



1HY 2021 DTEK Renewables Results

Investor Relations Conference Call

Maris Kunickis, Anton Mishyn, Anastasiya Bardega

September, 2021

Disclaimer



BY ATTENDING ANY MEETING WHERE THIS PRESENTATION (AS DEFINED BELOW) IS MADE, OR BY READING ANY PART OF THIS PRESENTATION, YOU ACKNOWLEDGE AND AGREE TO BE BOUND BY THE FOLLOWING:

PLEASE NOTE THAT BY ACCEPTING TO PROCEED, YOU AGREE THAT YOU WILL KEEP ANY INFORMATION INCLUDED IN THIS DOCUMENT CONFIDENTIAL UNLESS MADE PUBLIC OR ADVISED OTHERWISE.

THIS PRESENTATION IS STRICTLY CONFIDENTIAL TO THE RECIPIENT AND MAY NOT BE COPIED, PUBLISHED, DISTRIBUTED, TRANSMITTED OR REPRODUCED IN ANY FORM. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF APPLICABLE SECURITIES LAWS. “PRESENTATION” MEANS THIS DOCUMENT AND ANY ORAL PRESENTATION MADE, ANY QUESTION AND ANSWER SESSION CONDUCTED AND ANY OTHER INFORMATION DISCUSSED ORALLY DURING ANY INVESTOR MEETING OF THE KIND REFERRED TO BELOW, EACH IN CONNECTION WITH THIS DOCUMENT AND/OR ITS RESPECTIVE CONTENT.

THE MATERIALS COMPRISING THIS PRESENTATION HAVE BEEN PREPARED BY DTEK RENEWABLES B.V. (“COMPANY”) AT ITS SOLE RESPONSIBILITY AND SOLELY FOR USE BY THE COMPANY’S MANAGEMENT AT INVESTOR MEETINGS WITH A LIMITED NUMBER OF INSTITUTIONAL INVESTORS WHO HAVE AGREED TO ATTEND SUCH MEETINGS. AND TO BE SUBJECT TO OBLIGATIONS TO MAINTAIN THE CONFIDENTIALITY OF THIS PRESENTATION. THIS PRESENTATION MAY NOT BE REMOVED FROM THE PREMISES. IF THIS DOCUMENT HAS BEEN RECEIVED IN ERROR IT MUST BE RETURNED IMMEDIATELY TO THE COMPANY. NO PART OF THIS PRESENTATION, NOR THE FACT OF ITS DISTRIBUTION, SHOULD FORM THE BASIS OF, OR BE RELIED ON IN CONNECTION WITH, ANY CONTRACT OR COMMITMENT OR INVESTMENT DECISION WHATSOEVER. THIS PRESENTATION DOES NOT CONSTITUTE A RECOMMENDATION REGARDING ANY (FUTURE) SECURITIES OF THE COMPANY.

THE CONTENTS OF THIS PRESENTATION HAVE NOT BEEN INDEPENDENTLY VERIFIED BY OR ON BEHALF OF THE COMPANY OR ANY OF ITS ADVISERS (THE “ADVISERS”), OR BY ANY OTHER INDEPENDENT THIRD PARTY. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE BY ANY OF THE COMPANY, THE ADVISERS, ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OF THEIR OR THEIR AFFILIATES’ RESPECTIVE MEMBERS, DIRECTORS, OFFICERS OR EMPLOYEES AS TO, AND NO RELIANCE SHOULD BE PLACED ON, THE FAIRNESS, ACCURACY, COMPLETENESS OR CORRECTNESS OF THE INFORMATION OR THE OPINIONS CONTAINED HEREIN. NONE OF THE COMPANY OR THE ADVISERS NOR ANY OF THEIR RESPECTIVE MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, AFFILIATES, ADVISERS OR REPRESENTATIVES SHALL HAVE ANY LIABILITY WHATSOEVER (IN NEGLIGENCE OR OTHERWISE) FOR ANY LOSS HOWSOEVER ARISING FROM ANY USE OF THIS PRESENTATION OR ITS CONTENTS OR OTHERWISE ARISING IN CONNECTION WITH THE PRESENTATION. THIS PRESENTATION DOES NOT CONSTITUTE AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OF AMERICA. ACCORDINGLY, NEITHER THIS PRESENTATION NOR ANY PART OR COPY OF IT MAY BE TAKEN OR TRANSMITTED INTO THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA, EXCEPT IN RELIANCE ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”). ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF THE UNITED STATES SECURITIES LAWS.

IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (THE “EEA”), THIS PRESENTATION IS DIRECTED ONLY AT PERSONS WHO ARE “QUALIFIED INVESTORS” WITHIN THE MEANING OF PROSPECTUS REGULATION (REGULATION (EU) 2017/1129).

SOLELY FOR THE PURPOSES OF EACH MANUFACTURER’S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:(I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN DIRECTIVE 2014/65/EU (AS AMENDED, “MIFID II”); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A “DISTRIBUTOR”) SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS’ TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFIDII IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS’ TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EU, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

THIS PRESENTATION IS MADE TO AND DIRECTED ONLY AT (I) PERSONS OUTSIDE THE UNITED KINGDOM, (II) INVESTMENT PROFESSIONALS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “ORDER”), AND (III) HIGH NET WORTH INDIVIDUALS, AND OTHER PERSONS TO WHOM IT MAY LAWFULLY BE COMMUNICATED, FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER AND (IV) OTHER PERSONS TO WHOM AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITIES MAY OTHERWISE BE COMMUNICATED WITHOUT CONTRAVENTION OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS COMMUNICATION RELATES WILL ONLY BE AVAILABLE TO AND WILL ONLY BE ENGAGED IN WITH RELEVANT PERSONS. ANY PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS.

THIS PRESENTATION IS NOT INTENDED TO BE A PUBLIC OFFER OR ADVERTISEMENT OF SECURITIES IN UKRAINE, AND IS NOT INTENDED TO BE AN OFFER, OR AN INVITATION TO MAKE OFFERS, TO PURCHASE, SELL, EXCHANGE OR TRANSFER ANY SECURITIES IN UKRAINE, AND MUST NOT BE PASSED ON TO THIRD PARTIES OR OTHERWISE MADE PUBLICLY AVAILABLE IN UKRAINE. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF UKRAINIAN SECURITIES LAW.

NEITHER THIS PRESENTATION NOR ANY PART OR COPY OF IT MAY BE TAKEN OR TRANSMITTED INTO (WITHOUT LIMITATION) AUSTRALIA, CANADA OR JAPAN OR DISTRIBUTED DIRECTLY OR INDIRECTLY IN CANADA OR DISTRIBUTED OR REDISTRIBUTED IN JAPAN OR TO CANADIAN PERSONS OR TO ANY SECURITIES ANALYST OR OTHER PERSON RESIDENT IN ANY OF THOSE JURISDICTIONS. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF AUSTRALIAN, CANADIAN OR JAPANESE SECURITIES LAW. THE DISTRIBUTION OF THIS PRESENTATION IN OTHER JURISDICTIONS MAY BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THIS PRESENTATION COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS.

THIS PRESENTATION IS NOT DIRECTED AT, OR INTENDED FOR DISTRIBUTION TO OR USE BY, ANY PERSON OR ENTITY THAT IS A CITIZEN OR RESIDENT OR LOCATED IN ANY LOCALITY, STATE, COUNTRY OR OTHER JURISDICTION WHERE SUCH DISTRIBUTION, PUBLICATION, AVAILABILITY OR USE WOULD BE CONTRARY TO LAW OR REGULATION OR WHICH WOULD REQUIRE ANY REGISTRATION OR LICENSING WITHIN SUCH JURISDICTION. THE INFORMATION IN THIS PRESENTATION DOES NOT CONSTITUTE A PUBLIC OFFER UNDER ANY APPLICABLE LEGISLATION, OR AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY (FUTURE) SECURITIES.

THE CONSOLIDATED FINANCIAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES (THE “GROUP”) SET OUT IN THIS PRESENTATION DOES NOT INCLUDE FINANCIAL RESULTS OF DTEK RENEWABLES FINANCE B.V. AS IT HAS ONLY BECOME A PART OF THE GROUP IN OCTOBER 2019. ITS FINANCIAL RESULTS ARE NOT SET OUT SEPARATELY IN, OR INCORPORATED BY REFERENCE IN, THIS PRESENTATION AS THEY ARE NOT RELEVANT TO A CONSIDERATION OF THE GROUP’S FINANCIAL POSITION OR RESULTS OF OPERATIONS, IN VIEW OF THE LIMITED SCOPE OF DTEK RENEWABLES FINANCE B.V.’S OPERATIONS PRIOR TO THE ISSUE OF THE NOTES.

