



# Hrvatska elektroprivreda

More than electricity

Consolidated Financial Statements  
1H 2021



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## **1H 2021 Key highlights**

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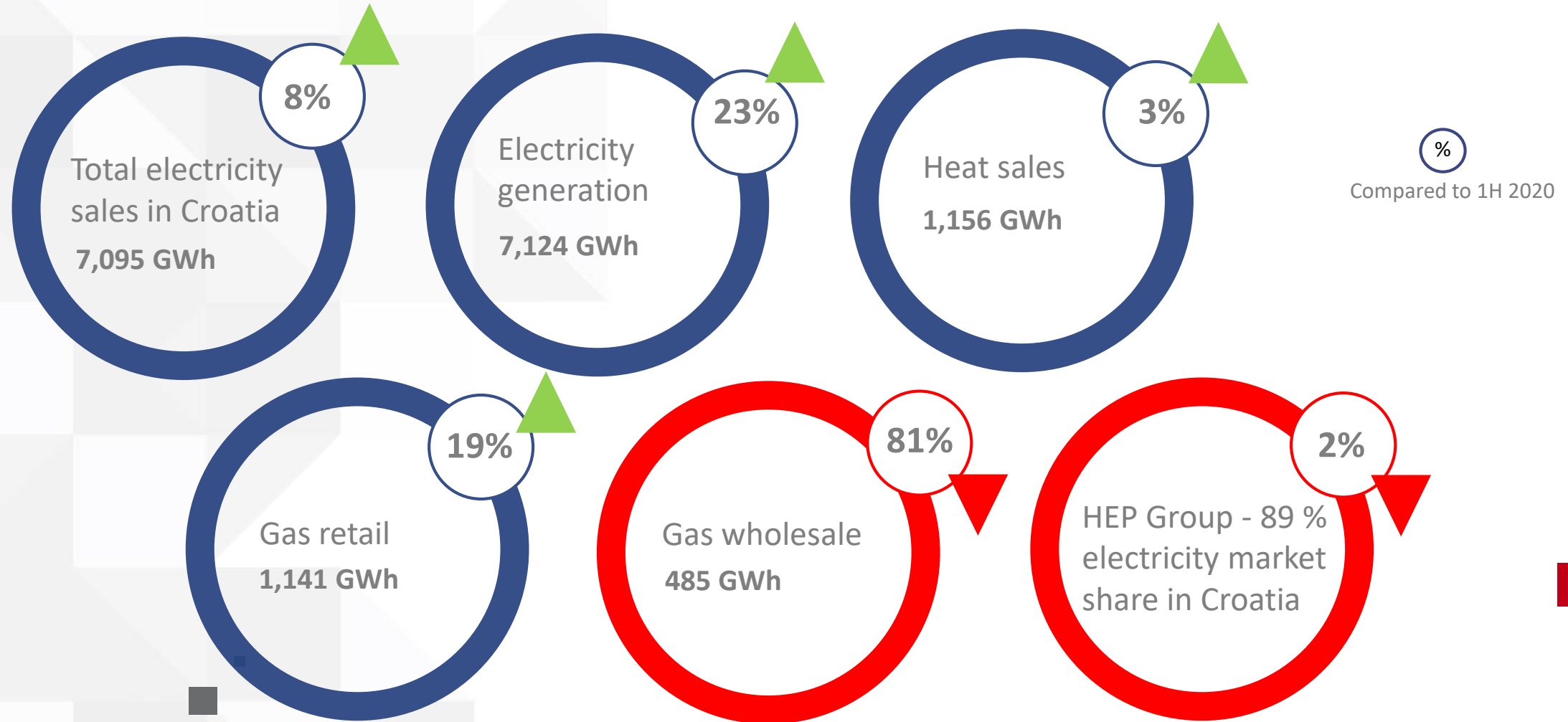
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## Safe Harbor Statement

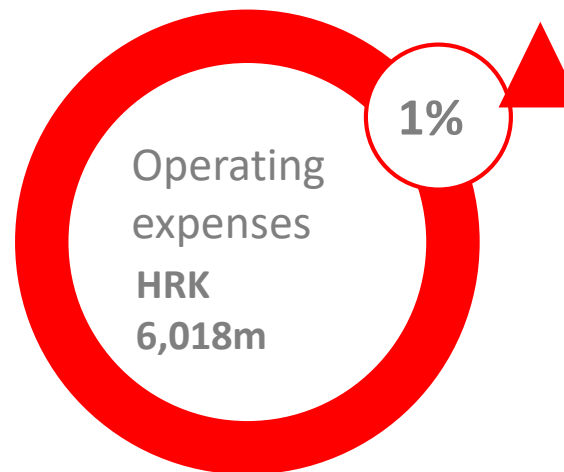
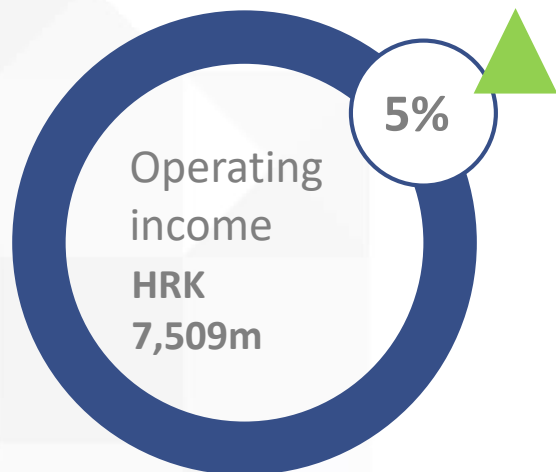
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# Key Facts

