

MOSENERGO

9M 2021 IFRS Results

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External Events:

1. Weighted average electricity price increasing by 13.7% in the reporting period year-on-year.
2. Lower air temperature in 1H 2021 heating season year-on-year.
3. Longer heating season for 9M 2021 (147 days vs. 130 for 9M 2020).
4. Growing consumption in Central energy system by 7.3%, and by 9.3% in Moscow Region energy system. ¹

Internal Events:

1. Increased payments period started for capacity supply since December 1, 2020 for one CSA unit – CHP-20 (420 MW).
2. CHP-26 (420 MW) CSA unit transferred to competitive capacity outtake since December 31, 2020.

¹ System operator data

Financial Highlights, mn RUR

Parameter	3Q 2020	3Q 2021	Change	9M 2020	9M 2021	Change
Revenue (electricity and heat)	21,289	29,573	+38.9%	97,040	129,326	+33.3%
Variable Costs	(19,754)	(27,254)	+38.0%	(80,549)	(107,454)	+33.4%
Marginal profit	1,535	2,319	+51.1%	16,491	21,872	+32.6%
Revenue (capacity)	7,312	7,366	+0.7%	23,441	24,057	+2.6%
Revenue (other)	555	726	+30.8%	1,627	1,934	+18.9%
Fixed Costs ¹	(6,934)	(7,272)	+4.9%	(19,561)	(20,174)	+3.1%
EBITDA ²	3,109	2,756	-11.4%	21,264	25,929	+21.9%
EBITDA (according to Mosenergo reporting) ³	3,022	2,756	-8.8%	21,173	25,929	+22.5%
EBITDA, adj.⁴	2,468	3,139	+27.2%	21,998	27,689	+25.9%
Depreciation and Amortization	(5,827)	(5,836)	+0.2%	(17,203)	(17,915)	+4.1%
Operating Profit (Loss)	(2,718)	(3,080)	+13.3%	4,061	8,014	+97.3%
Profit (Loss) for the Period	(1,248)	(1,726)	+38.3%	5,344	7,341	+37.4%
Profit (Loss) per Share, RUR	(0.031)	(0.043)		0.134	0.185	

Operational Highlights⁵

Показатель	3Q 2020	3Q 2021	Change	9M 2020	9M 2021	Change
Electricity Output, mn kWh	10,812	12,517	+15.8%	38,745	44,098	+13.8%
Electricity Sales, mn kWh	11,318	13,722	+21.2%	40,182	47,940	+19.3%
Heat Output, th.Gcal	5,631	7,486	+32.9%	46,276	58,305	+26.0%
Fuel Rate on Electricity, g/kWh	283.9	294.2	+3.6%	231.0	243.7	+5.5%
Fuel Rate on Heat, kg/Gcal	171.8	170.1	-1.0%	164.0	163.1	-0.5%

¹ Excluding Depreciation and Amortization

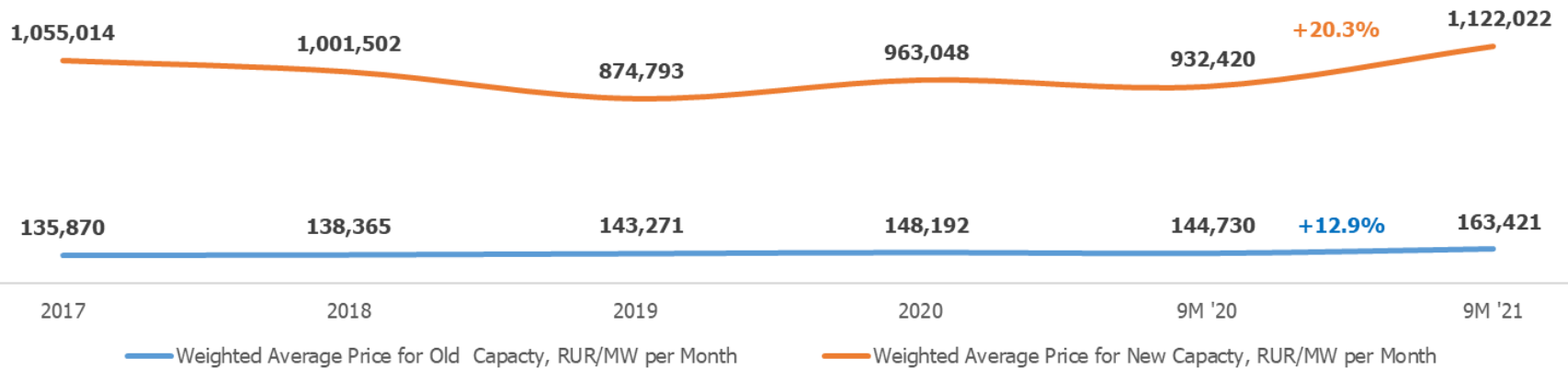
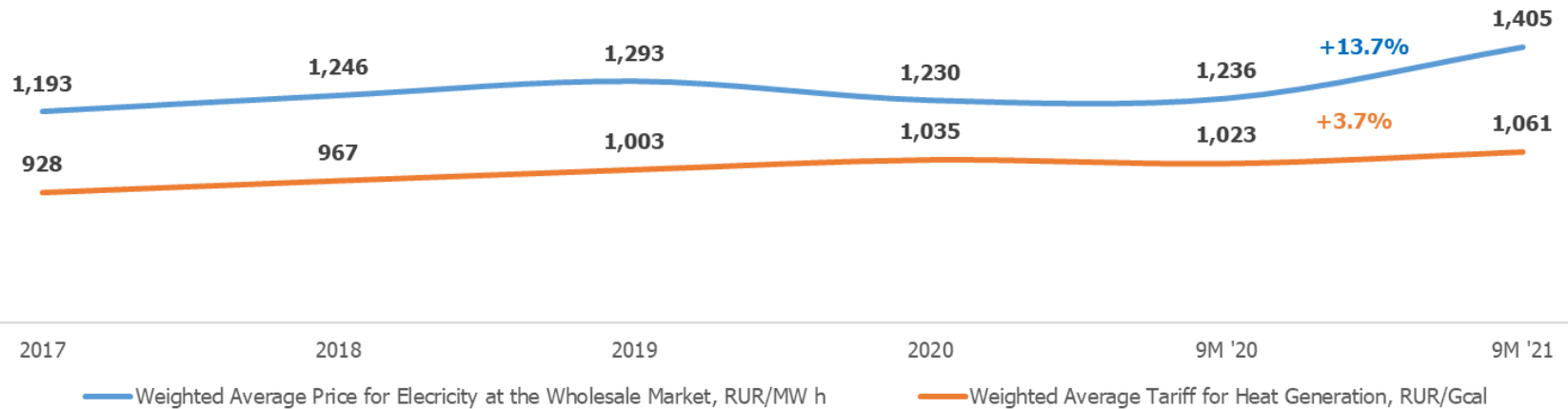
² EBITDA = Operating Profit + Depreciation and Amortization

