



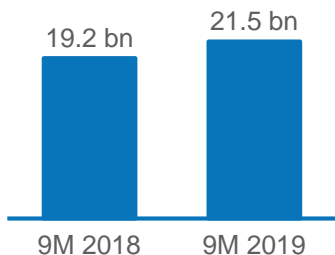
Unipro PJSC 2019 9M results

12 November 2019

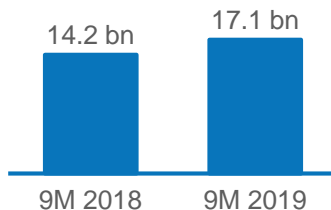


Electricity prices increase supported earnings growth

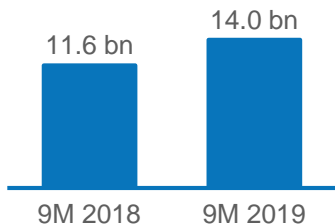
EBITDA^{1,2}



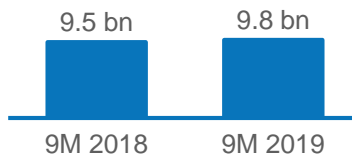
EBIT^{1,2}



Underlying net income^{1,2}



Capex³



Highlights

- Sales increase was supported by higher electricity prices, generation volumes and KOM prices
- No import from Kazakhstan and surplus of electricity export to Finland and Baltic countries
- **Outlook 2019:** EBITDA guidance confirmed at RUB 28-30bn
- Capex mainly allocated to repair works at Berezovskaya
- Dividend guidance for 2020 remains unchanged: RUB 20bn pay out in two installments

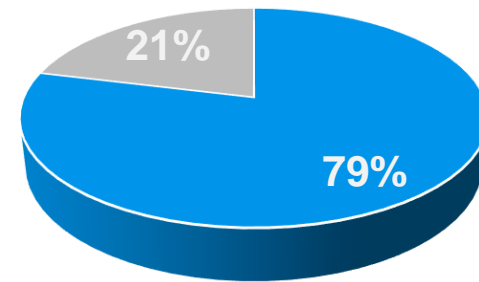
Berezovskaya Unit 3 re-commissioning in Q1 2020



Details:

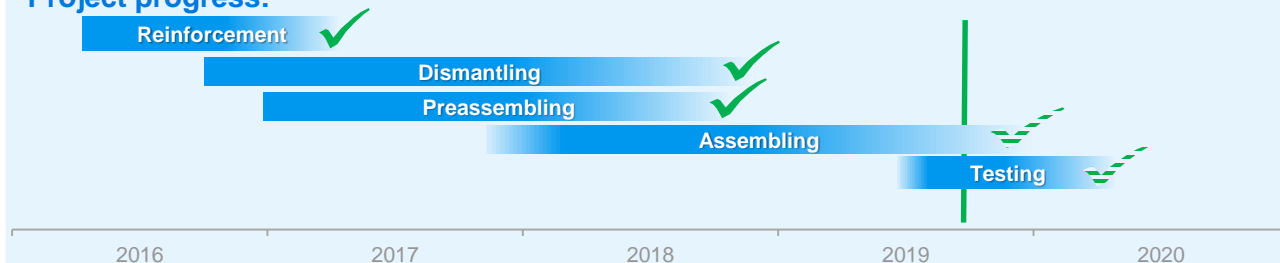
- Project budget¹: **RUB 32bn capex spent, RUB 8bn capex to be spent**
- Successfully finalized hydro pressure tests in early November
- The following works are still to be done: Electrical works (Dec 2019), Steam water oxygen cleaning (Jan 2020), Thermal insulation coating (Feb 2020)
- Re-Commissioning close to end of Q1 2020

Capex (to be) spent on project¹ (%)



■ Already spent ■ To be spent

Project progress:



