

MOSENERGO

3M 2020 IFRS Results

May 6, 2020

The information contained herein has been prepared using information available to JSC “Mosenergo” (hereinafter - Mosenergo or the Company) at the time of preparation of the presentation. External or other factors might have impacted the business of Mosenergo and the content of this presentation, since its preparation. In addition all relevant information about Mosenergo may not be included in this presentation. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or reliability of the information.

Any forward looking information herein has been prepared on the basis of a number of assumptions which may prove to be incorrect. Forward looking statements, by the nature, involve risk and uncertainty. Mosenergo cautions that actual results may differ materially from those expressed or implied in such statements. Reference should be made to the most recent Annual Report for a description of the major risk factors.

This presentation does not constitute or form part of any advertisement of securities, any offer or invitation to sell or issue or any solicitation of any offer to purchase or subscribe for, any shares in Mosenergo, nor shall it or any part of it nor the fact of its presentation or distribution form the basis of, or be relied on in connection with, any contract or investment decision.

External Events:

1. Decreasing weighted average electricity price by 6.1% in the reporting period year-on-year.
2. Warmer weather during 1Q 2020 heating season vs. autumn-winter in 2019 caused lower heat output (-13.6%).

Internal Events:

1. Fuel rate on electricity decreased by 1.5% (down to 197.8 g/kWh) resulting from changes in equipment load regime.
2. Turn up (peak mode) package implemented for gas turbine at CHP-16 CCGT unit, in order to increase the unit's payable capacity.
3. Increased payments period started (years 10-15) for capacity supply since January 1, 2020 for two CSA units: CHP-16 (420 MW) and CHP-12 (220 MW). This factor caused weighted average price increase for the new capacity in 1Q 2020 by 10.7% year-on-year.

Operational Highlights¹

	3M 2019	3M 2020	Change
Electricity Output, mn kWh	19,157	17,314	-9.6%
Electricity Sales, mn kWh	19,646	17,830	-9.2%
Heat Output, th.Gcal	32,965	28,486	-13.6%
Fuel Rate on Electricity, g/kWh	200.8	197.8	-1.5%
Fuel Rate on Heat, kg/Gcal	162.1	162.3	+0.1%

¹ Management report data

² Excluding Depreciation and Amortization

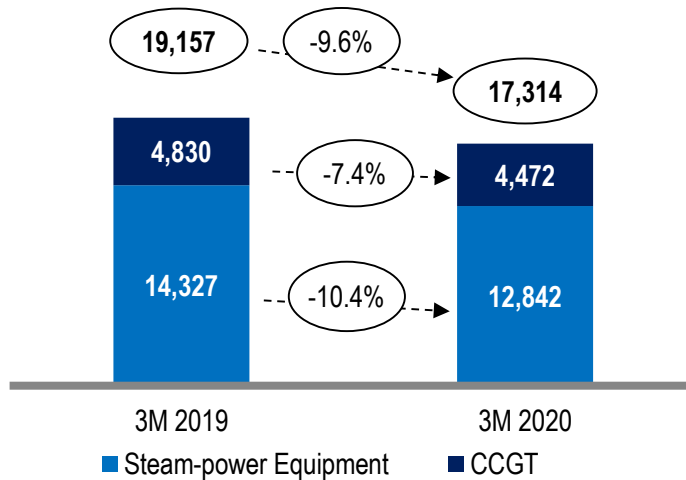
³ EBITDA = Operating Profit + Depreciation and Amortization

⁴ EBITDA = Marginal profit + Revenue (capacity) + Revenue (other) - Fixed Cost, excluding Depreciation and Amortization. Adjusted to net charge for impairment and other provisions

