

# PRESS RELEASE

## Media Relations

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## THE BOD OF EL5-ENERGO APPROVED 2023-2025 BUSINESS PLAN

**Moscow, February 8th, 2023** – The Board of Directors of EL5-Energo (hereinafter - the Company) approved the three-year Business Plan for 2023-2025 and considered the Company's five-year plan until 2027.

The Business Plan is based on the updated macroeconomic and electricity market forecasts with existing risks provision.

The Company expects stable overall power output at the level of 20-21 TWh per year. A slight decrease in output from gas-fired power plants is to be offset by a gradual increase of wind power plants output.

According to the Business Plan, the Company's financial indicators are expected to grow moderately thanks to the start of full operation mode of Kolskaya wind farm, the increase of KOM prices, as well as indexation of the regulated tariffs. The growth of financial indicators is to be constrained by the growth of gas prices, inflation of fixed costs and investments in maintenances.

The Company's net debt will continue to grow in 2023-2024 due to investments in the already ongoing modernization projects. The reduction of net debt is expected to start from 2025.

Due to the high debt burden, which poses significant risks to the Company's financial stability and limits its development potential, as well as investment attractiveness, the Board of Directors has determined the reduction of debt burden as a priority task of the Company's financial policy. According to the approved Business Plan, as well as the five-year plan for the period up to 2027, the all Company's free cash flow will be directed at debt reduction.

Due to the change of financial policy priorities, the Board of Directors decided to refrain from making recommendations to the Company's General Shareholders Meeting to pay dividends until the optimal level of leverage is reached.

### About PJSC EL5-Energo

PJSC EL5-Energo is a Russian generating company. PJSC EL5-Energo operates three gas power plants - Konakovskaya GRES, Nevinnomysskaya GRES and Sredneuralskaya GRES, and two wind farms - Azovskaya WPP and Kolskaya WPP (the first stage 170 MW). The company's total gross installed power capacity is 5 909.9 MW and thermal capacity is 1 927 Gcal/h. PJSC EL5-Energo's authorized capital is 35,371,898,370 roubles and is divided into ordinary shares with a par value of 1 rouble. PJSC EL5-Energo shares are listed in the Moscow Exchange Level 1 quotation list.

You can follow the company's news on social media: [YouTube](#) and [Telegram](#)