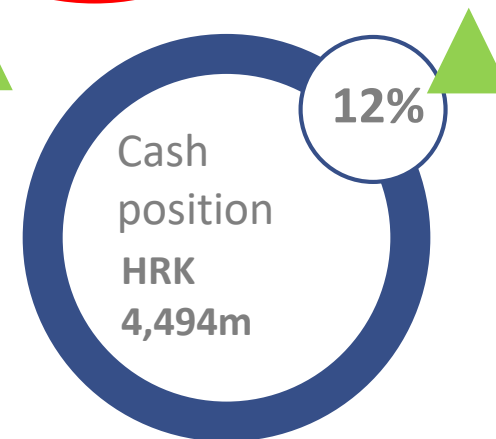
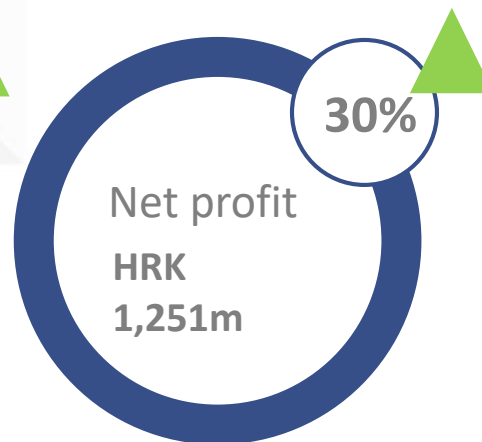
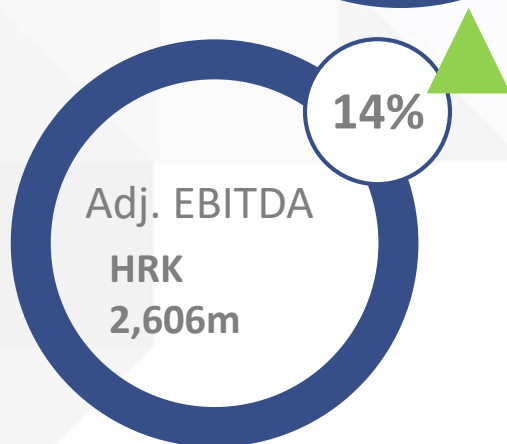




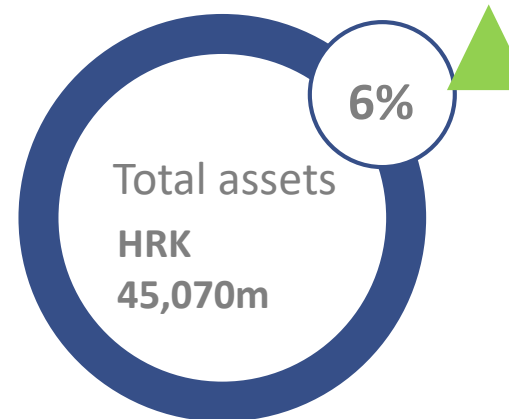
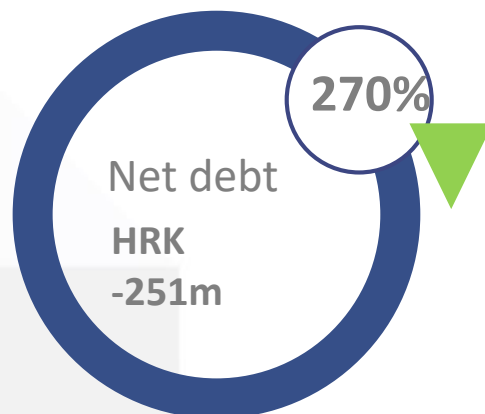
# Key Facts



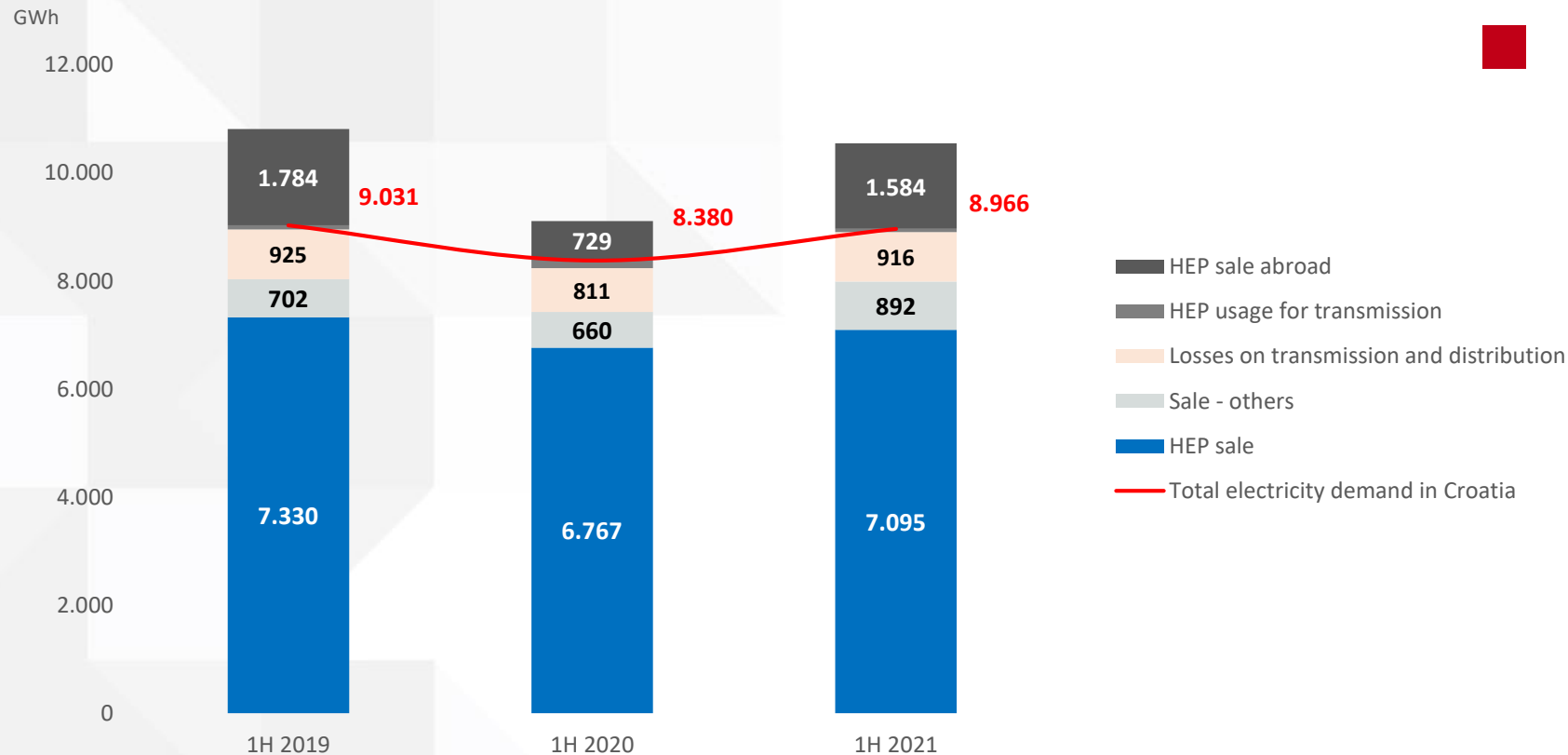
Number of employees  
1H 2021: 11,501



Compared to 1H 2020



# Electricity Market in Croatia<sup>1</sup>



Total sale by HEP Group suppliers increased by 5% compared to the same period in the 2020.

