

## EDPR

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Chaired by Miguel Stilwell d' Andrade



Link for conference call replay: [Here](#)

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### Company Participants

- Miguel Stilwell d' Andrade, Chief Executive Officer
  - Rui Teixeira, Chief Financial Officer
  - Miguel Viana, Head of Investor Relations and ESG
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### Miguel Viana

Hello and welcome, everyone, thank you for joining EDPR's 2025 Results Conference Call. We are pleased to have with us today our CEO, Miguel Stilwell d'Andrade, and our CFO, Rui Teixeira. They will walk us through the key financial highlights of the period and share insights into our strategy.

After the presentation, we will open the floor for questions and you are welcome to submit via the conference chat or ask them directly over the phone. The session is scheduled to last no more than 60 minutes. With that, I will now hand it over to Miguel Stilwell d'Andrade to begin the presentation.

### Miguel Stilwell d'Andrade

Thank you, Miguel. Good afternoon, everyone, and thank you very much for attending our 2025 Results Conference Call. Just before we move into EDPR's results, I just wanted to take a brief moment to acknowledge the severe storm that recently affected Portugal, in particular Storm Kristin at the end of January. As some of you may be aware, but maybe others haven't been following, this was a really exceptional weather event with significant impact on the communities on the electricity networks operated by EDP in Portugal.

So first and foremost, our thoughts are with the people in the communities affected and having personally witnessed close to devastation on the ground over the past couple of weeks, I think clearly a lot of work to rebuild the area and we're also contributing to that at the social level. I'd also like to take a moment to recognize and extend a sincere word of appreciation for the absolutely extraordinary efforts of all the teams, both internal and external, involved in the response and in the recovery in extremely adverse conditions.

And I just wanted to highlight also the fantastic collaboration and coordination with the national and local authorities that allowed the networks business, E-REDES, to recover 100% of the customers with only still a few specific situations outstanding and we believe will be resolved very, very shortly.

So the teams have been working flat out nonstop weekends and holidays to get the energy back to everyone as quickly as possible. From an EDPR perspective, the direct operational and financial impact was limited. Our renewable assets proved resilient and the event does not change our fundamentals, strategy, or the outlook.

That said, EDP's results call tomorrow, we'll give more details, but as part of the EDP Group, we just thought it was important to acknowledge the broader context in which we're operating, particularly when an extraordinary event impacts the system as a whole. And with that, okay, let's go to the first slide. So, talk about EDPR's results and performance for 2025.

And I'd start by saying that 2025 was really a very solid recovery versus 2024. Execution was the key word, absolute focus on executing everything under our control. We delivered on our targets, we kept a disciplined financial profile, and we set up a constructive base for 2026.

On financial performance, recurring EBITDA reached around EUR 2 billion, so it's up 17% year-on-year. It's above our latest guidance level. The underlying EBITDA was at around EUR 1.9 billion, so up 23%, confirming that the improvement is fundamentally operational. Recurring net profit recovered to around 0.3 billion, up 50% year-on-year. And importantly, we delivered these results while keeping financial discipline. So, net debt closed at EUR 8.1 billion, slightly down versus 2024, consistent with our guidance. And the ratio of net debt to recurring EBITDA from 4.9 in 2024 to 4.1 in 2025, so a very strong improvement in our leverage position.

In terms of key operational drivers, we delivered the two gigawatts of gross capacity addition. Generation was up 11% to 40.6 terawatt hours. And we navigated also normalization in prices in Europe, with the average selling price down 10% to EUR 53 per megawatt hour. Despite that, which was expected, the combination of top-line performance with efficiency initiatives supported the recovery in earnings. And so that leads me to the point on efficiency.

Core OpEx per average megawatt decreased 12% versus last year. I mean, this really shows a huge improvement in efficiency, and quite honestly, very proud of this achievement. Those tremendous efforts done by the teams on the efficiency front, on leveraging economies of scale, and so we actually ended up better than expected. And as I mentioned, that supported the recovery also in earnings.

Asset rotation gains in the P&L were around EUR 119 million, so below 2024, but fully in line with the guidance, especially considering we were also very successful in rotating 49% of a large U.S. portfolio. But as you know, in that case, the capital gain doesn't fall to the bottom line. So overall, strong execution, improving profitability,

and financial discipline, supporting a positive outlook going into 2026. Okay, so moving now to a little bit more detail on some of the key operational issues.

On slide five, two gigawatts long-term contracted additions, around 90% in North America and Europe. There's a good mix, led by solar, 48%, wind onshore, 28%, and the growing weight of batteries, around 17%. Offshore, small project in France, 6%.

And then in terms of concrete execution milestones, this includes around half a gig of solar in the U.S. and 0.3 gigawatts in Europe, including our first solar projects in Germany. Around 0.3 gigawatts of batteries in the U.S., and also our first standalone battery in the U.K. Also around 0.2 gigawatts of wind onshore in the U.S., and around 0.2 gigawatts in core European markets, including the start of operations, as I mentioned, of one of Ocean Winds offshore projects in France.