³ EBITDA = Operating Profit + Depreciation and Amortization + Impairment loss (reserve) for non-financial assets - Income from reversal of impairment loss (reserve) for non-financial assets + Income from reversal of impairment loss (reserve) for advance payments - Impairment loss (reserve) for advance payments.

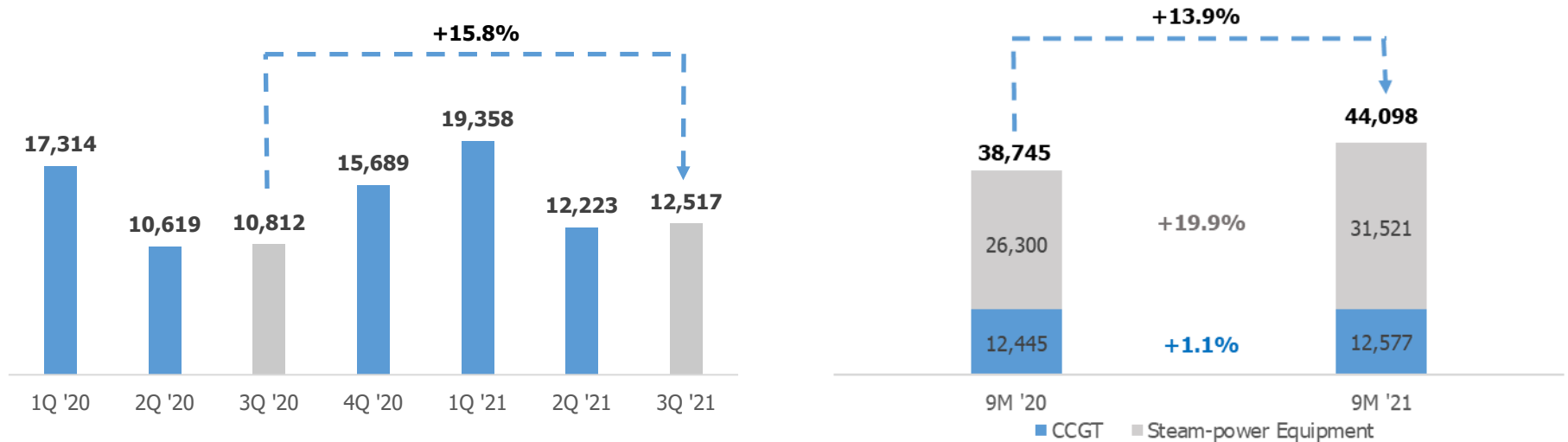
⁴ EBITDA = Marginal profit + Revenue (capacity) + Revenue (other) - Fixed Cost, excluding Depreciation and Amortization. Adjusted to assets impairment reserve and other reserves.

⁵ Management report data.

Prices and Tariffs¹



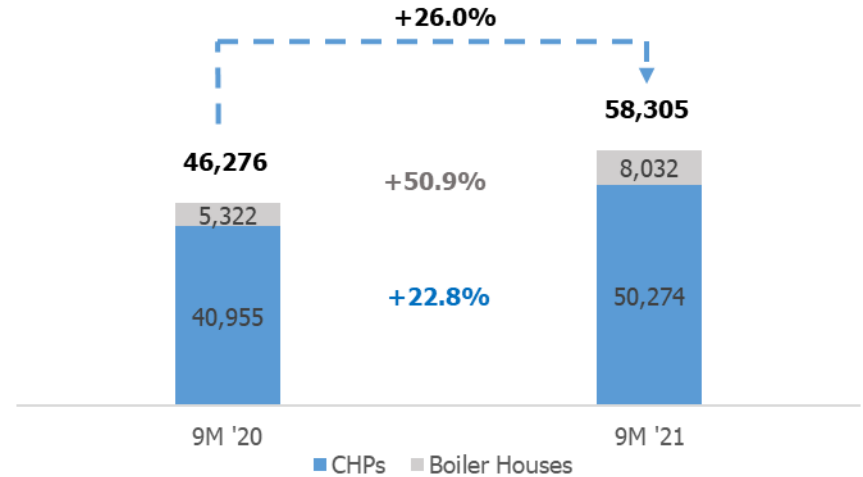
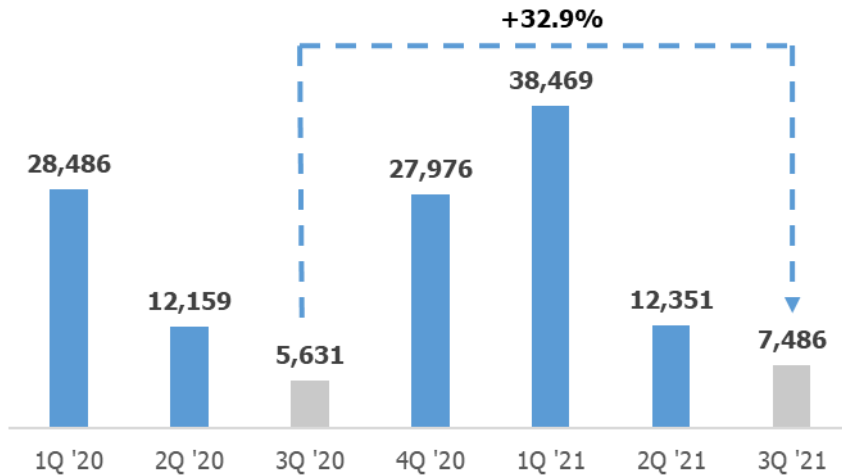
¹ RAS Data



