

HEP's CEO Frane Barbaric said that the company is pleased that its continuous efforts focused on improving the management of risk as well as of the overall financial position have been recognized. Rating agency Moody's has upgraded long-term corporate family rating of Croatian state-owned power utility HEP to Ba1 from Ba2 with stable outlook as well as the standalone credit quality to ba1.

The report stated that the upgrade reflected Moody's expectation that the company would continue to demonstrate a strong financial profile, building on its solid track record in recent years, and retain its robust credit metrics in the following years.

According to Moody's, the upgrade of the standalone credit rating is supported by HEP's position as the vertically integrated incumbent in the Croatian electricity market, enjoying around 90 % market share, its electricity generation mix, with a high share of low cost and low CO2 hydro and nuclear output, and a strong contribution from lower risk regulated electricity distribution and transmission activities, which in aggregate contribute around half of EBITDA.

By continuing a successful delivery of already started projects as well as the overall investment plans in the following period, HEP will confirm its role as a frontrunner of energy transition thus providing the Croatian Government with support in the creation of conditions for a fast recovery of Croatian economy.