So, we deliver the planned capacity on time, on budget, and in line with guidance, with a contracted profile, and the concentration in our core markets that supports the resilience and visibility going forward. We move forward to slide six, talking about asset rotation in 2025.

So, we had strong investor demand for high-quality assets. The gains were mostly concentrated in Europe, since, as I mentioned, the U.S. transactions were minority-stake sales. During the year, we rotated around 0.8 gigawatts from five transactions in Europe, delivering EUR 119 million euros of gains, around 15% gains to invested capital, 20% if we excluded Spain, along with two deals of 49% stake in the U.S. with proceeds reaching 1.5 billion, given the attractive valuations. Just note that the Greece transaction closed in January of 2026, so the EUR 0.2 billion of proceeds will only be accounted for in the first quarter of 2026.

So, we move on to talk about additions. So for 2026, we secured already the 1.5 gigawatts of capacity additions. Around 80% of that is already under construction. The remaining projects are expected to come online in the next couple of months or to start construction as scheduled, including also some of the solo DG that has an average six-month construction time, and so still fully confident on the delivery of the 1.5 gigawatts of capacity for this year. Most importantly, this is a very value-accretive growth, so the portfolio is expected to return an average spread of around 275 basis points.

And we included just a couple examples to illustrate the quality of the portfolio across the different technologies. So we have our Sonrisa project. So, it's solar and batteries in California. It's a 200-megawatt solar, 184-megawatt batteries. It's backed by a 20-year busbar PPA. It's a strong off-taker.

Meadow Lake for repowering in Indiana, so that's around 100 megawatts, had a 50% uplift in production and also captured an additional 10 years of PTC benefits. So, the material increase in profitability from this repowering. We also had a good hybrid solar in Poland, a 20-year CfD wind project in Italy at EUR 77.6 per megawatt hour. So, the takeaway is quite simple. The delivery of 2026 is de-risked and has attractive returns and with long-term contracting, and this will also feed into our asset rotation that's expected for the year. If we move to slide 8 on contracting a new project.

So, the contracting momentum is strengthened, and, including after the business plan, the CMD presentation. So, just over the last six months alone, we've secured 1.3 gigawatts at attractive returns, PPAs with utilities, global tech. We've done build-and-transfer agreements in the US. So, it's exactly the kind of de-risk growth that we wanted.

For the '26-'28 period, we now have 2.8 gigawatts secured. So as I said, 2026 fully covered, around 65% of 2027 already covered, and we expect to be covering the rest of the next couple of months, and 10% of 2028. So, total around 55% secured over the period of '26-'28. So, this contracting progress is reducing the risk, increasing the cash flow visibility, and it's supporting also this disciplined execution into 2026 and beyond.

So, let's talk a little bit about the U.S. I think, I've been consistent about this in many of the previous interactions, both in these calls and also in some of the investor presentations. I mean, the message on the U.S. remains very positive. The demand is structurally rising, and that's, if the fundamentals aren't there, then it doesn't work.

In this case, the fundamentals are there. I mean, the IEA projects 2% yearly annual electricity demand growth between 2026 and 2030. It's largely driven by data centers, and it's supported by -- it's going to be supporting a strong runway for renewables, which is the fastest and most efficient and cheapest technology to be deployed. So, we've discussed this in the past, but these are projects that can be supplied today to deliver power today, and that will help with issues around affordability and just the delivery of power in general in the U.S.

On the supply side, so the U.S., and you can see that on the graph on the left-hand side, I mean, you're expecting or it's expected to have around 8% renewables CAGR over the period '25 to 2030, while the non-renewables rose much more modestly. Obviously, there's some thermal coal, for example, coming offline. You have some gas coming online, but non-renewables, much more modest growth compared to, for example, the renewables.

Wood Mackenzie, an independent consultant, estimates an average of around 25 gigawatts of solar, 9 gigawatts of wind additions per year for the period 2027 to 2030. So, we're well-positioned to capture that growth. We have strong visibility across the portfolio. We have 1 gigawatt of PPAs under commercial discussions, and a more than 20-gigawatt pipeline with around 50% located in the MISO and PJM regions, which are two of the most attractive demand pockets.

So, we have the policy and execution resilience also built in. We have around 6 gigawatts of safe harbor for wind and solar projects for CODs up till 2030. We have flexibility between the annual additions. And this is excluding batteries, which, as you know, has a much longer timeframe in terms of tax credit visibility. We're also capturing data center optionality directly. We've got around 2 gigawatts of power planned, including 0.8 gigawatts already in advanced permitting, mainly ERCOT and PJM. And then our approach continues to be disciplined.

So we're one of the issues we had a couple of years ago and that we've successfully, I think, adjusted is making sure we have a domestic content procurement strategy, including the first solar frame agreement, and also other U.S.-made equipment like trackers, rackings, inverters. And so, we see potential upside from repowering and also flexible repricing. But essentially, on the procurement side, we feel very confident about supply chain. But then, we also have these additional upsides towards the back end of the decade.

So overall, bottom line, U.S. market fundamentals are strong. EDPR has the pipeline. It's got the contracting momentum. And it's got the optionality to keep delivering the growth to 2028 and beyond.