9M 2021 electricity production factors:

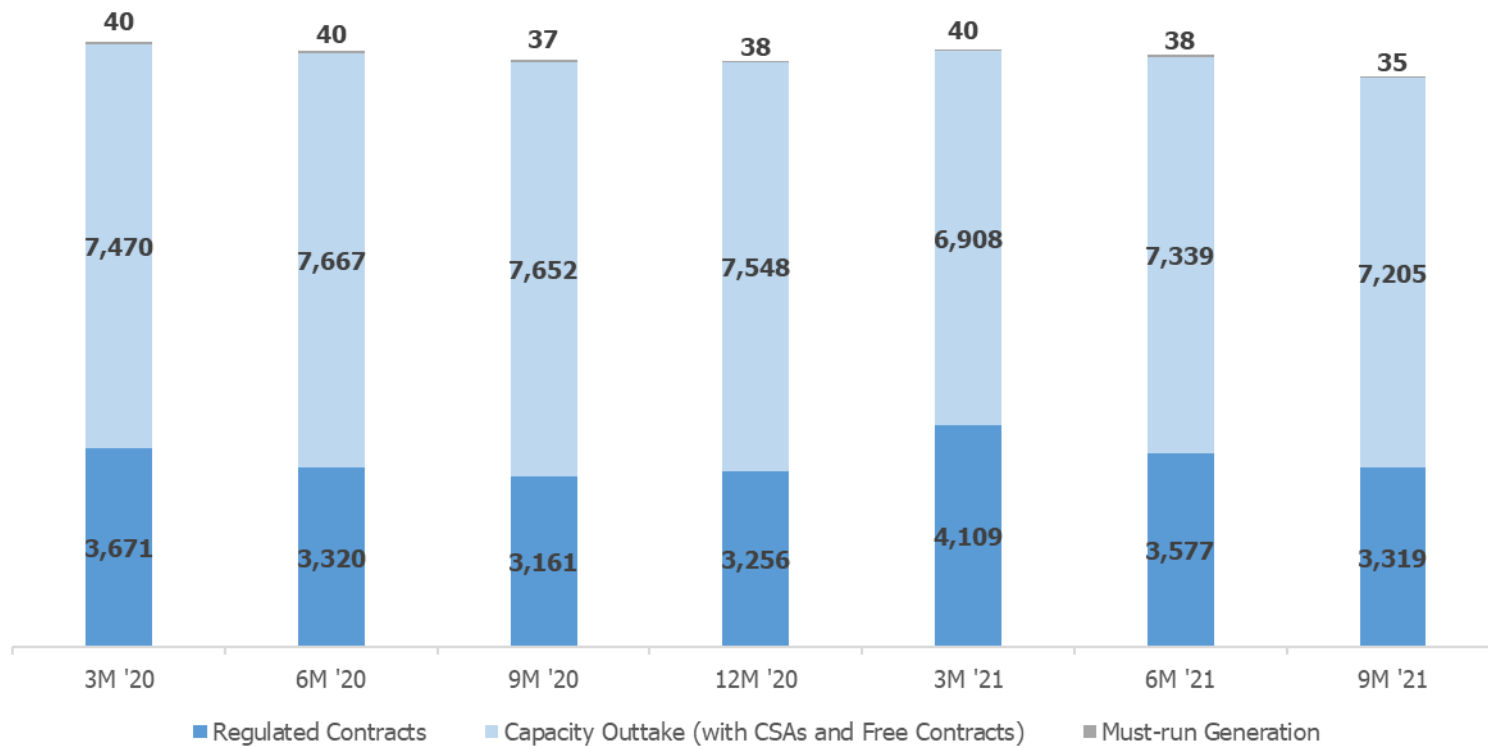
- growing consumption in Moscow Region energy system in the reporting period;
- lower air temperature (average air temperature in winter period of 1Q 2021 amounted to -5.9°C (vs. +1.2°C in autumn-winter of 1Q 2020);

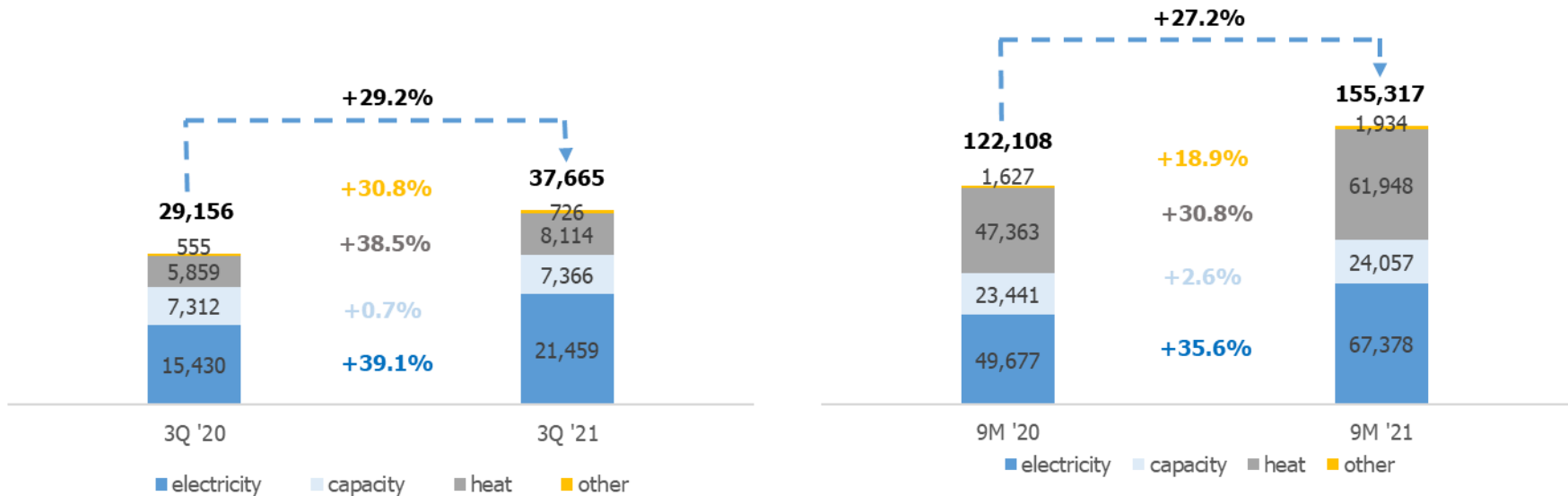
Growth at steam-power equipment resulted from growing cogeneration load.



