



**GEORGIAN
ENERGY EXCHANGE**

Electricity Trading on the Exchange

I - II Quarters of 2026



Participants

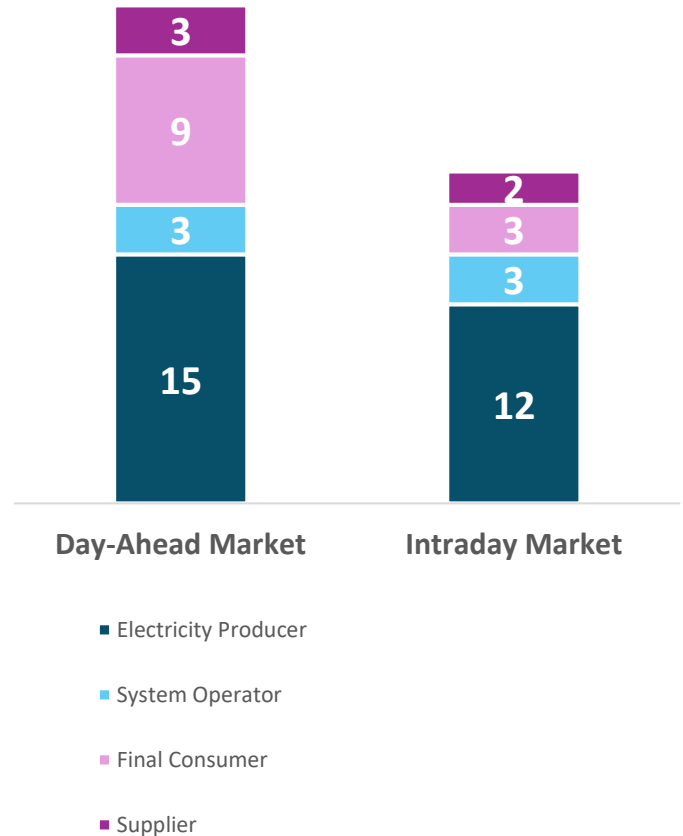
By the end of the first half of 2026, 30 participants had been registered in the Day-Ahead Market and 20 participants in the Intraday Market.

The full list of electricity exchange participants is available on the Exchange Operator's website at www.genex.ge.

Figure №1 presents the number of participants registered in the Day-Ahead and Intraday Markets as of 30 June 2026.

Note: The participant counts represent unique participants. As one participant is registered under two different roles, there are 30 participants in the Day-Ahead Market and 20 participants in the Intraday Market, while the corresponding numbers of registered roles are 31 and 21, respectively.

Figure №1. Exchange participants



Trading

During the first half of 2026, participants traded 41,196 MWh of electricity in the Day-Ahead Market, less than half of the traded volume recorded during the same period of 2025 (94,904 MWh).

Figure №2. Demand and Supply in the Day-Ahead Market during the First Half of 2026

