



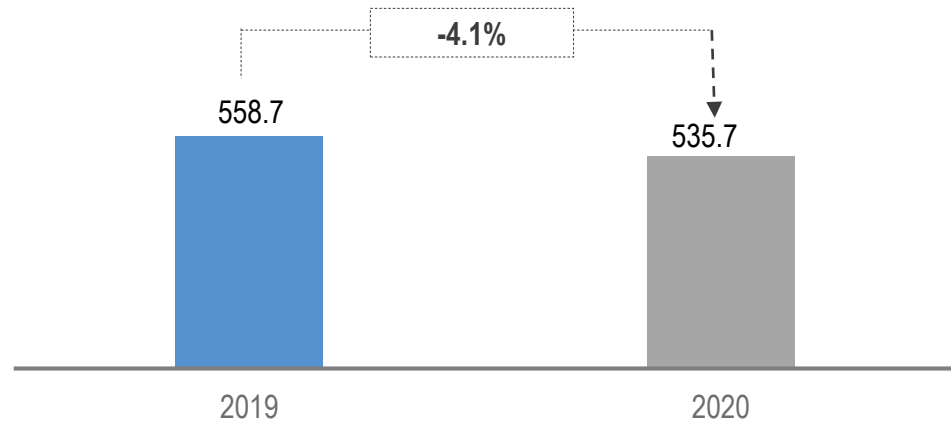
ROSSETI
FGC UES

**IFRS CONSOLIDATED FINANCIAL RESULTS
OF PJSC FGC UES
FOR 2020**

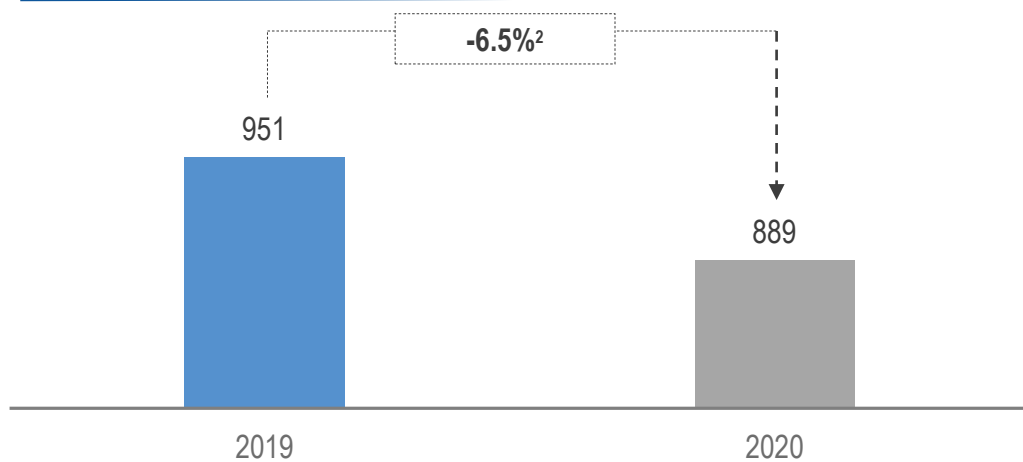
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OPERATING HIGHLIGHTS

Electricity supply from UNEG to consumers,
 bln kWh (for the period)



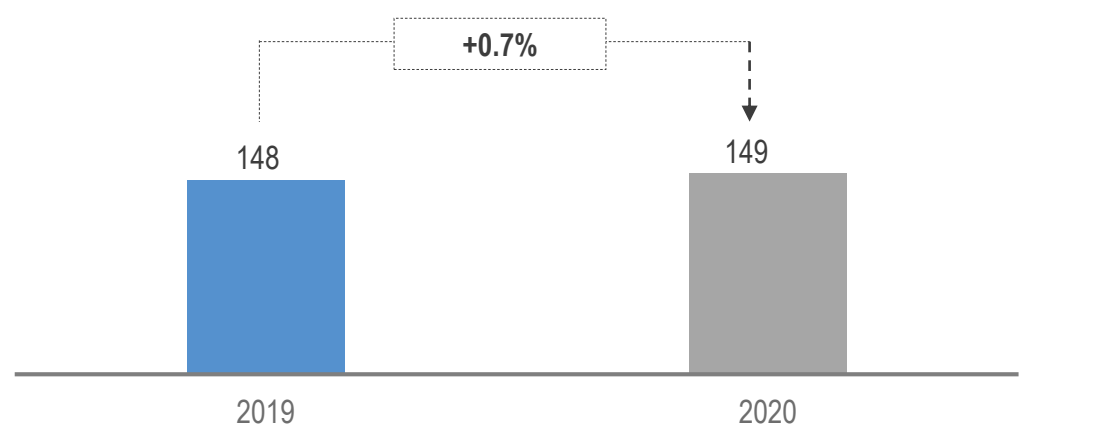
Substations in operation¹, units (end of period)