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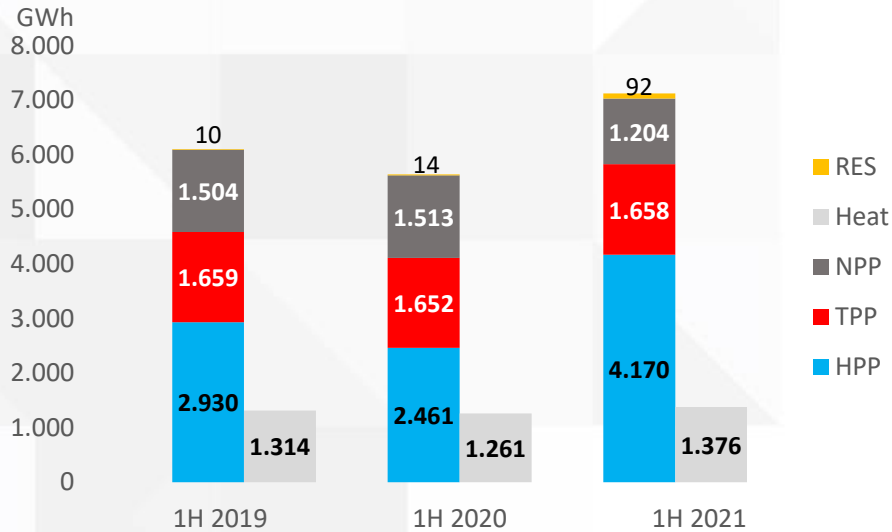
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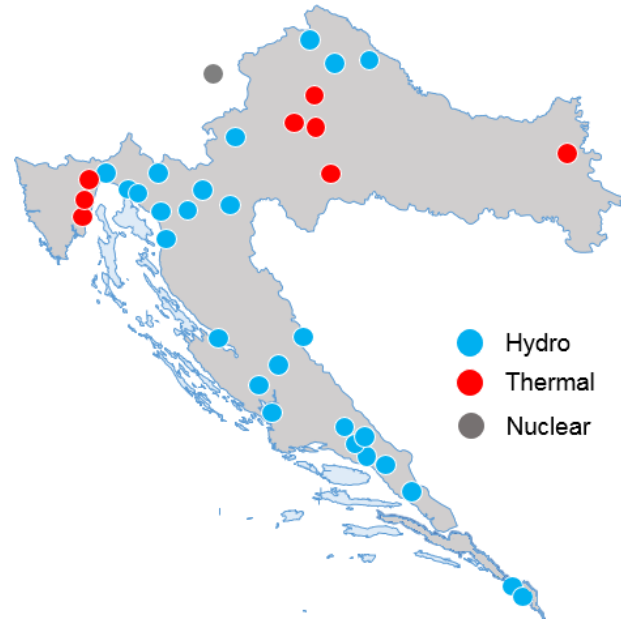
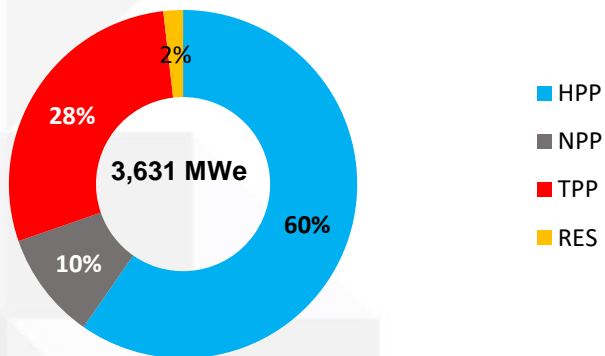
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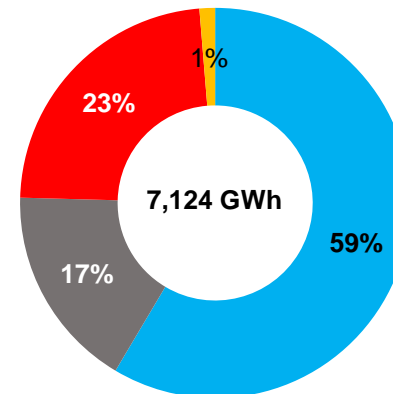
# Power Generation in 1H 2021