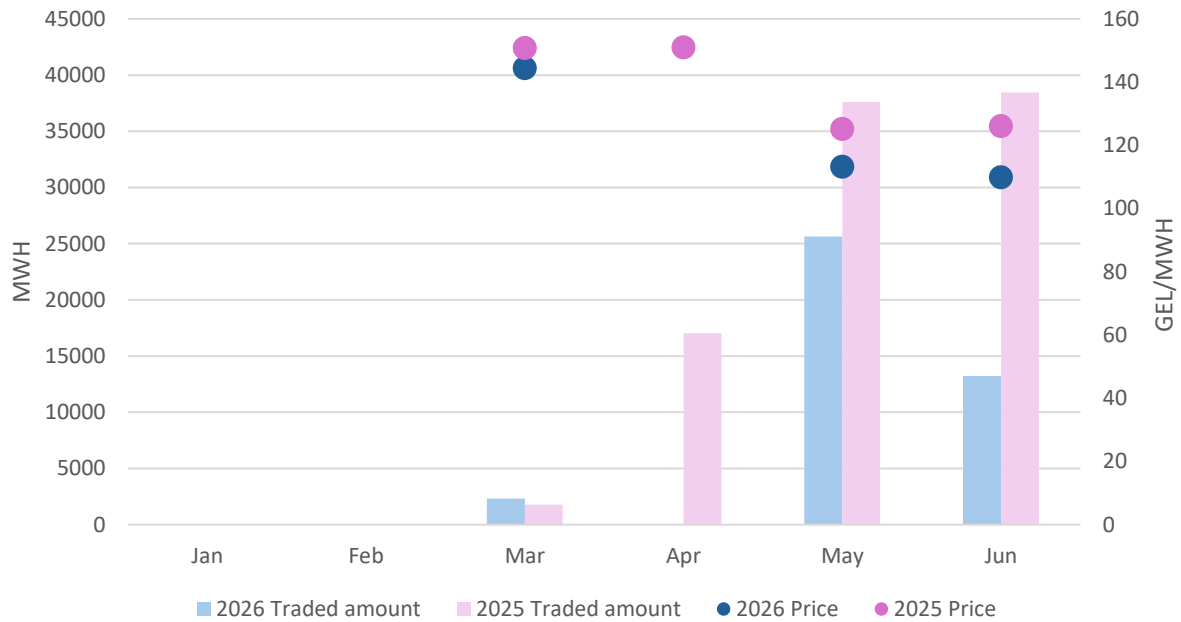
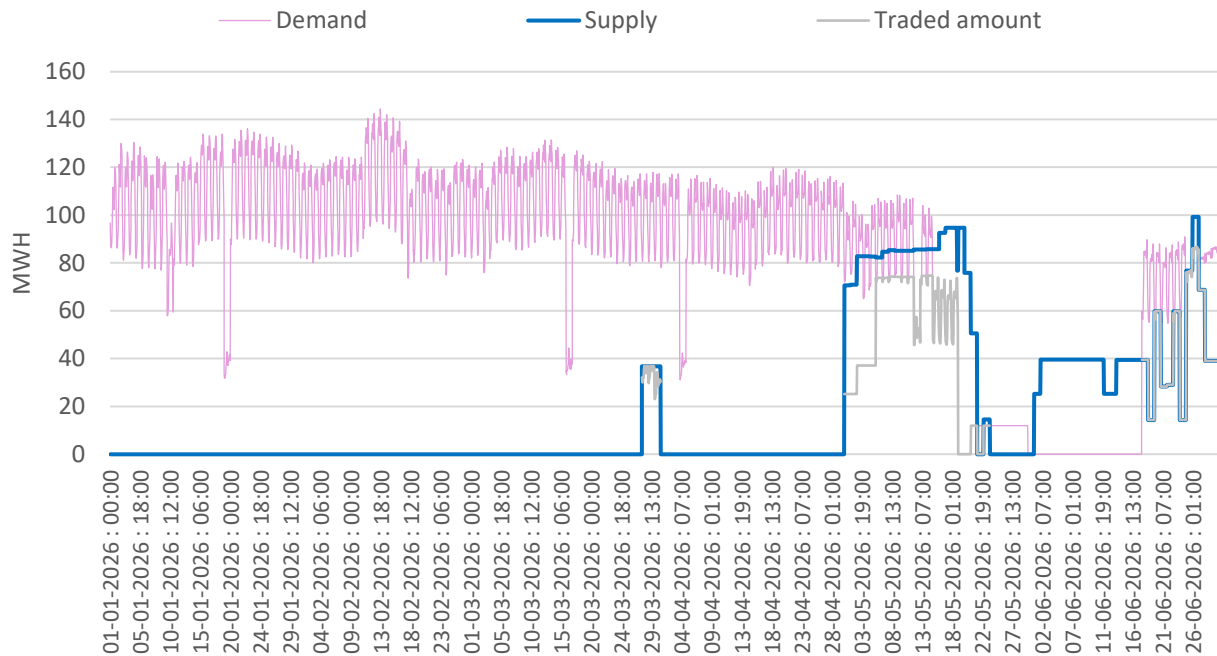


Figure №3. Demand and Supply in the Day-Ahead Market during the First Half of 2026

