTHER ASSETS

	September 30, 2026 (unaudited)		December 31, 2025 (Audited)	
	Current	**Long-term**	**Current**	**Long-term**
Payments made in relation to uncertain tax treatments	-	881	-	63,612
Prepayments	49,142	-	11,228	-
Advance payments	83,555	552,745	43,997	305,961
Value added tax to be recovered	1,294	-	1,950	-
Other assets	94,916	5,820	23,618	4,761
Adjustments for impairment losses of other assets	(15,704)	-	(15,833)	-
Total	**213,203**	**559,446**	**64,960**	**374,334**

Payments made in relation to uncertain tax treatments
The Group recognized payments in relation to uncertain tax treatments as an asset under *IFRIC 23 " Uncertainty over Income Tax Treatments ",* as they will be reimbursed if the Group wins the dispute over the existence of the tax liability, or will be used to pay the debt in the event of loss of litigation. In May 2026, the court issued the final decision in favor of the Group, the amount of RON 63,612 thousand, to be offset in the current period. Thus, on September 30, 2026, this claim was presented in the Other Assets – Current row.

Within the Current prepayments, as of September 30, 2026, the expenses with local taxes and fees as well as the expenses with the special constructions tax are included.

Short-term advance payments are mainly current advances for the provision of services.
The long-term advance payments mainly represent the advances paid for the AHE Vidraru refurbishment contract signed in June 2024. In addition, as of September 30, 2026, the advances paid also include the amounts paid under the contracts for the refurbishment of the Stejaru HPP and Lotru pump stations, signed in 2025.

15. CAPITAL

a) Share capital

As of September 30, 2026, the Company's authorized and subscribed share capital is divided into 449,802.567 ordinary shares (December 31, 2025: 449,802,567 ordinary shares) with a nominal value of RON 10 per share. Shareholders are entitled to dividends and each share confers a voting right.

	September 30, 2026		December 31, 2025	
Actionari	**Number of shares**	**%**	**Number of shares**	**%**
Ministry of Energy	360,094,390	80.0561%	360,094,390	80.0561%
Legal entities	76,899,644	17.0963%	75,600,136	16.8074%
Individuals	12,808,533	2.8476%	14,108,041	3.1365%
Total	**449,802,567**	**100%**	**449,802,567**	**100%**

b) Dividend

On April 28, 2026, the Company's General Meeting of Shareholders approved the distribution of dividends from the 2025 profit, in the amount of RON 3,305,314 thousand, representing 100% of the net profit for 2025 eligible for distribution according to the Company's statutory individual financial statements. The value of dividends per share distributed is RON 7.348365/share (2025: RON 8.988897/share).
On May 29, 2026, the Company's General Meeting of Shareholders approved the distribution of dividends from the retained earnings, in the amount of RON 1.000.000 thousand, according to the Company's statutory individual financial statements. The value of dividends per share distributed is RON 2.223197/share.

Dividend-related liabilities include:

	September 30, 2026	December 31, 2025
Dividends payable	8,665	6,452
Tax on dividends withheld at source	157,032	284
Total	**165,697**	**6,736**

16. OTHER DUTIES

	September 30, 2026 (unaudited)		December 31, 2025 (Audited)	
	Current	Long term	Current	Long term
Taxes and related	61,822	-	53,989	-
Guarantee deposits opened by suppliers	16,167	47,651	10,357	57,758
Security deposits opened by customers	46,596	-	45,505	-
Liabilities related to dividends (Note 15)	165,697	-	6,736	-
Other	28,989	2,169	29,787	109
Total	**319,271**	**49,820**	**146,374**	**57,867**

As of September 30, 2026, current taxes and related represent mainly VAT payable in the amount of RON 57,913 thousand (December 31, 2025: : RON 49,448 thousand).

As of the second quarter of 2024, the Group was asking potential end customers with counterparty risk for several payment guarantee options, including the provision of monetary guarantees. In this regard, the security deposits opened by customers are constituted, the amount of the deposit being based on the estimated contractual value of the electricity supplied for a period of up to three months, which are valid for the contractual period. At the end of the contractual period, these guarantees are realized either by offsetting against the last invoices or by reimbursement.

As of September 30, 2026 and December 31, 2025, dividend-related liabilities are financial liabilities, and the other categories are non-financial liabilities.

17. 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 amortised cost. In accordance with the Group's business model, financial assets and liabilities are held for the purpose of collecting contractual cash flows and these cash flows are exclusively principal and interest payments. The Group has not included fair value information for financial assets and liabilities that are not measured at fair value if the carrying amount represents 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 client 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 a high creditworthiness, part of which are owned by the Romanian State such as CEC Bank or Exim Bank.

