



PRESS RELEASE

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ENEL RUSSIA POSTS SOLID RESULTS AND PRODUCES FIRST GREEN ENERGY IN 1H 2021

- The company registered strong operating results, which led to revenues growth by 3.4% thanks to increased electricity and heat sales due to favorable weather conditions during 1H 2021 and on the background of persisting solid market electricity prices
- Expiration of thermal Capacity Supply Agreements (CSA) continued to negatively affect financial results at EBITDA and Net income levels, even despite continuous efforts on fixed cost optimization
- On a positive side, Azovskaya wind farm started receiving electricity payment from May 1st, and full capacity payment under Renewable CSA from June 1st, following the confirmation of localization criteria

MAIN FINANCIAL HIGHLIGHTS (millions of RUB)

	1H 2021	1H 2020	Change
Revenues	21,588	20,873	+3.4%
EBITDA	3,957	5,557	-28.8%
EBIT	2,599	3,858	-32.6%
Net income	2,024	2,798	-27.7%
Net debt at the end of the period	20,717	13,697 ¹	+51.3%

Stephane Zweguintzow, General Director of Enel Russia, said: “Compared to 1H 2020, our stronger operating results and higher revenues in 1H 2021 were caused by increased production driven by weather conditions and the start of green power and capacity sales from Azovskaya wind farm, our first renewable plant commissioned in the country, additionally supported by continuous managerial efforts to optimize costs, on the background of the challenging transition period that our company will navigate throughout the year.”

Moscow, July 28th, 2021 – PJSC Enel Russia publishes its reviewed interim financial results for 1H 2021 in accordance with the International Financial Reporting Standards (IFRS).

- **Revenues** showed a marginal increase being balanced by the following two factors:
 - On a positive side, revenues were supported by increased electricity and heat sales derived from the strong demand in the energy system, mostly caused by favorable weather conditions and improved economic activity. Furthermore, a positive impact derives from solid market

¹ As of December 31st, 2020



electricity (DAM) prices throughout the whole period, mostly caused by higher electricity demand, in the European Russia and the Urals (the first price zone). Finally, the annual increase of regulated tariffs and indexation of free capacity (KOM) prices for 2021 further contributed to the growth of revenues.

- On a negative side, revenues were affected by the end of thermal CSAs of the CCGT units at NGRES and SGRES, which were substituted by lower KOM payments starting from 2021.
- **EBITDA** fell by 28.8%, mostly due to the expiration of thermal CSAs, which contributed to the change in the composition of revenues. Expectedly, capacity sales went down by 34.9% YoY to Rub 4.7 Bn, only partially compensated by growing electricity margin, which came up by 57.4% YoY to Rub 1.8 Bn, thanks to increasing electricity sales. Furthermore, EBITDA figure was additionally supported by a series of managerial efforts on fixed costs economies.
- **EBIT** decreased by 32.6%, underperforming the dynamics of EBITDA, mostly due to depreciation and amortization expenses which are impacted by the beginning of commercial operation of Azovskaya windfarm.
- **Net income** came in lower by 27.7%, mostly driven by the improved net financial expenses mostly due to favorable foreign exchange dynamics, compared to 1H 2020, when a substantial RUB depreciation took place.
- **Net debt** as of June 30th, 2021 expectedly continued to grow and amounted to Rub 20.7 Bn, up from the level of Rub 13.7 Bn as of December 31st, 2020, following the intensification of works on Kola windfarm construction project.

OPERATIONAL HIGHLIGHTS

	H1 2021	H1 2020	Change
Net power production (GWh)	9,757	8,328	+17.2%
<i>including:</i>			
- gas output	9,721	8,328	+16.7%
- wind output	35	-	-
Power sales (GWh)	11,026	9,736	+13.3%
Heat sales (thousand Gcal)	2,207	2,021	+9.2%

- **Net power output** continued its strong growth in 2Q 2021, following increased electricity demand in European Russia and the Urals (the first price zone), which was caused by persisting favorable weather conditions, with colder than average temperatures in 1Q 2021 and warmer than average in 2Q 2021. This was additionally supported by lower output of hydro facilities in 1H 2021 compared to the last year figures. Finally, net power output increased thanks to the launch of Azovskaya WPP, which started to supply green electricity into the energy system from May 1st, 2021.

Going into more details, all power plants increased their production due to higher loading by the System Operator, and for instance:

- Conventional gas units' output continued to grow, resulting in a 15.3% overall increase in 1H 2021 mostly caused by higher demand in the system due to abovementioned weather and loading factors.
- Combined cycle units' output increased by 20.0% following high and stable loading, compared to a low basis of 1H 2020, when planned maintenance activities took place.
- Wind output started to contribute to our total production figures starting from May 2021.



- **Power sales** increased following the abovementioned dynamics of net power output.
- **Heat sales** increased by 9.2%, which is mostly explained by colder temperatures during 1Q 2021 compared to 1Q 2020 and was also thanks to positive heat sales dynamics in the Central Russia and the Urals, offsetting negative dynamics in the South.

About Enel Russia

PJSC Enel Russia is a subsidiary of Enel Group. PJSC Enel Russia operates the following three gas power plants: Konakovskaya GRES, Nevinnomysskaya GRES and Sredneuralskaya GRES. The company's total gross installed electrical capacity is 5 718,7 MW and thermal capacity is 2,032 Gcal/h. After commissioning of Azov WPP (90 MW), PJSC Enel Russia implements two more projects in the field of wind generation: Kolskaya WPP (201 MW) and Rodnikovskaya WPP (71 MW). PJSC Enel Russia's authorized capital is 35,371,898,370 roubles, which is divided into ordinary shares with a par value of 1 rouble. The Enel SpA share in the company's authorised capital is 56.43%, UROC Limited is 7.4%, RDIF Investment Management-8 is 5.54%, and other minority shareholders' share is 30.63%. PJSC Enel Russia shares are listed in Level 1 the Moscow Exchange quotation list.

The company was established in Yekaterinburg on October 27, 2004 as OJSC OGK-5. On July 7, 2009 by the resolution of Annual General Shareholders' Meeting the company was renamed OJSC Enel OGK-5 and on August 8, 2014 the Federal Tax Service registered the new version of the company's charter with the name OJSC Enel Russia. On June 25, 2015 the company changed its legal type and was renamed PJSC Enel Russia.

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