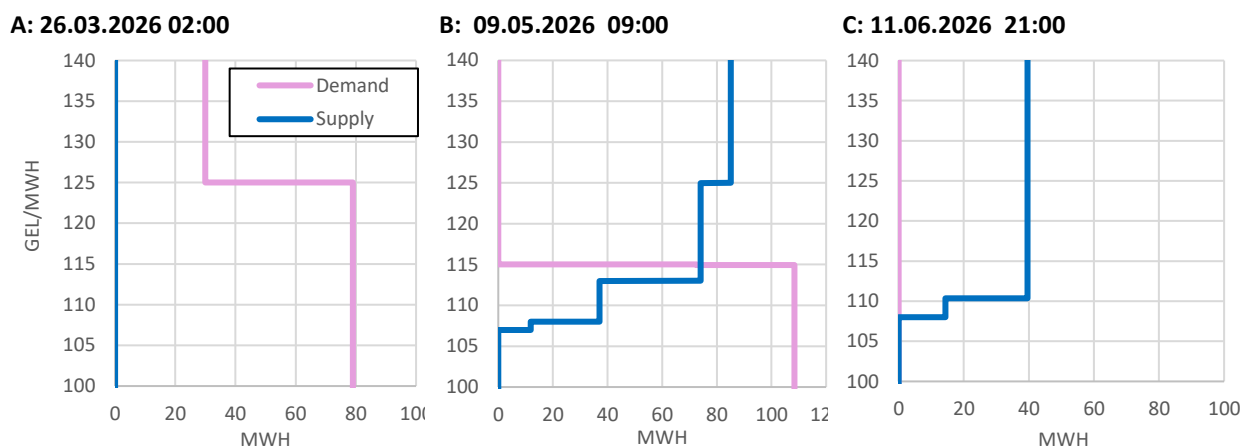


In 2025, active trading began in April and continued uninterrupted through the end of June. Although supply offers were also submitted from the second half of March 2026, no trades were executed in April or during the second half of June (see Figure №3).

Although the spring–summer period of 2026 was characterized by increased hydropower generation capacity and, at the same time, significantly reduced export opportunities due to low prices in export markets, the increased supply did not translate into higher trading activity on the Exchange. This may have been due to uncertainty regarding production curtailment, particularly in cases where existing electricity sale agreements were already in place.

Figure №4. presents the supply curves for selected hours. In case A, consumers were unable to fully satisfy their demand due to a shortage. In case B, consumers were not willing to pay the offered price, and despite demand exceeding supply, the volume offered by suppliers was not fully sold. Only in case C was there a surplus, although no demand was registered.

Figure №4. Demand and Supply Curves for Selected Hours



Compared to the previous year, when prices remained relatively stable throughout the month, May 2026 saw higher price volatility, with a 17 GEL/MWh difference between the maximum (115 GEL/MWh) and minimum (98 GEL/MWh) prices. Moreover, the minimum price recorded on the Exchange during the period was observed in May, amounting to 98 GEL/MWh (see Figure №5).