Exposure to credit risk

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

	September 30, 2026 (unaudited)	December 31, 2025 (Audited)
Trade receivables	1,748,050	1,698,378
Cash and cash equivalents	1,393,892	1,187,734
Restricted Cash	105,233	55,123
Investments in deposits	2,324,558	3,732,016
Total	**5,571,733**	**6,673,251**

Trade receivables

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each customer. The Group has established a credit policy whereby each new non-household customer is analysed individually in terms of creditworthiness before a contract is concluded, so that the sale is made to customers with adequate creditworthiness. For household customers, such a credit risk analysis is not carried out due to the nature and number of customers as well as the legislation in force. Adjustments for impairment losses on trade receivables reflect expected credit losses, calculated on the basis of loss ratios.

The following table presents information on credit risk exposure and expected credit losses (ECLs) for trade receivables as at 30 September 2026:

	Weighted average expected loss ratio	Gross book value	Impairment loss adjustment	Net trade receivables
Not due	1.95%	1,346,310	(26,288)	1,320,022
Overdue - from 0 to 3 months	15.22%	122,710	(18,695)	104,015
Overdue - from 3 to 6 months	54.40%	49,132	(26,726)	22,406
Overdue - from 6 months to 1 year	91.83%	68,292	(62,710)	5,582
Overdue - more than 1 year	100.00%	185,197	(185,197)	-
Total		**1,771,641**	**(319,616)**	**1,452,025**
Individually analyzed customers		296,025	-	296,025
Total trade receivables		**2,067,666**	**(319,616)**	**1,748,050**

The following table presents information on the exposure to credit risk and expected credit losses (ECL) as at 31 December 2025:

	Weighted average expected loss ratio	Gross book value	Impairment loss adjustment	Net trade receivables
Not dues	2.02%	964,353	(19,513)	944,840
Overdue - from 0 to 3 months	15.63%	118,051	(18,454)	99,597
Overdue - from 3 to 6 months	55.76%	54,937	(30,633)	24,304
Overdue - from 6 months to 1 year	90.72%	64,069	(58,124)	5,945
Overdue - more than 1 year	100.00%	137,272	(137,272)	-
Total		**1,338,682**	**(263,996)**	**1,074,686**
Individually analyzed customers		623,692	-	623,692
Total trade receivables		**1,962,374**	**(263,996)**	**1,698,378**

The customers analysed individually represent amounts to be collected from customers for whom the Group considers that there is a negligible risk of non-collection.
The loss rates for the first 9 months of 2026 are based on the actual credit losses recorded in the last ten quarters taking into account the evolution of the supply segment and the delays in the billing of the electricity supplied (December 31, 2025: last nine quarters).

The Group has guarantees received from customers in the amount of RON 388,027 thousand as of September 30, 2026 (RON 591,806 thousand as of December 31, 2025) in the form of bank guarantee letters. The Group also records security deposits opened by customers representing guarantees paid in the amount of RON 46,596 thousand as of September 30, 2026 (RON 45,505 thousand as of December 31, 2025) (see Note 16). The bank letter of guarantee and cash deposits are taken into account when calculating the expected credit loss, reducing the basis considered for the calculation (see Note 16).

18. COMMITMENTS

18.1 Contractual commitments

The Group has the following contractual commitments:

	September 30, 2026	December 31, 2025
Acquisitions of tangible and intangible assets	4,020,866	2,516,721

In 2025, the Group signed the contract for the refurbishment works of the Stejaru HPP (RON 496,723 thousand) and the Lotru high-power pump stations (RON 497,758 thousand). In June 2024, Hidroelectrica signed the contract for the refurbishment works of the Vidraru HPP with the Association formed by ELECTROMONTAJ (Association leader) and Koncar – Engineering Co. Ltd in the amount of RON 937,739 thousand. In May 2026, the contract for the refurbishment of the Râul Mare – Retezat HPP in the amount of RON 989,000 thousand and the turnkey contract for the Tudor Vladimirescu Power Plant was signed. Also, in September 2026, a contract was signed with Synergy Construct SRL for a storage facility with battery packs at the Porţile de Fier II HPP.

18.2 Guarantees

The Group issued performance guarantees in the amount of RON 676,081 thousand as of September 30, 2026 (December 31, 2025: RON 704,812 thousand) in connection with the obligations assumed under investment contracts and electricity delivery obligations and in relation to its payment obligations related to electricity purchase transactions on the day-ahead market and on the intraday market.

19. CONTINGENT LIABILITIES

19.1 Tax Disputes, Disputes and Uncertainties

The main disputes in which the Group is involved as of September 30, 2026 are detailed below. Other contingent liabilities as of December 31, 2025 have been settled in favor of the Group bySeptember 30, 2026.

a) Litigation with Hidroconstrucţia SA

Potential exposure: RON 32,832 thousand as of September 30, 2026 and December 31, 2025
Applicant: Hidroconstrucţia SA
File no. 44443/3/2016, currently file no. 11314/3/2021
Subject of the file: Claims - the value of the costs generated by the cessation of construction works related to investment projects in progress.

