



Inter RAO Group 1H2021 Consolidated Financial and Operating Results

27 August 2021

1

GENERATION IN THE RUSSIAN FEDERATION:

- Electricity consumption increased in the UES of Russia by 5.2% YoY (by 5.8%, excl. 29th of February 2020);
- Favorable pricing environment on the day-ahead market (DAM);
- Completion of the construction of Kaliningrad generation;
- Decommissioning of 410 MW of old inefficient capacity at Kashirskaya GRES;
- Delta CDA payments and DAM coefficient increased for a number of units.

2

SUPPLY IN THE RUSSIAN FEDERATION:

- Electricity sales volume growth due to the recovery of demand supported by energy consumption increase and lower outdoor temperature in the companies' regions of presence;
- Electricity prices for end-users have increased on average due to the growth of regulated (grid tariff) and non-regulated components (CDA for TPP, Renewables, NPP, as well as supply margin increase for the balancing of tariffs in the Far-Eastern Federal District);
- Client base increase in guaranteed supply companies and independent supply companies.

3

TRADING

- Electricity export to Finland and Baltic countries (Lithuania and Latvia) increased due to favorable price environment on Nord Pool exchange as a result of recovery in energy consumption supported by colder outdoor temperature, deterioration of hydrobalance, decrease in electricity generation at wind farms, alongside with the rise in energy prices and CO2 emissions quotes.

4

FOREIGN ASSETS:

- Electricity generation in Moldavia segment increased;
- Growth in volumes and average tariff of electricity sales of JSC "Telasi" with a decrease in the average tariff of purchased electricity.

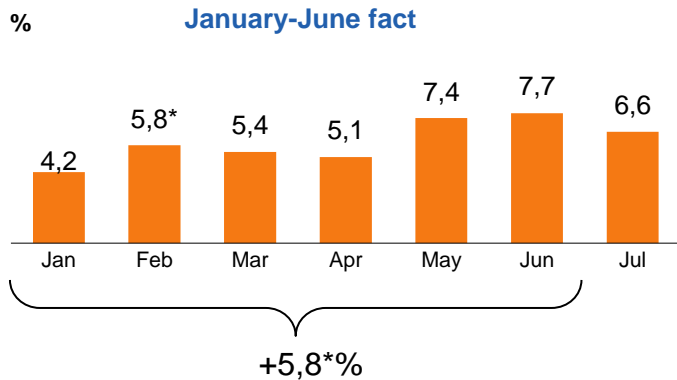


I. Operational performance results



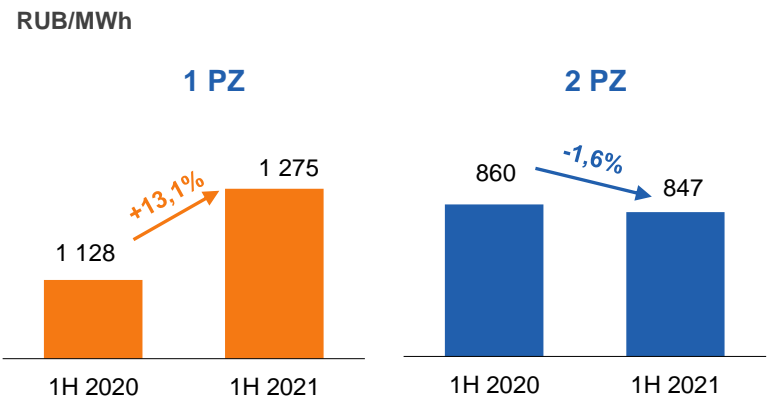
Electricity price dynamics in 1H2021/1H2020

Electricity consumption dynamics in 1H2021/1H2020

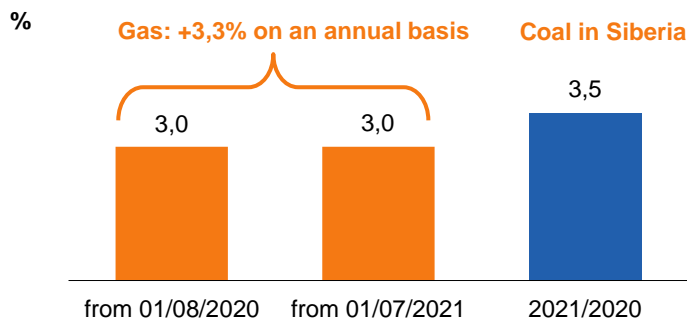


* - excludes February 29th of the leap year (2020)

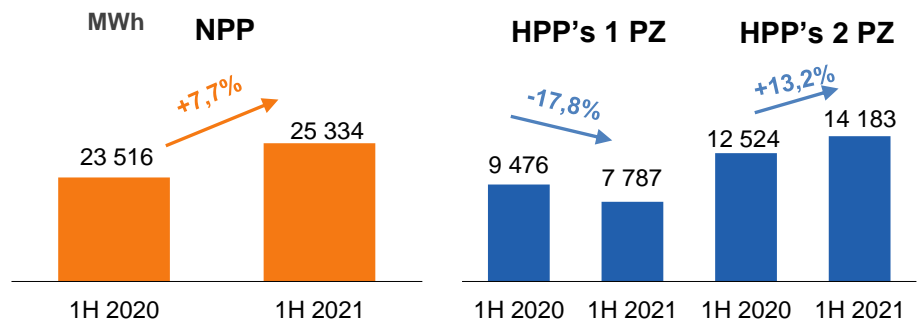
DAM price dynamics



Fuel prices 1H2021/1H2020



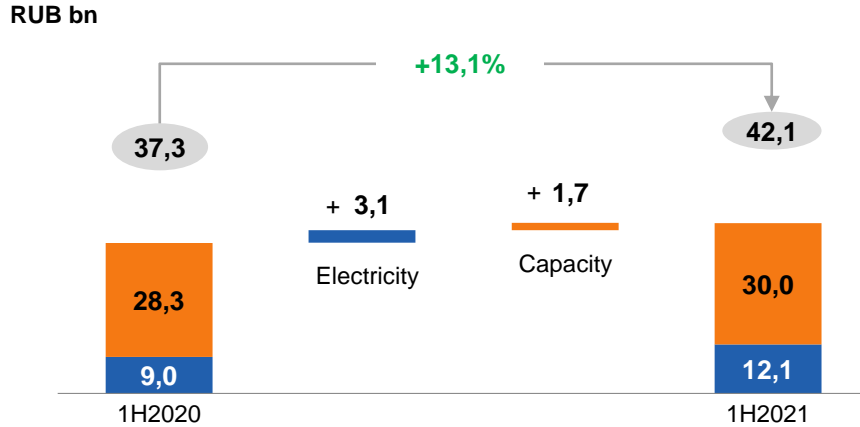
Average hourly NPP and HPP generation



The recovery growth in electricity demand, taking into account the influence of the temperature factor (cold winters and warm spring-summer periods) and an increase in gas prices, led to a rise in DAM prices in the first pricing zone by 13%. At the same time, the increase in electricity generation at the NPP was almost completely compensated by the decrease in the load of the HPP in 1 PZ. DAM prices in the second pricing zone showed a 1.6% decline due to a high utilization of hydro power plants in Siberia.