Figure №5. Day-Ahead Market Trading Results during the First Half of 2026

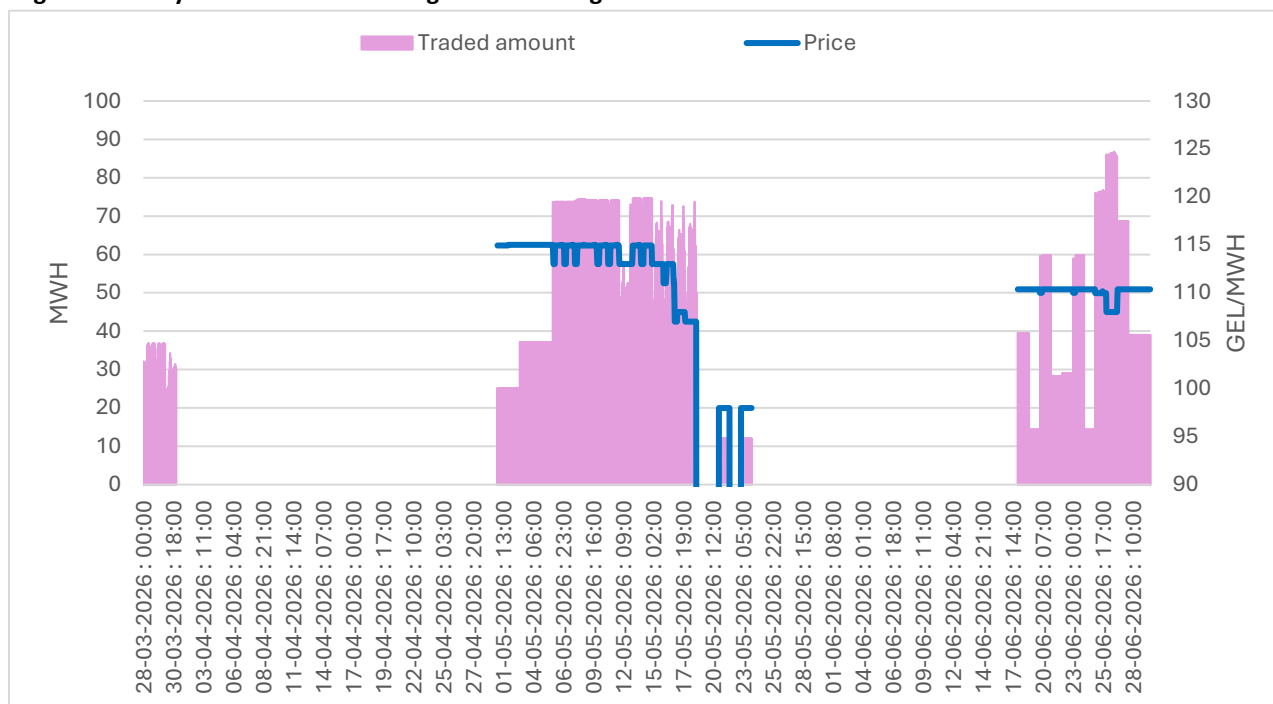
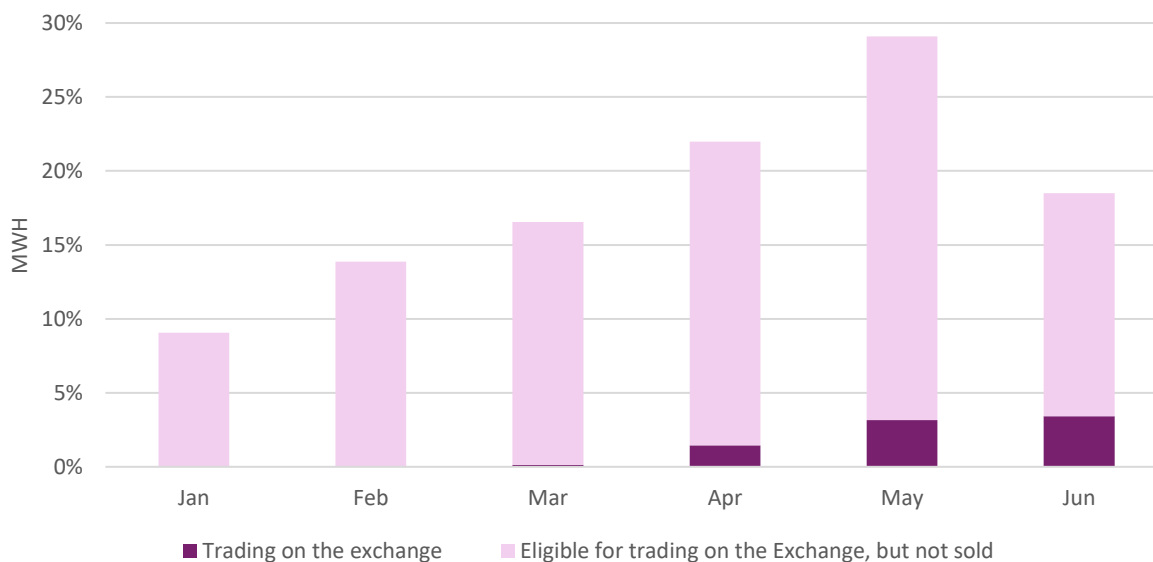


Figure №6. Share of Electricity Available for Trading on the Exchange and Traded Electricity in Total Energy Volume during the First Half of 2026



The sale of electricity on the Exchange is legally restricted for power plants subject to tariff regulation and those benefiting from support schemes. In addition, the submission of import offers on the Exchange is also restricted. Figure №6 presents the share of electricity eligible for sale on the Exchange and the portion of that electricity that was actually traded during the respective month.

