

## 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 First Quarter 2026 Results Conference Call. We're 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. You are welcome to submit them via the conference chat or ask them directly over the phone. The session is scheduled to last approximately 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. Thank you very much for attending our First Quarter 2026 results' call.

Let me start with the key operational and financial highlights of these first 3 months.

And so if we move straight into slide four, I'd say that EDPR's first quarter was a good solid start to the year. We were absolutely focused on executing everything that's under our control, and making sure that this is then reflected in the underlying performance. I think we are well set up for having a constructive base for the rest of the year. On the key financials, recurring EBITDA reached EUR489 million, up +2% YoY, or 10% when excluding Forex. Recurring net profit of €71m, increasing 9% YoY, or 21% when excluding Forex.

This strong financial performance was supported by key operational drivers: we delivered +2.0 GW of gross capacity additions over the last 12 months. We also have over 90% of 2026 target additions already installed or under construction.

Generation was up 0.4 TWh to 11.3 TWh. However, we had lower prices in Europe, with average selling price down 9% to €52/MWh versus last year. We also had a strong impact of the US Dollar devaluation versus first quarter last year.

On the current macro context, it is particularly important to recall that over 80% of our generation is long term contracted or hedged.

We benefited from our continued focus on operational efficiency, resulting in a 11% YoY decrease of the Recurring Core OPEX and good improvement of the productivity metrics OPEX/MW and OPEX/Gross profit.

So overall, I think very proud of the work that the team has done over the last few years. It's consistent in terms of extracting efficiencies and making sure we can leverage the economies of scale within the company.

Finally, over 90% of our recurring EBITDA is in A-rated countries reflecting low risk earnings. So I just wanted to reiterate that also in terms of the quality of the earnings.

If we move to Slide 5, we'll talk a little bit about the US Market. I think here, it's key to note that independent consultants are projecting, like Wood Mackenzie and others, are projecting that between the electrification trends, industrial reshoring, and the rapid growth of data centers, they are driving sustained increase in electricity demand of around 2% to 3% a year between 2025 and 2035.

I think it's also increasingly clear that renewables generation will play a pivotal role in supporting this, and it's expected to have an 8% tagger between 2025 and 2030, while non-renewables declined by 4% given that many thermal plants are being retired. So obviously, some are being installed, others retired, the older ones retired, net decline. So renewables is really outperforming the more conventional thermal. The bulk of the capacity additions by technology are mostly solar and storage, and still some wind.

And if we look at the graph on the right-hand side, we can see that in 2025, roughly 60 gigawatts of new generation capacity was added in the US., with around 92% coming from wind, solar, and storage. Solar alone accounted for more than half of the total additions, and this trend is expected to strengthen even further. So overall, a structural shift in the US Energy mix and underpinning EDPR's long-term growth opportunities, given our focus on renewables.

I also wanted to give you just two important data points. In the month of March, renewables, including hydro, generated over one-third of US Electricity generation, overtaking gas for the first time ever. And also that additions in the US Are expected to reach a record high of 86 gigawatts this year. So I think just two important data points are really the highlight of what I just mentioned.

If we move to Slide 6. So obviously, this demand is then translating into a favorable price environment. And the graph, as you can see on the left-hand side, shows the evolution of the market PPA prices. They've risen steadily across the different technologies, and this is then reflected in very robust contracting activities.

So we have corporate PPA volumes reaching around 24 gigawatts in 2025. EDP has secured already 1.4 gigawatts in the US. Over the last nine months since the OBBB was signed, and we expect to continue some momentum over the next few months and still sign an additional couple of PPAs, which are currently under active negotiation. We're benefiting from growing demand for co-located generation between solar and batteries and co-located demand solutions with data centers. We have around 2 gigawatts of powered land, and so we continue to work on those opportunities.

Also on the wind side, there are some attractive wind life extension and repowering opportunities. We have around 0.6 gigawatts in marketing stage. However, this optionality is not included in our 2026–2028 business plan, and so it would be an upside if it materialized either in this period or post-2028.

I think this is relevant in the context of some of the recent news that has come up about the licensing of wind.

If we move to Slide 7, I'm talking a little bit about Europe. So, here the message is also very clear. I mean, on our side, we are very focused on value creation and discipline on the investments.

But this is clearly a market where renewals are structurally supported by reinforced electrification and energy independence efforts. And, you've seen a lot of statements by President Ursula von der Leyen of the European Commission. You've seen them by Dan Jorgensen, the European Commissioner of Energy. Sort of this focus on really making sure we are more Europe is more energy independent and immune to some of this volatility.

So, you can see this also just by the fact that as renewable penetration continues to rise in certain markets like Iberia, we see a clear structural decoupling between the electricity prices and fossil fuel price volatility. In general, it has lower and more stable wholesale power prices. And I think this reinforces the role of clean generation, not just in the decarbonization, but also in terms of system resilience and affordability. So, Iberia I think is a good case study for the rest of Europe and I know that a lot of the European political leaders have been looking at this precisely for that reason.