Electricity - available capacity 1H 2021<sup>1</sup>



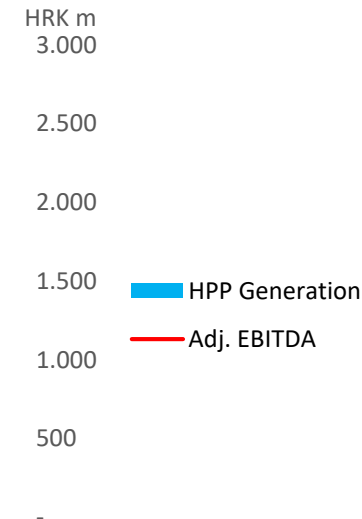
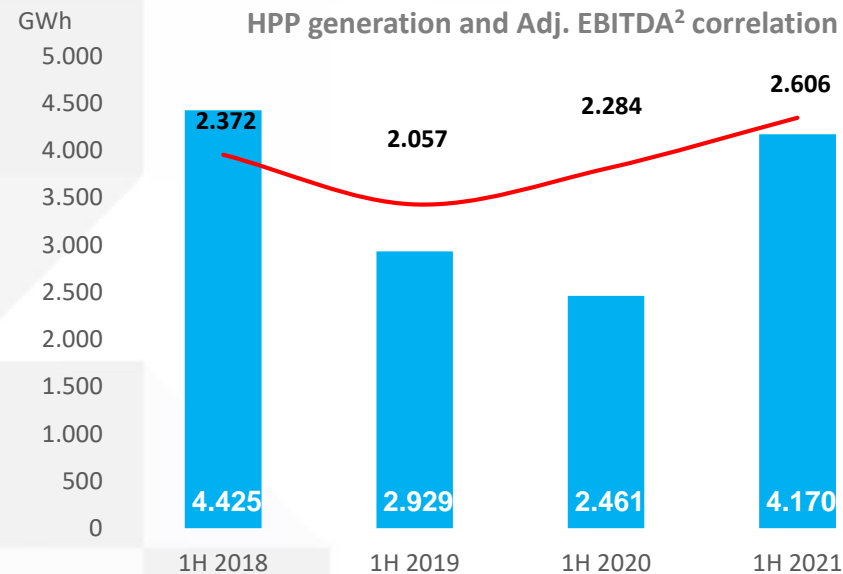
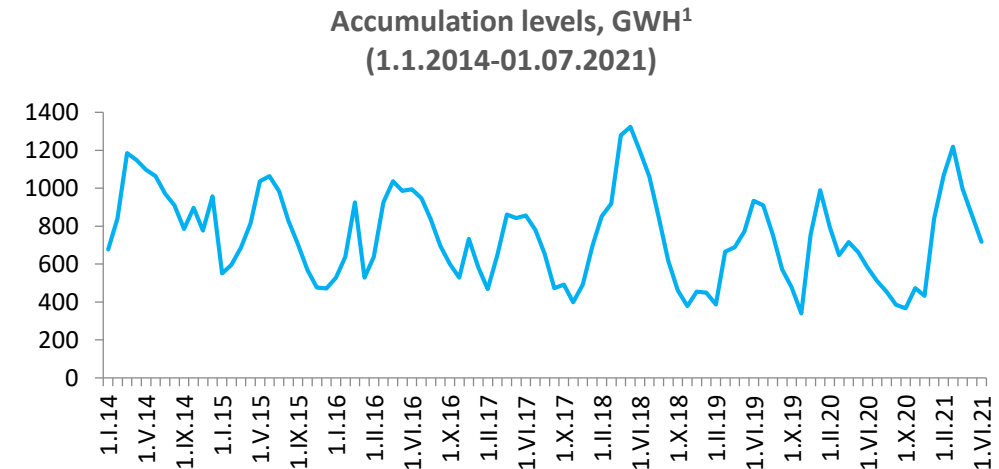
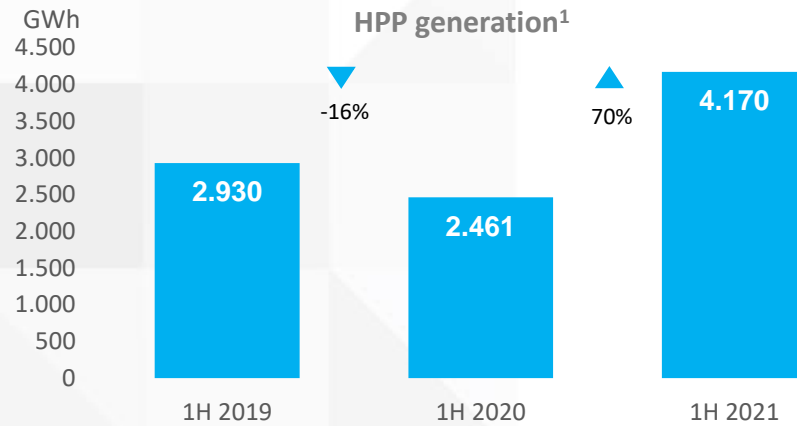
Electricity generation 1H 2021<sup>1</sup>



- Compared to the year before HPP generation was 70% higher
- TPP generated same amount of electricity while NPP generation was 20% lower compared to the same period last year
- Generation of heat energy was 10% higher
- New RES capacities started producing electricity in may

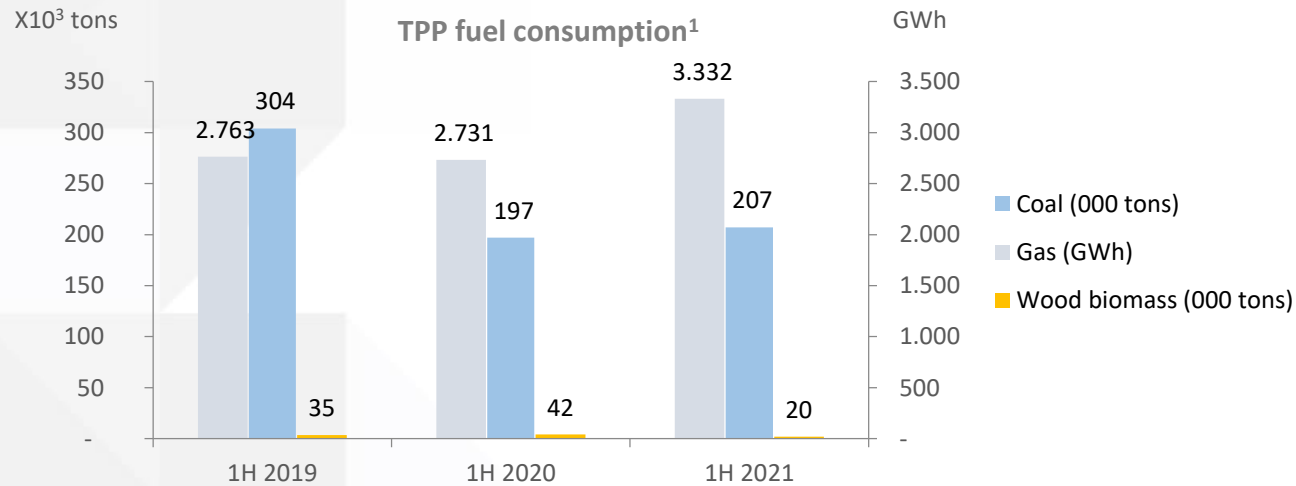
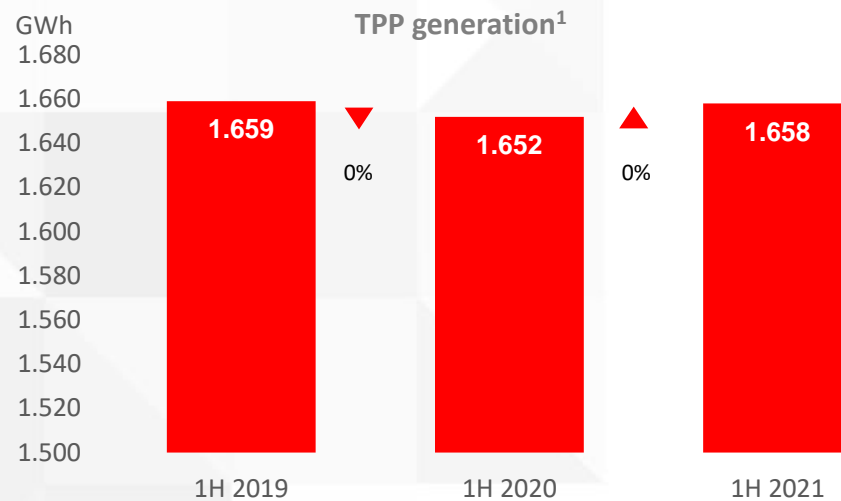