Hidroconstrucţia SA claims the recovery of the costs generated by the suspension of the construction works carried out before Hidroelectrica's insolvency. The Group argues that such claims are unfounded, given Hidroelectrica's insolvency process and the fact that the applicant lost its right to claims, because it did not register them in the table of creditors.

In March 2018, the court of first instance dismissed Hidroconstrucţia SA's claims. That judgment was challenged by Hidroconstrucţia SA. The Group also challenged the judgment as it provided for administrative fees to be charged to Hidroelectrica.

In April 2019, the Court of Appeal referred the case to the first instance for retrial. The case was reopened by the first instance (file no. 11314/3/2021).
In April 2022, the court ordered the preparation of an expert report in hydrotechnical constructions and an accounting expertise report by independent experts. In the case, the expert report in the specialty of hydrotechnical constructions was drawn up, both parties raisingobjections to its content. The court partially admitted the objections formulated by the parties, the next trial deadline, granted for the expert to respond to the agreed objections, as well as to the lack of the accounting expertise report, being set for June 17, 2026.

At the deadline of November 11, 2026, the court postponed the decision regarding the objections filed by Hidroelectrica. The next trial deadline was set for March 10, 2027.

19.2 Fiscal legislative framework

Tax audits are common in Romania, consisting of thorough checks of taxpayers' accounting records. Such audits sometimes take place months or even years after the tax liabilities are established. As a result, companies could owe significant taxes and fines. In addition, tax legislation is subject to frequent changes, and authorities often show inconsistencies in the interpretation of legislation.

Tax returns may be subject to review and correction by the tax authorities, generally for a period of five years after they have been submitted to the tax authorities.

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

Management considers that adequate reserves have been recognised in the consolidated financial statements for all significant tax liabilities; however, the risk persists that the tax authorities have different positions, which represents a normal risk of the accounting/tax environment in Romania.

In 2025, the Parent Company was notified by the tax authorities of the initiation of a general tax inspection for the period 2019 - 2024, covering corporate income tax and VAT. The inspection is ongoing, with regular exchanges of information. As of the date of the financial statements, no preliminary findings have been communicated.

19.3 Decommissioning obligations

The Group has identified decommissioning obligations in relation to its hydropower facilities. Management estimates that, with the exception of assets abandoned or post-utilisation following management decisions and with the exception of the wind farm, for which decommissioning provisions are recognised, the occurrence of events that would require the abandonment or post-utilisation of other assets in the public domain or hydropower plants owned by the Group by the end of the concession contract (28 years from 31 December 2025) is unlikely, given the long useful life of the dams, which can be significantly extended beyond 100 years through maintenance and upgrades.

20. RELATED PARTIES

a) Ultimately controlling party

The entity that ultimately controls is the Romanian state, represented by the Ministry of Energy, with a stake of 80.0561%.

b) Transactions with key management personnel

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

Remuneration of the members of the Executive Board

	Nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Expenditure recognised during the period		
Fixed Component	1,694	2,959
Variable Component	-	-
Compensation		3,156
Reversal of surplus recognised in the previous year	(4,734)	(35)
Total	**(3,040)**	**6,080**
Payments made during the period		
Fixed Component	1,694	2,959
Variable component (for the previous year)	4,544	7,855
Total	**6,238**	**10,814**

The Directorate includes 5 directors. appointed for a fixed period.

The remuneration of the executive directors consists of: a fixed monthly allowance that cannot exceedfive times the average gross monthly salary for the last 12 months prior to the appointment published by the National Institute of Statistics (INS) for the Company's activity code (NACE) according to the classification of activities in the national economy, and a variable component calculated on the basis of financial and non-financial performance indicators, negotiated and approved by the general meeting of shareholders.

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

- Financial indicators: capital expenditure rate, net profit margin, dividend payment rate, leverage, receivables turnover rate, net turnover growth rate;
- Operational indicators: realization of the execution schedule for refurbishments / modernizations (%) = realization of the annual contracted schedule / planned contract schedule for the current year; realization of design according to the annual design plan (%); realization of equipment maintenance program for planned works (%); Average availability of hydropower plants with P > 10 MW; average number of hours of (professional) training per employee;
- Indicators regarding the services provided: customer retention rate for the Supply activity (%); market share related to the supply activity - competitive segment (%); customer satisfaction score for the Supply activity (%);
- Corporate governance indicators: number of investor events, number of Board meetings; establishment of risk management policies.

The company has no contractual obligations regarding pensions towards the former directors.