This transition is also being supported by regulatory and policy environments. I mean, in 2025, close to 95% of all new capacity additions in Europe came from either wind, solar, and storage. And for the first time ever, renewables overtook fossil fuels and total electricity generation. So, again, we are well positioned to capture value here.

We have close to 15 gigawatts of pipeline in the European core markets and we benefit from these fundamentals and increasing system needs.

Finally, around 55% of our European EBITDA comes from Iberia. And here, I think regulatory risk, price volatility remains low and generation taxes have also recently been reduced in Portugal and Spain. I know there's been some very recent speculation about extraordinary taxes on energy. I think that if we look back in the case of Portugal, certainly to the 2022 crisis, the electricity sector was not included. So, we only know obviously what's publicly available, but I'd say that given that

they're using as a precedent the 2022 basis that the electricity sector would be excluded from that, but that's certainly a strong expectation. So overall in Europe, supportive market context, strong pipeline visibility, disciplined capital allocation, I think we see Europe as a good, stable and attractive platform for EDPR to continue growing.

If we move to Slide 8, and talking about additions and the investment plan for 2026.

So on around one and a half gigawatts of target additions, we already have 90%, as I mentioned, already installed or under construction to be delivered mainly over the second half of 2026. A lot of this will be very much backloaded towards the end of the year. We still have some remaining projects that aren't with the other 10%, which are basically solar DG, which have an average of six months construction time. So, we're still perfectly on time to have them built by the end of the year.

And overall US And Europe should represent around 95% of total expected additions for the year. In terms of technology, around 50% solar, 25% storage, and 25% wind onshore and offshore. As I said earlier, 2026 plan really shows this focus on core low risk markets, US And Europe representing 90% of total investment, 95% coming from A-rated countries.

If we move forward to Slide 9, I'm talking about business plan execution.

2026, as I mentioned, secured, 80% of 2027 is already secured, and we have good visibility of line of sight of additional megawatts coming out of the US Over the next couple of months that we expect will be signed. So overall we have around 60% of the five gigawatts additions already secured at this time, of which 3.2 gigawatts is coming from North America and Europe already. I wanted to stress again, because I really think that's an important part of our value proposition.

These are value creative, low risk growth with an expected return or spread IRR–WACC for around 285 basis points.

To capture the benefits of this development activity, we are well positioned with the pipeline and commercial momentum, as I mentioned, in US., Europe, and also some low risk APAC markets.

We have around one gigawatts of PPAs on the commercial discussions, 20 gigawatts of pipeline overall, 50% of this located in MISO and PJM some of you who are more familiar with the US, might know these are some of the most attractive demand pockets of products in the US And this is being supported by competitive domestic content procurement. As you know, we reconfigured our procurement supply chain a couple of years ago, so it's all domestic content. And we also have the tax credit safe harbor.

In Europe, we have around 0.8 gigawatts of PPAs on the commercial discussions and the 15 gigawatts pipeline in the core European growth markets. Again, deliberately low-risk, execution-driven, focusing on core markets, leveraging CfD auction routes to market. In APAC, we are focused very much on countries like Australia, Singapore, and Japan, A-rated countries with also good growth prospects.

So takeaway, very simply, is delivery of the 26–28 business plan is being de-risked at attractive returns with long-term contracting.

To move to Slide 10, and just before I pass over to Rui, so an important point is the focus on portfolio optimization. And we aim to maximize returns and to reduce risk also through our asset rotation program and the disposals in non-core markets and segments. In 2026, I think I say this every year, we continue to see strong demand in private markets willing to buy high-quality assets at competitive multiples.

And this has been consistent over the last couple of years. Given the favorable market environment, given the visibility that we already have, we are able to advance with an upward revision on the expected 2026 asset rotation gains from around EURO.2 billion to a range of EURO.2 billion to 0.3 billion interval. I think this is just an additional proof of our strong execution track record and on a part which is critical for our strategy. This is not done with additional volumes. In fact, if anything, we will probably be doing less volumes than expected, but with higher gains per megawatt, which I think is exactly the right message and the signal. And if you want, I think an additional proof of the quality of the vintage of projects that are coming through this year.

Additionally, our disposals in non-core markets is also ongoing, and we will be reinforcing the high weight of A-rated countries in our portfolio. So, as I say, US and Europe and certain select APAC countries.

Finally, just on offshore, I just wanted to highlight the recent settlement between Ocean Winds and the US Department of the Interior that came out just a couple of days ago. This will enable Ocean Winds to recover the leases in the value of around \$0.2 billion. This is in line with the current book value of these projects, so we don't expect gains or losses on these projects. But obviously, it will be a positive cash impact on the balance sheet that we expect to have over the next couple of months.

This will reduce EDPR's current exposure to the US Offshore to a book value of \$0.2 billion. So we're roughly recovering already half of the value. And if you want, we can then talk a little bit later about South Coast wind. But I'll stop here, and I'll pass it over to Rui, and come back later for final remarks.

Thanks.

**Rui Teixeira**

Thank you, Miguel. Good afternoon to you all. So let's move now to the first quarter 2026 results.