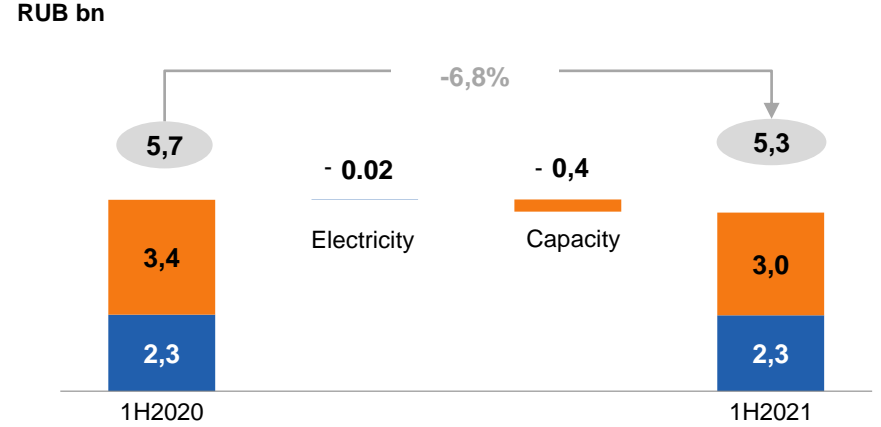
Development of Electricity and Heat Generation Segments

Revenue Bridge for CDA Units of Electricity Generation Segment ⁽¹⁾



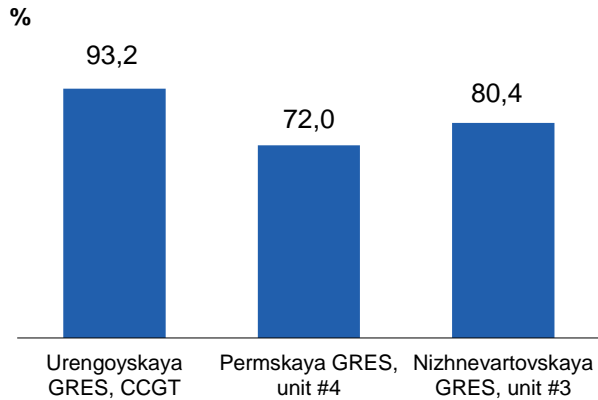
(1) Includes Inter RAO – Electricity Generation and Nizhneartovskaya GRES, revenue net of purchased electricity and capacity

Revenue Bridge for CDA Units of Heat Generation Segment ⁽²⁾



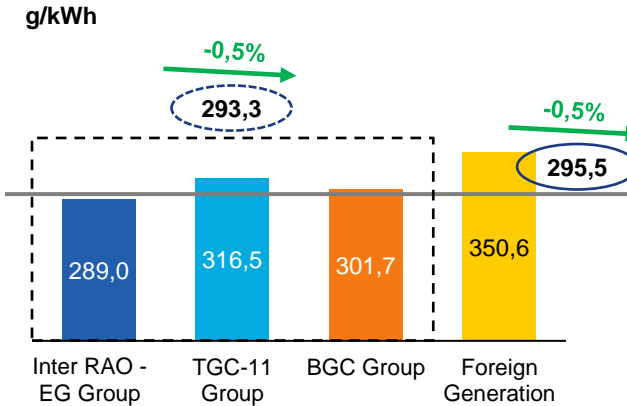
(2) Includes BGC, TGC-11 and Tomsk Generation, revenue net of purchased electricity and capacity

CUR of highly-efficient CDA units



■ as of 6 months 2021

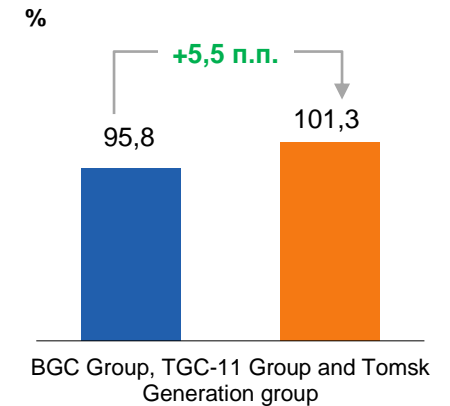
Fuel Consumption in Electricity Generation