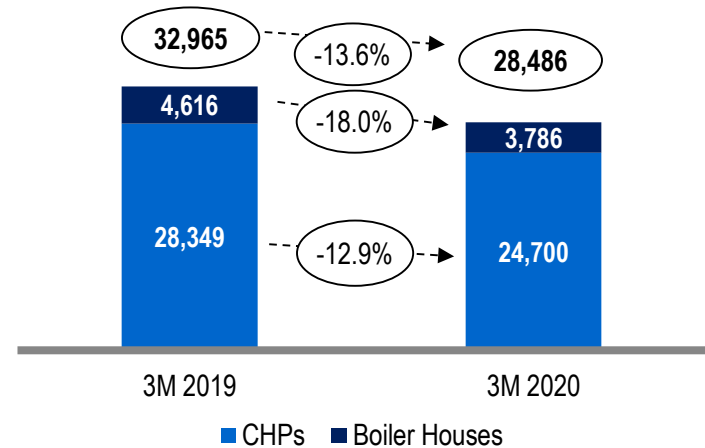
Financial Highlights, mn RUR

Показатель	3M 2019	3M 2020	Изм.
Revenue (electricity and heat)	57,955	50,565	-12.8%
Variable Costs	(44,972)	(39,759)	-11.6%
Marginal profit	12,983	10,806	-16.8%
Revenue (capacity)	8,538	8,701	+1.9%
Revenue (other)	599	533	-11.0%
Fixed Costs ²	(4,909)	(6,002)	+22.3%
EBITDA³	16,936	12,961	-23.5%
EBITDA, adj⁴	17,211	14,038	-18.4%
Depreciation and Amortization	(4,451)	(5,653)	+27.0%
Operating Profit	12,485	7,308	-41.5%
Profit for the Period	10,662	5,696	-46.6%

Electricity Output, mn kWh

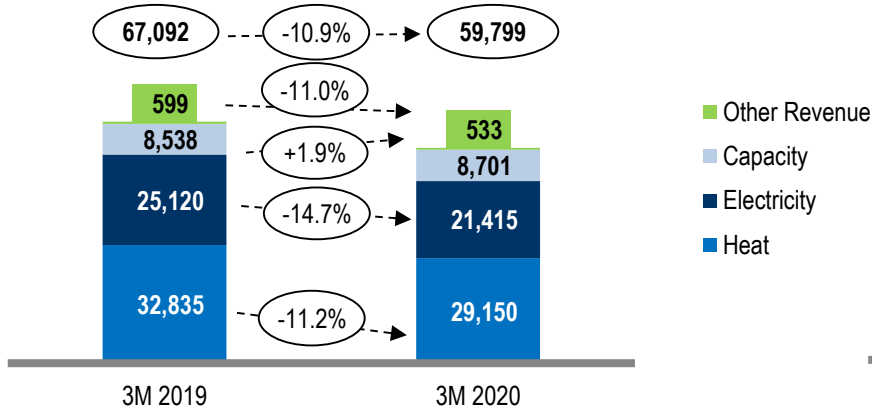


Heat Output, thous. Gcal

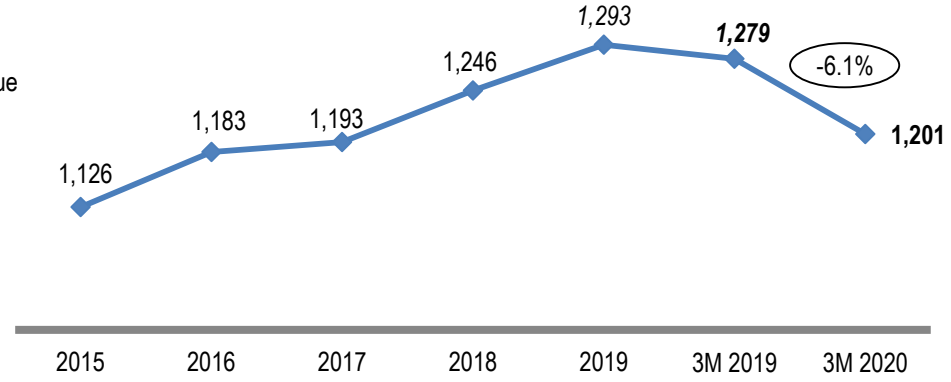


- Lower electricity and heat output resulted from warmer weather in the reporting period. Average air temperature in 1Q 2020 amounted to +1.2°C (vs. -2.5°C 1Q 2019).