We are delivering a solid start of the year. Average asset capacity increasing 9% year-on-year. We reached 20.5 gigawatts by the end of the quarter. Obviously driven by North America and Europe as the regions we've made additions.

At the same time, we also continue to actively reshape the portfolio with the different destinations that were closed throughout last year. Some final closing also in the first quarter this year. So that was about 0.9 gigawatt sold in line with what was forecasted in the business plan. As a result, electricity generation increased 3%

year-on-year to 11.3 terawatt hours. This is obviously supported by average higher assault capacity in operation, partially offset by the perimeter change, as I just mentioned, given the asset rotation. Overall, generation levels are fully in line with our full year expectations.

So if we move now to revenues on Slide 13, electricity sales decreased 5% year-on-year to EUR591 million. And this reflects both lower prices in Europe, sort of a normalization of the prices in Europe, and the depreciation of the US Dollar. I think it's important when we exclude FX, revenues were broadly stable and the higher volumes offsetting the price normalization.

The average selling price declined to EUR52.3 per megawatt hour. As I said, mainly to the European case, that was a drop of about 14% year-on-year. But North America, if you look at it from a US Dollar perspective, actually remained stable year-on-year.

Europe was impacted by this normalization, obviously despite the higher generation, particularly in Iberia, given the extreme weather events that happened in this first part of the year. North America declined EUR24 million year-on-year, but actually increased in US Dollar, again, supported by the volumes. South America and APAC showed positive contributions from higher volumes as well.

So overall, I think the key takeaway is that volumes are growing, pricing reflects normalization, and then we have the specific original events and particularly the FX impact on the US Dollar side.

If we now move to Slide 14, I think it's important to focus on efficiency because this is really a key part of how we create value. So, in the first quarter, our recurring core OpEx decreased by 11% year-on-year, and even when accounting for FX and depreciation and inflation adjustment, it actually decreased 9% year-on-year. So it's a very important decrease in terms of the recurring core OpEx. This reflects a continued execution in what we define as the efficiency strategy.

On a per megawatt basis, core OPEX is decreasing by 11% over the last two years to EUR41,000 per average megawatt, and OpEx per gross profit ratio improved to 34%. These results reflect obviously the focus on more efficient, flexible O&M strategy, continued cost discipline, organization streamlining with a lean workforce model, but also scaling digital and AI across EDPR that is contributing to productivity improvements across the different regions. So all this in the context of growth, bearing in mind that EDPR delivers its growth targets and is able to reduce the core OpEx. So I think it's notable, it's a remarkable achievement by the entire company.

As we also recently shared, this is part of a wider value-driven asset management that namely will look at how we maximize the asset's life, can think about life extension, we can think about repowering, co-location, something that we highlighted a few weeks back, which is the value, the existing value of the operating fleet that goes well beyond what is the sort of defined standard useful life for the asset, particularly on the wind side.

So now if we move to Slide 15 on EBITDA, returning EBITDA reached EUR480 million, up 2% versus last year, or actually increasing by 10% if we exclude the effects impact. Looking at the main drivers, electricity sales were low, as discussed. Tax equity revenues increased by EUR13 million, supported by the solar additions that benefit from the ITC that offset the gradual phase-out of the wind PTCs.

Core OpEx decreased by EUR20 million, just mentioned before, reflecting these efficiency gains, the cost discipline. Other costs improved, including initial asset rotation gains of about EUR5 million in Q1, so from the final closing from a past transaction in Greece. As also Miguel stated, we should observe the concentration of these years' asset rotation gains in these coming quarters.

From a regional perspective, growth was mainly driven by North America, while Europe was impacted by the price normalization, and just finally portfolio expansion in the efficiency gains definitely more than offsetting this this pricing effect that I just referred to.

On financial results, Q1 saw an improvement of EUR13 million year-on-year with total cost total financial costs reaching EUR113 million. This is driven by EURO.4 billion lower average net debt also by a reduction of the average cost of debt from 4.8% to 4.5%. We also observed a lower impact from FX in derivatives and these were partly offset by higher capitalized financial expenses.

The financial profile remains strong 74% of the debt is fixed. We are well diversified across different currencies 42% Euro 39% US Dollar 9% in Brazilian Real and 11% in other currencies. We maintain the long maturity profile with 60% of our debt occurring beyond 2028. So all these reinforces the discipline and low-risk financial policy that we have.

So we are now moving to Slide 17 and looking to the cash flow evolution in the first quarter of 2026. Organic cash flow reached EUR142 million 1% up versus last year reflecting the strength in the from the operating portfolio. During the quarter we invested EURO.4 billion in expansion CapEx partially funded by operating cash flow and as a result net debt increased to EUR8.4 billion that's up EURO.3 billion since December.

On the net profit recurring net profit this is on Slide 18 reached EUR71 million increasing 9% year-on-year or 21% when excluding forex. It showcases how EDPR's good financial operational performance was in this first period of the year.