Turning to Europe, the message is also similar and clear. So, we're strengthening value creation. We're being extremely focused. We've got a leadership in the hybrid market where renewables remain structurally supported.

On the demand side, the outlook is also positive. I mean, electricity demand in the European Union is still projected to grow at around 2% per year. And on the supply side, renewables is also expected to grow at around 8% CAGR up to 2030, while non-renewables sources are expected to actually decline by around 4%.

So, again, well-positioned to capture this. We have a tangible pipeline. We have a commercial momentum. Over 14 gigawatts of pipeline in core European growth markets, over 8 or 0.8 gigawatts of PPAs under advanced discussion. And around half a gigawatt ready to bid in upcoming auctions.

So, we are being very much execution-driven, deliberately low-risk, and we're focusing on core markets like Italy and France, where we can leverage some of the CfD auctions routes to market. We're also creating extra pathways to address other fast-growing demands from demand centers. So, we have around 0.3 gigawatts of power land opportunities in Europe, namely in Germany and Poland. And we have some additional opportunities in Spain that will help us serve demand center demand as it emerges.

On hybrids, it's a key differentiator, I think, for us. We're leveraging our existing wind base to add solar and also to co-locate solar with batteries, and that's helping us improve the resilience and the value capture as the volatility and flexibility increases.

So, overall, bottom line for Europe, disciplined growth story, focused markets, lower risk on the commercial side, and reliable execution, using also hybrid solutions to enhance returns and competitiveness. And just a final slide on this first section before I pass it over to Rui, talking about efficiency, because I think this is also one of the key drivers for the earnings growth, and it's independent of market conditions.

Our adjusted core OpEx per average megawatt decreased by 12%. At the same time, we streamlined our organization, headcount is down around 9%, so we're becoming leaner, more focused, but staying execution-driven. And this has to do with three key levers. So, operational streamlining and cost discipline, leaner workforce model, and also scaling digital and then AI to improve availability.

Overall, I think very proud of the effort that's being done here at all levels and in all the different geographies and platforms. And then, as I say, really seeing sort of the benefits of the economies of scale coming through. So, this is, I think, one of the best in class in terms of efficiencies. And with that, I'll pause there and pass it over to Rui, and then I'll come back for closing remarks. Thanks.

## Rui Teixeira

Thank you, Miguel. And good afternoon to you all. So, let's move to the 2025 numbers, starting on slide 13. And I would like to start with a strong increase in generation. So, it went up by 11% to 40.6 terawatt hours. This was supported by capacity additions, lower losses, even though we have a renewable resource weaker than the long-term average.

So, on the left-hand side, you can see that the renewables resource index was 95% in 2025 versus 98% in 2024. This was driven by lower wind conditions. Europe saw its lowest wind levels in 45 years. North America had its weakest September in the third quarter since 1989. Again, this was region-wide, not portfolio-specific.

On the right-hand side, EDPR, you can see, generated an additional four terawatt hours year-on-year from higher average megawatt in operation, improved losses, supported also the year-on-year increase. And again, this is, as I said, partially offset by the resource, also some impact from the asset rotation perimeter. Please also note that solar generation increased by 77%, and this is obviously reflecting the growing portfolio.

If we now move to slide 14, electricity sales increased by 1% year-on-year to EUR 2.15 billion, with higher volumes offsetting lower prices. The average selling price declined from EUR 58.9 per megawatt hour to EUR 53, and this is reflecting the normalization impact in Europe that was already expected.

Regionally, the mix is also clear. You can see that on the left-hand side. North America contributed to an additional EUR 145 million year-on-year, supported by both higher volumes, in total 23.3 terawatt hours, so that's a 16% increase year-on-year, and also higher prices. With the average selling price at 4% to \$47.4 per megawatt hour.

Europe was down EUR 137 million year-on-year, with volumes broadly flat at 11.5 terawatt hours. But as I said, pricing normalizing and decreasing 13% to an average price of EUR 80.1 per megawatt hour. South America improved by EUR 6 million, supported by higher volumes, 4.2 terawatt hours. This is a 22% increase. While the average selling price was slightly lower, on a BRL 180.8 per megawatt hour, so that's approximately minus 2%.

APAC was broadly stable. So, if we move now to EBITDA, on slide 15, the underlying recurring EBITDA grew 23% year-on-year, increasing by EUR 159 million in this period, again excluding asset rotation gains. So, starting from the left of the bridge, electricity sales were up 1% year-on-year to EUR 2.15 billion. Tax equity revenues were up by EUR 118 to EUR 421 million, mainly driven by the solar additions that

benefit from the ITCs, and this is offsetting the gradual phase-out of wind PTCs. Asset rotations contributed EUR 119 million, in line with our guidance.

On the cost side, and as Miguel said, very good efficiency and very good results. Core OpEx was EUR 766 million. So, on an adjusted basis, adjusted core OpEx per megawatt, per average megawatt, improved 12%. And therefore, this reflects all the efforts that Miguel already alluded to.