9M 2021 heat production factors:

- colder weather in 1Q 2021 year-on-year;
- heating season lasted longer: 147 days for 9M 2021 vs. 130 for 9M 2020;
- 4 boiler houses transferred under Mosenergo management in May, 2020.





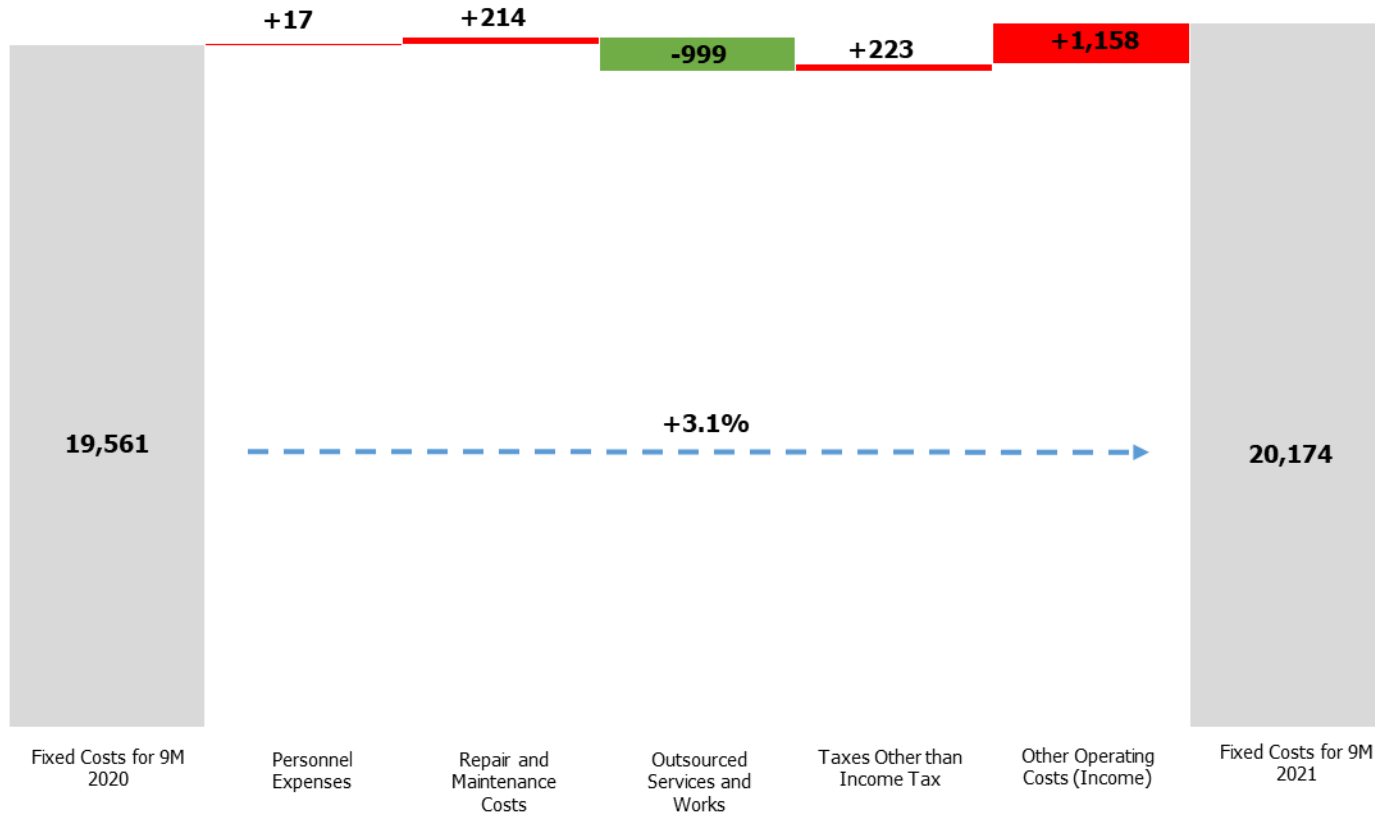
3Q 2021 revenue factors:

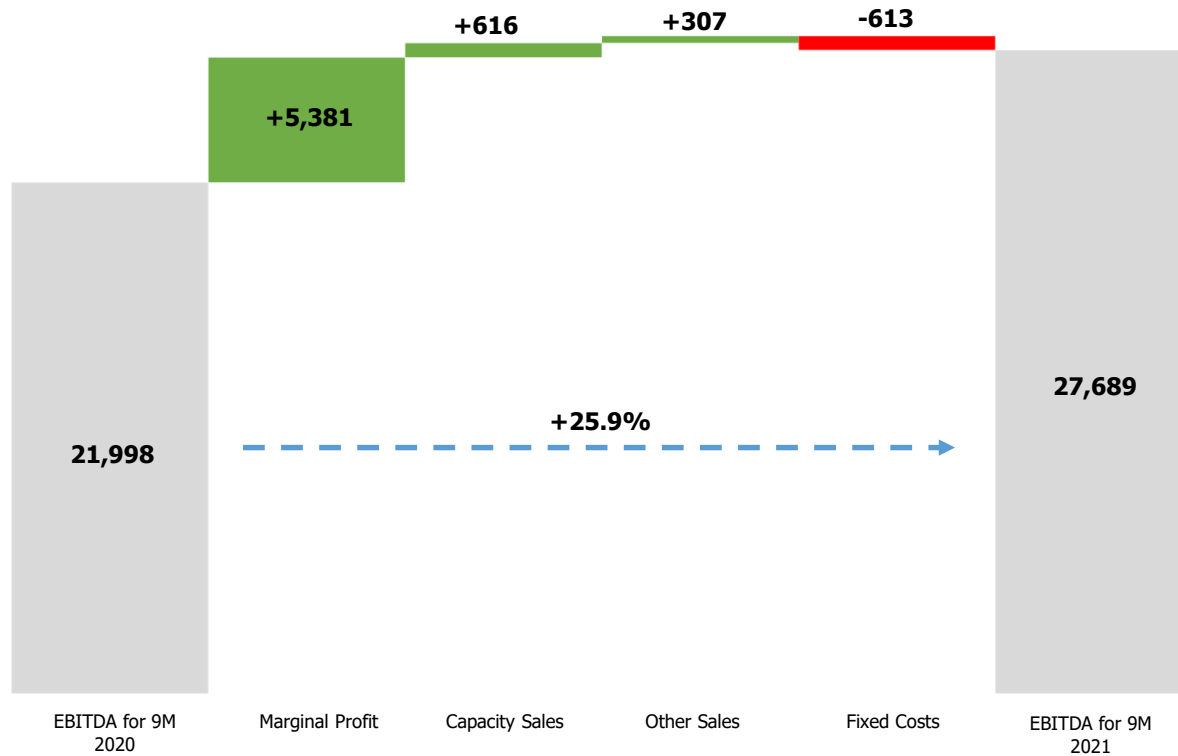
- heat output increase by 32.9%;
- electricity output increase by 15.8%;
- positive average weighted price for electricity dynamics.

9M 2021 revenue factors:

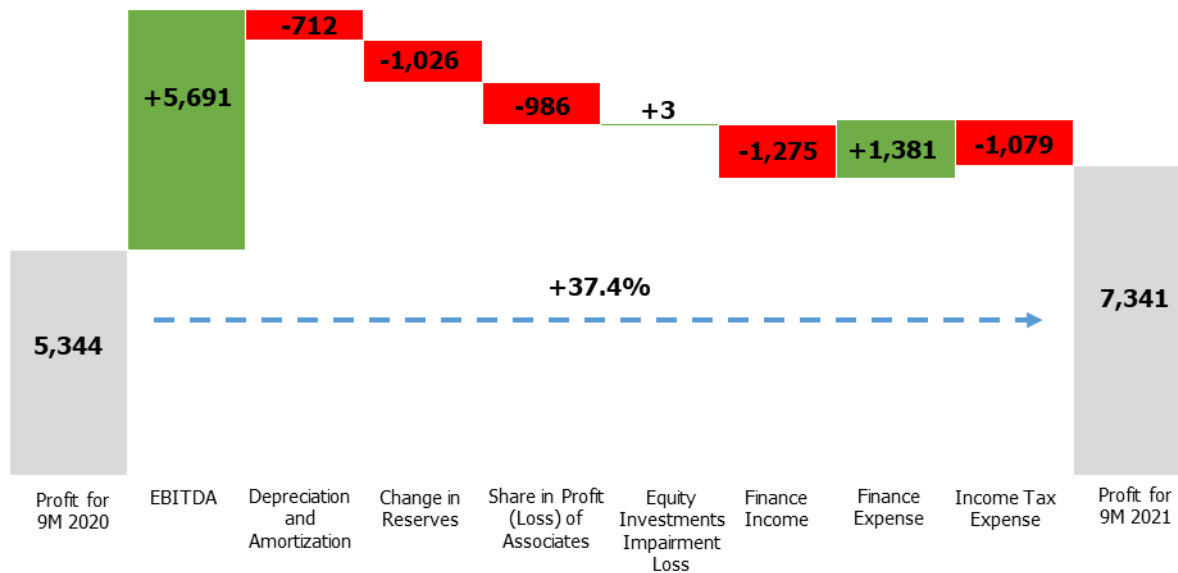
- electricity and heat output increase by 13.9% and 26.0%, correspondingly;
- positive average weighted price for electricity and capacity dynamics.