THIS PRESENTATION ALSO CONTAINS FORECASTS, INCLUDING, BUT NOT LIMITED TO, THOSE RELATING TO ELECTRICITY GENERATION, REVENUE, OPERATING EXPENSES, ADMINISTRATIVE EXPENSES AND EBITDA WITH REGARD TO THE GROUP’S CONSTRUCTED PROJECTS FOR THE YEARS ENDED 31 DECEMBER 2019, 2020, 2021 AND 2022. THESE FIGURES HAVE BEEN DERIVED FROM A REPORT PREPARED BY AN INDEPENDENT CONSULTANT, THORNDIKE LANDING LLC (THE “INDEPENDENT CONSULTANT”), WHO HAS BEEN APPOINTED BY THE COMPANY TO ASSESS AND REVIEW PROJECTED RESULTS OF OPERATIONS OF THE GROUP’S CONSTRUCTED PROJECTS FOR THE YEARS ENDED 31 DECEMBER 2019, 2020, 2021 AND 2022. THESE FIGURES DO NOT DEDUCT FOR MINORITY INTERESTS OR OTHER FINANCIAL INTERESTS IN THE APPLICABLE PROJECTS. NEITHER THE GROUP, THE INDEPENDENT AUDITORS, NOR THE INDEPENDENT CONSULTANT CAN GIVE ANY ASSURANCE THAT THESE ASSUMPTIONS ARE CORRECT OR THAT THESE PROJECTIONS AND ESTIMATES WILL REFLECT ACTUAL RESULTS OF OPERATIONS. THEREFORE, NO REPRESENTATIONS ARE MADE OR INTENDED TO BE MADE, NOR SHOULD ANY BE INFERRED, WITH RESPECT TO THE LIKELY EXISTENCE OF A PARTICULAR FUTURE SET OF FACTS OR CIRCUMSTANCES. FURTHERMORE, THESE FORECASTS HAVE NOT BEEN AUDITED OR REVIEWED BY INDEPENDENT AUDITORS.

FURTHERMORE, CERTAIN ESTIMATES AND PROJECTIONS REGARDING MARKET AND INDUSTRY DATA INCLUDED IN THIS PRESENTATION WERE OBTAINED FROM INTERNAL COMPANY SURVEYS, WHERE APPROPRIATE, AS WELL AS EXTERNAL MARKET RESEARCH, PUBLICLY AVAILABLE INFORMATION AND INDUSTRY PUBLICATIONS. NEITHER THE GROUP NOR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AFFILIATES, ADVISER OR AGENTS HAVE NOT INDEPENDENTLY VERIFIED THE ACCURACY OF ANY SUCH MARKET DATA AND INDUSTRY FORECASTS AND MAKE NO REPRESENTATIONS OR WARRANTIES IN RELATION THERETO. SUCH DATA AND FORECASTS ARE INCLUDED HEREIN FOR INFORMATION PURPOSES ONLY.

Tiligulska WPP

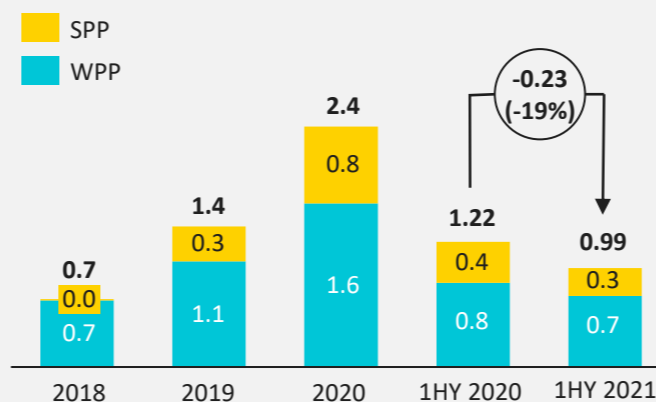
- In March 2021 the Company launched the construction of 500 MW WPP which is planned to be put into operation in the Q4 2022 to secure the FiT at the level 8.8 eurocent / kwh
- Tiligulskå WPP will consist of 83 wind turbines Vestas V162-6.0 with a capacity of 6.0 MW each turbine
- Wind Turbines Supply Agreement (TSA), Wind Turbine Installation Agreement (TIA) and full service agreement (FSA) have been signed
- Total capex expenditure amounts EUR 587 mln. EUR 152 mln has been already invested in the project incl. 123 mln from remaining green bond proceeds
- Tiligulskå WPP became the guarantor under the green bond issue in March 2021

Company description

- DTEK Renewables, was established in 2008 to pursue the DTEK Group's strategy of developing and operating renewable energy assets in Ukraine
- DTEK Renewables was one of the earliest supporters of renewable sector in Ukraine and currently is the active renewable investor with the longest operating track record of utility-scale wind and solar farms in Ukraine
- The company represents a fully integrated platform with development, construction, M&A, financing, asset management and operating capabilities supported by proven management team with international and local experience

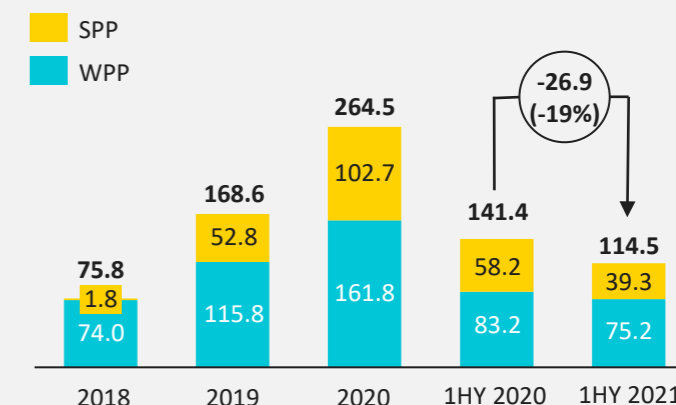
DTEK Renewables output¹

TWh



DTEK Renewables revenue

EUR mln



Geography of operations



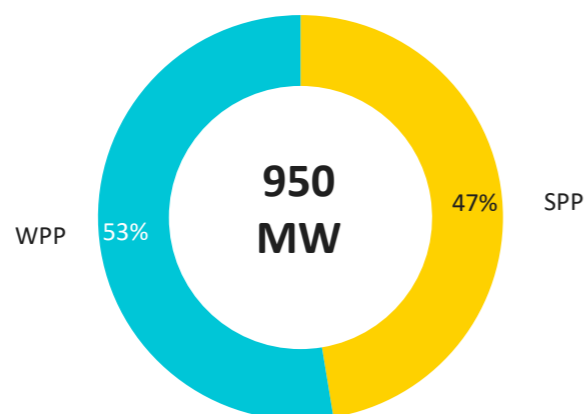
(1) RES was mainly caused by extremely unfavorable weather conditions (unique compared to the last 5 years) and curtailments of electricity generation by TSO

DTEK Renewables Asset Portfolio

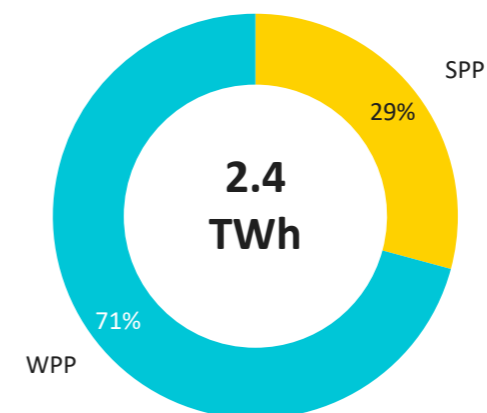


	Botievska	Trifanovska	Nikopolska	Prymorska 1&2	Pokrovska	Orlivska	TOTAL	Tiligulska ¹	TOTAL
Project Type									
Capacity	200 MW	10 MW	200AC/240DC MW	200 MW	240AC/323DC MW	100 MW	950 AC MW	500 MW	1,500 AC MW
Electricity output (P50) ²	617 GWh	12 GWh	293 GWh	686 GWh	389 GWh	367 GWh	2,364 GWh	1,714 GWh	4,078 GWh
Net capacity factor (P50)	35%	14%	17%	39%	18%	42%		39%	
Total investment	EUR 340 mln	EUR 10 mln	EUR 211 mln	EUR 293 mln	EUR 191 mln	EUR 125 mln	EUR 1.2 bn	EUR 587 mln	EUR 1.8 bn
Annual CO2 reduction	700K t	13K t	300K t	750K t	420K t	400K t	2.6 mln t	1 850 K t	4.4 mln t
Full Time Employees ³	17	3	13	20	12	13	78	3 ⁴	81
OEM and O&M Providers									