Finally, other costs on a net was -- on a net basis was EUR 48 million. This line also reflects a cleaner underlying profile. So, 2024, you may remember it was impacted by losses in Colombia and Romania, while 2025 includes about EUR 26 million of provision in Vietnam. All in all, recurring EBITDA was EUR 1.97 billion, with the underlying business mix continuing to shift towards our core markets, with North America at 59% of the underlying EBITDA, in Europe at 34%.

If we now go to financial results, in 2025, increased by EUR 109 million year-on-year, reached EUR 482 million. This increase is primarily due to a EUR 1.5 billion rise in average net debt and the lower capitalization of financial expenses, following a EUR 1 billion decrease of PP&E, working in progress, but also partially offset by effects and derivatives.

Looking ahead, we expect this line to improve from 2026 onwards and keep declining across the business plan, mostly on the back of lower debt and lower tax equity and mining costs. Also highlighting that from a risk and liquidity standpoint, our profiles remain conservative, 74% of the debt is fixed, 20% variable. We are well diversified by currency, 44% in euro, 37% in U.S. dollar, 20% in other currencies, and we maintain a solid maturity profile, with over 60% of our debt maturing beyond 2028, therefore, reinforcing long-term financial stability.

I would like now to move to slide 17. Net debt closed the year at EUR 8.1 billion. That's a reduction of EUR 0.2 billion versus December 31st of 2024. Gross investments total EUR 2.4 billion, of which EUR 2.2 billion was CapEx and approximately EUR 0.2 billion financial investments, 55% in North America, 25% in Europe. Fifty percent of this was invested in solar, 31% in wind onshore, and 12% in battery storage, with about 7% related to equity investments, including Ocean Winds and some capitalized expenses. Also in addition, we have a EUR 0.5 billion working capital outflow linked to fixed asset suppliers.

In total, these investments were fully funded through EUR1.5 billion of asset rotation, EUR 0.8 billion of tax equity proceeds, and very importantly, EUR 0.6 billion of operating cash flow. So, considering some effects and other impacts, net debt reduced by EUR 0.2 billion to a total of EUR 8.1 billion, also an improved net debt EBITDA from 4.9 times to 4.1 times. And also just reminding what Miguel mentioned in the beginning, this does not include yet the proceeds from the Greek transaction that only closed in January, about EUR 0.2 billion.

So, on the net profit, recurring net profit reached EUR 330 million, effectively increasing fourfold year-on-year if we exclude capital gains. As mentioned earlier, our recurring EBITDA increased 17% year-on-year, so reflecting solid operational performance.

Depreciation increased, driven by the new capacity additions, also a one-off impact from accelerated depreciation in repowering farm in the U.S., which is ongoing. Taxes were higher this year on the back of lower asset rotation and some one-off costs that are not tax deductible. We expect this to go down in the following years.

Minorities contributed positively year-on-year following the completion of the buyback of the 49% wind portfolio in late 2024. Here I just, again, note that this line will be impacted in the coming year with the 49% stake that we saw in the asset rotation in the U.S. this year. So, just to bear in mind that, please.

Regarding the one-off impact at net profit level, there are about EUR 114 million recognized this year, and these are mainly coming from impairments in Europe, some including non-core countries. Also, Ocean Wind U.S. platform, as well as accelerated depreciation of this repowering wind farm in the U.S., the Meadow Lake IV wind farm.

Also to note that the Board of Directors will propose in the 2026 general shareholders meeting to continue this scrip dividend program with a payout of 40% and implying a maximum amount of EUR 0.13 per share. And finally, just before I hand over to Miguel, let me just touch briefly on the sensitivity of EDPR's net profit to the wholesale power markets. The updated 2028 net income sensitivity remains unchanged versus our CMD.

So, if you consider a EUR 5 per megawatt hour movement in global electricity prices, it results or should result in a sort of EUR 25 million impact on a net income level reference for 2028. And currently, what we are seeing in the regional trends are Europe that holds about 60% of the exposure. 2028 reference price is up around EUR 64 per megawatt hour. The trend is currently downwards, and this is mainly driven by Spain, Poland, and Romania.

U.S. that has about 25% of the exposure that has a reference price of \$43. Here, the exposure is mostly on PJM and NYISO, and we are seeing an upward trend. Also Brazil, that holds about 15% exposure with a reference price of BRL 170 per megawatt hour, also showing an upward trend on forward prices. So, again, to highlight that we have broadly a stable sensitivity due to portfolio and regional diversification. And now, Miguel, back to you for closing remarks. Thank you.

### **Miguel Stilwell d'Andrade**

Thank you, Rui. So, just three important messages. The first is in relation to 2025, so strong execution and delivery. We delivered on our commitments, 2 gigawatts of capacity additions, EUR 1.7 billion of asset rotation proceeds, and we closed the year with EUR 2 billion of recurring EBITDA and around EUR 330 million of recurring net profit. So, we delivered.

Second, good visibility for 2026. We have all the capacity secured, and the majority is already under the construction. We're guiding to a very strong EUR 2.1 billion recurring EBITDA, and this is supported by high single-digit generation growth, an

average selling price of around EUR 52 per megawatt hour versus EUR 53 per megawatt hour in 2025, and around EUR 0.2 billion of asset rotation gains.