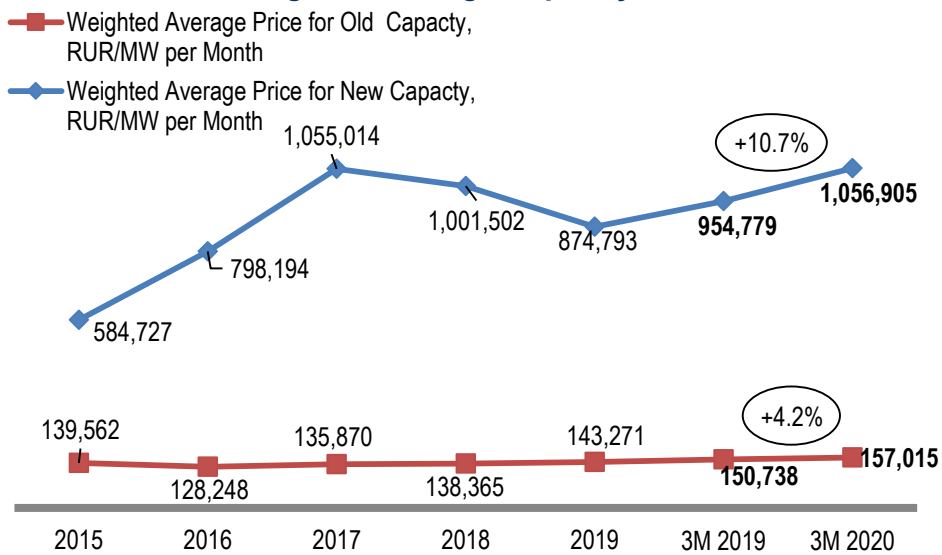
Revenue, mn RUR



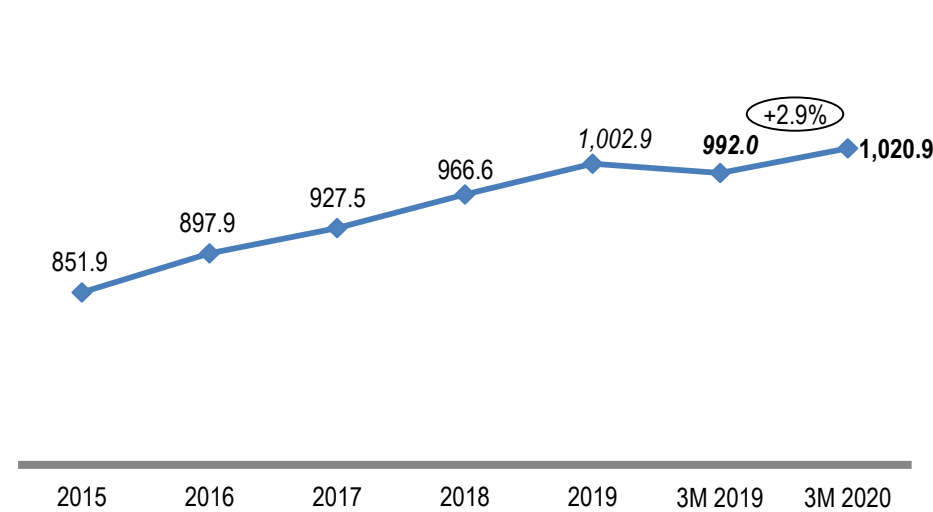
Weighted Average Price for Electricity at the Wholesale Market, RUR/MW h¹