- Electricity generation fuel efficiency for IRAO Group

- Electricity generation fuel efficiency for IRAO in Russia

Heat Payments Collection



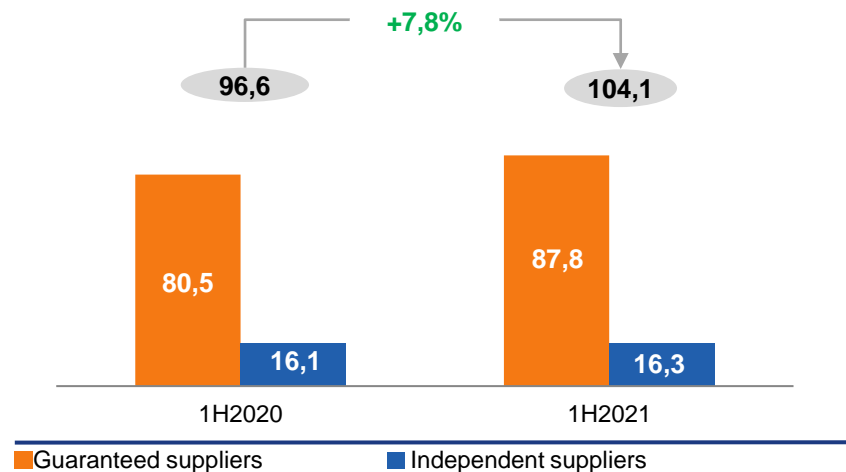
■ 1H2020 ■ 1H2021

⊖ % Change

Development of Supply Business

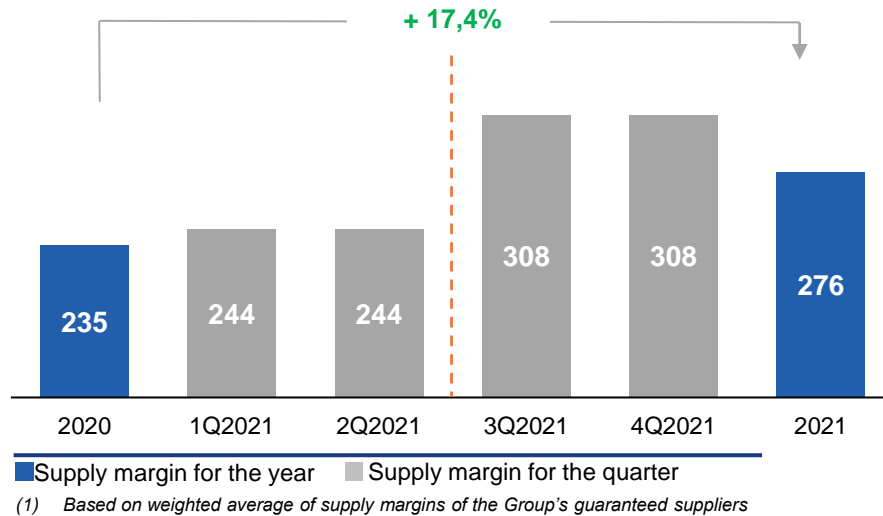
Electricity Supply to Customers

TWh



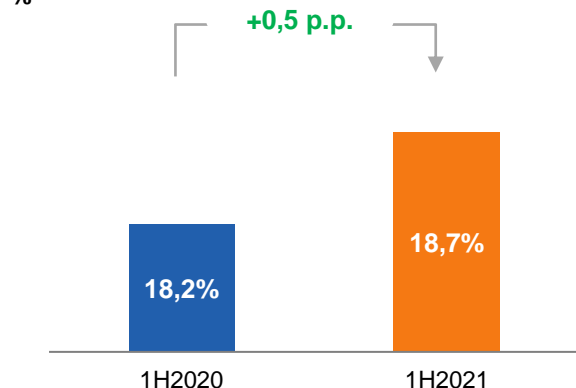
Supply Margin of Guaranteed Suppliers Dynamics⁽¹⁾