The main drivers in addition to the portfolio expansion the good operational performance that deliver higher EBITDA also the improved financial results depreciation slightly increased obviously given the capacity additions tax remained broadly stable when compared to the first quarter last year there are no material asset rotation deals that were closed in this period in both of the years and also higher minorities following the completion in Q4 last year of the sale of a 49% stake in our pioneer portfolio in the US.

Regarding the one-off impact at the net profit level there's EUR1 million recognized this year mainly coming from accelerated depreciation of middle four. As you may

remember, this is a repowering wind farm project in the US. And we also have some small impacts from some restructure internal restructure (HR restructure). Before ending just a quick note on script dividends following the approval in our last month's shareholders meeting and the launch of the process on May 4. The admission to trading of the new shares will start on June 3.

Just finally, before I head over to Miguel, let me just, on Slide 19, let me just recall the sensitivity of EDPR's net profit to wholesale markets. And obviously considering the current context, the geopolitical context, current market context, and the wholesale markets. So first of all, the portfolio is highly resilient, it has a low risk profile. 85% of the generation is either long-term contracted or hedged.

Around 70% is secured through long-term contracts with an average remaining life of approximately 11 years. Therefore, we have very strong visibility on the cash flows well beyond the current business plan. The remaining exposure is actively managed through rolling hedges, while merchant exposure remains limited and there are always various trade management. So, as a result, the average selling price are, I would say, very well protected.

It's around €51–53/MWh in 2026, and then increasing to €52–55/MWh in 2028. Again, importantly, it's a very limited merchant exposure and well diversified geographically, which then benefits from this diversification effect. So in Europe, foreign prices for 2028 are currently slightly below our business plan assumptions. This is mostly driven by Iberia with a modest negative impact of around 2% on any income.

But on the other hand, this is largely offset by more favorable dynamics in US., particularly in our exposure to PJM and NYISO markets, but also Brazil, where forward prices are above the plan assumptions and therefore they contribute positively to the earnings.

So overall, as I was mentioning, there's a diversification effect that works also as a hedging across the different regions. Taking all this into consideration, net income sensitivity to forward power prices as of now is less than 1% for 2028.

So again, I think it reinforces the message that our earnings are predictable to the extent of the exposure to wholesale prices and therefore also the cash generation. So with this, I would hand over to Miguel for closing remarks.

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

Thank you. Thanks, Rui.

So just before going to closing remarks, just a quick update on how we see the 2026 EBITDA guidance. So we had a good first quarter operational and financial execution. And so we feel comfortable about upgrading our 2026 EBITDA guidance by 5% to around EUR2.2 billion, essentially on the back of three levers. The first one is an improved outlook on the asset rotation gain.

So as I say, going from around EUR0.2 billion to a range of EUR0.2 billion to EUR0.3 billion, and benefiting from the strong private markets and investors willing to buy

these high quality assets. As I say, I think this is a signal of a new vintage of projects coming through that we'll see over the coming years, months and years. The second lever was really a strong focus on the underlying performance and this commitment to driving efficiency consistently over time across the business. You saw the numbers that both I and Rui talked about in terms of bringing the OpEx down and bringing the OpEx per megawatt down.

And I think that's something that, again, this is something we're going to continue to drive over time. And I think it's really showing through also in the numbers. Finally, the third point, third lever, it's really just the improved macro context. So power prices, some tailwinds on the regulatory and political landscapes, like the generation tax in Spain, which is also positive.

So all of this put together, I think just shows EDPR is in a good place, strong execution capabilities, both financially and operationally, together with a good environment. And I think that we can really get the company to unlock its full potential over the coming years. With that, going on to just the final slide. So just the key data points.

Execution on the business plan, progressing well, visibility continuing to improve. 60% of the 5 gigawatts already secured at attractive risk return metrics. Financial momentum remains strong, over two gigawatts under active discussions in the US And also 0.8 gigawatts in Europe. 80% of our electricity generation long-term contracted.

I think Rui has already spoken at length about that and how that keeps us sort of protected from some of the volatility. Post-2028, I think the visibility is also strengthening. And so maybe at some point we'll be able to also talk about that. Demand growth in both Iberia and the US., structurally driven by these long-term electrification trends, data centers, electrical vehicles, industrial reshoring. I think this is really important because more demand means you need more supply. And so we're definitely locked into that.

In the US., higher PPA prices, meaningful recontacting upside, improving local supply chains, safe harbor framework for tax credits locked in. I think all positive. Europe, increasing demand for hybrid solutions, regulated TFT schemes, reinforcing this role of renewables. So I think Europe also a lot of positive signals.

So overall, I think we are in a good place. Continued investments in digital and artificial intelligence. I think that's what we're also continuing to focus on to just push this operational efficiency and the asset performance. And so all in all, taken together, good long-term demand fundamentals, good medium-term visibility, disciplined execution means we are confident on EDPR's ability to grow and have resilient value creation, not just over the course of this business plan, but also beyond.

Thanks. And Miguel, I'll pass it back to you.