Just to frame the moving parts, because I know a couple of questions on this, this includes a more conservative euro-dollar exchange rate of around 1.18 versus around 1.16 we considered in November. It was aligned with the current spot rates and the average year-to-date. So, there's a slight adjustment here in terms of forex, but I'd say it's a very strong EUR 2.1 recurring EBITDA guidance for the year.

Third, on track to deliver the 2028 targets that we already communicated back in the CMD. So, as Rui also mentioned, really the sensitivities even to pool prices and others are perfectly within what we consider our sort of range of confidence. And so, as we go on getting further visibility on 2028, we have EUR 7.5 billion of gross investments, around 5 gigawatts that we've communicated of gross additions we expect to do for this period up to 2028, and that should take us to the EUR 2.2 billion of recurring EBITDA in 2028 and around the EUR 0.6 billion of recurring net profit in 2028.

So, perfectly on track to deliver the 2028 targets. And I think still high confidence on that going forward. And so with that, I'd stop there and we can move to Q&A. And Miguel, I'll turn it over to you.

## Questions And Answers

### Operator

Thank you. We will begin by addressing the questions submitted in writing. After that, we will move on to the live questions by phone. (Operator Instructions) We will now begin with our written questions. Thank you.

### Q- Miguel Viana

Thank you very much.

So from the webcast, the first question comes from Olly Jefferey from Deutsche Bank, Pedro Alves from CaixaBank, and Alex from Bank of America. So, we have a set of questions around the set of guidance for 2026, namely the BTA guidance of EUR 2.1 billion, the rationale behind it, and if we are providing any more guidance for 2026.

### A - Miguel Stilwell d'Andrade

Thank you, Miguel. So as I just mentioned, and anticipating a bit this question, I mean, we think there's a very strong EUR 2.1 billion. I mean, the adjustment is really more related to an adjustment in the effects that we've been seeing. Something deteriorates into the CMD. But apart from that, very confident on the overall delivery. I mean, and the other assumptions, whether it's in terms of volumes and in terms of prices, we continue to be confident on those. And so, I think overall, I wouldn't say there's any material change versus what we had.

**Q- Miguel Viana**

We have then a question also from Deutsche Bank and CaixaBank BPE [ph] around the target of 5 gigawatts of gross capacity additions for the period 2026–2028. And if we see some upside or some update in terms of this number presented at our capital market today in November 2025, and namely regarding capacity additions for 2028.

**A - Miguel Stilwell d'Andrade**

So here I just reiterate the message that we communicated also in the CMD. So, we think this is a very realistic business plan with optionality on the upside. So, we are assuming we'll be able to de-leverage over this period.

There'll be -- this will create some room. And so, if we find projects that we think have the right risk return, we will capture those and those will be an upside to the 2028 target volume. So overall, yes, we do think there could be some upside, but it will be on the conditions that we think are reasonable.

So assume the base case, we'll have the space and the balance sheet to take that on. And if we find the right risk return, then we'll certainly capture it. And this is true for '28 and beyond, because I think the world doesn't end in 2028. And obviously, '29 and 2030, we continue to see a lot of demand also coming down the pipeline for projects in that timeframe.

**Q- Miguel Viana**

Thank you, Miguel. We have now a set of questions from Pedro Alves, CaixaBank, Alex from Bank of America regarding the outlook of asset rotation execution for 2026. So both in terms of asset rotation proceeds and gains.

**A - Miguel Stilwell d'Andrade**

Okay. So, what I'd say on the asset rotation execution is, again, we delivered in 2025. Year after year after year, we've been delivering on the asset rotation against all the skeptics, both in terms of proceeds and in terms of just the general demand and capital gains. So, we see good demand.

We continue to see good demand in the market going forward. We gave the guidance of around \$0.2 billion for the capital gains for the period. And in terms of proceeds, I think we're at around \$1.5 billion of proceeds. But again, obviously, we'll go on updating you over the course of the year. But even based on recent comments, we think there's a lot of demand, both from financial and strategic players, for the type of assets that we have.

**Q- Miguel Viana**

We have, then, a set of questions from Javier Garrido from JP Morgan, Fernando Garcia at RBC, Alex from Bank of America. The task is around our exposure on lower power prices in Europe versus our CMD assumptions, how this can impact our financial projections. We have covered a little bit in the presentation. I don't know if you, Rui want to go into more detail.

**A – Rui Teixeira**

Absolutely, so -- because I also mentioned this in -- as sort of keeping the same sensitivity on the net profit. But again, just to break this down. So, first of all, for the 2026-'28 period, around 85% of our generation is secured through long-term contracts or hedges, which means that only 15% is exposed to merchant prices. So, out of this 15%, 60% is Europe, and the rest is mostly in the U.S. So, we start talking about smaller numbers, but it's still within Europe. So, 15% merchant, 60% Europe. Within Europe, Iberia is where we have about 60% of the exposure.

There, because of the energy metrics in Iberia, we see less impact from CO2 price volatility and gas, because typically gas has less number of hours as a marginal technology versus other markets. Also, we have exposure in Poland and Romania, and that is already incorporated into our sensitivity. But again, we're talking about 40% plus 15%, or 60% of 15%.