Modernisation auction results



Main highlights

- Units 1 and 6 of Surgutskaya were selected over auctions in 2019. Unit 4 was approved preliminary in September 2019
- COD over 2022 - 2025
- Total increase in installed capacity equals 60 MW
- Total CAPEX is RUB 10bn
- Risks are limited because of a moderate complexity of the projects
- The projects are in line with the Unipro assets management strategy
- Next auction round in spring 2020

| Projects | Subjects (change of large units) | Generation volume, MW | | COD | CAPEX, RUB bn |
|--------------------|---|-------------------------|------------------------|------------|------------------|
| | | Before modernisation | After modernisation | | |
| Surgutskaya Unit 1 | HPC ¹ + MPC ² + generator | 810 | 830 | 01.03.2022 | 10 |
| Surgutskaya Unit 6 | HPC ¹ + MPC ² + generator | 810 | 830 | 01.09.2024 | |
| Surgutskaya Unit 4 | HPC ¹ + MPC ² + generator | 810 | 830 | 01.12.2025 | |

Favourable price dynamics in both pricing zones

European Zone

- Day ahead market price +7.8% (Q3 -0.5%)
- Gas tariff indexation: +3.4% from August 2018 and + 1.4% from July 2019
- Export-Import Balance increase (No electricity import from Kazakhstan and increased export to Finland and Baltic countries)
- Less hydro generation in H1 2019
- Nuclear generation increased by 4 % in Q3

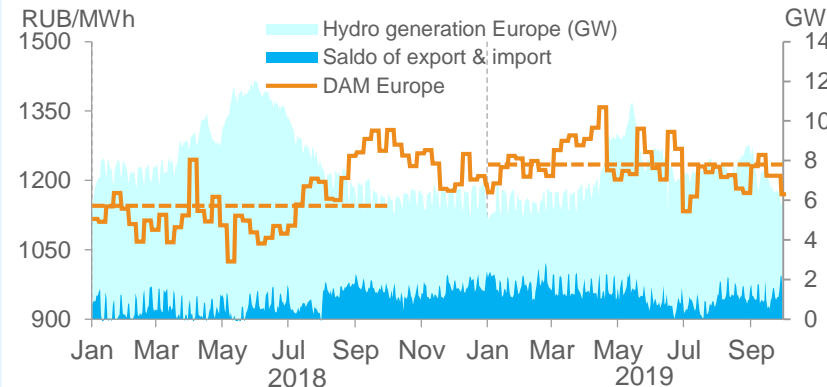
Siberian Zone

- Day ahead market price +4.1% (Q3 -24.8%) as a result of:
 - Coal price increase +4%
 - No electricity import from Kazakhstan
- Q3 prices decrease was triggered by a hydro generation growth of +6%

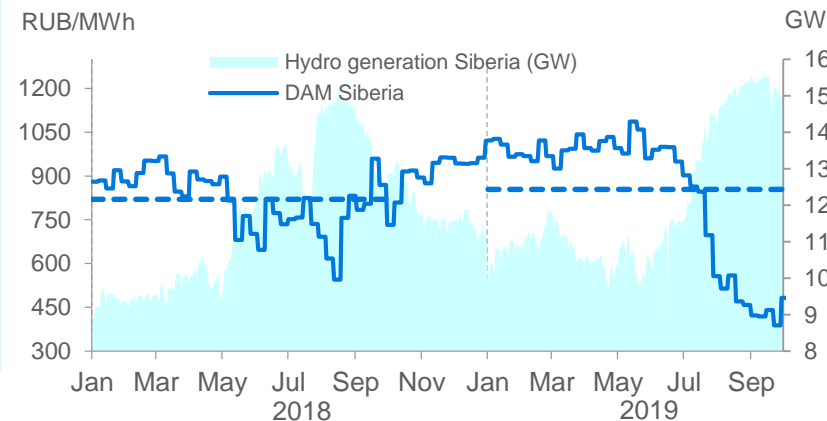
KOM results 2022-2024

- Average price increase versus 2021: Europe 29%, Siberia 20%
- Indexation compared to 2021 of price points of the merit order by 15% over 2022-2023 and by 20% in 2024
- Unipro units have been selected