Fixed Costs, mn RUR

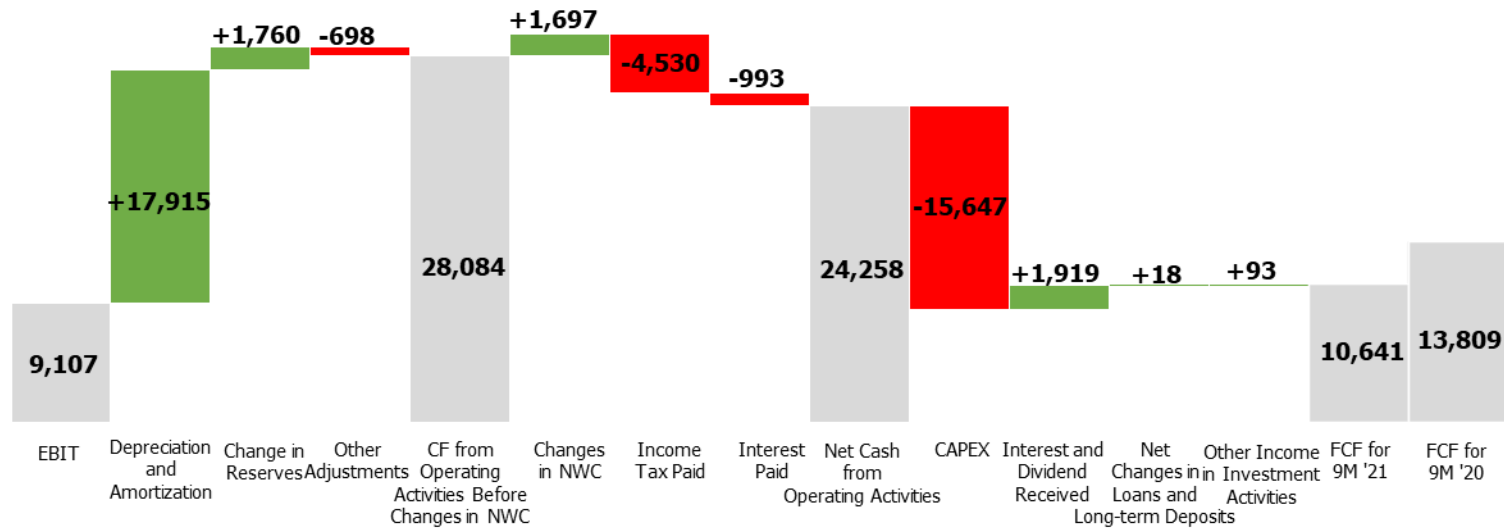




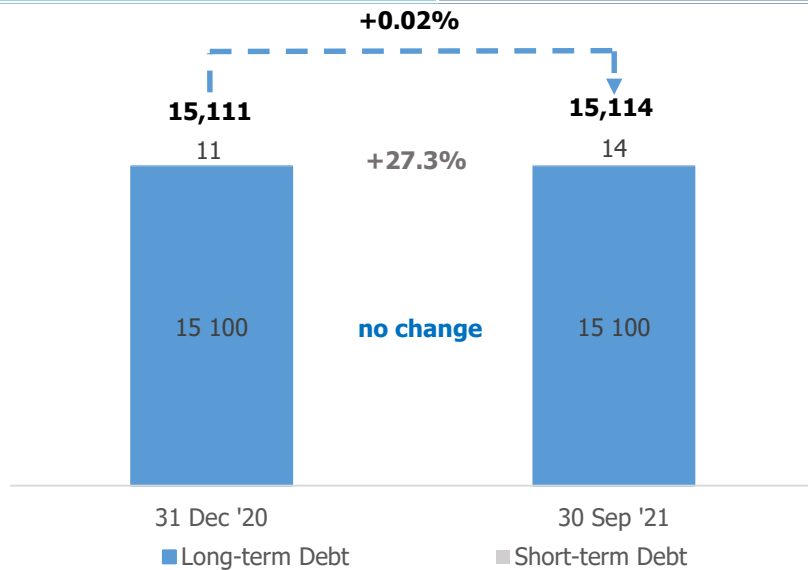
¹ EBITDA was adjusted to assets impairment reserve and other reserves



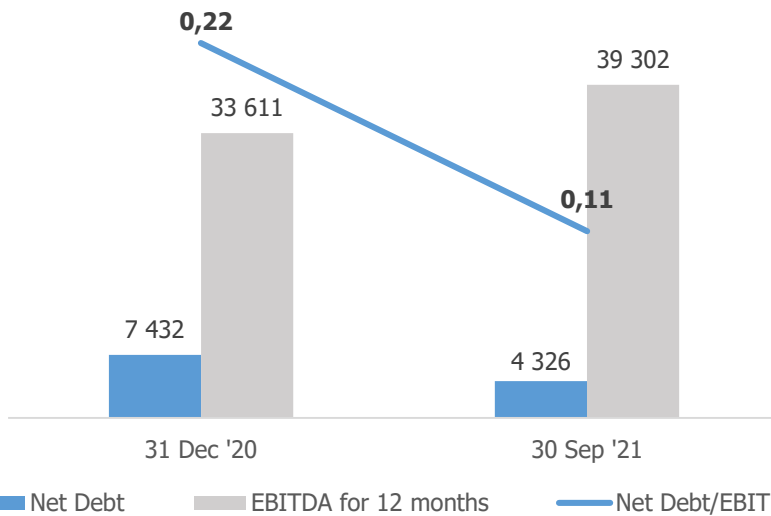
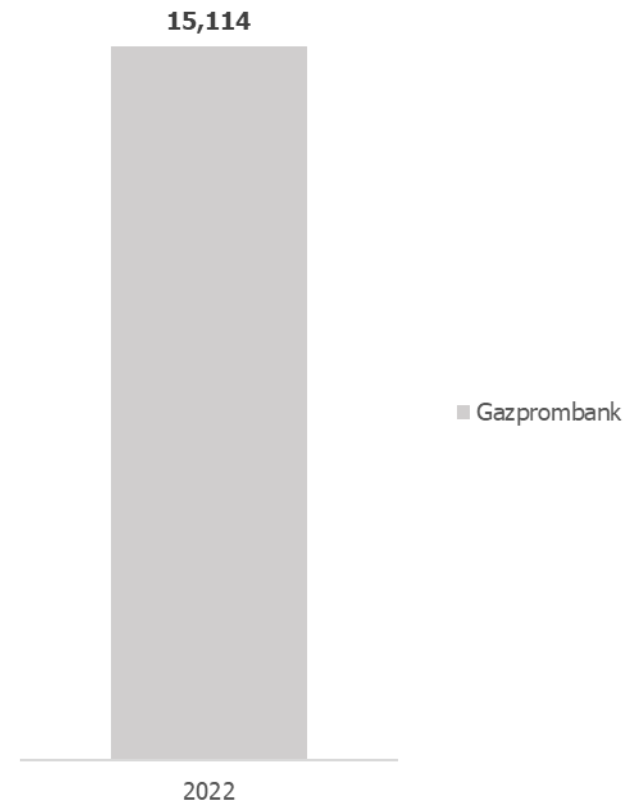
Free Cash Flow, mn RUR



Debt, mn RUR



Maturity Profile as of September 30, 2021, mn RUR (carrying amount)





Governmental decree #43 of January 25, 2019 “About Modernization of Thermal Electricity Generating Facilities” issued

- Transfer to long-term competitive power outtake, with capacity supply in 5 years from the outtake date.
- Price parameters of competitive power outtake (points at demand curve) indexation: +15% for 2022-2023, +20% for 2024-2025.
- Competitive outtake of thermal power plants modernization projects. Capacity payments for the chosen projects provide for payback of investments with return on capital.