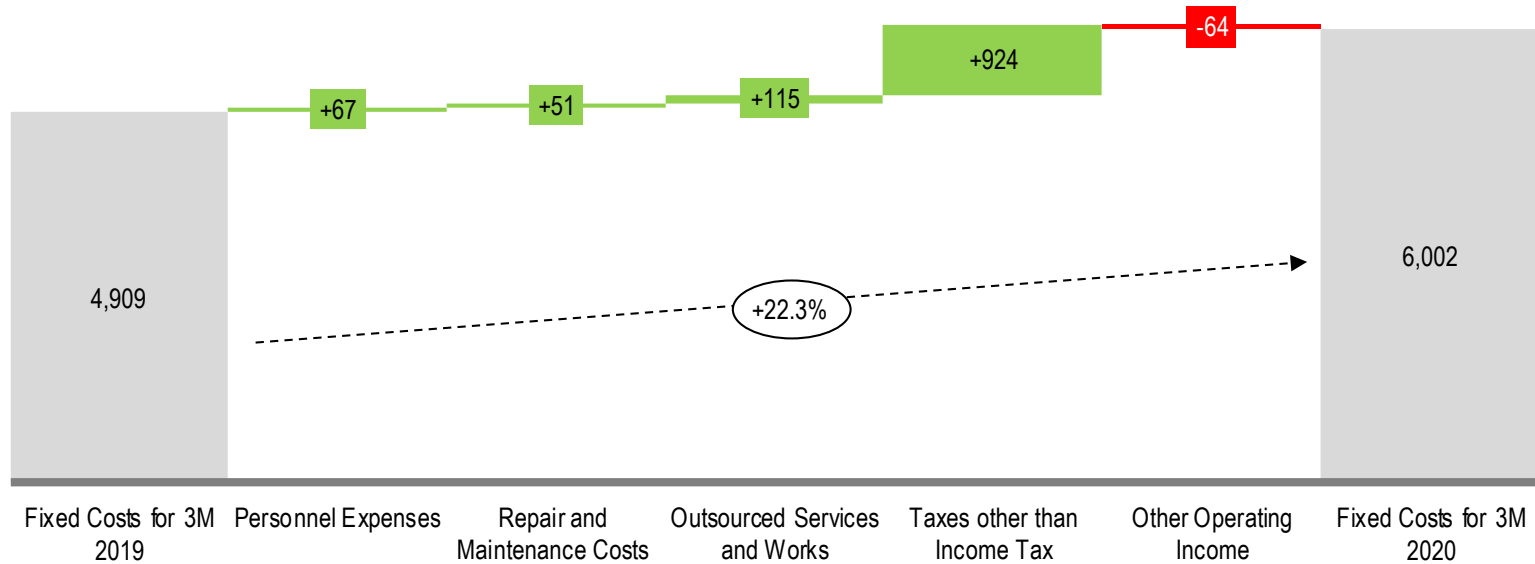
Weighted Average Capacity Price¹



Weighted Average Tariff for Heat Generation, RUR/Gcal¹

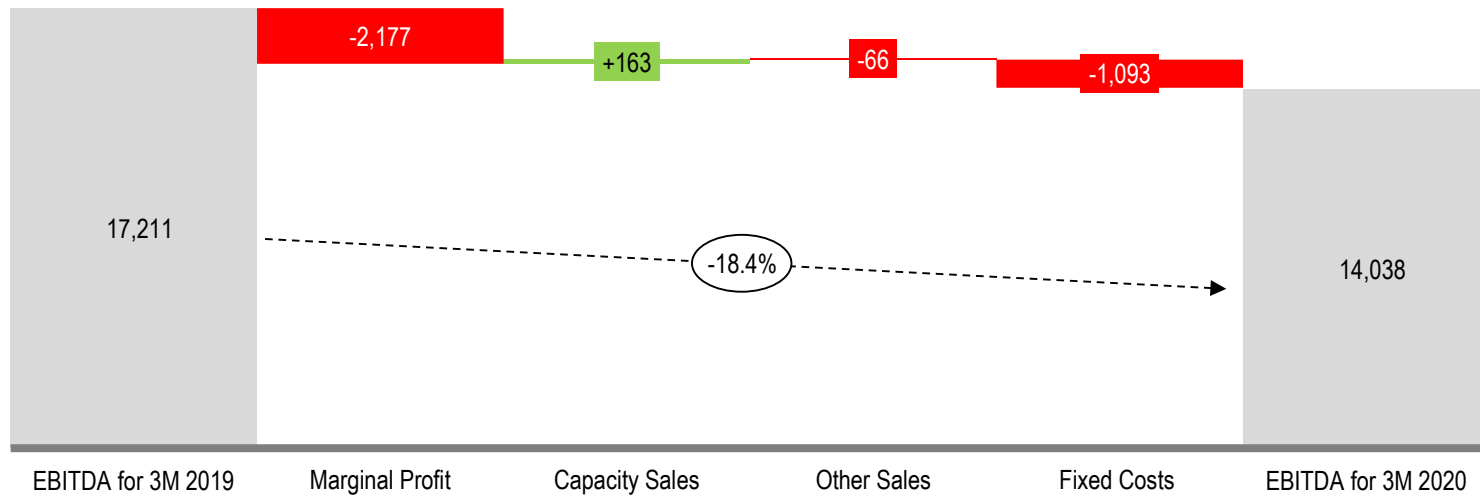


1. RAS data



Fixed Costs Changer Factors