DTEK Renewables installed capacity as of 1H 2021



DTEK Renewables output as of 1H 2021



(1) The Tiligulska WPP 500 MW project is currently under construction with planned COD in 2022 year.
 (2) Excluding electricity used for own consumption

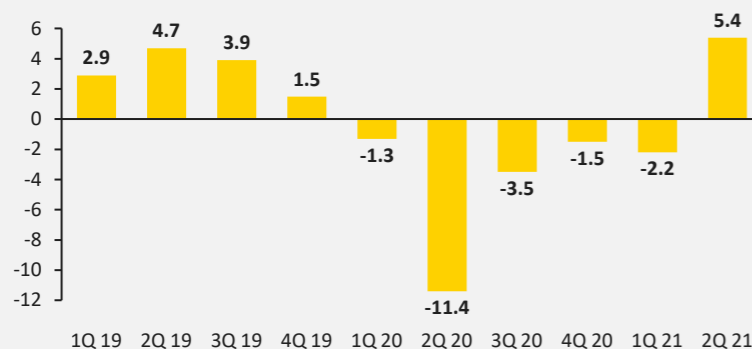
(3) Number of employees as of 30.06.2021
 (4) The COD of the Tiligul project is in 2022 and the number of employees will be increased up to 20 people

Market Overview

c c c c c c c c c c c c c c
D D D D D D D D D D D D D D

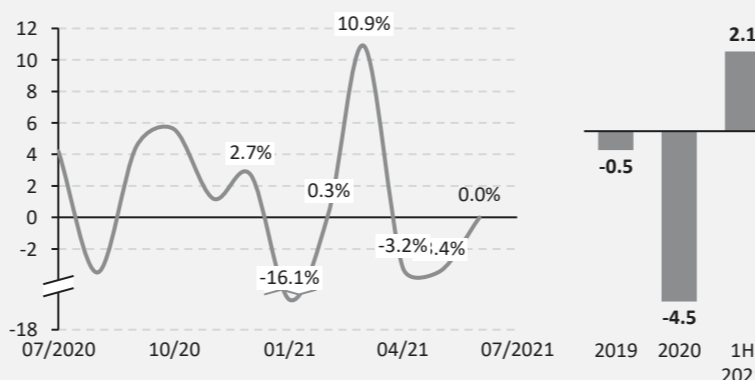
Real GDP dynamics

Y-o-y, %



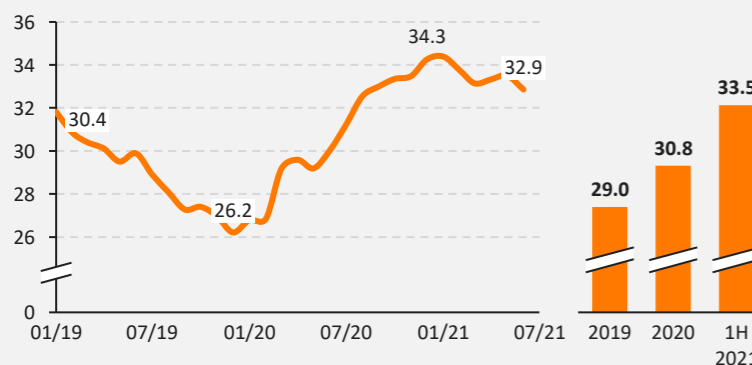
Industrial production index

%



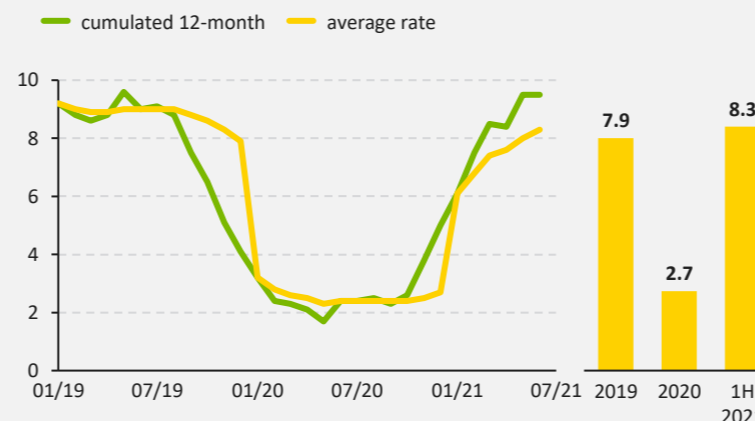
Average exchange rate

EUR/UAH



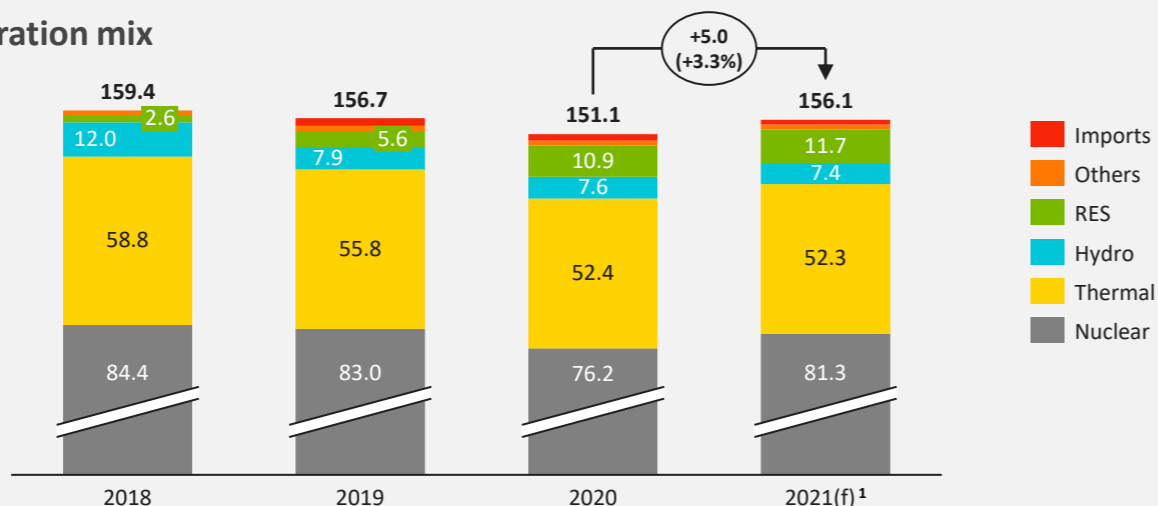
Consumer price index

Y-o-y, %

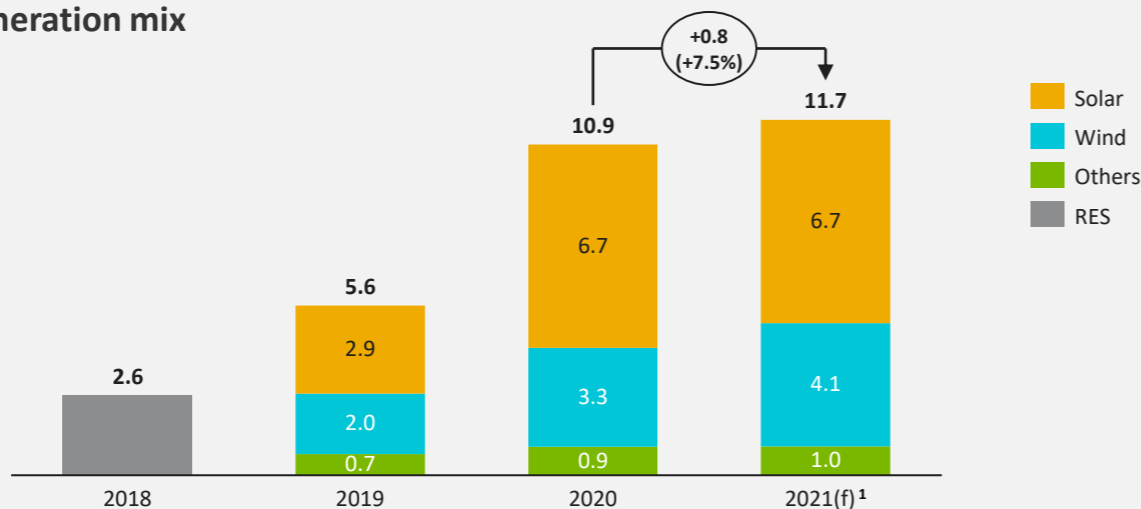


- Since 1Q 2020, the Ukrainian economy has been contracting amid a decrease in industrial output and lockdown measures introduced in the context of COVID-19 pandemic. The easing of restrictive measures spurred economic recovery in 2H 2020. GDP recovery in 1Q 2021 compared to the mid-year 2020 was moderate due to lockdown limitations in March. Preliminary results for 2Q demonstrate 5.4% increase compared to the 2Q 2020
- Industrial production started recovery from 3Q 2020 driven by growing commodity prices, while the yearly index reached -4.5%. Industrial growth continued in 2021 (2.1% for 1H 2021), driven mainly by mining, metallurgy and machinery
- Lockdown limitations contributed to CPI decrease to 2.7% in 2020. Economic recovery resulted in heating up inflation to 8.3% in 1H 2021. National Bank of Ukraine expect CPI to remain at this level by the end of the year
- Hryvnia depreciated against EUR by 6.0% in 2020 and by 8.8% in 1H 2021 (both based on the average exchange rates for the period). At the same time, in the 1H 2021 hryvna strengthen against EUR and reached 32.9 EUR/UAH in July 2021

TWWh



TWb



- Based on Ministry Forecast Balance for 2021, electricity production is expected to increase by over 3% to 156.1 TWh due to electricity consumption getting back to the pre-COVID levels
- Growth in the production is driven by increase in electricity consumption by industrial and commercial sector in 2021 due to economic recovery. The households' consumption has been growing due to cold weather during heating season and comparatively high outside temperature in Q2 2021
- The growth of RES output in 2021 is expected by 7.5% or 0.8TWh y-o-y primary due to new installations of wind power plants. In order to secure FiT by 2029, the investors are in rush to complete the projects by the end of 2022