As power plants are gradually deregulated, the volume of electricity available for sale on the Exchange increases. However, the incentive to trade on the Exchange remains unchanged in the absence of hourly balancing requirements and corresponding imbalance responsibility.

Figure №7. Average Day-Ahead Market Price and Balancing Electricity Price

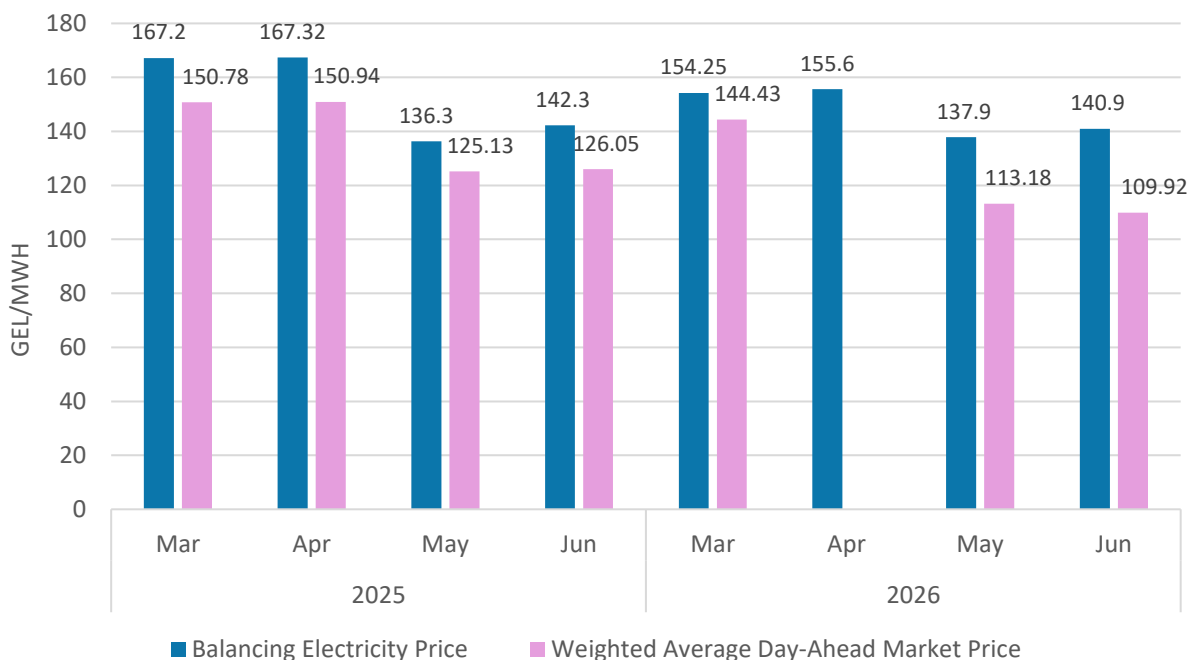


Figure №7 presents the average weighted prices of balancing electricity and the Day-Ahead Market for March–June 2025–2026. It is noteworthy that, despite surplus generation and, consequently, significant production curtailments in May and June 2026, record-high balancing electricity prices were observed during this period.

The Exchange price reflects market participants' expectations regarding balancing prices. Taking into account the surplus generation and significant curtailments, producers offered electricity on the Exchange at prices that were, on average, 14% lower than in 2025. However, given the existing balancing price formation and dispatch mechanisms, these expectations did not correspond to the actual outcome, as record-high balancing prices were recorded during the period.

The difference between the balancing electricity price and the average weighted Day-Ahead Market price amounted to 22% in May 2026 and 28% in June 2026. Ultimately, during the first half of 2026, consumers saved more than GEL 1,066,000 compared to the balancing market price.