# Electricity Generation from HPP

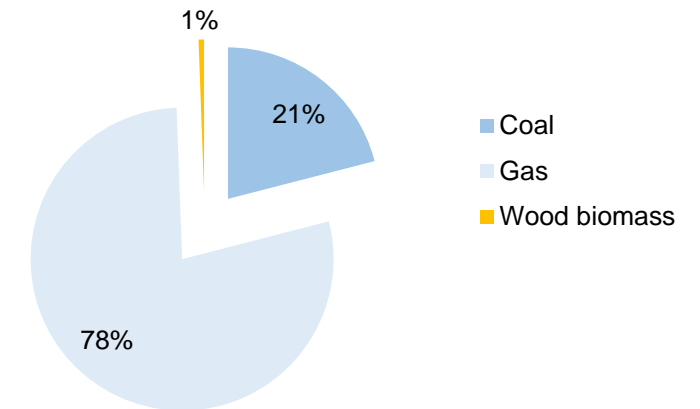


- 28 HPP operated 2,167 MWe total available capacity
- Not significant influence on EBITDA

# Electricity Generation from TPP

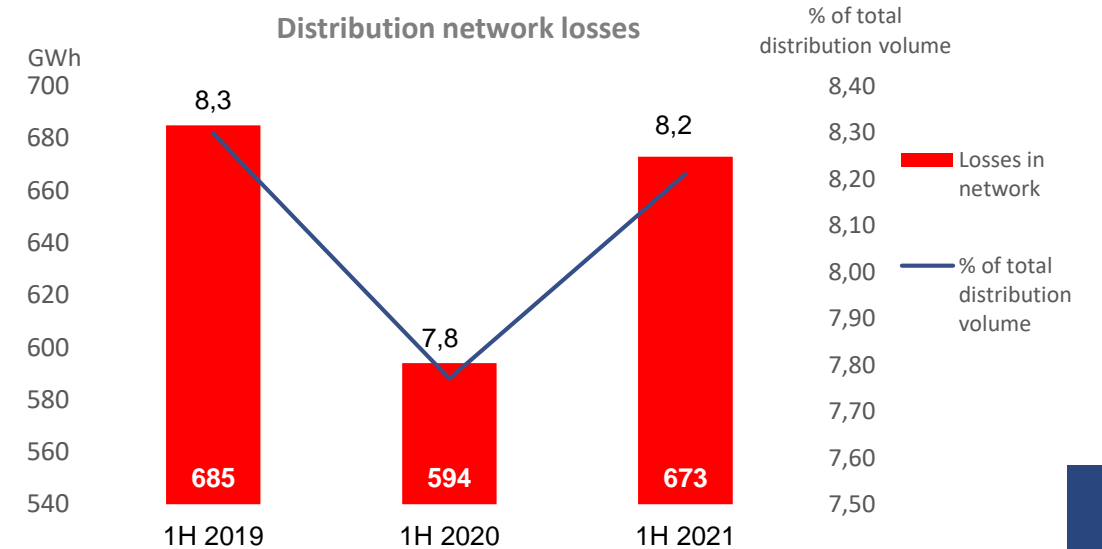
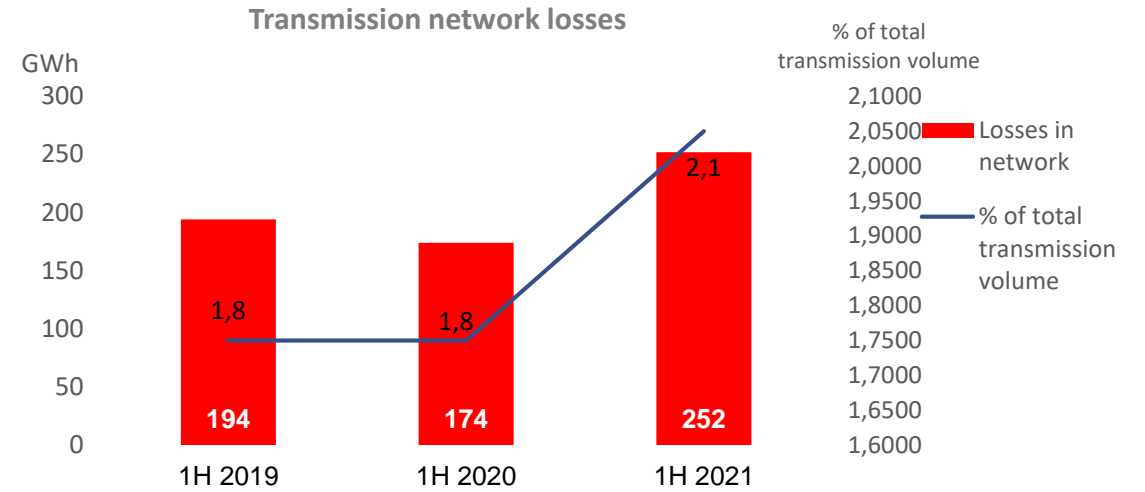
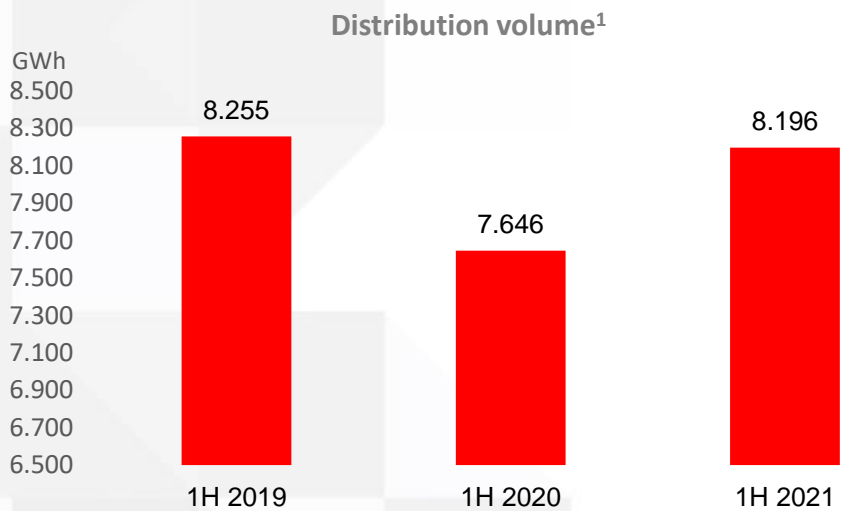
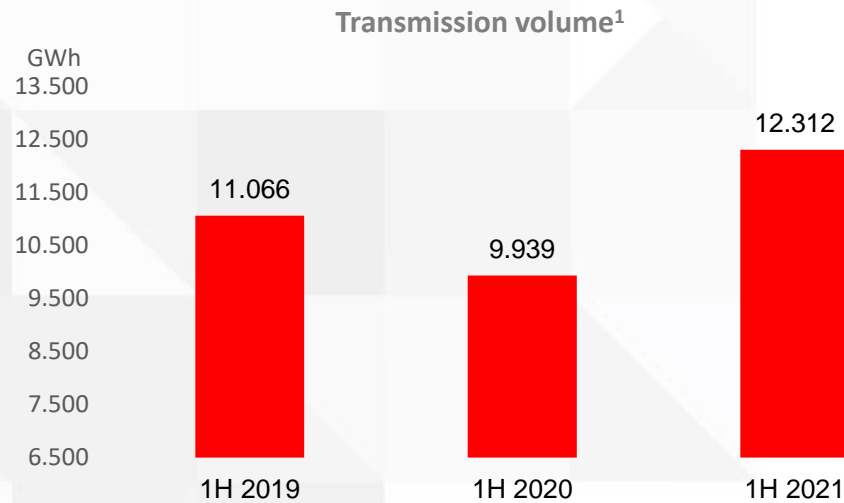