- The biggest market share in RES segment is still related to solar generation and is expected to have share of 57% in 2021, while the wind GenCos share to make 35% in 2021 and demonstrating gradually growth due to provided support in Memorandum (less reduction in tariff for WPP than for SPP)

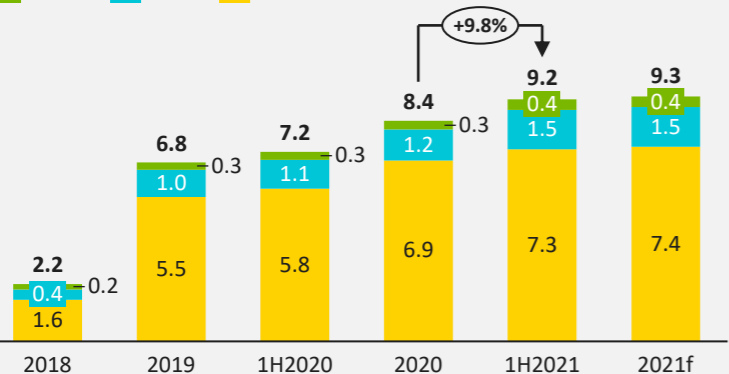
Renewables sector overview



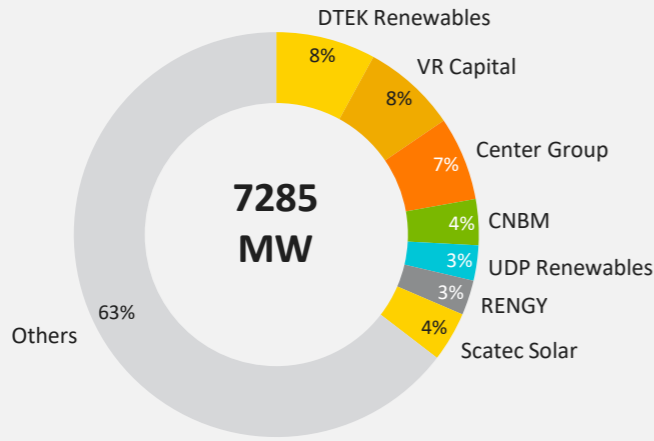
Renewables installed capacity by type

GW

Others Wind Solar



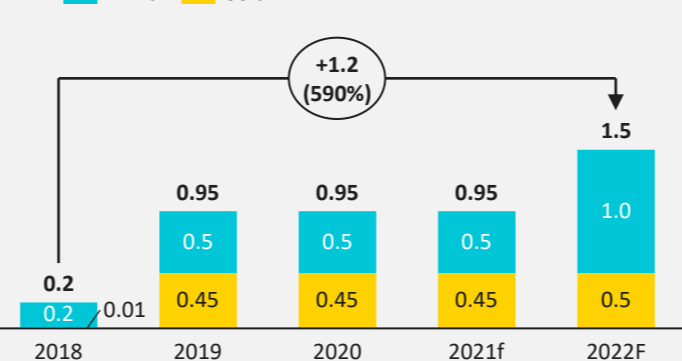
Solar market breakdown as of the 1H 2021



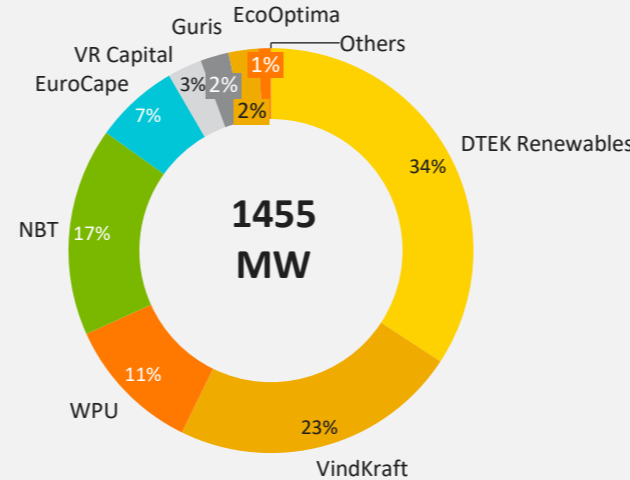
DTEK Renewables installed capacity

GW

Wind Solar



Wind market breakdown as of the 1H 2021



- In 2019, rapid growth of renewable installed capacity and output was driven by developers rushing to commission projects before the end of 2019 – FiT was brought down for all projects commissioned after the end of 2019
- Revision of FiT under Law #810 forced some investors in solar to cancel its planned projects
- For the same reason, the growth of installed capacity in 2021 is expected to slow down but to continue growing
- In 1H2021, the installed capacity of renewable energy in Ukraine increased by 10% or 0.8 GW of capacity
- Wind market is more concentrated than solar and represented by strategic investors, while solar (due to capacity flexibility) attracts private investors, which usually do not have strategic view on their renewables business development in a long run
- New foreign investors (NBT, EuroCape, VR Capital, Scatec, Guris, etc.) entered Ukrainian RES market and became powerful market players
- DTEK Renewables installed capacity plateaued in October 2019, when Orlivska WPP, Pokrovska SPP and Prymorska WPP – 3 power plants were put into operation at full capacity
- In 2021 DTEK Renewables started construction of Tiligulska WPP with capacity of 500 MW in Nikolaev region. Putting into operation is expected in 2022

Regulatory Environment

c c c c c c c c c c c c c c

› › › › › › › › › › › › › › ›

Energy market development in 2020-2021



Crisis in energy sector

Jan – Aug 2020

As a result of an increased RES output, the Guaranteed Buyer started to accumulate debt towards RES producers. The key reasons are as follows:

- Because of the surplus of supply, the Guaranteed Buyer couldn't trade all electricity from RES on DAM
- Electricity unsold by the Guaranteed Buyer went to the Balancing Market, where it was traded with a discount of up to 45% of DAM price
- TSO was not able to fully compensate the costs of the Guaranteed Buyer to support RES

Memorandum with investors

Mar - Aug 2020

A process of mediation has taken place between investors and the government on how to resolve problems in the Renewables generation sector. Memorandum of Understanding (MoU) was signed between the Ukrainian state authorities and three renewable associations on **10 June 2020**.