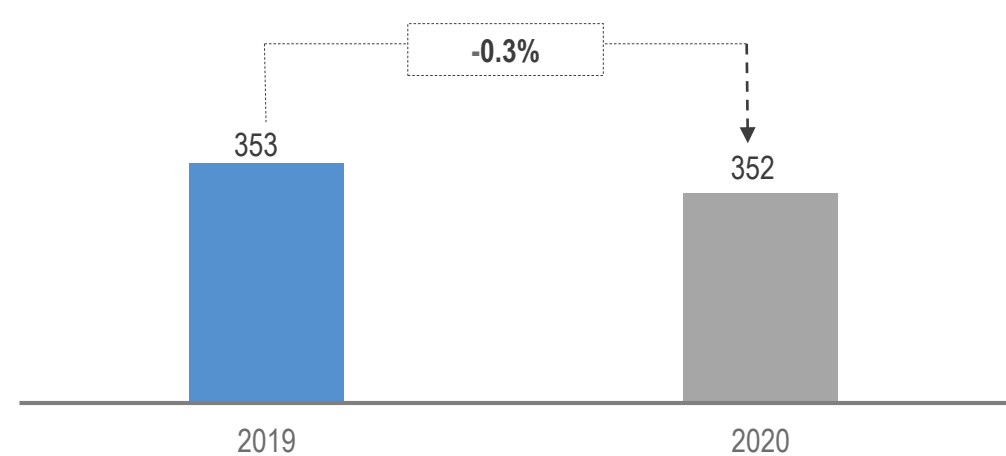
Notes:

1. Including leased substations
2. Deviation is due to the termination of the property lease agreement with JSC DVEUK UNEG
3. Including rented OHTL and substations

Transmission Grid Length in Operation¹, thousand km end of period)

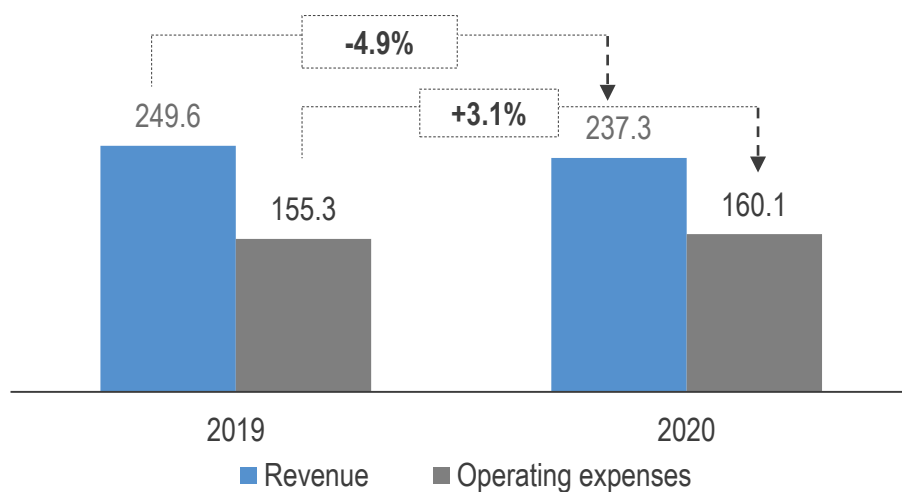


Total transformer capacity³, GVA (end of period)