**TPP by fuel type, available capacity<sup>2</sup>**



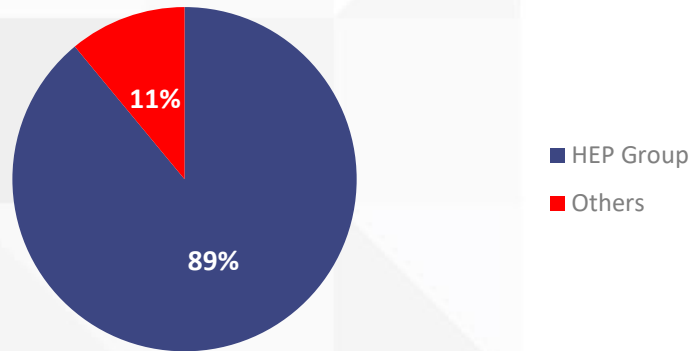
- 8 TPP with total available capacity of 1,034MWe<sup>2</sup>
- All cogeneration plants have obtained environmental permits

# Transmission & Distribution



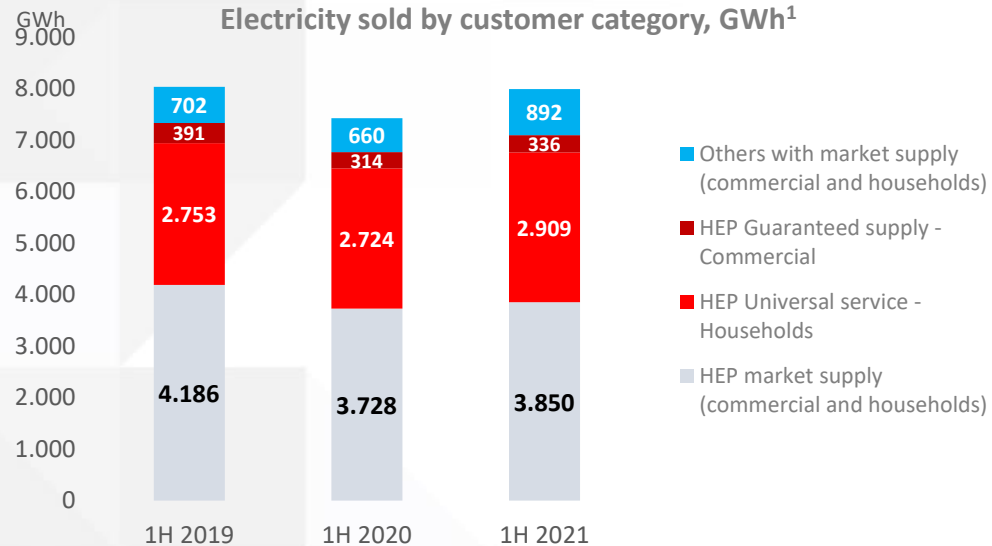
# Power Supply

Electricity consumption 1H 2021 per supplier<sup>1</sup>

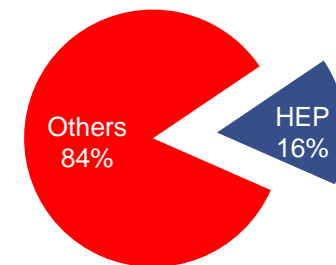


- HEP Group supplies **89%** of all electricity sold in Croatia
- HEP Elektra supplies customers under public service obligation (universal service and guaranteed supply) while HEP-Supply supplies all other customers that have opted for a market supplier
- HEP Supply is the largest non-tariff supplier among 12 others<sup>2</sup> in Croatia
- HEP Supply supplies c. 86% of commercial customers in the Croatian market<sup>2</sup>
- HEP Gas among largest gas suppliers in Croatia