So, we're talking about something like 4% of the entire portfolio. U.S., on the other hand, the merchant exposure is really concentrated in PJM and NYISO, and we actually are seeing an improvement in forward prices around about \$5 per megawatt hour into 2028 versus the assumption that we were using in our business plan. So, again, overall, I think what we are trying to convey is that it's really only 15% merchant exposure, and the fact that we have a diversified portfolio with different trends between Europe and the United States, ultimately, it's making our sensitivity stable versus where we were at the CMD.

**Q- Miguel Viana**

Thank you. So, we have then a question about some news that came out today about our trend venture OceanWinds and its Moray West project in the U.K. regarding technology issues during the last month of 2025 and about the status of these issues. The questions come from Zach from Jefferies, Pedro Alves from CaixaBank, and also from Fernando Garcia RBC. Thank you.

**A – Rui Teixeira**

Thank you. It was a technical outage. It is already programmed to be recovered within March, so it's basically just depending on weather conditions. Most of the related losses are compensated either by insurance or by warranties from suppliers, and also

the plan has benefited with some of the merchant exposure. So, all in all, this is not a material impact to OceanWinds or EDPR.

#### **Q- Miguel Viana**

And then on the written questions, the last one, we had some questions from Fernando Garcia, RBC and some other analysts about the volumes lower in the fourth quarter of 2025, prices more aligned with expectations, and also asset rotation. So, the driver for this outperformance on EBITDA in the fourth quarter of 2025.

#### **A - Miguel Stilwell d'Andrade**

So, here are a couple of points. I think one has to do with just in general, we're more efficient, so we managed to get the cost down. That contributed also, so better than expected. The second has to do with some other income associated with the mark-to-market of hedges and long-term contracts. And also in 2024, so the comparison, we had some losses in Colombia and Romania, which we didn't have in 2025. So, in general, it was other revenue that contributed, and also the additional deficiencies and costs being better than expected that contributed to the guidance or to being better than the guidance.

#### **Miguel Viana**

Thank you, Miguel. We can now move to the questions on the phone. And I think the first question comes from the line of Jorge Alonso from Bernstein. Jorge, please go ahead.

#### **Q- Jorge Alonso**

Hi, thank you for taking my question. I have a couple of questions, please. The first one is related to the safe harbor capacity. You have put that you have already 60 gigawatts, and then just a clarification about that capacity. It should be used for the deployment from '27 to 2030, I guess, in order to get the tax credit. So, that gives above 1 gigawatt a year in the U.S. annually. So, the question is that are you really thinking on going ahead on that one? If not, what to do with the spare capacity? I mean, can you monetize that?

Or really, I mean, at the end, you are thinking about just to use all that safe harbor capacity, meaning increasing the installations in the U.S. by 2030 in an annual base. Okay. The other question was on the average prices. Excuse me, for example, in the U.S., just to understand if the increases that you are seeing, 2025 and going forward, comes more from the spot market or mainly from the new PPAs, or is it balanced among the two? Thank you very much.

**A – Miguel Stilwell d'Andrade**

Thank you, Jorge. So, on the first one, the safe harbor numbers are 2025 to 2030. So, just to be clear. And what we can do is we then have flexibility to use those equipments in different projects or in the limit to resell them. But in any case, our base case is to assume that we'll be using them over this time period. So, from 2025 to 2030, so that's around a gigawatt a year for the U.S. So, that's the first one.

On the second one, on the average prices for 2025 onwards, I mean, these are both spot and forward markets. We've seen, for example, the forwards in -- for 2028, I think PJM and NYISO also going up over the last 12, 24 months. But it's quite clear that there's that upward trend, which is, let's say, inversely correlated or at least going in a different direction from what's been happening in Europe.

And just to be clear, on top of the safe harbor, batteries are not included in this, right? So, this is just for mostly solar and wind to a certain extent. And batteries is outside of this because batteries, we don't need to safe harbor because the tax credits extend well beyond 2030.

**Miguel Viana**

Thank you. Next question. Thank you, Jorge. The next question comes from the line of Jenny Ping from Citi. Jenny, please go ahead.

**Q– Jenny Ping**

Hi, thanks very much. A couple of questions from me, please. Firstly, just on numbers, it looks like Q4 you've incurred another \$30 million, what you call non-recurring charges, which has added back.

Can you just give us a little bit more visibility on where the buckets, how to think about how to bucket these things outside what you've announced of nine months? And then more importantly, going forward into '26, your net income targets through to '28, just want to get a sense of how much of these non-recurring items or further impairments or provisions that you're looking to add. And then beyond that, I guess just pushing a little bit more on the EBITDA guidance.

I think your previous CMD sensitivities talks to 0.1 change on the FX to be about EUR 40 million on the net income. Given that you've moved from 1.16 to 1.18, the reduction seems to be quite severe in terms of, sort of, the middle of the range. Is there anything else you're building in there in terms of anticipated risks that you could see materializing in '26, please? Thank you.

**A – Miguel Stilwell d'Andrade**

Okay, so just in relation to the second one, and we can take the first one. Just to be clear, I mean, when we give guidance, we try to be as accurate as possible. And so now based on the latest, we're more towards the bottom of the range.