Europe: DAM price vs hydro generation

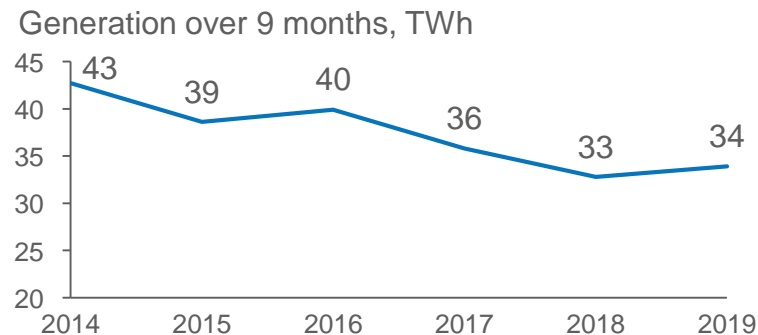
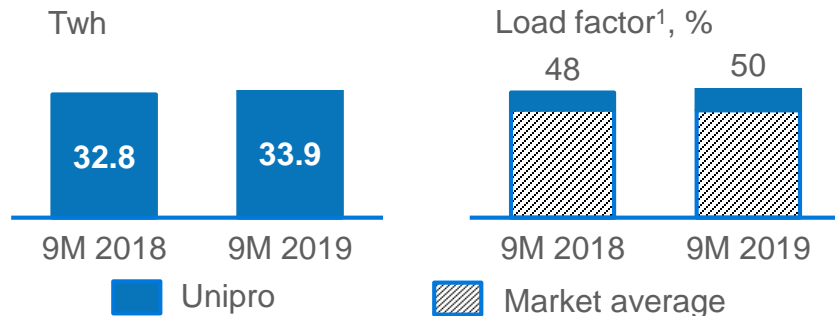


Siberia: DAM price vs. hydro generation



Generation volumes recovery

Electric power generation

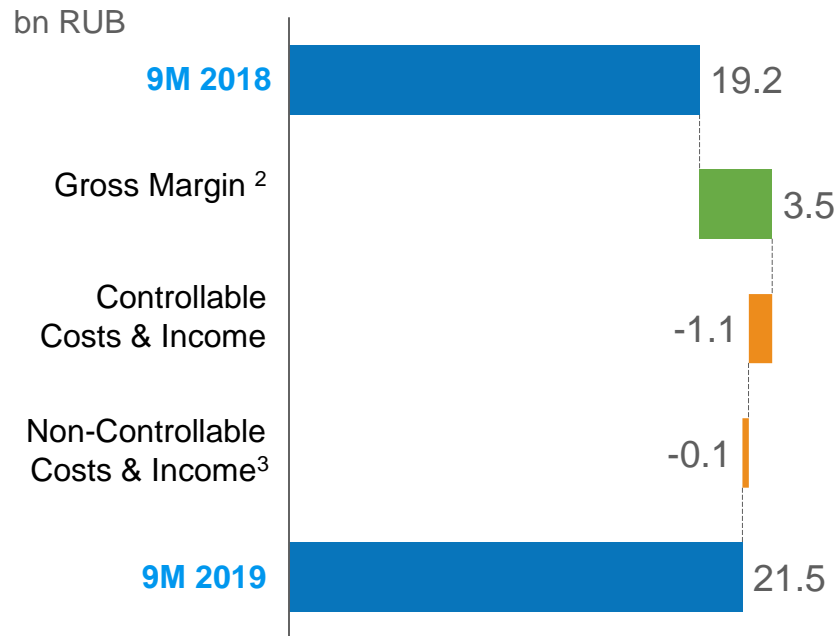


Background

- Load factor¹ improving year on year, but still under some pressure due to oversupply
- Growth of electricity export to Finland and Baltic countries, no electricity import from Kazakhstan
- Less grid congestions in Ural and Central Siberia allowed higher load factor of Unipro's efficient units
- 3Q generation decrease due to planned inspections at Surgutskaya and Yaivinskaya
- Reduced load factors of thermal power plants were affected by a high water level in Siberia

Increased margin thanks to favorable market conditions

EBITDA¹ 9M 2019 ► 9M 2018



Highlights

Gross margin² +12.5% to RUB 31.5bn

- Growth of electricity sales is the main factor for gross margin increase
- Stable capacity earnings