Electricity sold by customer category, GWh<sup>1</sup>



Gas Retail in Croatia<sup>1</sup>



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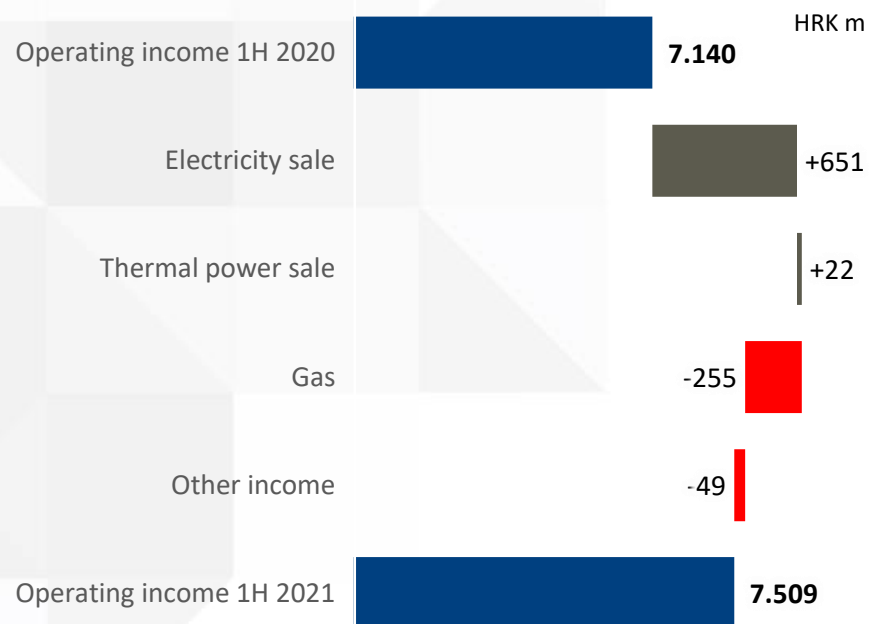
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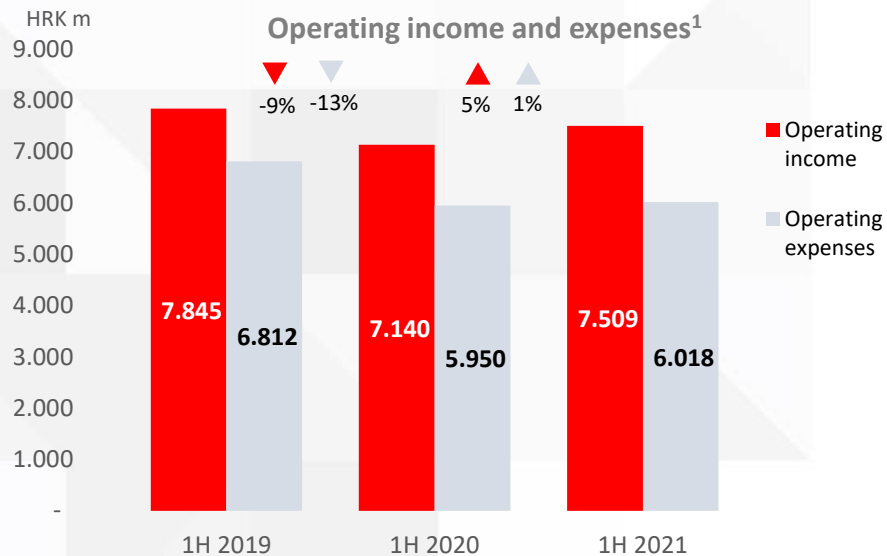
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# Development of Operating Income<sup>1</sup>

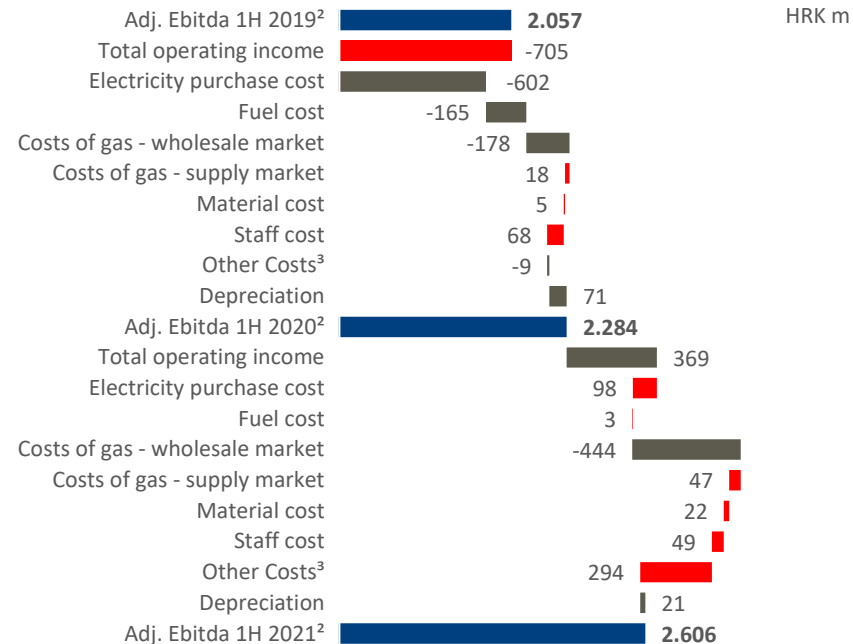
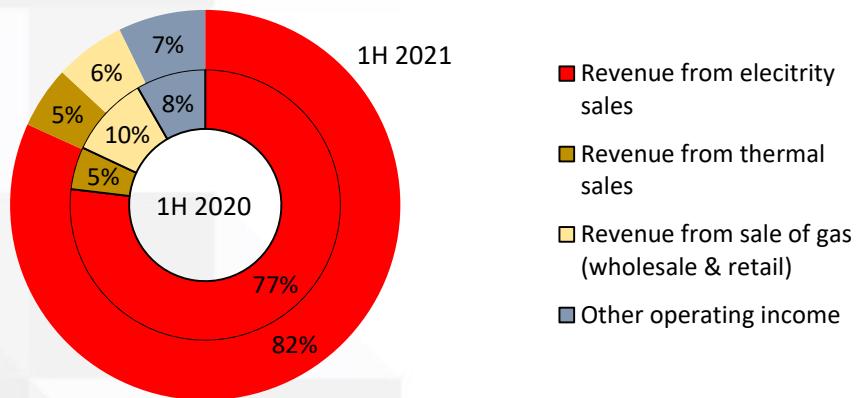


- Revenue from electricity sale increased by HRK **650.7m (12%)**, due to:
  - 5% increased sale of electrical energy in Croatia
  - 200% increased export of electrical energy
  - 10% increased supply outside of Croatia
- 5.7% higher** thermal power sales revenue due to **11%** higher sale
- Sale of gas is **58% lower** than year before due to the cessation of performing the activity of supplier at the wholesale gas market, which HEP d.d. performed by 31 March 2021.
- Other operating income decreased by **9%**