## Questions And Answers

### Q- Miguel Viana

And the first question comes, essentially we have from Beatriz from Mediabanca and other analysts around the EBTA guidance for 2026. If we can elaborate on 2026 guidance upgrade from EUR2.1 billion to EUR2.2 billion, namely providing detail on the breakdown of contribution between asset rotation and underlying, and also regarding how we see the evolution for the next quarters.

### A - Miguel Stilwell d'Andrade

Okay. So essentially the upgrade is based on two things, on underlying performance and also higher visibility on the asset rotation.

In terms of the underlying performance, so already 90% of our 2026 is long-term contracted or hedged, so no reason for big deviations here. But excluding the dollar headwind, I mean, the underlying effects would obviously be better. But even independently of that, we have and are still expecting high single-digit growth of electricity generation, so around 44 terawatt hours in

2026, and then an average selling price range to stay in the 51 to 53 years per megawatt hour. Also expecting some slightly better contributions from pricing in Poland, Romania, Brazil, better than expected OpEx, lower taxes and levies in Liberia, US Partially offsetting US Depreciation.

So that's on the underlying performance. On the asset rotation, as I said I think in the presentation, we are expecting to sell the same or I would say slightly lower perimeter of assets, almost certainly, but at better margins than initially assumed. And so higher visibility on asset rotation also. So the combination of this I think is what's giving us confidence on the upgrade.

### Q- Miguel Viana

Thank you, Miguel. The next question comes also from our participant, from Morgan Stanley. If we can provide some visibility in terms of guidance for net profit for 2026 that we didn't provide in the presentation.

### A - Miguel Stilwell d'Andrade

So normally we don't give a lot of or we don't give specific guidance on net profit for EDPR I think what I can say here is that we're comfortable with the recurring net profit consensus for 2026, which depending on the sources could be between EUR400 million and EUR450 million range.

And I say, as I said, , this is due to what I mentioned, what I said about the EBITDA obviously then flows down to, to the net profit. We are also working on EDPR's

portfolio optimization. And so the exit of some non-core markets and business segments.

And we expect that to also positively impact EDPR's underlying financials, the net profit trajectory for the next couple of years. But in relation to 2026, essentially, some of the comments on the EBITDA flowing down to the bottom line, let's say consensus for '26, that range we're comfortable with.

**Q- Miguel Viana**

And we have a question also on the net debt by DRN, how do we see net debt evolution until December 2026?

**A – Rui Teixeira**

Thank you, Miguel. So we do expect net debt below December '25.

Just reminded, it was EUR8.1 billion. And we should be deleveraging and trend down as projected in the business plan '26-'28. Again, just reminded, we are expecting '28 to be below 2025 by EUR1.5 billion. This obviously depends on the timing of the execution and the cash-in on the asset rotation and tax equity proceeds, as well as on the disposals, portfolio optimization, which are on track.

**Q- Miguel Viana**

Then we have a question on the recent news that came out this weekend on the Trump administration blocking green power licenses that came in Financial Times. If we have any comment on this?

**A – Miguel Stilwell d'Andrade**

Sure. So, yeah, I mean, there was news, I think we all saw that on the US., administration blocking wind power licenses.

I think it's a broader concern for all wind powering projects that require federal permits primarily. And it's obviously something that we're monitoring very closely together with the industry associations, ACP and others that are acting on the ground. I think this is I just wanted to reinforce this because I mentioned it also way back in November at the capital markets, and I've repeated it several times. We don't expect this to have any impact on the '26-'28 business plan because we already projected this to be relatively prudent in that respect.

So, we're not, we are only including one repowering project in the US., for this period. That's already under construction. So, any additional repowering that we did in this business plan period would be a potential upside.

So, this news is not obviously positive, but it doesn't have an impact on our projections. For the period immediately post-2028, and we highlighted this also in a

recent presentation we did in Madrid for some of you that were able to attend, the Wind Value Levers, we have around 0.6 gigawatts of repowering projects currently in the marketing stage. But as I say, we are being deliberately low risk in terms of permitting and PPA commitments. And only projects that meet these criteria are considered secure. So, we're not taking undue risks on this. And as I say, any news that you get on the repowering in principle would be upside for us.

#### Q- Miguel Viana

Still on US., also in terms of clarification of the Ocean Winds US Offshore Settlement Agreement and namely related with the reinvestments, financial impact for EDPR, and also how do we see the standing of the south coast wind that is still in the portfolio OW?

#### A – Rui Teixeira

Thank you, Miguel.

So, just first to clarify, the reinvestment, so maybe just step back.

And as you may remember, these two projects, one in New York and one in California, those are projects where Ocean Winds partners with two other investors, SGIP in New York and CIPB in California. What is agreed is that these investments will be carried out by our partners in those two projects. And therefore, there will be no direct involvement of Ocean Winds or EDPR in those investments. I would say that the most relevant impact that we are foreseeing for EDPR is an expected reduction of 2026 net debt in the same amount of the reimbursement, obviously, in what is EDPR's share.