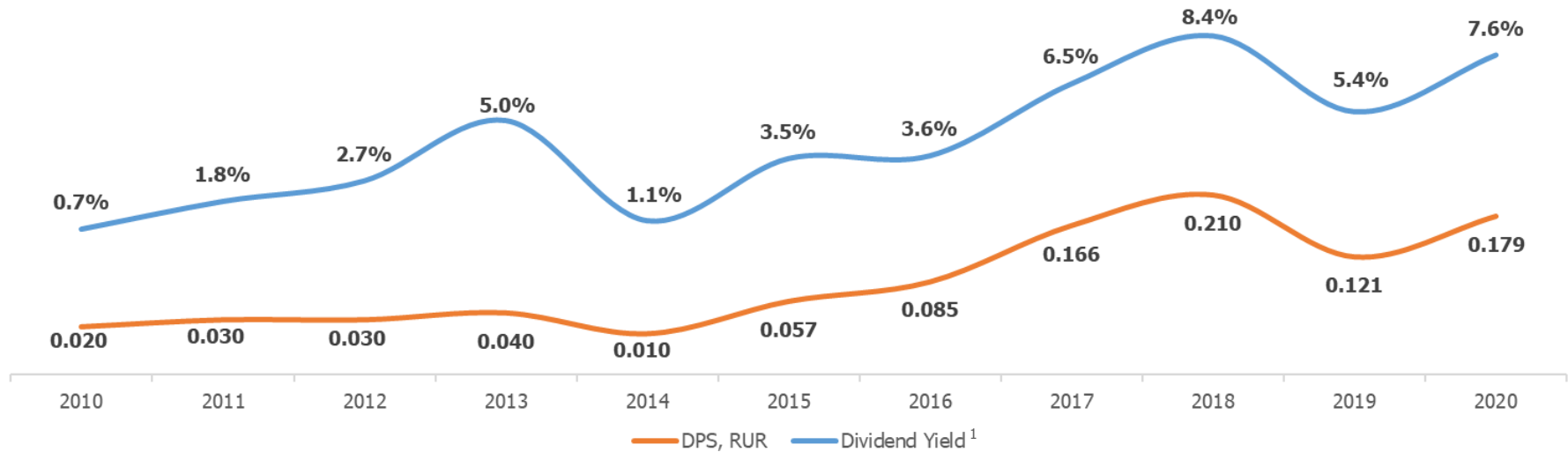
Operational Effectiveness Growth

- Modernization of turbine 295 MW at CHP-22 (unit 9) finalized.
- Realization of a program in order to upgrade primary technical and economic parameters and fuel rate.
- Inefficient capacity decommissioning program finalized: electricity generating capacity at CHP-17 and GRES-3; 90 atm units at CHP-20 and CHP-16.
- Optimization and automatization of chemical water treatment at the most water-consuming stations: CHP-21, CHP-23 and CHP-25.
- Activity going on, aimed at service interval and service life increase of CCGT gas turbines, payable capacity increase.
- Termination of coal usage at CHP-22.