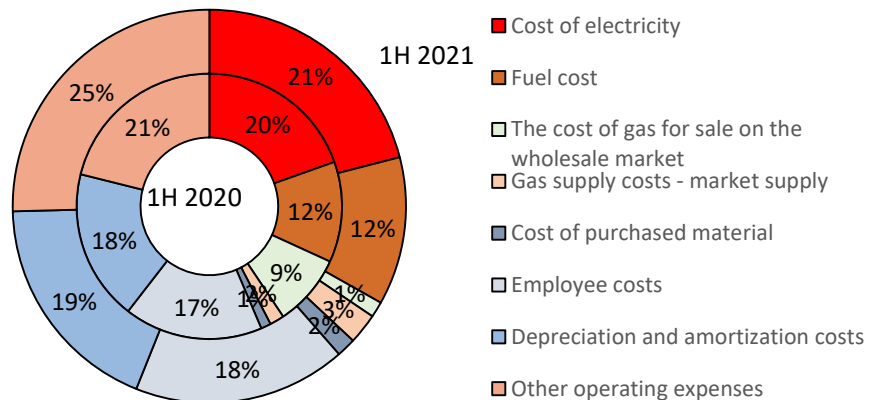
# Financial Performance



**Total operating income split H1 2021 vs H1 2020<sup>1</sup>**



**Total operating expenses split 1H 2021 vs 1H 2020<sup>1</sup>**

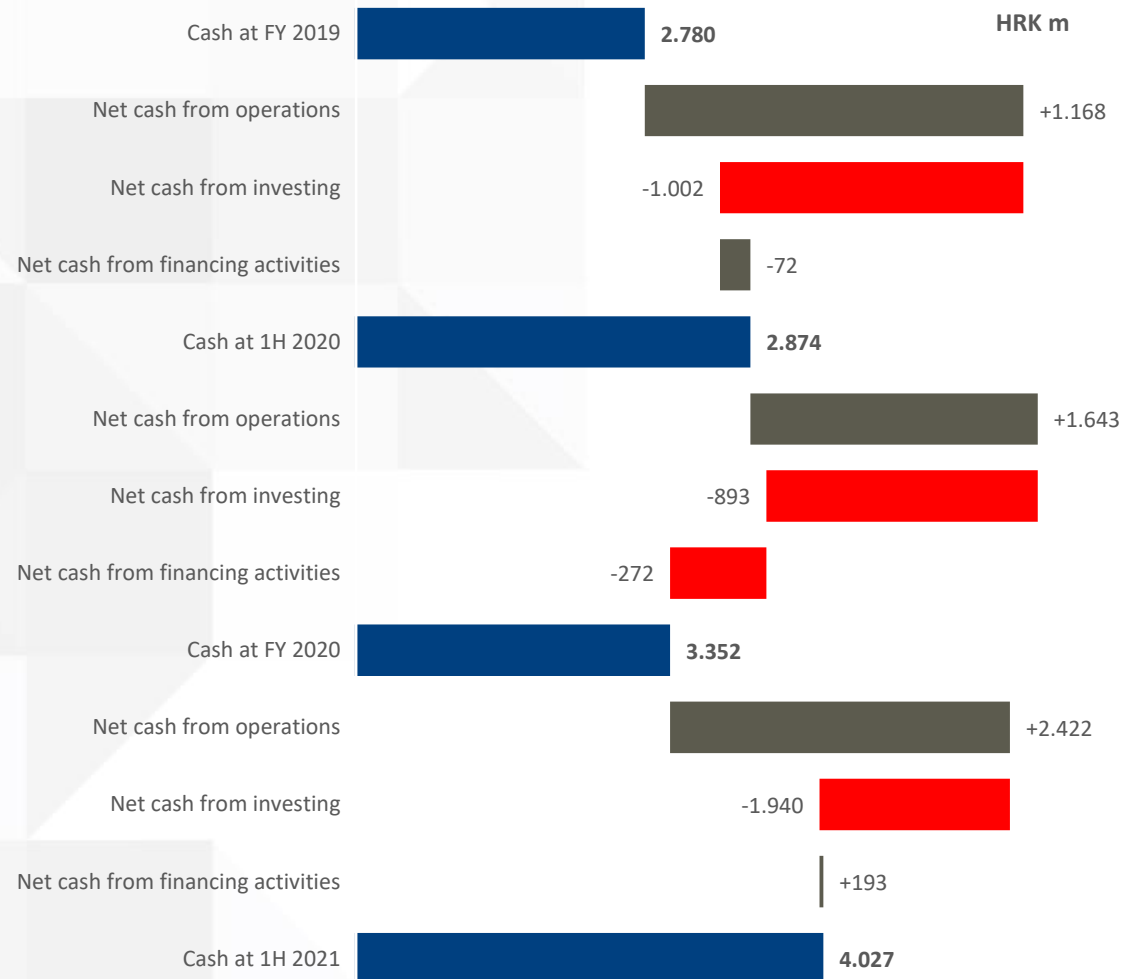


<sup>1</sup> Unaudited Financial Statements for 1H 2021, available at [www.hep.hr](http://www.hep.hr)

<sup>2</sup> Adjusted EBITDA consists of operating profit/(loss) and depreciation and amortization for the period excluding financial expense, financial income, corporate income tax expense

<sup>3</sup> Includes depreciation and amortization

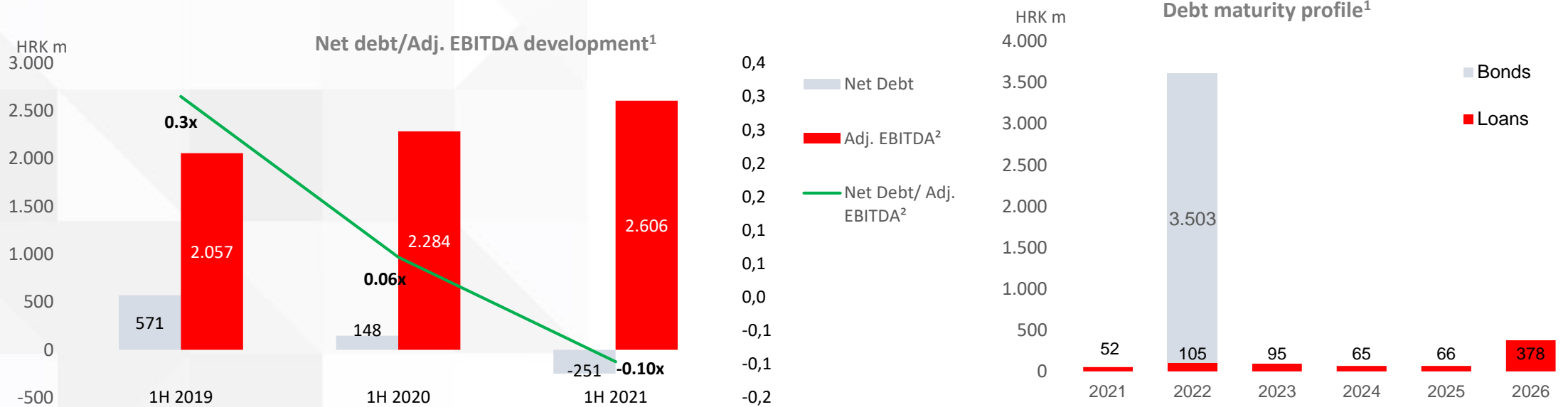
# Cash flow<sup>1</sup>



- Strong liquidity position
- Additional liquidity HRK 600 million under short term financing sources with local banks
- Continuous capital expenditures
  - Wind farm Korlat
  - Solar power plant Cres, Vis
  - Modernization and revitalization of distribution and district heating network
  - Smart meters



# HEP Group Debt



Credit Rating Agency	Issue date	Rating
Standard & Poor's	5 October 2021	BBB-/Stable outlook – SACP bbb-
Moody's	17 November 2020	Ba1/Stable outlook

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# Q&A



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