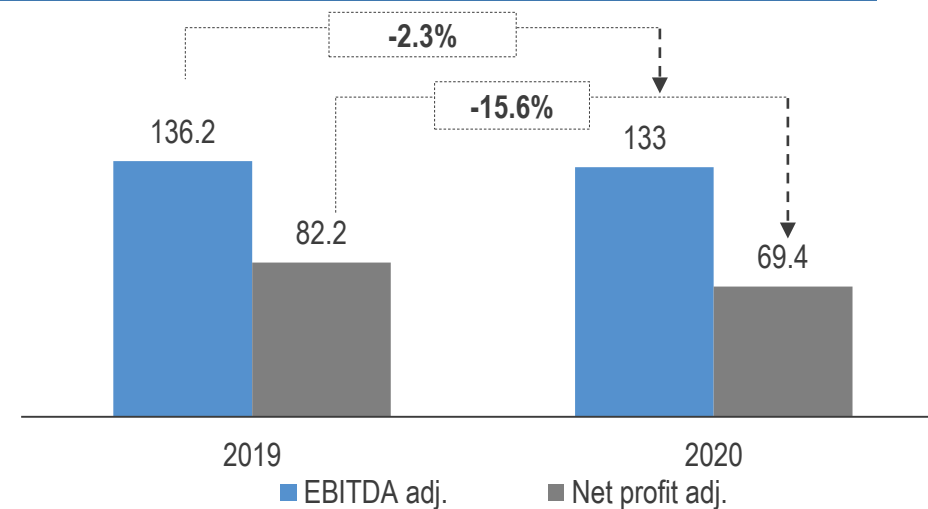


FINANCIAL RESULTS

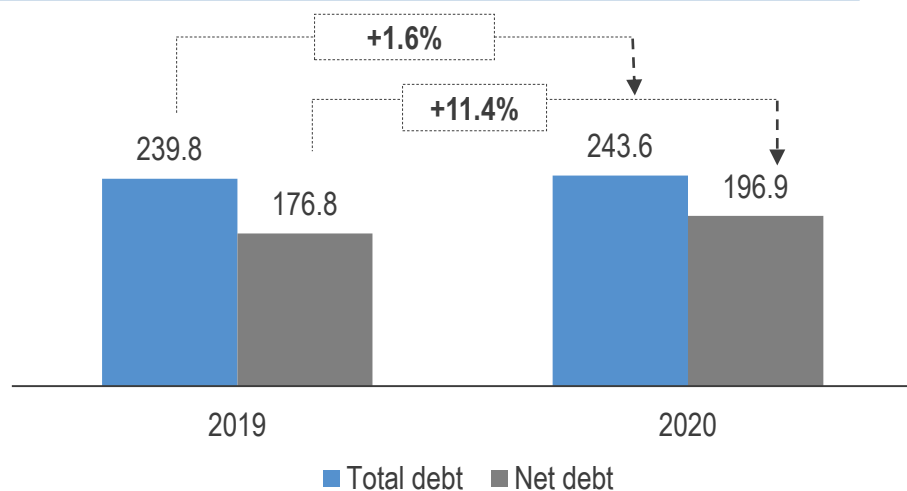
Revenue and operating costs, RUB bln



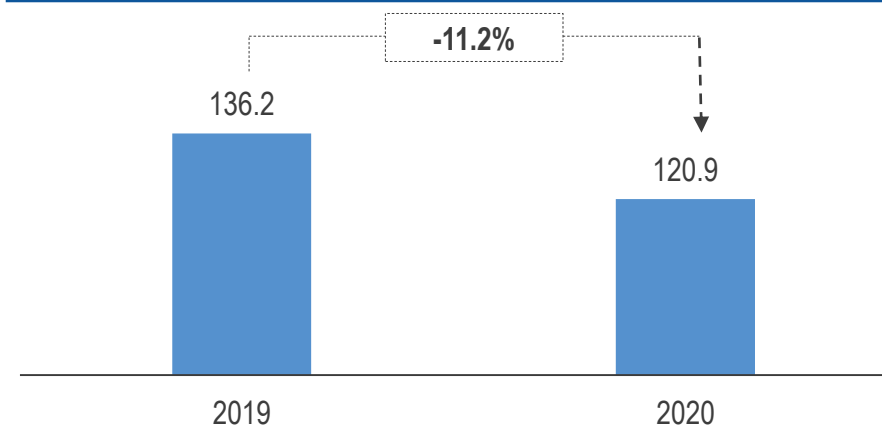
EBITDA adj.¹, net profit adj., RUB bln



Total debt and net debt, RUB bln



Net cash flows from operating activities, RUB bln



Notes:

1. Terms and definitions are listed at the end of the presentation

1Q2020

- Bonds of RUB 10 billion were placed with a coupon rate of 6.75%, term to offer - 10 years;

2Q2020

- The annual General Meeting of Shareholders resolved to delegate the powers vested in the Company's sole executive body to the Managing Company of PJSC ROSSETI;
- bonds of RUB 10 billion were placed with a coupon rate of 6.5%, term to offer - 5 years;
- The amended Technical Policy of Rosseti FGC UES has been adopted;
- Power output for the Adygeya wind farm, the largest Russian southern wind power station, has been ensured.

3Q2020

- Two new solar power stations, Svetlaya and Luch, have been connected;
- Electric power facilities have been constructed to ensure increase in cargo supply to Russian southern sea ports by rail;
- Svobodnenskaya TPP has been connected to the Unified National Power Grid as part of electricity supply to the Amur Gas Processing Plant.

4 квартал

- Bonds of RUB 10 billion were placed with a coupon rate of 6.60%, term to offer - 7 years;
- Power output for the Afipsky Oil Refinery Plant, one of the largest oil plants in Southern Russia, has been ensured;
- 330 kV substation Belgorod has been commissioned, a backbone substation for the Belgorod Region;
- The Energy Management System audit performed by the experts of DQS Holding, one of the world's major certification bodies, was successfully completed;
- The adjusted investment program of Rosseti FGC UES has been adopted for 2020-2024.

After the reporting period

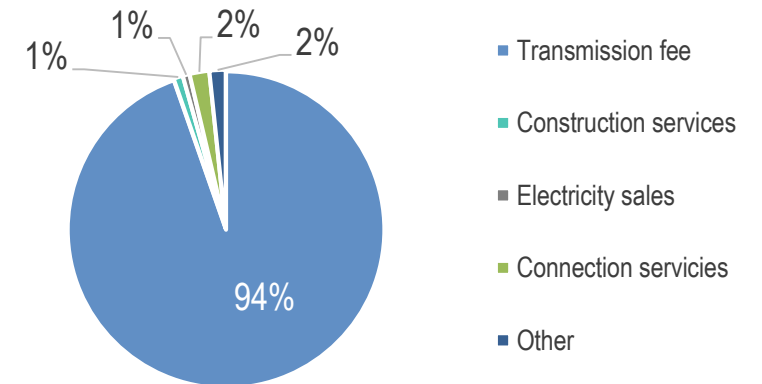
1Q2021.

- Power output has been ensured for two RES facilities: Kochubeevskaya wind farm and solar power plant Medveditsa.

REVENUE STRUCTURE

Indicator	2020 RUB bln	2019 RUB bln	Change	
			RUB bln.	%
Total revenue, including:	237.3	249.6	(12.3)	(4.9)
Transmission fee	221.8	222.4	(0.6)	(0.3)
Connection services	5.7	17.2	(11.5)	(66.9)
Construction services	3.2	4.4	(1.2)	(27.3)
Electricity sales	1.7	1.7	0	-
Other revenues	4.9	3.9	1.0	25.6

Структура выручки 2020



- Decrease in revenue from FGC's core business (electricity transmission) is mainly due to a decrease in the volume of regulatory and technological losses of electricity claimed under contracts for the provision of transmission services, as a result of drop in demand for electricity consumption. Similarly the cost of purchase of losses in the electricity grid decreased.
- Recognition of a smaller revenue from connection services to the networks is associated with the schedule for the provision of services, determined by the applications of consumers
- Decrease in other revenue mainly from general contractor service agreements of the subsidiaries of PJSC FGC UES as a result of changes in the percentage of work completion in different stages of construction projects