RUB/MWh



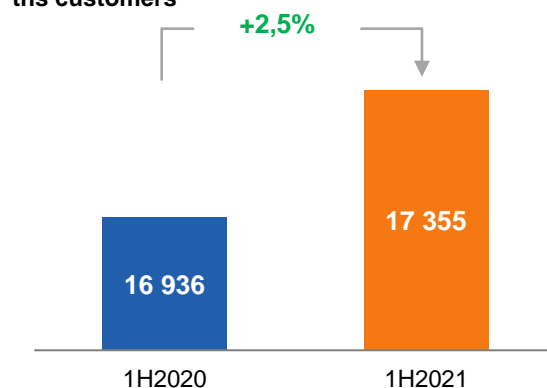
Retail Market Share

%



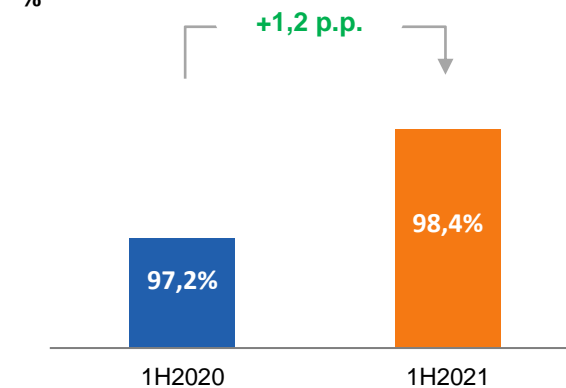
Customer Base

thousands customers

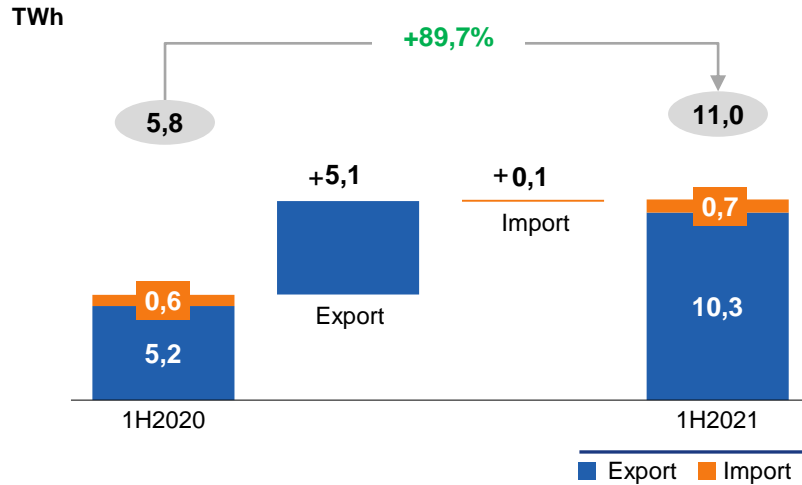


Electricity Payments Collection of Guaranteed Suppliers

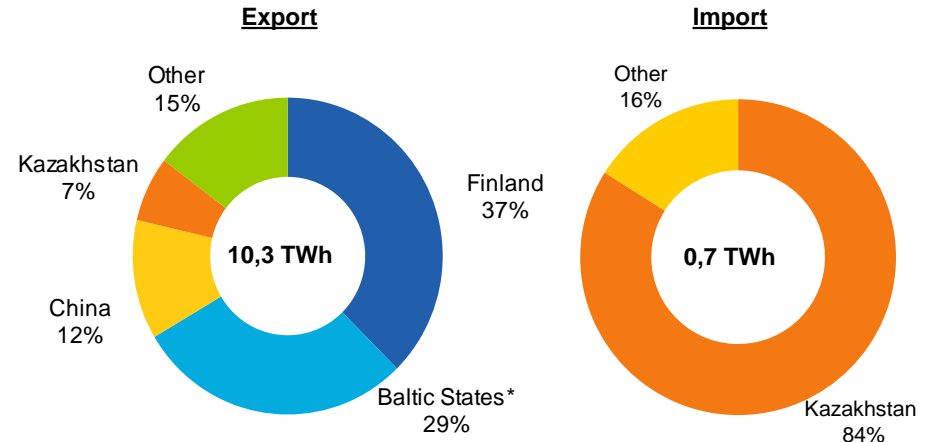
%



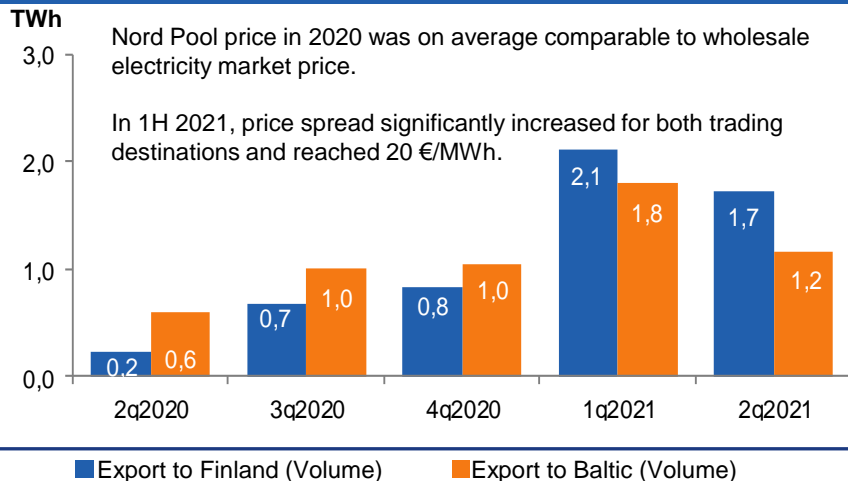
Export / Import Volumes



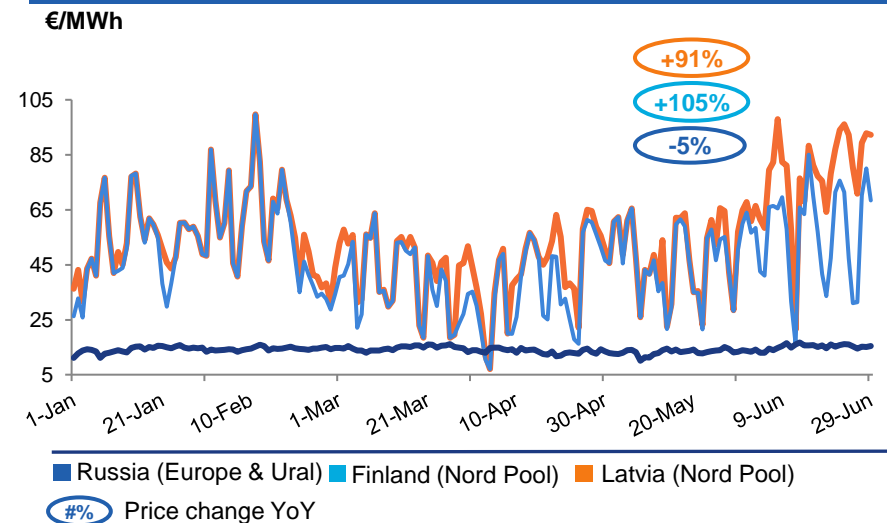
Export / Import Structure for 1H2020



Electricity export dynamics in key areas



Evolution of Electricity Spot Prices



* Includes exports to Lithuania and Latvia



Achievements in 1H 2021

- ✓ In 2021 **Sustainable Development Policy** was implemented that includes **policies on human rights and on non-discrimination alongside with consumer code and supplier policy. The policy applies to all companies of the Group**
- ✓ In 2021, **for the third time** information on direct greenhouse gas emissions (**Scope 1**) contained in 2020 Annual Report was verified. Also, a mechanism for indirect greenhouse gas emissions calculation was developed (**Scope 2**)
- ✓ **Wider disclosure** of information within the framework of the 2020 Annual Report in accordance with the **GRI**
- ✓ Company has re-integrated **Communication on Progress (COP UNGC)** into the structure of the 2020 Annual Report of **PJSC Inter RAO**, having received approval from the UN Global Compact officials
- ✓ **A quantitative assessment of the Group's climate change risks was carried out using simulation methods, systematic measures for managing climate change risks were identified**



2021 plans

- ✓ In order to facilitate international efforts to combat global hazardous climate events and natural disasters, Inter RAO began to develop measures to prevent, adapt and mitigate the impact of **climate risk in accordance with TCFD**.
- ✓ Proactive **interaction** with initiatives, working groups in the field of sustainable development (RUIE, Ministry of Economic Development)
- ✓ Conducting training seminars and webinars on sustainable development for Inter RAO Group employees

Valuation by independent rating agencies

The Company has the status of **UN GC Advanced***

The Company is committed to all **17 UN SDGs**** and has identified **4 high-priority strategic SDGs** that have been incorporated into key business processes

The Company achieved a significant increase in sustainability ratings from such ESG agencies as **RobecoSAM, FTSE4Good**, and also received **Leadership** status according to the CDP questionnaire (with an **A-grade**)



FTSE4Good

* as of 31.03.2021

** Sustainable Development Goals



II. IFRS Financial results



Key financials

<i>RUB bn.</i>	1H2021	1H2020	Change
Revenue	566,2	476,7	+18,8%
Operating expenses	505,6	440,4	+14,8%
Operating profit	63,9	42,2	+51,3%
EBITDA	80,9	61,4	+31,7%
EBITDA margin	14,3%	12,9%	+10,9%
Net profit	53,3	42,0	+26,8%
CAPEX	12,7	7,4	+71,3%

<i>RUB bn.</i>	30.06.2021	31.12.2020	Change
Total assets	909,6	865,2	5,1%
Total equity	655,1	616,1	6,3%
Loans and borrowings	15,1	3,1	4,9 times
Lease liabilities ⁽¹⁾	95,0	91,8	3,5%
Net debt ⁽²⁾	-177,7	-233,6	-

Please note:

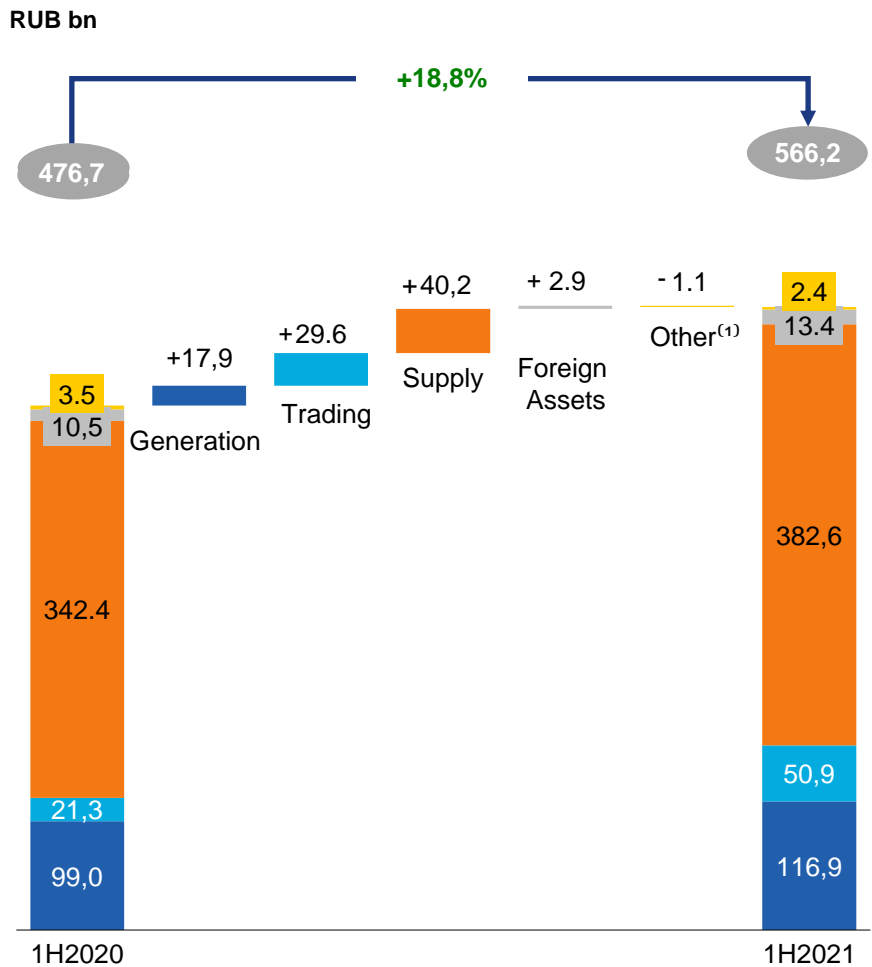
-all relative percentage changes are shown in accordance with calculations in mln RUB

(1) Including share in lease liabilities of joint ventures RUB 0,5 bn. as of 30.06.2021 (as of 31.12.2020 – RUB 0,2 bn)

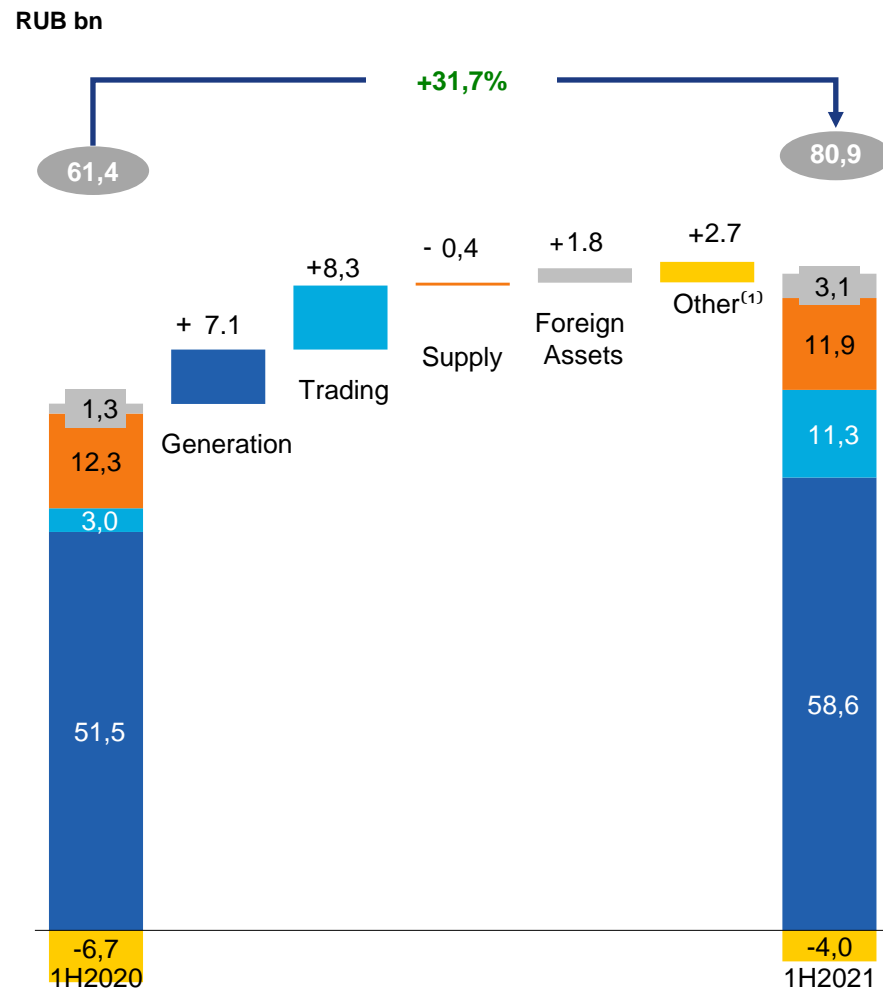
(2) Includes cash deposits (3-12 months) in amount of RUB 37,4 bn as of 30.06.2021 (as of 31.12.2020 – RUB 147,4 bn) and lease liabilities (including share in lease liabilities of joint ventures) in amount of RUB 95,0 bn as of 31.06.2021 (as of 31.12.2020 - RUB 91,8 bn)