Just also highlighting about three quarters of this reimbursement, the \$0.2 billion, is Blue Point. So, the New York and about one quarter is the Golden State Wind, which is the California. So, that's not evenly splitted between the two projects. From 2027 onwards, we see sort of a single-digit impact in terms of the barriers associated with the earnings, given that we are saving those interests.

Regarding South Coast Wind, I mean, that's probably the most advanced project, offshore project, right now in that part of the country in Massachusetts. It's very advanced in terms of the permitting interconnection milestones. So, all options are being explored. For the moment, the project continues to be harbored.

As you may remember also, we assumed that as a -- we took that view back in the end of 2024, when we also booked an impairment for a year delay in the project. But as I said, I mean, all options are being explored as of now.

#### Q- Miguel Viana

Regarding data centers, just a question around the strategy of EDPR and how it's evolving our pipeline in the US And Europe.

**A – Miguel Stilwell d'Andrade**

So, this is an interesting area, but what I'd say is we're what I'd say is we're working on both sides of the Atlantic in Europe, mostly here in Iberia, and also in the US., on several opportunities for co-location, powered land, securing electricity consumption, grid connection rights. We have some more advanced stages of powered land in the US And Spain, and we'll let you know, obviously, when we reach a concrete deal. So I don't want to elaborate too much on this. At this point, I would say, once we have something concrete, we'll obviously communicate it.

The only thing, perhaps, to mention here, and this is something that we've also mentioned in presentations, is we have around two gigawatts of powered land pipeline, of which 0.8 gigawatts is an advanced permitting, and so we are continuing to explore different ways of monetizing this and extracting value. Maybe just by, as a side note, but obviously relevant to us, just recently in Iberia, Start Campus, which was one of the big danger centers here in Portugal, which was being built, just recently announced second phase with NVIDIA, Nenskill, and that's obviously a key milestone. So they're already moving through into the second phase, and I think we'll be well positioned to also then start marketing the third phase, and this is already represents, or begins to represent, a significant amount of additional demand here in Portugal, which will come through sort of 2027 and beyond. But I think it's one specific example, just because it's come out very recently, that I wanted to flag.

I mean, there are many more that we could probably talk about.

**Q– Miguel Viana**

Regarding the upgrades of 2026 guidance, the question is if this guidance upgrade has any implication on EDPR 2026–2028 targets of the business plan?

**A – Miguel Stilwell d'Andrade**

Well, I'd say that it's still early, so I'm not going to comment too much. We're focused on delivering the plan and also gaining further visibility on the post–2028 period, so that hopefully at some point in the not–too–distant future, we can come back and talk about that. What I'd say is that the portfolio optimization is evolving positively, underlying net profit in 2027–2028, when we look at sort of prices, and we're still assuming after rotation gains contributing around EURO.2 billion, sort of in line with the business plan assumptions that we had.

We're also seeing good commercial activity in the US And Europe for 2027–2028 and beyond. We're also seeing that optionality that I talked about, the data centers and some other levers for either collocation or repowering. So, there are some potential upsides that we're working on, but for now, I'd say, let's just assume the current estimate for 2028. and as I said, if we get there's no visibility on '28 and beyond, then we would come back to the market and talk about that.

**Q- Miguel Viana**

We have a last written question before moving to the questions on the phone from Arthur Sitbon from Morgan Stanley. We have seen multiple companies in the sector using equity in recent weeks to prepare future growth opportunities. Are there scenarios in which EDPR could consider resorting to the same type of measure?

**A - Miguel Stilwell d'Andrade**

Yes, so I think what I'd say here is that we are very comfortable with our current plan in terms of balance sheet. We obviously use asset rotation as a way of optimizing our balance sheet.

Our plan does not assume any equity raise, and we don't need to raise any equity. But I think we are just very focused on creating the maximum amount of value possible. So delivering on the megawatts execution, both securing additional megawatts, delivering on those megawatts,

rotating those megawatts with significant gains, and keeping the balance sheets within the ratios that we want and that are compatible with the triple B rating for EDP. So that's what I'd say. We don't have any plans for equity raising.

**Miguel Viana**

Thank you. So we go now to the questions on the phone. First question comes from the line of Pedro Alves from CaixaBank. Pedro, please go ahead.

**Q- Pedro Alves**

Hi. Good afternoon. Thank you for taking my question. Two, if I may, the first one, and I'm sorry to come again to the 2028 targets.

You have more than 60% of all divisions secured for the plan, and apparently with better return encouraging origination activity. You mentioned the optionality from repowering in the US in marketing states, and also that visibility on assets rotation has improved with a healthy private market for M&A. So can you at least acknowledge that your 2028 targets now look to be, seem to be on the conservative side, at least in terms of underlying EBITDA? And the second question is just additional color on the PPA pricing in the US and the cost inflation. The PPA prices continue to go up quarter after quarter, and I think this is already reflected in better IRR over walk spread compared to your original plan assumptions. So I just wanted to ask if your latest commercial discussions with offtakers in this environment give you confidence on keeping this expansion of IRR spreads for the whole five gigawatts of the plan, or if eventually higher EPC interconnection or equipment costs could be absorbing most of this PPA upside into the returns.