Cost base

- Costs increase mainly due to the following one-offs:
 - Expenses linked to Berezovskaya 3
 - Maintenance costs due to CCGT repairs
 - Accruals for bad debt
 - Legal expenses

Outlook 2019: EBITDA guidance confirmed at the level of RUB 28-30bn

Appendix

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Financials

Key P&L items, in RUB bn

| | 9M 2018 | 9M 2019 |
|-------------------------------------|-------------|-------------|
| Sales¹ | 54.4 | 58.8 |
| Fuel costs | -24.3 | -25.1 |
| Other costs of sale | -2.1 | -2.2 |
| Gross Margin | 28.0 | 31.5 |
| Controllable costs | -8.1 | -9.2 |
| Non-controllable costs | -1.1 | -1.2 |
| Other operating income ² | 0.4 | 0.4 |
| EBITDA | 19.2 | 21.5 |
| EBIT | 14.2 | 17.1 |
| Underlying net income | 11.6 | 14.0 |

Operating KPIs

Operating KPIs per power plant

| | Gross MW installed ¹ | CSA MW installed ¹ | Load Factor | Load Factor | TWh produced ² | TWh produced ² |
|---------------------------|---------------------------------|-------------------------------|-------------|-------------|---------------------------|---------------------------|
| | Total | CSA | 9M 2018 | 9M 2019 | 9M 2018 | 9M 2019 |
| Surgutskaya-2 | 5 667 | 807 | 59% | 60% | 21.7 | 22.3 |
| Berezovskaya ³ | 2 400 | 800 | 22% | 28% | 3.4 | 4.4 |
| Shaturskaya | 1 500 | 400 | 34% | 31% | 3.3 | 3.1 |
| Smolenskaya | 630 | 0 | 25% | 24% | 1.0 | 1.0 |
| Yaivinskaya | 1 048 | 448 | 49% | 45% | 3.4 | 3.1 |
| Unipro total | 11 245 | 2 455 | 45% | 46% | 32.8 | 33.9 |

Earnings streams

Earnings streams per component¹

| | Electricity sales in TWh ² | Capacity sales in GW ³ | Average price or tariff | Average price or tariff |
|-------------------------|---------------------------------------|-----------------------------------|-------------------------|-------------------------|
| | 9M 2019 | 9M 2019 | 9M 2018 | 9M 2019 |
| Electricity, DAM Zone 1 | 23.5 | - | 986 RUB/MWh | 1 085 RUB/MWh |
| Electricity, DAM Zone 2 | 4.0 | - | 858 RUB/MWh | 1 005 RUB/MWh |
| Electricity, regulated | 7.6 | - | 727 RUB/MWh | 735 RUB/MWh |
| Capacity, KOM Zone 1 | - | 4.6 | 116 kRUB/MW/month | 121 kRUB/MW/month |
| Capacity, KOM Zone 2 | - | 1.2 | 190 kRUB/MW/month | 206 kRUB/MW/month |
| Capacity, CSA Zone 1 | - | 1.5 | 1 037 kRUB/MW/month | 997 kRUB/MW/month |
| Capacity, regulated | - | 2.5 | 122 kRUB/MW/month | 126 kRUB/MW/month |

Reporting calendar & contacts

Reporting calendar

| Date | Event |
|------------------|--|
| 10 March 2020 | Publication of IFRS financial results of Unipro Group for 2019 |
| 19 March 2020 | Publication of RAS financial statements of Unipro PJSC for 2019 |
| 28 April 2020 | Publication of RAS financial statements of Unipro PJSC for 3 months 2020 |
| 7 May 2020 | Publication of IFRS financial results of Unipro Group for 3 months 2020 |
| 28 July 2020 | Publication of RAS financial statements of Unipro PJSC for 6 months 2020 |
| 11 August 2020 | Publication of IFRS financial results of Unipro Group for 6 months 2020 |
| 27 October 2020 | Publication of RAS financial statements of Unipro PJSC for 9 months 2020 |
| 10 November 2020 | Publication of IFRS financial results of Unipro Group for 9 months 2020 |

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