OPERATING COST STRUCTURE

Indicator	2020	2019	Change	
	RUB bln.	RUB bln.	RUB bln.	%
Amortization	41.0	37.9	3.1	8.2
Purchased electricity for production needs	36.8	37.7	(0.9)	(2.4)
Taxes and duties	13.6	13.4	0.2	1.5
Electricity transit	2.6	1.8	0.8	44.4
Other operating expenses	63.2	61.2	2.0	3.3
Operating expenses¹	157.2	152.0	5.2	3.4
Expenses under construction contracts	2.9	3.3	(0.4)	(12.1)
Total operating expenses	160.1	155.3	4.8	3.1
Provisions for expected credit losses (impairment of receivables)	(0.2)	1.6	(1.8)	(112.5)
Losses from impairment of fixed assets	12.5	6.7	5.8	86.6

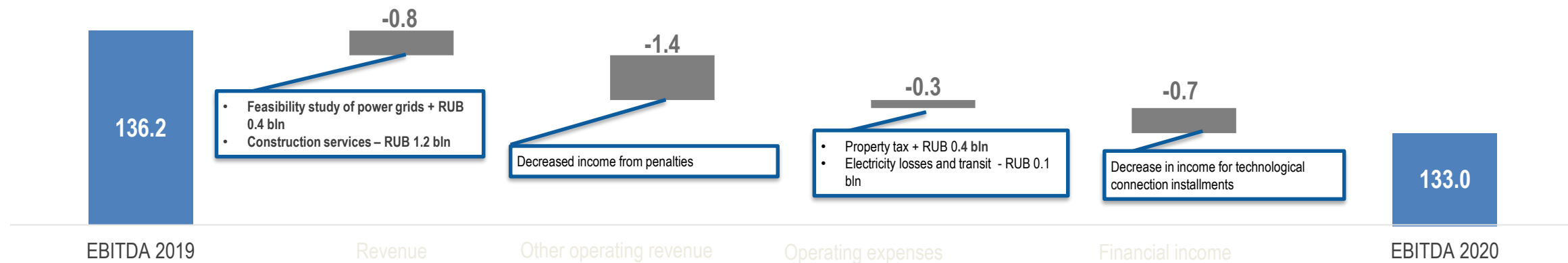
- ⚙ Increase in amortization charges is due to commissioning of new fixed assets under capex program;
- ⚙ Decrease in purchased electricity for production needs is due to a decline in electricity losses in UNEG;
- ⚙ Increase in expenses for cross-border electricity transit is driven by higher transit volumes via electricity network of other countries;
- ⚙ The decrease in costs under construction costs was caused by a decrease in costs for work performed by subsidiaries of PJSC FGC UES due to a change in the percentage of completion of work at different stages of construction projects.

Note: Terms and definitions are listed at the end of the presentation.

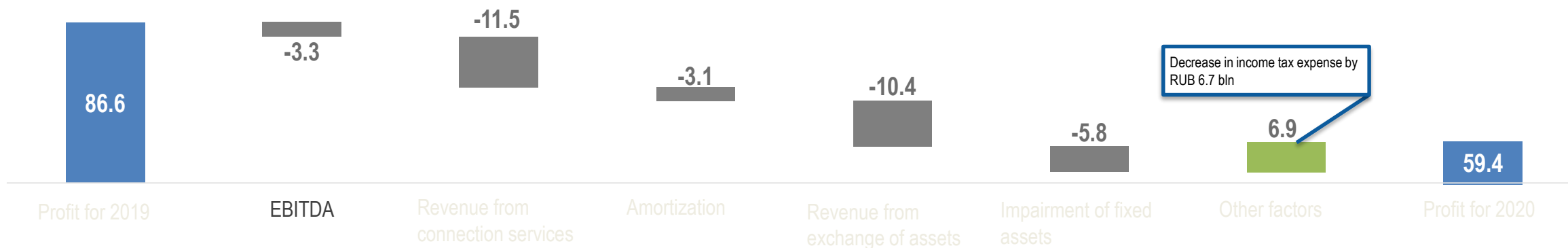
1. Excluding expenses for general contractor services provided by PJSC FGC UES subsidiaries.