Evolution of key financials

Revenue bridge



EBITDA bridge

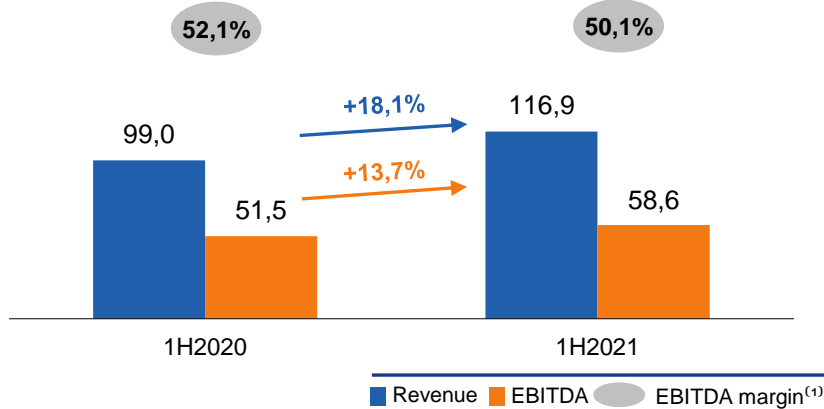


Please note:
 Generation includes financial results from the Electricity Generation and Heat Generation segments
 1) Includes segments Engineering and Corporate Centre

Key segments: Generation and Supply

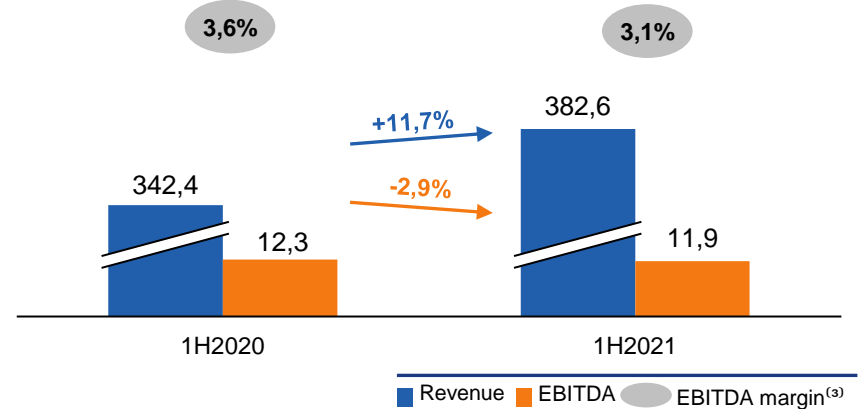
Generation: Revenue and EBITDA

RUB bn



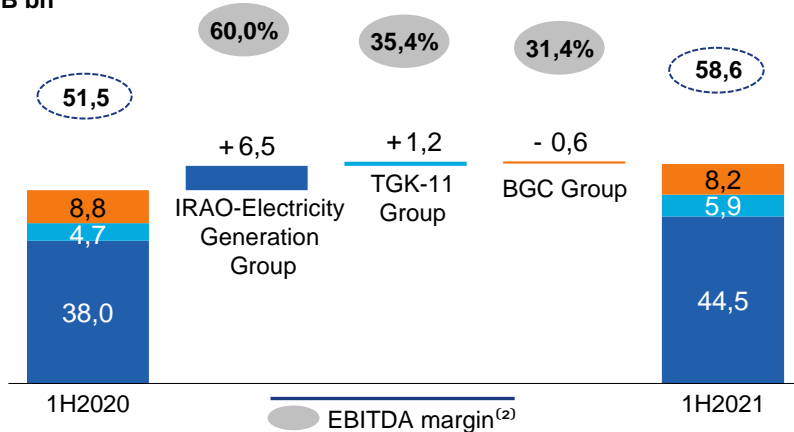
Supply: Revenue and EBITDA

RUB bn



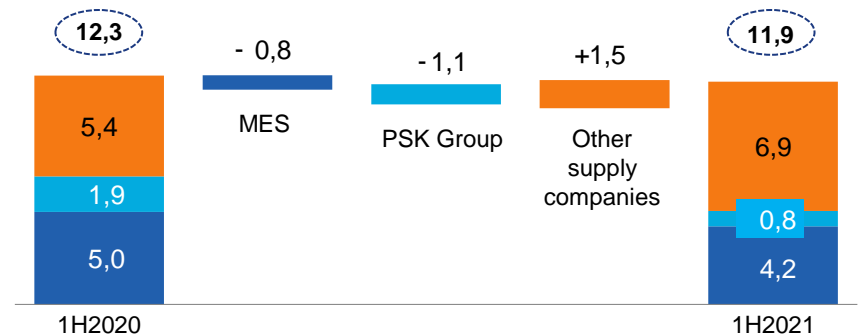
Generation: EBITDA contribution by company

RUB bn



Supply: EBITDA contribution by company

RUB bn



(1) EBITDA margin calculation excludes inter-segment revenue (RUB 37,8 bn in 1H 2020 and RUB 30,3 bn in 1H 2021)

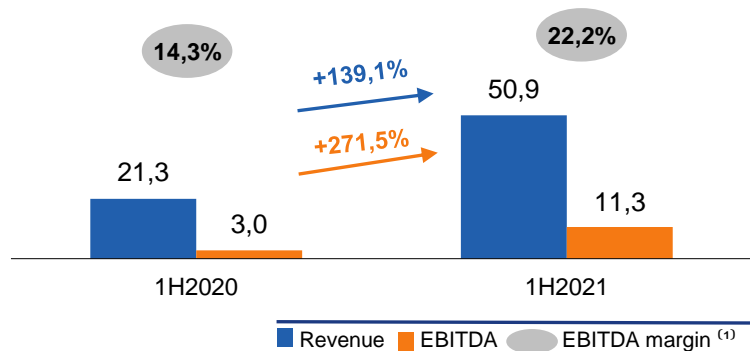
(2) EBITDA margin calculation excludes inter-segment revenue for 1H 2021 (Inter RAO – Electricity Generation – RUB 26,9 bn, TGK-11 Group – RUB 3,6 bn, BGC Group – RUB 7,3 bn)

(3) EBITDA margin calculation excludes inter-segment revenue (RUB 1,0 bn in 1H 2021 and RUB 1,0 bn in 1H 2020)