Terms of the MoU provide:

- **Wind and solar FiT reduction.** For plants commissioned between 01.07.2015 - 31.12.2019 FIT was decreased by 15% for solar plants and 7.5% for wind generators
- **Repayment of the debt accumulated in March-July 2020 (UAH 22.4 bn incl. VAT)** by the Guaranteed Buyer to RES producers: 40% – Q4 2020, 60% – during 2021 in 4 equal quarterly installments
- Full and timely monthly payment from the Guaranteed Buyer to RES producers from August 2020
- Reinforcement of the liability for imbalances
- Stabilization clause in order to protect RES

New Law #810

Aug 2020

The Law 810 introducing changes to the renewable feed-in tariff support system in Ukraine was signed by the President and came into force on 31 July 2020. Terms of the Law provide:

- Feed-in tariff (FiT) reduction due to MoU requirements
- The Cabinet of Ministers is authorized to submit a Draft Law on repayment the debt by the Guaranteed Buyer to RES producers through issue of the government bonds
- The state guarantees that revised FiT will not be further changed. The laws effective on the date of entry into force of the Law will apply to the rights and obligations of the RES producers

Regulatory Amendments on WEM

Dec 2020-Aug 2021

Curtailment service for RES was implemented in line with the Law # 810. Curtailed RES output reimburses at the current level of FiT

RES responsibility for imbalances has implemented from January, 1 2021 at a rate of 50% of forecasted load deviation

Up to 20% of the forecasted RES output has to be covered by state budget as a supportive measures for the Guaranteed Buyer, which hasn't been envisaged in the state budget for 2021

Households tariff. The new PSO model introduced by the CMU in August 2021 obliged the state GenCos (Nuclear and Hydro) to cover additional costs for low household's tariff without affecting the financial position of the Guaranteed Buyer and Ukrenergo

TSO tariff revision (UAH/MWh) :

- 294 from Jan 1, 2021
- 293.93 from Apr 1, 2021

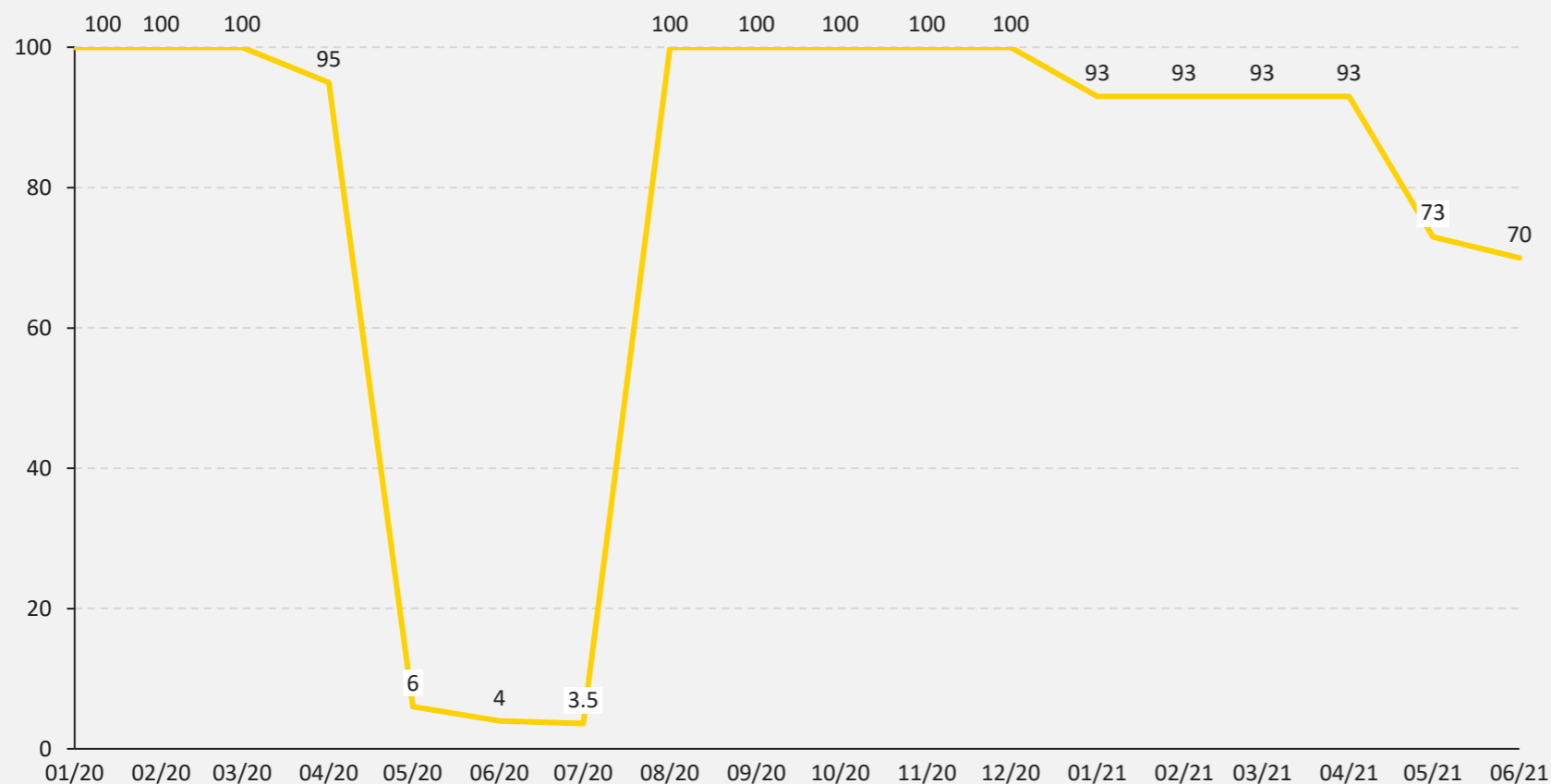
State loans. In January and February 2021 UAH 10.25 bn was reserved by TSO Ukrenergo as the state loans for settlements with the Guaranteed Buyer. 50% of the raised funds were used for debt repayment to RES producers, which led to 36% decrease of the debt for March – July 2020. The outstanding debt to RES (as of August 10 - UAH 15.4 bn) is going to be compensated by Eurobonds to be issued by Ukrenergo in 4Q 2021

The Guaranteed Buyer budget deficit



The Guaranteed Buyer % of settlement with RES

(as of 10th of August, 2021)



- As of August 10, 2021, due to the crisis in the energy sector in Ukraine started in 1HY 2020, the Guaranteed Buyer's debt to Renewables for the electricity produced in 2020 makes UAH **15.4 bn** (incl. VAT). In 2021 the debt was repaid by 36% as a result of «Green Law» amendments and other regulatory measurement
- **Current level** of 2021 regular FIT payments to RES is close to **82%** on average. Total outstanding debt to renewables generators incl. 2020 amounted to UAH **21.6 bn** as of August, 10 2021
- Current payments reduction caused by absence of state budget financing which is envisaged by the Law # 810 in the amount of 20%
- Further regulatory changes, such as: modernizing of the PSO mechanism, improving pricing in DAM and balancing market, increasing the TSO (Ukrenergo) supply tariff as well as issuing state granted green bonds to cover liquidity deficit on the green energy market and allow to balance Guaranteed Buyer budget

DTEK Renewables Operational and Financial Performance

◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁ ◁
▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷ ▷

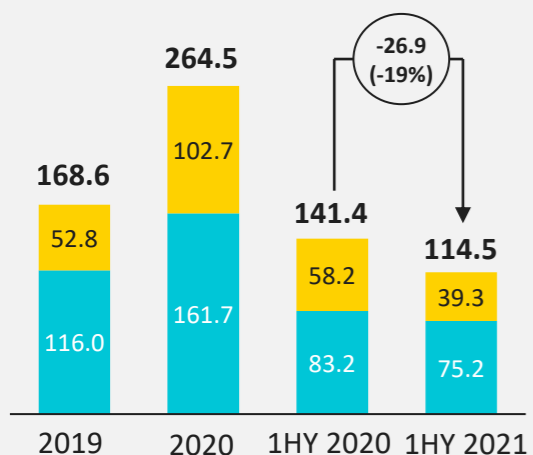
1H 2021 DTEK Renewables Operational and financial performance