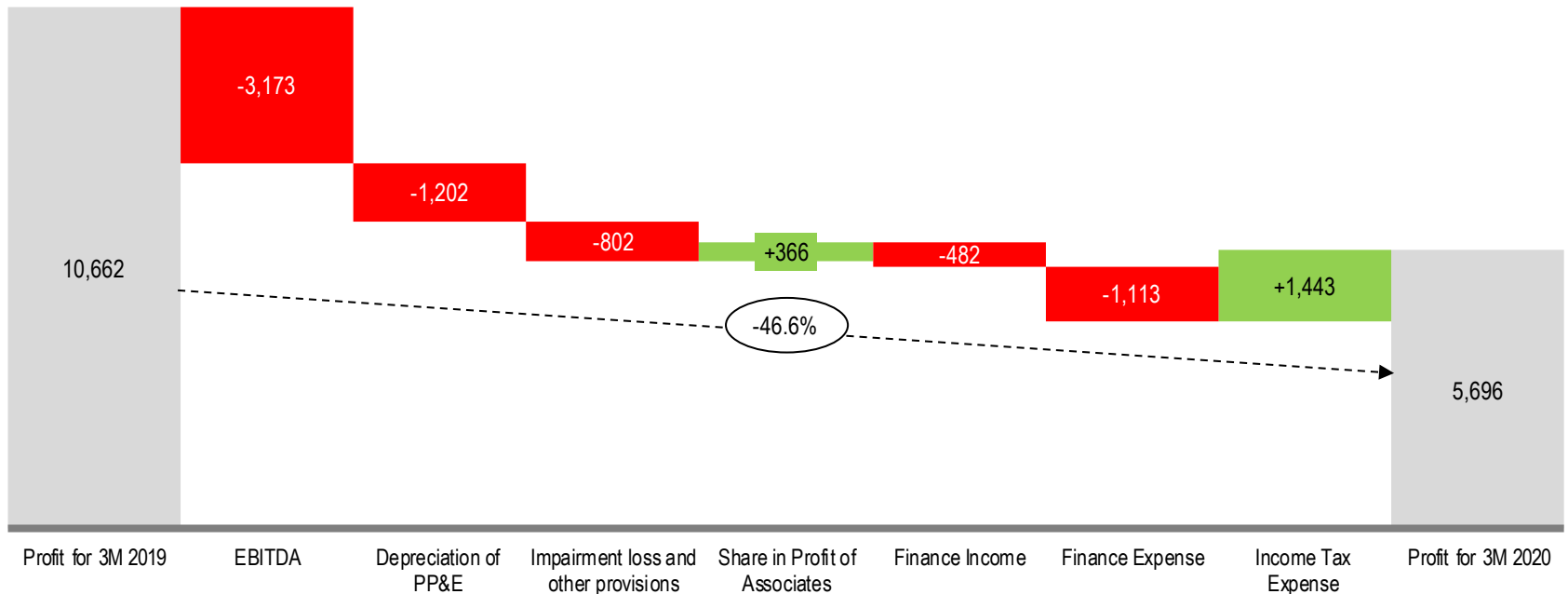
- Taxes other than income tax increased on the account of adjusted property tax for previous periods declaration filed in 1Q 2019 and and tax deduction granted.