Thank you.

**A – Miguel Stilwell d'Andrade**

Thanks. Listen, we're only six months into the plan, so we announced this in November, just May, and I think what we look for is to go on executing over the course of this year, and then as I said towards the beginning of next year or something, once we have good visibility in '26, we can maybe come back and talk a bit more about '28 and beyond. But what I'd say is that there are positives and negatives on the 28 numbers in general.

I think we'll feel very confident about 2028, but you were trying to get me to characterize it as conservative, and I don't think I'd go there. I would use that at this point. So we're six months into the three-year plan. Let's give it a little bit more time before we talk about changes to 2028.

PPA pricing: I mean, yes, we feel very comfortable on the spread. I think the structural underlying demand growth, both in Europe and in the US., means that we feel confident that new generation needs to be well remunerated, and we're not going for volume.

We're going for risk-adjusted returns, and we want to make sure that we keep this criteria and are very disciplined on that. I think we are comfortable on those spreads. As you know, we have, let's say, a number of megawatts that we're expecting for the next couple of years, which seems quite doable, and so we're going to make sure we're focused on getting the best projects possible precisely to keep those spreads and that low-risk profile, which I think is extremely important. On the supply chain and all that, I mean, we're constantly updating.

One of the things I think we've gotten much better over time is our operational management on the supply chain, just making sure we're always building in better estimates about CapEx costs, building in more contingencies, buffers, making sure we're much closer in terms of when we take investment decisions and when we actually also lock in the CapEx. So that's what I mean when I also talk about low risk, just making sure we are not exposing ourselves to inflation or to any type of cost overruns.

**Q- Pedro Alves**

Thank you.

**Miguel Viana**

Thank you, Pedro.

Next question comes from Javier Garrido from JP Morgan. Javier, please go ahead.

**Q- Javier Garrido**

Thanks, Miguel.

All my questions have been answered, but I would like to ask again on the last topic, you could elaborate a bit more on the potential risk or the way you manage the risk from inflationary pressures, given what's going on in the Middle East and the likely inflationary pressures we should see in the value chain, it would be helpful if you can elaborate a bit more on how protected you are, whether your protection comes from risk-sharing with the PPA of takers, or because it's more about fixing the price. Basically, what is different from 21-22?

**A – Miguel Stilwell d'Andrade**

Thank you. I think that's happy to go into more detail on that. I think the big, so the way that this works in terms of development of these projects, as you know, is you go on doing some of the development, and at the same time, you are trying to find an offtaker or PPA and trying to price the project and running in parallel sort of an estimate for the CapEx for the project.

It's not always easy to line these up. And I think one of the things that the sector did in general, not just ourselves, but would be to make sure that we were able to lock in a PPA with certain CapEx estimates and then go and try to lock the CapEx once you have the PPA closed. That meant that you were exposed for a certain amount of time between the PPA, between when you locked in the PPA with certain estimates, and when you actually locked in the CapEx. And what we've been very focused on doing is reducing, to the maximum possible, any time between when you lock in the PPA and when you lock in the CapEx, and making sure that you're not taking on exposure, let's say inflation exposure or CapEx exposure, between these two dates, when you take FID and close the PPA, and when you lock in the CapEx. So, that's one point.

I think the second point is just to say that we're also building in much more buffers and contingencies for delays, for unexpected contingencies that might come along. And so, we're being more prudent also in terms of the CapEx numbers that we use in our own modelling. So, when we talk about some of these spreads, they already have built in not just what we're seeing in the market, but we're adding in an extra buffer just to be on the safe side.

So, that's why I think we feel quite comfortable about, or much more comfortable about managing, I think, the supply chain, just based on everything we've done internally to adjust, to reduce the risk.

**Q – Alberto Gandolfi**

I have the following questions. The first one is, I think, just wanting to go back to slide nine. Can you please tell us again, what is the IRR over WACC spread? And if you can, the absolute IRR you have been signing, let's say, over the past six to nine months. And how much is the uncontracted CapEx to '28.

Because I'm just trying to figure out the upside from the plan you presented, which appears, at this stage, fairly conservative.

The second question is, could you be a bit more explicit on any potential data center strategy you may have? There are companies now that are actually developing data centers themselves. There are companies that are selling sites, companies providing energy like yourselves. Are you tempted to also explore the other two routes? Are you working on that, like a site and/or direct development?

And the last question is, I understand you just said you're comfortable with the current capital structure, but can I ask you, when can you upgrade the current level of net capacity additions without having to raise any equity? Is it given the returns, is it later in '28, is it '29, '2030? So can you tell us when can we expect you to grow a little bit more? Because on a net basis, you're not adding that much given the size of the company right now.

Thank you.

#### A – Miguel Stilwell d'Andrade

So quite a lot to unpack there. So let's see if I can get all of your questions. On the first one, in terms of spread, obviously it depends on the geography because it's really spread to the underlying WACC so I won't give you very specific IRRs. But let's say in the US it could be around 10%, thereabouts. I think we've seen projects sort of high nines, that sort of range. But the overall spread then in Europe, it will be slightly lower IRRs because the cost of capital is also slightly lower.