Key segments: Trading and Foreign Assets

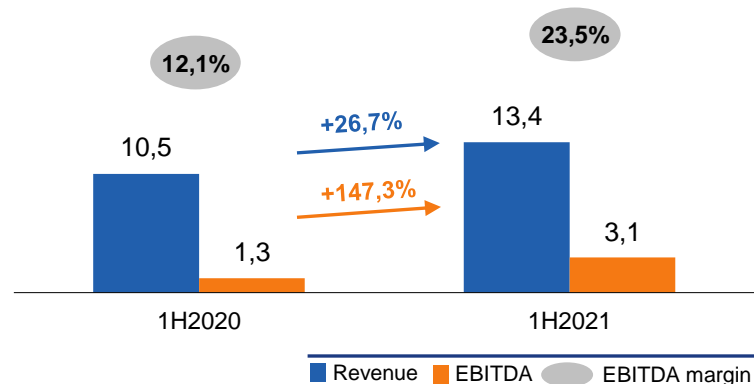
Trading: Revenue and EBITDA

RUB bn



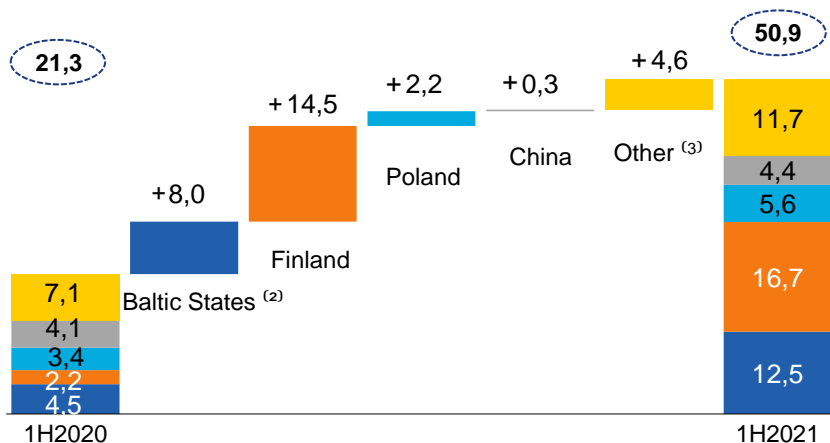
Foreign Assets: Revenue and EBITDA

RUB bn



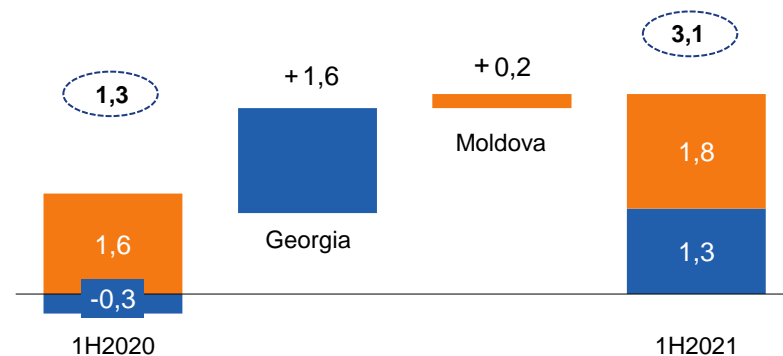
Trading: Revenue contribution by country

RUB bn



Foreign Assets: EBITDA contribution by country

RUB bn



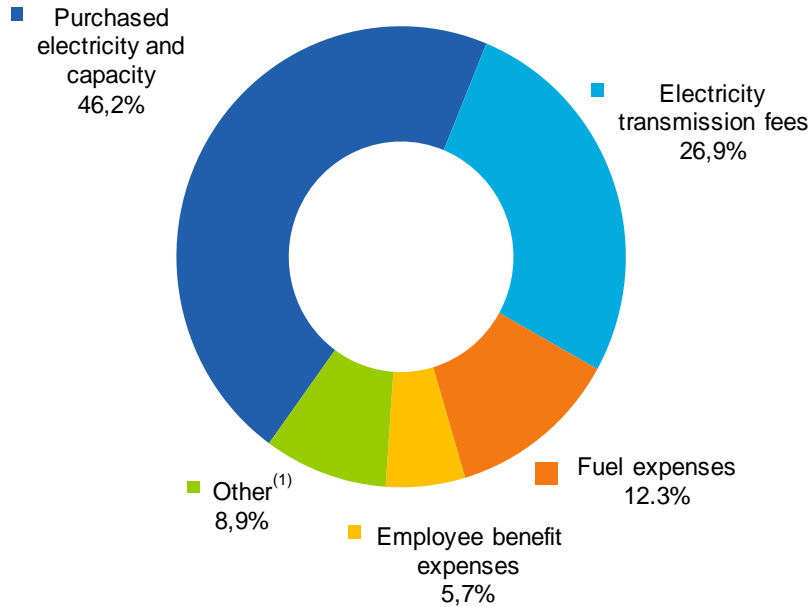
(1) EBITDA margin calculation excludes inter-segment revenue (RUB 0,6 bn in 1H2020 and RUB 0,7 bn in 1H2021)

(2) Includes Latvia and Lithuania

(3) Belorussia, Georgia, Azerbaijan, Mongolia, Norway, Estonia, Kazakhstan and other