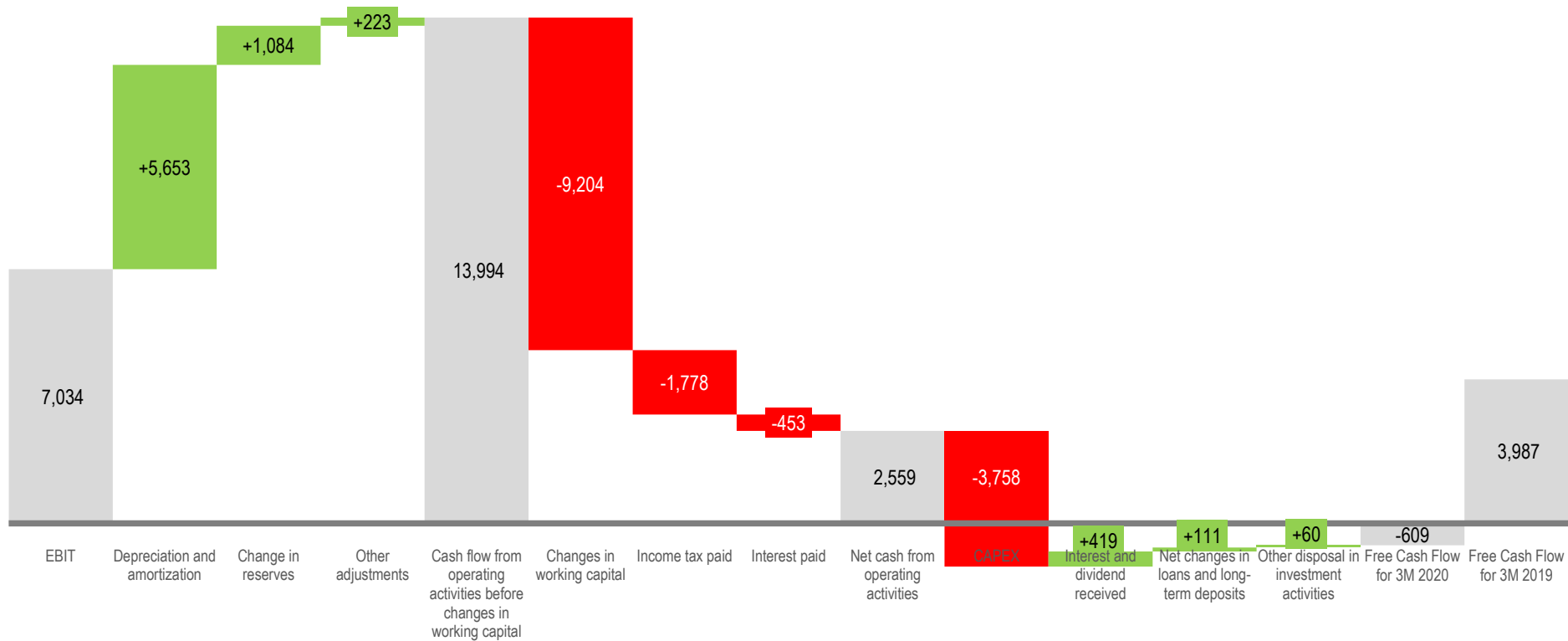


1. Adjusted to net charge for impairment and other provisions

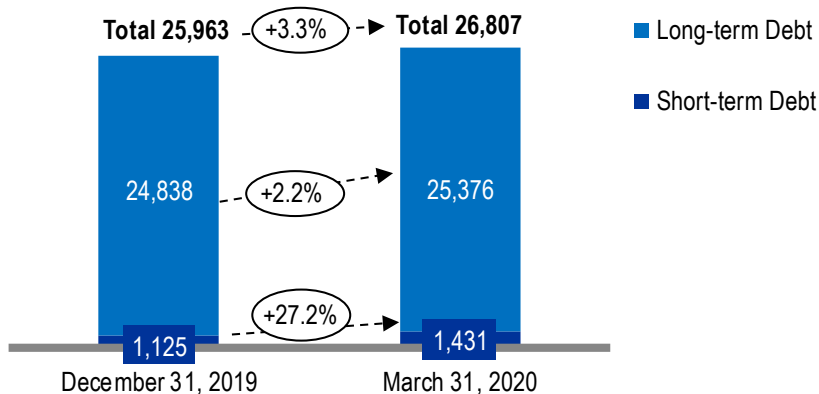
Profit Composition

Parameter	3M 2019	3M 2020	Change
EBITDA	17,211	14,038	-18.4%
Depreciation of PP&E	(4,451)	(5,653)	+27.0%
Net Charge for Impairment and Other Provisions	(275)	(1,077)	x3.9
Operating profit	12,485	7,308	-41.5%
Share in Loss of Associates	(224)	142	x2.6
Finance Income	1,384	902	-34.8%
Finance Expense	(202)	(1,315)	x6.5
Income Tax Expense	(2,781)	(1,338)	-51.9%
Profit for the Period	10,662	5,696	-46.6%