In terms of a contracted 2028 CapEx, I mean, we still have around 40% given that we only have 3.2 gigawatts secured of the 5. So, just doing the math, the 1.8 gigawatts still unsecured is basically mostly 2028, a little bit of 2027. So hopefully that answers the first question.

On the second question, on the Data Center strategy, we will not do direct development of Data Centers. I don't think we have the competencies or the balance sheets to get into that.

And I don't think we're the best player for that. I think I believe very much in sticking to what we know how to do and stick to the basics, if you want. And what we know how to do is to develop renewable projects, run networks, well, in the case of EDPR, just projects, whether it's wind, solar, batteries, we know how to develop sites, we know how to develop interconnections, we have some good sites that we can monetize, as I say, either by helping co-locate data centers, for example, close to existing sites that we might have. That's one way.

We can also see co-develop with other people as well new sites, or come up with sites that we think are attractive for some of these data centers. So, that's also something that we can do.

Then, obviously, the plain vanilla, selling energy to these big tech or some of these offtakers. That's our bread and butter.

That's what we do on a day-to-day. That's what we've been, I think, very successful. EDPR, I think, is a leader in doing that. That's going to be the bulk of our projects going forward.

So, direct development, no. Selling directly power to these sites and these PPAs and doing these projects, yes – that's our bread and butter. Additional monetization of existing sites and our development of some new sites, we will also look at that and are looking at that. If we have concrete transactions, we'll let you know.

On the third question, capital structure. I mean, we've been around this a while. I think what I say is that the two things go in parallel. As you know, for 2028, we still have some space on the balance sheets. We are expecting that we could potentially upsize there, just without having to sell additional megawatts. But in any case, we can also manage these two. Since the market for asset rotation is so healthy, we believe that we would be able to continue to upsize and continue to monetize some of these projects.

So, it wouldn't require equity. So, I think that we've managed to find this balance certainly over the last couple of years. That's what's built into our business plan so that we could still keep the asset rotation.

#### **Q – Manuel Palomo**

Hello. Good afternoon, everyone. Two big ones.

One, maybe insisting a little bit in the last question, following up on it. If I look at your first ten slides today in the presentation, it seems to be crystal clear the good momentum for renewables. So, my question is, what prevents you from accelerating the installation's pace? Permitting, balance sheet, lack of pipeline in certain markets? So, that is my question. What is preventing you from that?

And the second one is a more detailed question on the Spanish generation tax. Could you please quantify the impact, positive, I understand, from the removal of the Spanish generation tax in 2026 numbers. Thank you.

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

Hey. Thanks, Manuel. So on the first one, what prevents us from accelerating? I don't think anything is preventing us from accelerating. I think what we're making sure, well, two parts to this.

One, making sure we really get the best project risk return. And so obviously we can do more megawatts, but then you start perhaps sacrificing either returns or taking on more risk. And so I think we continue to try to find the right balance in terms of volume, but also risk return. As I say, it's very easy to build megawatts if you accept very low returns because you'll just start getting market share, but we're not in the business of building megawatts for the sake of it, in the business of making money. And so very focused on getting that balance right.

The second thing though, is that there are obviously also restrictions on permitting and licensing. I mean, that does slow down in certain markets. So for example, some of the European markets in particular, whether it's Italy or France, places like that, that there are restrictions in terms of building more megawatts. And in the US, in some cases, particularly on the wind side, I wouldn't say so much on the solar and battery side, but on the wind side, I mean, we just talked about some of the restrictions on the repowering or upsizing some of the projects. So yes, there, there is a restriction. It's not just a question of risk returns. It's a question of licensing and what you can actually get there.

So within those restrictions, it's then choosing the best project to take forward.

On the second point on the impact of the generation tax, I think we're assuming around EUR16 million at the EBITDA level, in terms of positive impact.

### Closing Remarks

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

Thank you all for being on the call, we're off to a good start to the year. I think generally positive outlook, that's why we feel comfortable in coming back to you with an upgrade in the guidance, but I would say the long-term fundamentals are feeling very good, whether it's on the demand side, which is obviously then going to drive on the generation side.

On Manuel's final question – what is keeping us from accelerating? – Obviously there are still issues on the permitting and licensing, which can be frustrating to a certain extent, but then within that, it's really just the question of making sure we're choosing the best projects. And I think that's showing through. The reason we are upgrading, for example, on the asset rotation gains even though we will probably be doing less volume, is precisely because I think we are getting a good vintage of projects coming through. And we've talked about this in the past that there was, let's say, a less good vintage.

Now we're getting a good vintage, and I think that will show up. And it's just a testament, I think, to the value of the project that we're building, not just the ones that we're selling, but the ones that we're also keeping on the balance sheet going forward. So off to a good start, looking good for the next couple of years, and we'll come back to you in the next couple of months with some additional news. Thanks.