Remuneration of the members of the Supervisory Board

	Nine-month period ended on	
	September 30, 2026 (unaudited)	**September 30, 2025 (unaudited)**
Expenditure recognised during the period		
Fixed Component	1,281	3,410
Variable Component	-	-
Reversal of surplus recognised in the previous year	(991)	(51)
Total	**290**	**3,359**
Payments made during the period		
Fixed Component	1,281	3,410
Variable component (for the previous year)	924	1,726
Total	**2,205**	**5,136**

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

The remuneration of the members of the Supervisory Board was approved by shareholder decisions in 2025 and 2026. According to these resolutions, the remuneration of the members of the Supervisory Board consists of a fixed gross monthly allowance, equal to 2 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the main object of activity registered by the Company (NACE code 3511), at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment and a variable component of the remuneration, calculated on the basis of the financial and non-financial performance indicators, negotiated and approved by the General Meeting of Shareholders.

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

No loans were granted to the members of the Supervisory Board or the Executive Board.

No guarantees have been granted/received to/from the members of the Supervisory Board or the Executive Board.

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

In the normal course of its activity, the Group has transactions with other entities in which the Romanian State has significant control or influence, mainly relating to the wastewater tax, the purchase of electricity, transmission and system services and electricity sales, as follows:

Supplier	**Purchases (excluding VAT) in the nine-month period ended September 30, 2026 (unaudited)**	**Liabilities (including VAT) September 30, 2026 (unaudited)**
National Administration of Romanian Waters	417,021	60,571
Transelectrica (the operator of the electricity system in Romania)	1,061,333	157,350
OPCOM (the operator of the electricity market in Romania)	225,601	1,868
Electricity distribution Romania	531,736	50,624
Others	1,213,648	333,914
Total	**3,449,339**	**604,327**

Supplier	Purchases (excluding VAT) in the nine-month period ending 30 September 2025 (unaudited)	Liabilities (including VAT) December 31, 2025 (audited)
National Administration of Romanian Waters	308,177	98,226
Transelectrica (Romanian electricity system operator)	465,951	152,173
OPCOM (the operator of the electricity market in Romania)	239,479	683
Electricity distribution Romania	218,719	45,448
Others	600,394	64,514
Total	**1,832,720**	**361,044**

Client	Sales (without VAT)	Receivables, gross value (including VAT)	Value adjustment	Receivables, Net Worth (including VAT)
	in the nine-month period ending 30 September 2026 (unaudited)		September 30, 2026 (unaudited)	
Metrorex S.A.	1,480,907	12,465	-	12,465
Transelectrica (the operator of the electricity system in Romania)	839,578	79,332	-	79,332
OPCOM (the operator of the electricity market in Romania)	1,124,569	32	-	32
ALRO SA	436,351	32,763	-	32,763
Cuprumin Abrud	80,418	9,781	-	9,781
Municipal Thermoenergy Company	49,137	1,887	-	1,887
Others	353,745	214,668	(25,054)	189,614
Total	**4,364,705**	**350,928**	**(25,054)**	**325,874**

Client	Sales (without VAT)	Receivables, Gross Value	Adjustment	Receivables, Net Worth
	in the nine-month period ended 30 September 2025 (unaudited)		December 31, 2025 (audited)	
Transelectrica (the operator of the electricity system in Romania)	571,579	90,230	-	90,230
OPCOM (the operator of the electricity market in Romania)	219,994	428	-	428
Electrica Furnizare	226,625	25,785	-	25,785
Rompetrol Rafinare	204,252	32,178	-	32,178
Municipal Thermoenergy Company	27,050	17,816	-	17,816
Others	313,001	168,584	(27,692)	140,892
Total	**1,562,501**	**335,021**	**(27,692)**	**307,329**

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

Bank balances	Current accounts	Bank deposits	Current accounts	Bank deposits
	September 30, 2026 (unaudited)		31 December 2025 (audited)	
Exim Bank (Banca Românească)	60,024	927,482	120,779	1,167,145
CEC Bank	57,934	-	19,260	100,373
Total	**117,958**	**927,482**	**140,039**	**1,267,518**

Banking transactions	Bank deposits constituted	Interest income	Bank deposits constituted	Interest income
	nine-month period ended 30 September 2026 (unaudited)		nine-month period ended 30 September 2025 (unaudited)	
Exim Bank (Banca Românească)	2,453,000	48,202	5,099,000	70,132
CEC Bank	1,000,000	25,573	150,000	5,047
Total	**3,453,000**	**73,775**	**5,249,000**	**75,179**

21. SUBSEQUENT EVENTS

As of the date of approval of the financial statements, there are no material events to report.

Iulius Dan PLAVETI	**Bogdan-Nicolae BADEA**	**Radu Ioan CONSTANTIN**	**Ianăș RĂDOI**	**Florentina ȘUȘNEA**
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board
Petronel CHIRIAC				**Marian FETIȚA**
Director of the Financial Department				Accounting Department Manager