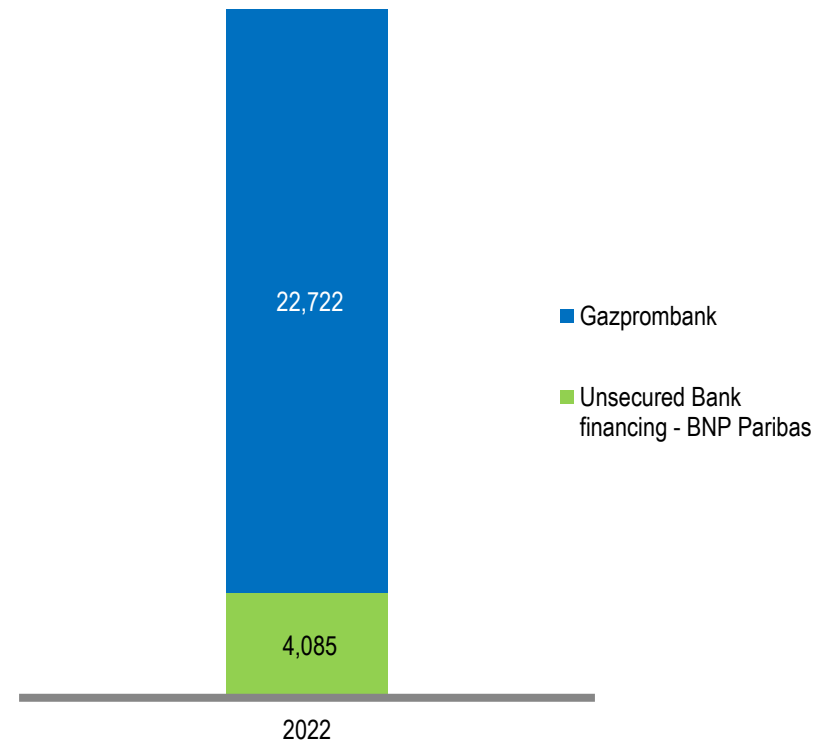




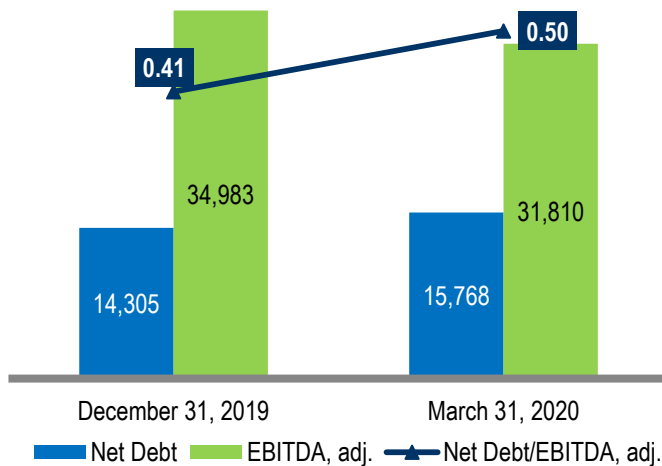
Debt Structure, mn RUR

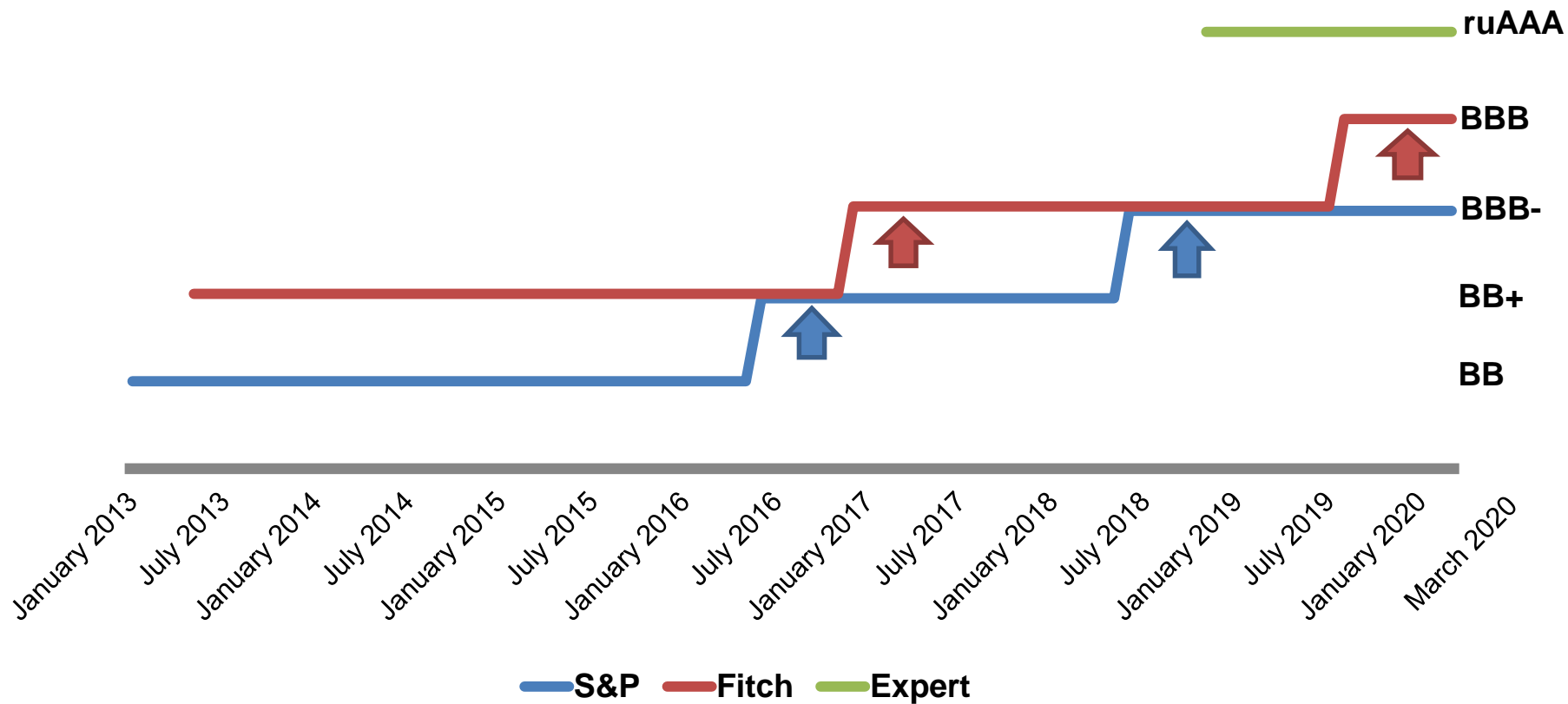


Maturity Profile as of March 31, 2020, mn RUR (carrying amount)



Net Cash / EBITDA, adj. for 12 months





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 provides 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.

THANK YOU FOR YOUR ATTENTION!

Denis Voronchikhin
Investor Relations Department
Tel. (495) 957-1-957 (ext. 3457)
VoronchikhinDS@mosenergo.ru