DTEK Revenue

EUR mln

SPP
WPP



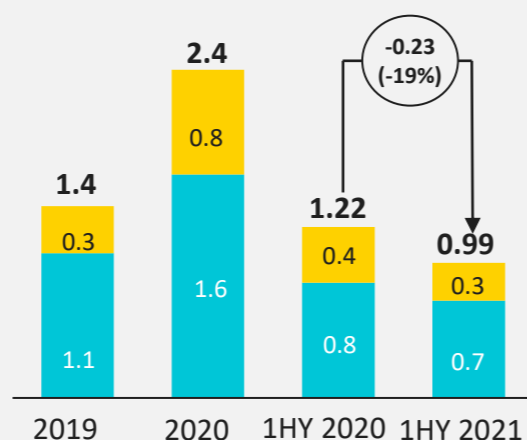
Revenue decreased by 19%

- Decrease in Revenue mainly caused decreased output EUR (-) 31.6 mln and reduced FiT EUR (-) 3.5 mln, that was partly reimbursed by EUR (+) 8.2 mln for the curtailments of electricity generation

Electricity output

TWh

SPP
WPP



Output decreased by 19%

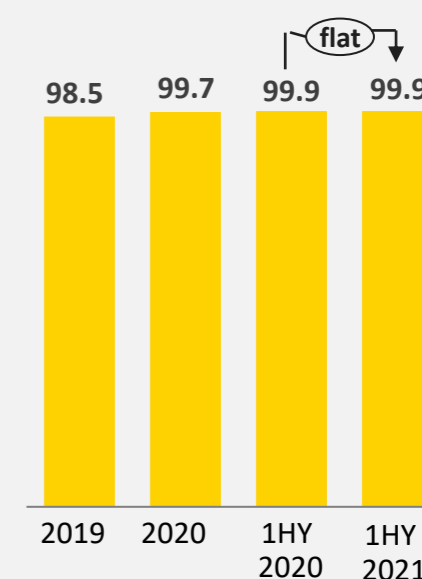
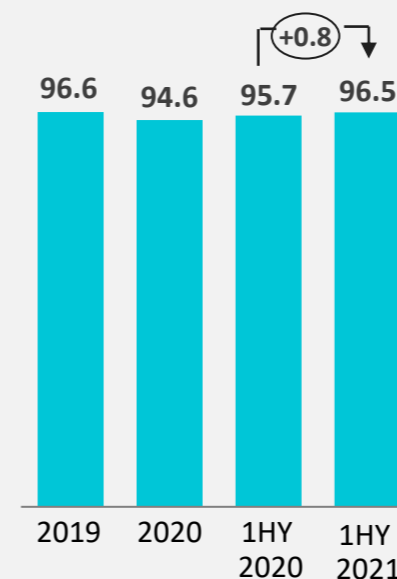
- The decrease in electricity supply from DTEK RES was mainly caused by extremely unfavorable weather conditions (unique compared to the last 5 years) and curtailments of electricity generation by TSO

Availability factor

%

WPP

SPP

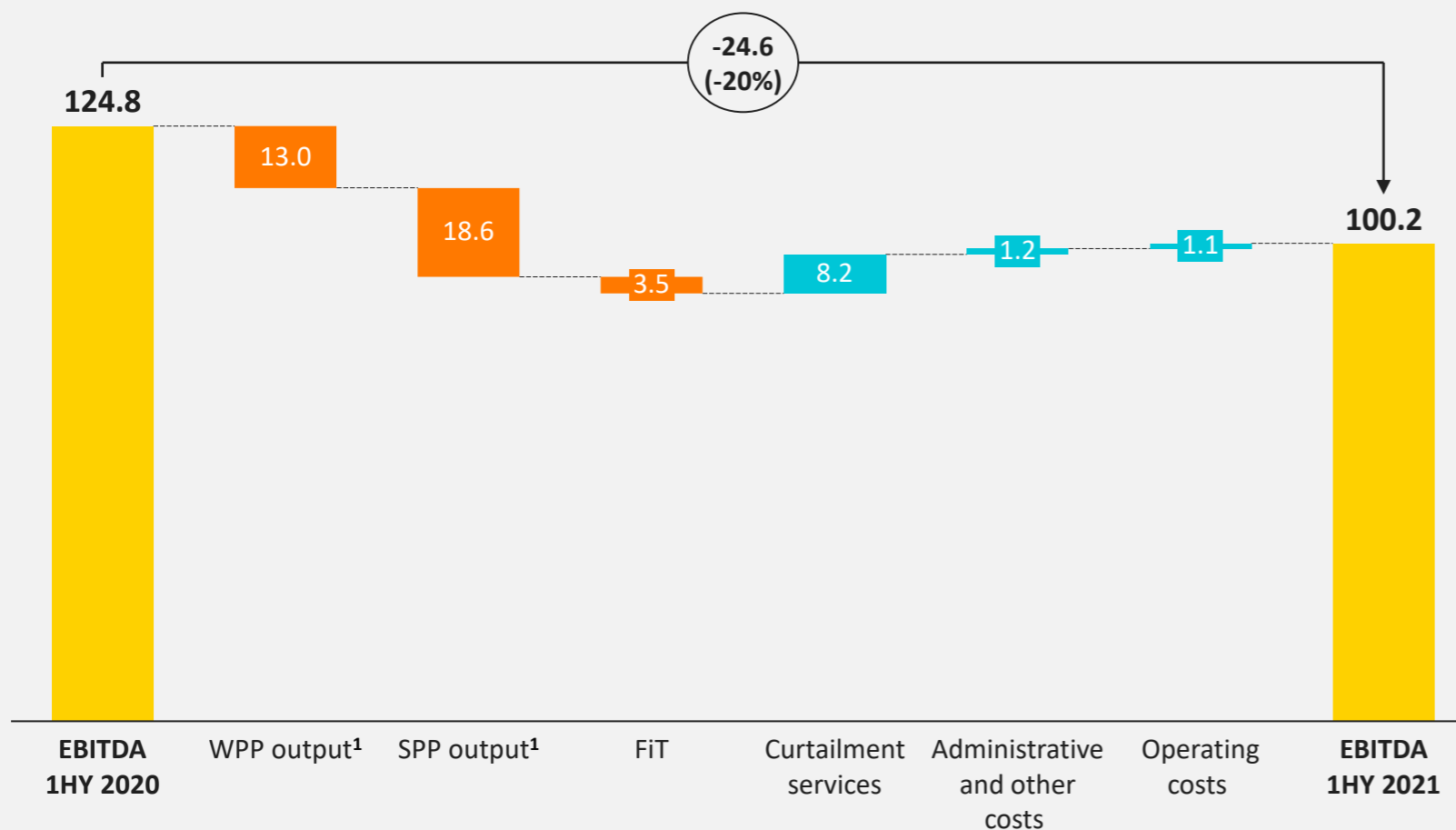


Availability factor remains on stable, high level

- The availability indicators of DTEK Renewables wind turbines rose to the level of 96.5% as well as SPP availability reached the top level 99.9%, both due to lowering of unplanned repairs. Availability factor for both technologies are consistent with the level of new facilities

1H 2

EUR mln



- During the reporting period, DTEK Renewables EBITDA decreased by 20% to EUR 100.2 mln vs. 1HY 2020. Main drivers were changes in output and FiT:

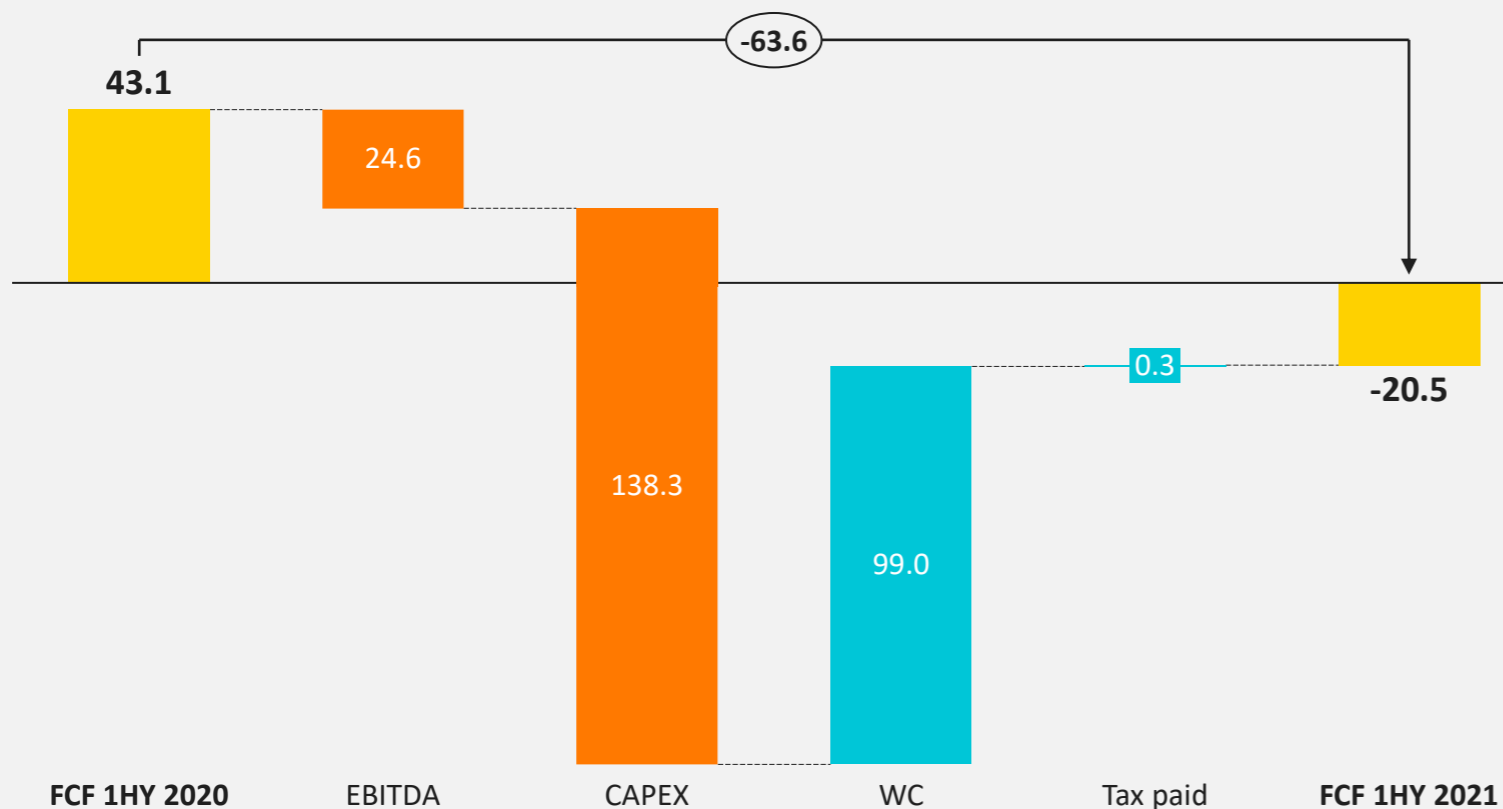
- The change in WPP and SPP outputs contributed EUR (-) 13.0 mln and EUR (-) 18.6 mln respectively. Such change was mainly driven by the weather conditions and curtailments of electricity generation by TSO
- The change in FiT resulted in EUR (-) 3.5 mln to the EBITDA level. This was primarily driven by FiT tariff decrease based on new Law #810 since August 2020 which was partly compensated by UAH exchange rate strengthening during the 1H 2021
- EBITDA increased by EUR (+) 8.2 mln as a result of compensation received from the TSO for curtailments of electricity generation in 1HY 2021 (loading reduction service)
- Lowering of administrative costs, as well as operating costs positively affected EBITDA by EUR (+) 1.2 mln and EUR (+) 1.1 mln respectively

၁	၂	၃	၄	၅	၆	၇	၈	၉	၁၀	၁၁	၁၂	၁၃	၁၄	၁၅	၁၆	၁၇	၁၈	၁၉	၂၀	၂၁	၂၂	၂၃	၂၄	၂၅	၂၆	၂၇	၂၈	၂၉	၃၀	၃၁	၃၂	၃၃	၃၄	၃၅	၃၆	၃၇	၃၈	၃၉	၄၀	၄၁	၄၂	၄၃	၄၄	၄၅	၄၆	၄၇	၄၈	၄၉	၅၀	၅၁	၅၂	၅၃	၅၄	၅၅	၅၆	၅၇	၅၈	၅၉	၆၀	၆၁	၆၂	၆၃	၆၄	၆၅	၆၆	၆၇	၆၈	၆၉	၇၀	၇၁	၇၂	၇၃	၇၄	၇၅	၇၆	၇၇	၇၈	၇၉	၈၀	၈၁	၈၂	၈၃	၈၄	၈၅	၈၆	၈၇	၈၈	၈၉	၉၀	၉၁	၉၂	၉၃	၉၄	၉၅	၉၆	၉၇	၉၈	၉၉	၁၀၀
၁	၂	၃	၄	၅	၆	၇	၈	၉	၁၀	၁၁	၁၂	၁၃	၁၄	၁၅	၁၆	၁၇	၁၈	၁၉	၂၀	၂၁	၂၂	၂၃	၂၄	၂၅	၂၆	၂၇	၂၈	၂၉	၃၀	၃၁	၃၂	၃၃	၃၄	၃၅	၃၆	၃၇	၃၈	၃၉	၄၀	၄၁	၄၂	၄၃	၄၄	၄၅	၄၆	၄၇	၄၈	၄၉	၅၀	၅၁	၅၂	၅၃	၅၄	၅၅	၅၆	၅၇	၅၈	၅၉	၆၀	၆၁	၆၂	၆၃	၆၄	၆၅	၆၆	၆၇	၆၈	၆၉	၇၀	၇၁	၇၂	၇၃	၇၄	၇၅	၇၆	၇၇	၇၈	၇၉	၈၀	၈၁	၈၂	၈၃	၈၄	၈၅	၈၆	၈၇	၈၈	၈၉	၉၀	၉၁	၉၂	၉၃	၉၄	၉၅	၉၆	၉၇	၉၈	၉၉	၁၀၀

1H 20



EUR mln



- During the reporting period, the FCF decreased by EUR (-) 63.6 mln in comparison to 1HY 2020 to EUR (-) 20.5 mln. Main drivers were changes in EBITDA, CAPEX and Working Capital:

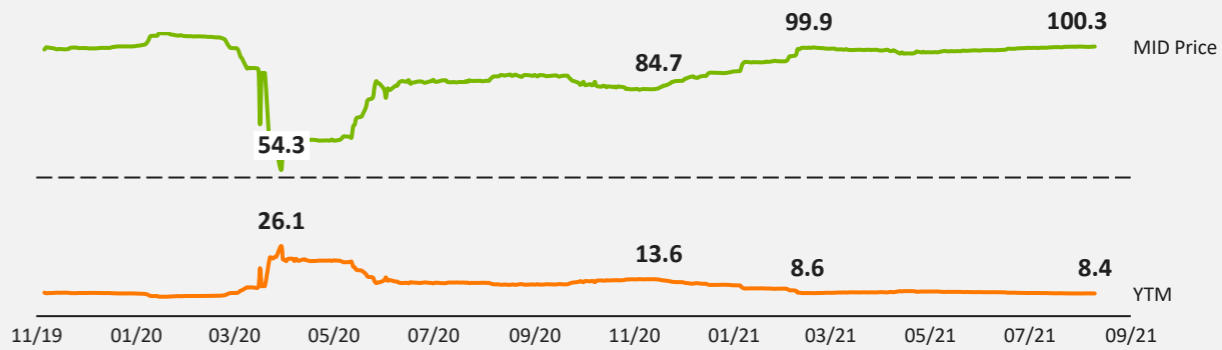
- The change in EBITDA contributed EUR (-) 24.6 mln to the FCF decrease. Such change was mainly driven by decrease of WPP and SPP output
- The starting of the Tiligulska WPP construction and increase of CAPEX in 1HY 2021 resulted in decrease of FCF by EUR (-) 138.3 mln. EUR 123 mln was financed through available Green Bonds proceeds
- Decrease in the level of Working Capital in 1HY 2021 led to increase of FCF level by EUR (+) 99.0 mln. This was primarily driven by improved payment discipline of the Guaranteed Buyer during the 1H 2021 and partial repayment of its debt occurred prior August 2020
- As of end 1HY 2021, the available cash amounted to EUR 53.6 mln. On top of that, the debt service reserves totaled to EUR 41.4 mln

DTEK Renewables debt overview



- The debt level in 1H2021 decreased by 8.6% or EUR 31 mln since the end of 2020, due to scheduled amortization
- Tiligul'ska WPP became an additional guarantor under the EUR 325 mln Green Bond from March 2021
- Since the end of 2020, the price of green bonds has risen by almost 10%, while the yield to maturity has dropped from 11.5% to 8.6% as of June 30, 2021