Consolidated Operating Expenses

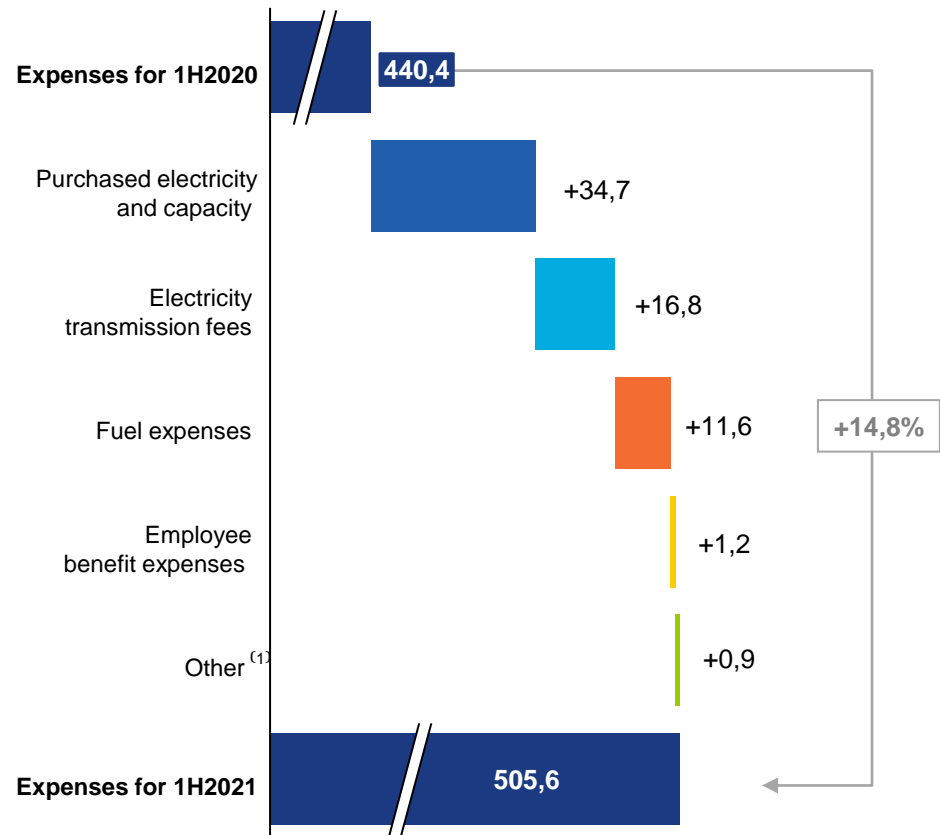
OPEX breakdown



Consolidated operating expenses of Inter RAO Group for the 1H 2020 amounted to RUB 505,6 bn

OPEX dynamics

RUB bn



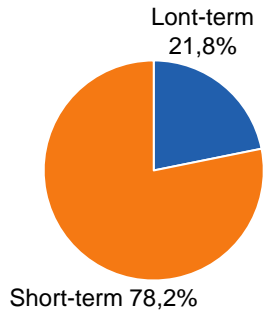
The growth rate of consolidated revenue of Inter RAO Group for the 1st half of 2021 (+18,8% YoY) exceeded the growth rate of consolidated operating expenses

(1) Other expenses include depreciation and amortization, provision for impairment of accounts receivables, other provisions and other operating expenses

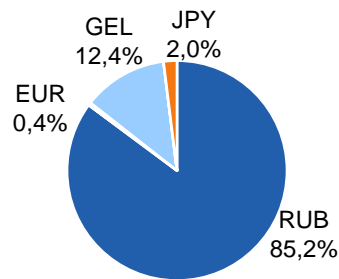
Debt and Liquidity Analysis

Loans and borrowings composition ⁽¹⁾

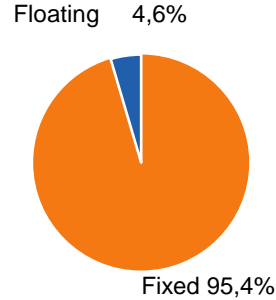
By maturity



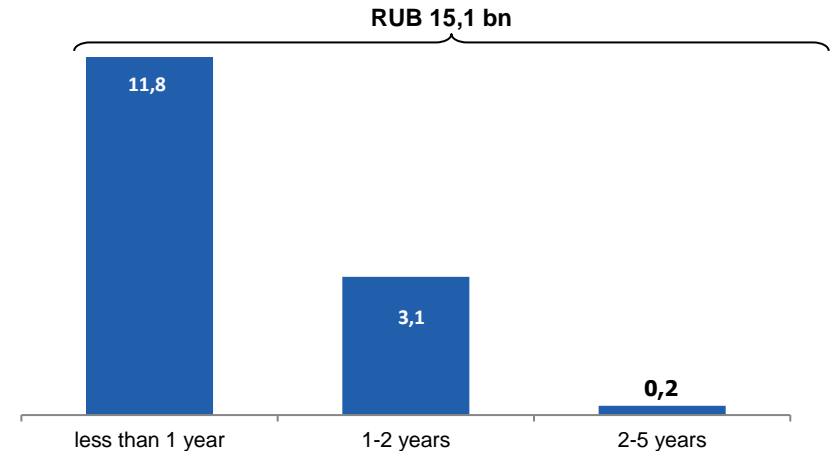
By currency



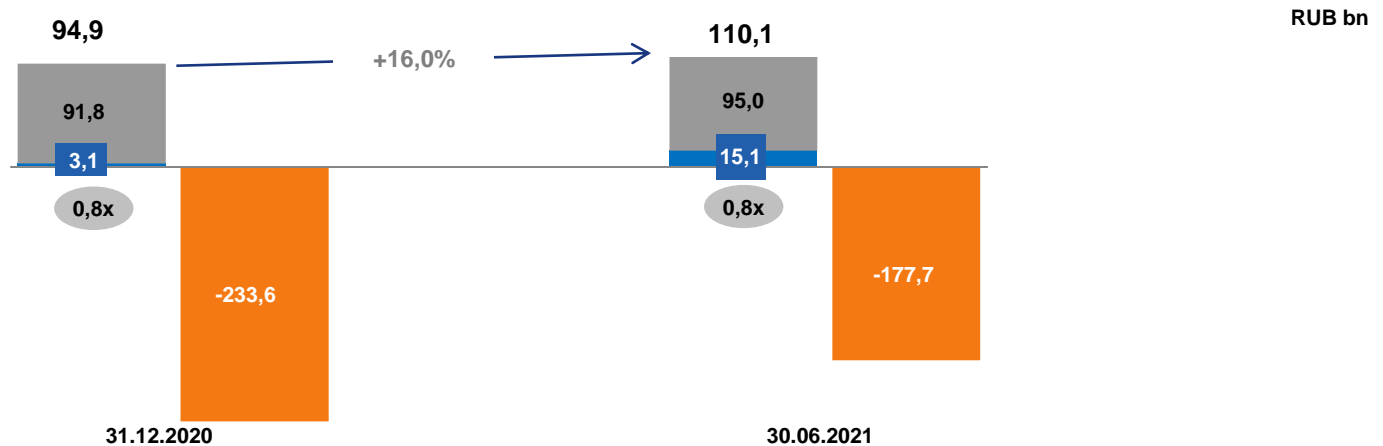
By percentage rate



Loans and borrowings maturity profile ⁽¹⁾



Total debt statistics ⁽²⁾



■ Loans and borrowings
 ■ Lease liabilities
 ■ Group's net debt (includes lease liabilities)
 0,8x Debt/EBITDA (includes lease liabilities)

(1) Excluding lease liabilities and share in debt of joint ventures;

(2) Includes debt and lease liabilities in joint ventures as of 30.06.2021 in amount of RUB 0,5 bn (lease liabilities of joint ventures as of 31.12.2020 – RUB 0,2 bn) and cash deposits (3-12 months)



Q&A session