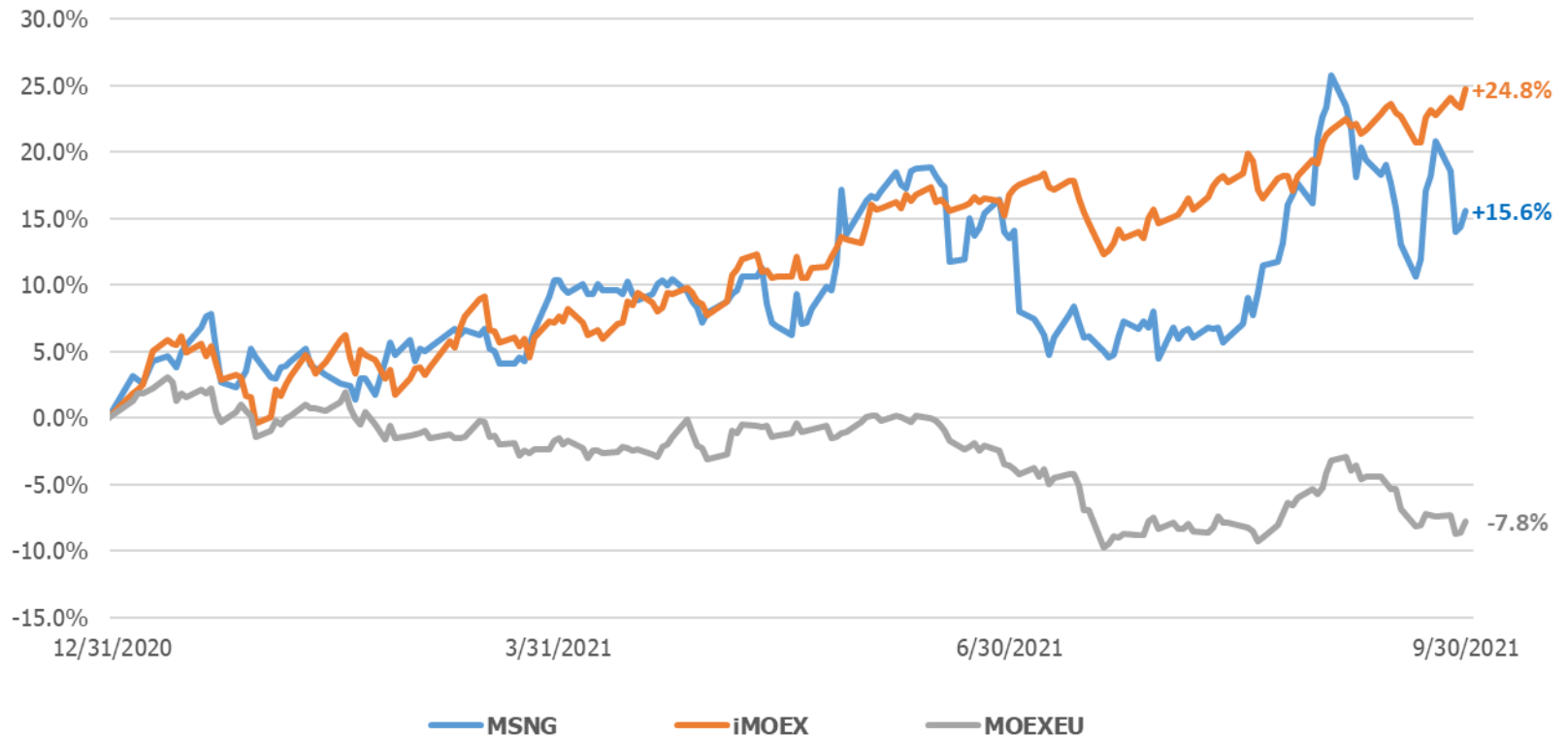
Business Expansion

- Positive effects of MOEK boiler houses switch to Mosenergo sources within Old Moscow borders.
- Actions in order to boost heat sales on the account of new territories, perspective real estate development areas connection.

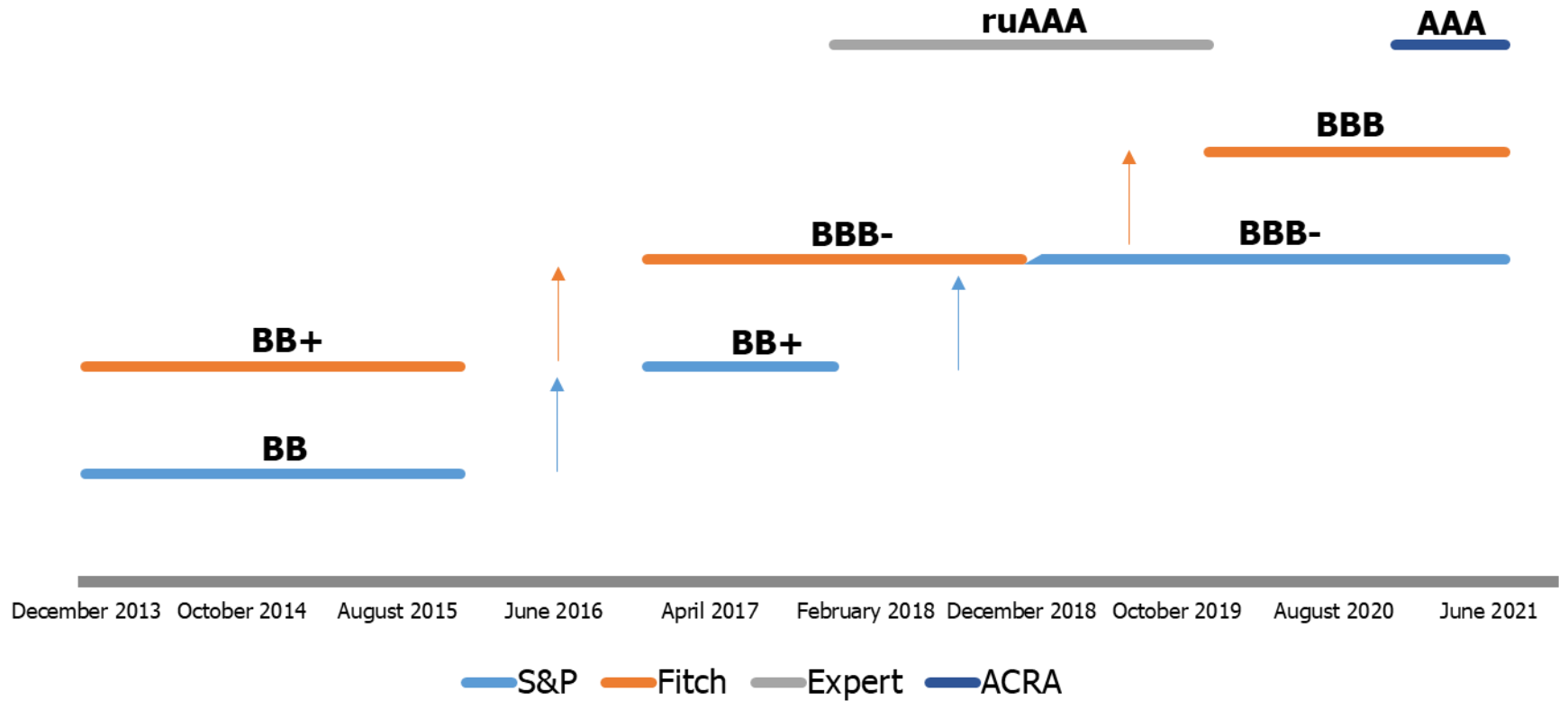


- over the last 25 years Mosenergo didn't pay dividends only twice: for 2007FY and 2008FY, it was the peak of financing of the first large-scale group of CSA units construction of 1.3 GW;
- average dividend yield during the period, following the CSA-program realization was higher than average over the last 10 years (4.6%).

¹ Calculated based upon the stock closing price as of record date, with consideration of change in settlement regime change to T+2 since September 2013



- Mosenergo stock in 9M 2021 outpaced Moscow Exchange Utilities Index (MOEXEU).



¹ Expert rating was called off, according to the issuer's decision, on October 12, 2020

THANK YOU FOR YOUR ATTENTION!

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