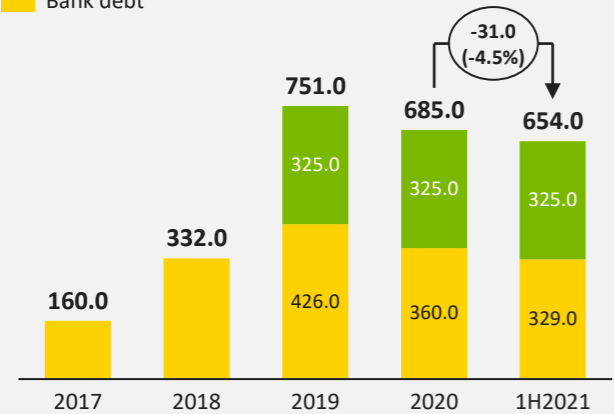
DTEK RES bond pricing on stock exchange, Yield to Maturity (YTM)



Debt evolution*

EUR mln

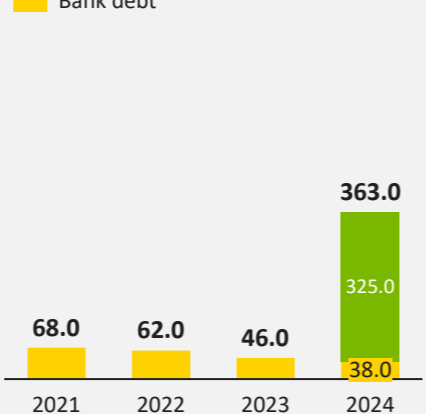
■ Bond debt
■ Bank debt



Amortization schedule

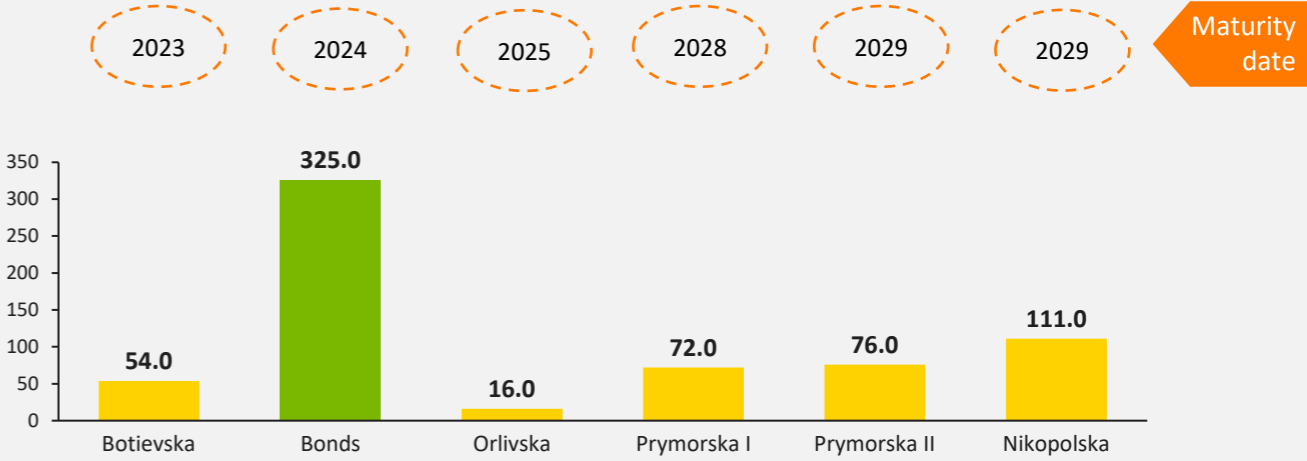
EUR mln

■ Bonds
■ Bank debt



Debt Structure by power plant

(as of June 30, 2020)



* - credit debt at nominal estimation

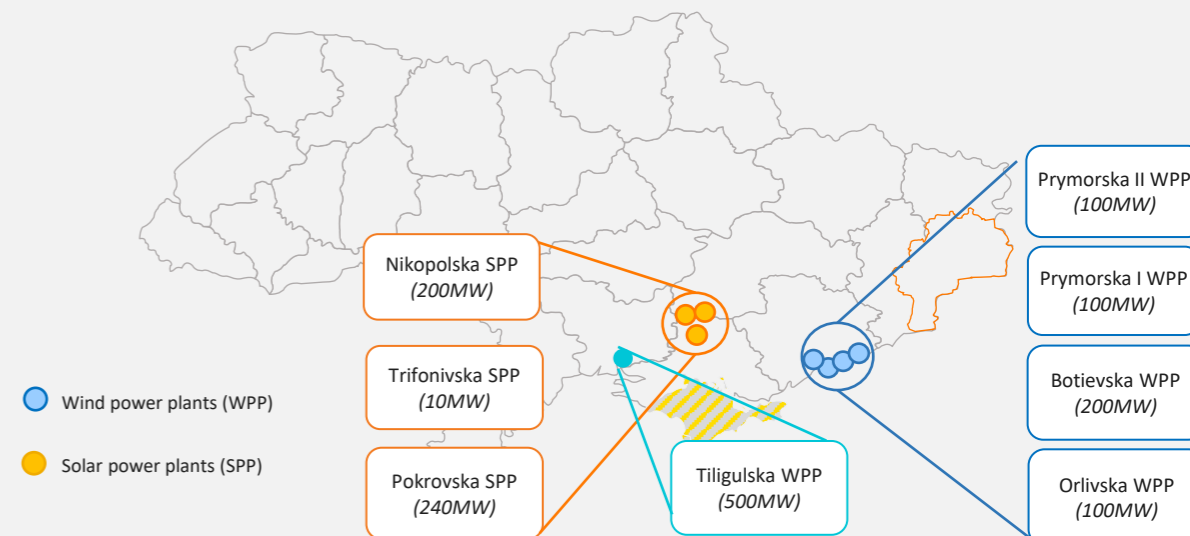
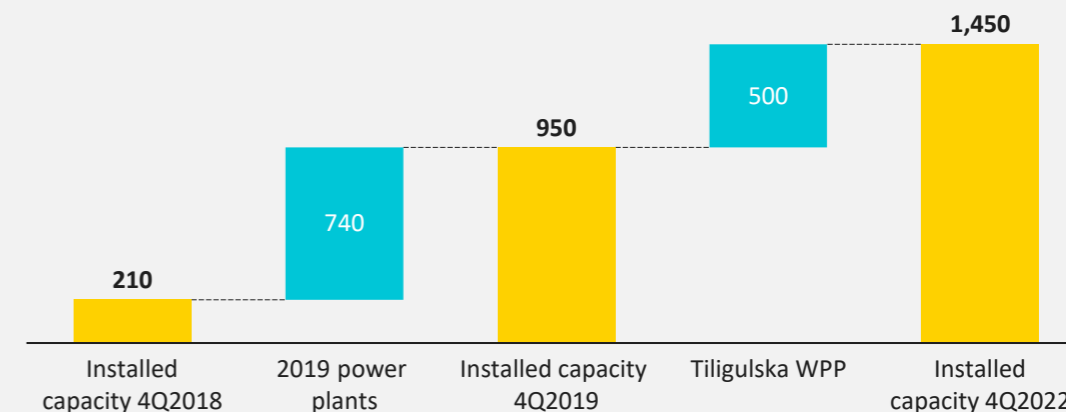
Strategic priorities



Further business evolution in Ukraine

- **New wind projects.** In 2021 DTEK Renewables launched construction of Tiligul'ska wind farm with 500 MW of generating capacity. The completion of the project is expected in 2022
- **Tiligul'ska WPP with installed capacity 500 MW** will be the most powerful onshore wind farm in Ukraine and one of the largest in Central and Eastern Europe
- The launch of RES auction is going to be scheduled in accordance with Auction Law, adopted in May 2019. The auctions have to be held on semiannual basis for different type of RES technology. The quotes for RES capacity will be determined by the Ministry of Energy, which will be in line with the vision of strategic development of RES sector. DTEK Renewables will consider to take part in the auctions with the purpose to expand its production portfolio in Ukraine. Company participation will depend on regulatory framework

DTEK Renewables development pipeline
MW



Thank you for your attention!

Anastasiya Bardega
Corporate Finance Manager
GundarevaAD@dtek.com

Dive into DTEK