And so that's why I say it's a very solid 2.1. But the numbers you mentioned are roughly the ones that we're using. And so that's what's at stake. So, it's around EUR 0.03 or EUR 0.02 to EUR 0.03 at those levels. And so that just makes a slight move towards the bottom end of the range, and therefore the round of EUR 2.1 billion. But as I say, we're very comfortable with that. On the non-recurring way, do you want to take that?

**A – Rui Teixeira**

Sure. Hi, Jenny. So first of all, that accelerated appreciation of the Meadow Lake IV. We booked part of that already up to the nine months, so there was an additional one to be booked now in Q4. Also, secondly, we reviewed some old equipment that we had stored in some markets, particularly in the U.S., and we decided to effectively impair that. And also, at the end, there was also some smaller impairments from -- on the development side.

But nothing that I would consider. I mean, I can't anticipate that we will have that every single year. So depending on the year, we'll look into the assets and see if there is any impairments to be carried out. But it was along these lines.

**Q- Jenny Ping**

Thank you very much

**Miguel Viana**

Thank you, Jenny. The next question comes from the line of Arthur Sitbon from Morgan Stanley. Arthur, please go ahead.

**Q- Arthur Sitbon**

Hello. Thank you for taking my question. The first one is on your disposal plan. I was wondering if you could provide an update on that, if we should expect any disposal in 2026. It's just in order to assess a little bit where the net financial debt could be at the end of the year. And obviously, like I've seen that you're making progress on safe harboring.

And so I was wondering if there is any incentive on your side to maybe accelerate a bit your deleveraging plan and have more of these disposals in 2026 in order to reaccelerate the investments earlier than in 2028. So that's the first question.

The second one is just on your target for power output in 2026. You're talking about high single-digit growth in output. So I imagine that means something around 44 terawatt hour. I was just wondering if you could help us with the bridge between the 40.5 roughly in 2025 and the 44 in 2026. How is that divided between normalization of the P50 and increased capacity? Thank you very much.

**A – Miguel Stilwell d'Andrade**

Thank you, Arthur. So in relation to the disposal, so it's roughly around a billion. We'd obviously try and do that as quickly as possible. I mean, obviously, we can over-deliver on the plan. That's what we're aiming for. And so to the extent that we can de-leverage faster and also redeploy that capital into projects that we think have the right risk return in '27, but mostly '28 and beyond, then we'll certainly do that.

But in terms of targets, the disposal is 1 billion. Hopefully, some of that might come through in 2026. But that's all I can say at the moment in terms of guidance. In relation to the second question in terms of power, Rui, I don't know if you have the numbers there.

**A – Rui Teixeira**

No, I can address this. I mean, I would say it's definitely a combination. So we consider it P50. The fact is that we look to long-term historical series, and we can't identify any trend. I mean, we know that we'll always have volatility, particularly on the wind side. And as you know, our portfolio is still quite overweight in wind. So we'll always have this type of volatility across the regions.

So looking forward, we can carry on in considering a P50 as the best scenario. Yes, there will be some gross additions, also some asset rotations. So I would say that, I mean that high single digit is really a combination. It's hard for me to say how much comes from one and the other. But as a whole, you can consider that high single digit as an output increase.

**Miguel Viana**

Thank you, Arthur. The next question comes from the line of Alberto Gandolfi from Goldman Sachs. Alberto, please go ahead.

**Q- Alberto Gandolfi**

Miguel, thank you for taking my questions, and good afternoon. The first one is a little bit of a capital allocation bigger picture, I guess. The U.S. market seems to be booming, right? As you said, the prices are increasing. Power demand is increasing. Competition doesn't seem as fierce as it has been.

So I guess it's a two-part question. Are you tempted to find incremental balance sheet headroom to chase this opportunity in the U.S.? So would you be open to exit regions like APAC or South America? Or would you be perhaps open even to entirely change capital allocation and perhaps think about, as we have seen throughout last year, other utilities like issue equity to upgrade CapEx and upgrade growth?

Is there any -- is the U.S. such a big opportunity that deserves maybe to be thinking about it right now? The second question, just to be clear on the power price sensitivity, I understand that you say 60% of merchant is Europe and 60% of that is Iberia, but prices are down throughout Europe. So if you are up \$5 a megawatt hour in the U.S., but vis-a-vis your CMD, you are kind of EUR 10 megawatt hour down in Europe, wouldn't the net effect still be negative on '26, '27, '28 profits? Thank you so much.

**A – Miguel Stilwell d'Andrade**

Thank you, Albert. So on the capital allocation question, let's be clear, we have no intention to issue equity in relation to create that balance sheet space. Obviously, we have had very successful asset rotation programs over the year and we will continue to do that going forward. And I think we already start having some visibility, I think, on some of those processes, even though they're at an early stage. And I think we'll be able to show that again this year.

In terms of disposals, I mean, we will continue to look at, this is also one of the previous questions from Arthur, but looking to see how we can accelerate disposals and find sort of assets that we can monetize at a good value and redeploy that capital. But as I say, we also want to make sure we redeploy the capital into projects that we think have the right risk return. Whether it's in the U.S. or anywhere else, but certainly in the U.S., I agree with you. We are seeing a lot of demand there.