EBITDA AND PROFIT FOR THE PERIOD

EBITDA (adj.)
 RUB bln.



Прибыль
 млрд руб.



DEBT PROFILE

Debt Profile as of 31 December 2020

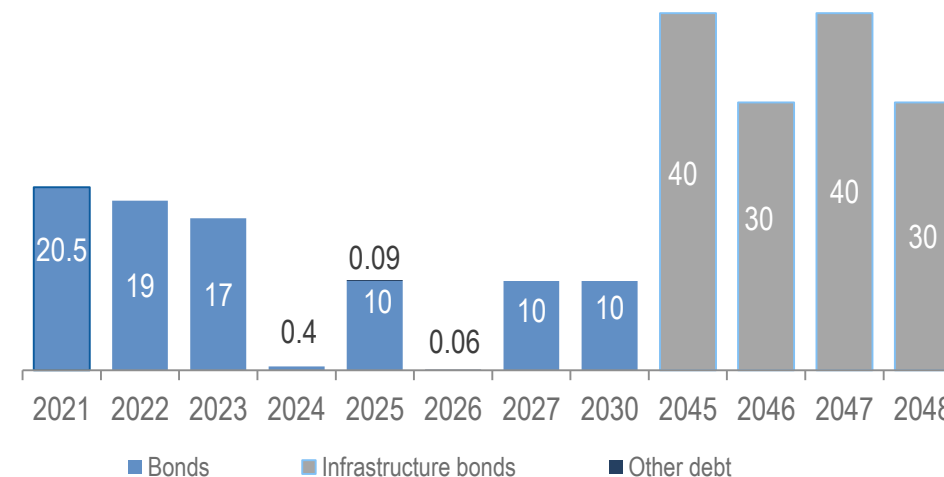
- Principal amount of debt: **RUB 227,1 billion**
- Cost of deb:
 - as of 31 December 2020 – **5.8%**
 - as of 31 December 2019– **6.1%**
- Average debt maturity: **more than 17 years**
- Debt structure comprised of long-term financial instruments, including: about **38%** - market bonds, about **62%** - infrastructure bonds; less than **1%** - other debt
- 100%** of total debt is unsecured and ruble-denominated
- No exchange-rate risk

Credit ratings at the sovereign level¹

Company's credit ratings are at the sovereign level as per 3 leading ratings' scales

FitchRatings	BBB	Stable
S&P Global	BBB-	Stable
MOODY'S	Baa3	Stable
AKPA	AAA (RU)	Stable

График погашения задолженности, млрд руб.



Financial leverage

Indicator	2019	2020
Total debt, RUB bln	239.8	243.6
Net debt, RUB bln	176.8	196.9

General

- **UNEG** – the Unified National Electric Grid
- **PJSC “FGC UES”** - ROSSETI FGC UES
- **PJSC “FGC UES” and its subsidiaries** - the Group
- **PJSC “ROSSETI”** - ROSSETI

Financial metrics

- **Adjusted EBITDA** calculated as EBITDA (profit for the period before income tax, financial income and expenses, depreciation and amortization) excluding reversal of net loss from impairment of property, revenue from connection services, cost of creating a reserve for expected credit losses, loss on disposal of assets with DVEUK JSC (only for 2019), loss on disposal of associated company (only for 2019), changes in the reserve for liabilities and deductions and including financial income.
- **Adjusted net profit** is calculated excluding gain on assets disposal (assets exchange with DVEUK JSC in 2019), loss from withdrawal of an affiliate (only for 2019) and net reversal of fixed assets impairment, including the relevant deferred income tax amounts.
- **Adjusted operating expenses** – operating expenses excluding expenses for general contractor services provided by PJSC FGC UES subsidiaries
- **Total debt**– current and non-current loans and borrowings (including bonds, bank and non-bank borrowings and finance lease liabilities).
- **Net debt**– total debt less cash and cash equivalents, short-term promissory notes and short-term bank deposits
- **Amortization** – depreciation of property, plant and equipment, and right-of-use-assets, and amortization of intangible assets.