We are constantly discussing between ourselves and with the team on the ground how we can accelerate and go faster. So we're looking at all the different instruments, but not including equity, but including sort of capital allocation within the portfolio and within the disposals. On the power prices, would you want to follow up on that?

**A – Rui Teixeira**

I can. Hi, Alberto. On the power prices, as I said, so again, it's only, first of all, 15% of the merchant exposure by 2028. Within Europe, there are three markets that have the exposure. Spain, Poland, and Romania. We do not have any exposure merchant to Italy, which is obviously a positive at this point. But also, very importantly, the rest of the exposure comes from U.S., a little bit in Brazil.

And here is where we are seeing the markets with an upward trend. So that's why, all in all, the sort of sensitivity that we had back at the CMD remains flat. So same 25 million for, and again, it's an overall, so if all the markets go in the same direction, EUR 5 per megawatt hour. So that's the sort of 25 million impact. But as I said, you have nowadays very different trends between Europe coming down, U.S. going up, and Brazil actually going really up.

**Miguel Viana**

Thank you, Alberto. And we have the last question from the phone coming from the line of Skye Landon from Rothschild. Skye, please go ahead.

## Q- Skye Landon

Hi, thanks for the presentation this afternoon. Firstly, on OpEx decreases, great to see the minus 12% last year. I think at the CMD you said that this was going to kick down a touch further by 2028, but just wondering if you could elaborate on what you see as the potential for this to keep decreasing and what the levers are that can be pulled to keep it going down.

Secondly, on asset rotation, just wondering if you can elaborate on which geographies are expecting to see deals in 2026 in order to get to the -- to north 0.2 billion guidance. And I note that the asset rotation gain over invested capital is circa 15% in 2025. Just wondering how you see this figure developing going forwards for 2026.

And then lastly, on net debt, you guided to 3.2 times net debt to EBITDA by 2028 at the CMD last year. Just wondering if you can provide any color on the cadence of reduction from 4.1 that you've just posted to the 3.2 in 2028. Can we roughly straight line it or wondering if it's a bit more lumpy than this? Thank you.

## A - Miguel Stilwell d'Andrade

Thanks, Skye, for the question. So on the OpEx side, what I'd say is that we have two effects. One is just keeping the costs under control and reducing them to the extent possible. And then while we're growing and increasing the number of megawatts, so really building on these economies of scale. I think what we've shown is that we've been becoming more productive. We've been leveraging a lot on, for example, our overall asset management platform.

And there was a significant restructuring that was done at that level. And I think we'll continue to push for the improvement in productivity there. But I think this is already a very significant decrease or increase in efficiency. So we're touching sort of EUR 40,000 per megawatt, which is, I think, we haven't been there for many, many, many, many years. And in the meantime, we've had a lot of inflation. So really, I think this is a fantastic metric.

Going forward, it's just keeping sort of that culture of cost control and developing sort of the economies of scale. Obviously, we're incorporating a bunch of systems, really developing automation, AI, really trying to extract the maximum value from our operations. On the asset rotation, the second question. So in terms of where, Europe and U.S., I mean, that will be the bulk of our sort of -- in the US, you could probably expect that we do a majority stake this year, which would then also contribute to the capital gains. And in Europe, as we've done in the past, you'd also just have majority stakes.

In terms of the percentages, I mean, we see -- so as I say, if you exclude the Spanish transaction this year, we had around the 20% capital gain over CapEx in Europe. I think you'd see that or even higher over net CapEx in the U.S. So I think we have some very good, very attractive projects coming down the pipeline. But we'll see. I don't want to speak too soon, but I think you'd clearly see sort of very healthy capital gains

over CapEx going forward. On the net debt in terms of cadence, Rui, do you want to take that one?

**A – Rui Teixeira**

Sure. Okay. I would expect the net debt EBITDA to continuously improving. So net debt probably should be slightly down versus where we'll end in 2025. This is for 2026. EBITDA growing, so effectively, we should see already an improvement on the net debt EBITDA ratios, '26, '27, '28.

**Miguel Viana**

Thank you, Skye. This concludes our Q&A session. I'll pass to our CEO for the final remarks.

### Closing Remarks

**Miguel Stilwell d'Andrade**

I think just very quickly, I just wanted to reiterate some of the comments I made earlier. I think 2025 was a good year, very good year, both in terms of execution, delivery on the numbers, both on the financial side and on the operational side. And so I think we're very happy with that result. And now the focus is on delivering 2026. I think we're coming into the year well, well-positioned. I think we continue to see on the operational side, good improvements, whether it's in terms of the OpEx or whether it's in terms of delivering the projects that we set out for 2026.

In terms of the asset rotations, which is obviously important and disposals, we continue to work on those. But again, I'm sure that in 2026, we will deliver comfortably on these targets. So good expectations for 2026, certainly good expectations for 2028 and look forward to sharing that with you over the next couple of quarters and to talking to you again. So thanks very much and let's keep in touch.