RPFB PROJECT FINANCE LTD.

Introduction materials



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Key Facts about RPFB (1)

- RPFB Project Finance Ltd. ("RPFB") is an independent investment banking firm focusing on projects in Russia, CIS and Eastern Europe
- RPFB is the successor of the advisory business of the Russian Project Finance Bank, established in 1992 by European Bank for Reconstruction and Development (EBRD)
- RPFB provides advice in the areas of corporate, structured and project finance, M&A, equity placement and asset management
- RPFB offers expertise in the development and implementation of efficient financial structures for investment projects
- RPFB possesses over 33 years of experience working with leading international financial institutions and has assisted Russian and international clients in raising over \$ 44 bln of debt and equity finance
- Reputation and quality of RPFB advice are confirmed by authoritative international rewards



Key Facts about RPFB (2)

- RPFB operates in the form of limited liability company since 1999
- Partners and directors of RPFB are experienced investment bankers who created and developed project finance market in Russia:
 - Ruslan Vazetdinov Managing director
- Partners manage operations of RPFB and directly lead project teams working on advisory engagements
- Partners amassed a wide range of business contacts with leading banks and financial institutions, legal advisors and specialist consultants, which allows to efficiently facilitate preparation and approval of loan transactions
- CV of RPFB's Key Partner is presented in Annex 2



International Recognition







Yuzhno-Russkoye oil and gas field

Financial Consultants - Societe General and RPFB

Europe Gas Deal of the Year 2011

European Upstream Oil and Gas Deal of the Year 2011

Energy Risk Deal of the Year 2012



emeafinance Project Finance Awards





Nord Stream

Financial Consultants - RBS, Commerzbank, Societe General and RPFB

Europe Gas Deal of the Year 2009

Best project finance deal in CEE 2009

Oil and Gas Deal of the Year 2010

Infrastructure Deal of the Year 2010



Blue Stream

Financial Consultant to Gazprom - RPFB

European Oil and Gas Deal of the Year 2000



Yamal-Europe

Financial consultant to Gazprom - RPFB

Eastern Europe deal of the Year 1997



Advantages of RPFB

Project finance (PF) advisory is the key business area of RPFB:

- RPFB has extensive experience in financing projects with participation of ECAs, Russian and international commercial banks, IFIs, VEB.RF
- We are specialists in organizing multi-source financing and structuring of partners relationships in project SPVs/Joint Ventures, advising on M&A deals, including refinancing and credit portfolio restructurisation transactions
- RPFB does not participate in lending, which allows to avoid conflict of interest and enables supporting client's interests at all stages of the deal
- We are flexible and prepared to operate as a sole advisor (under exclusive advisory mandate) or in consortium with international banks (under joint advisory mandate)
- RPFB team members possess direct personal experience in execution of the landmark transactions

RPFB is also instrumental in corporate/structured financing including debt refinancing and restructuring



Benefits of project finance

- Russian companies increasingly use PF to finance capital-intensive projects
- PF advantages are:
 - Conserving Sponsor's equity and using it for projects that are not project-financeable
 - Increase of free cash flow for operational activities on corporate level
 - PF debt is not consolidated on Sponsor's balance sheet and does not impact credit metrics Debt/Equity and Net Debt/EBITDA (if certain conditions are met)
 - Limited recourse on Sponsor's business: Sponsor's liability is limited by equity capital invested in the project
 - Improvement of the project quality due to Lenders' due
 - Sharing of project risks with partners and lenders
 - Improved economic feasibility due to financial leverage
- PF may be the best solution for the clients who are interested in limiting the impact of debt financing on balance sheet
- In the context of high interest rates on the ruble market and taking into consideration a trend to their decrease, RPFB offers a bridge-to-PF instrument (with funding in roubles and/or through the issue of foreign currency bonds) with refinancing in 1-2 years via long term project finance on more favorable terms when the rates decrease: (a) it allows not to fix high rates for a long term, (b) also it allows to launch a project earlier and use the time for high-quality structuring / achieving the best terms for the project finance, and (c) it provides significant economic effect
- RPFB provides clients with full-cycle, turn-key advisory services for raising multi-source PF (see Slide 8) from project's feasibility assessment and preparation of information memorandum to negotiation of loan documentation



Overview of financing sources

Sources	Main features	RPFB experience
Export credit agencies (ECA)	 Justified by import of goods and services Long tenors (up to 16 years) In-depth Environmental & Social (E&S) due diligence 	Nord StreamCS «Portovaya»Blue StreamYamal-Europe and other
International commercial banks	 Faster and more flexible financing process Relatively short tenors Country and corporate limits Coverage of political risks (co-financing with official lenders) 	Yuzhno-Russkoe fieldNord StreamSakhalin-2 and other
VEB.RF	 Moderate equity requirements (20: 80) Possibility of including historical expenses into equity, possibility of property contribution Segregation of project assets and revenues from requirements of parent company's creditors No guarantees from parent company Long tenors (up to 15 years), grace period with interest capitalization (up to 3 years) 	 Adler PP JSC «Mechel» - Elga coal mine
Russian banks	Ruble liquidity High appetite to Russian risks Participation in international syndicates	Yuzhno-Russkoe field Bystrinsky GOK
Debt capital markets	 Project bonds (public and/or private placement) Necessity to obtain rating The most suitable for refinancing (after completion) 	 Blue Stream, loan refinancing Project bonds Sakhalin-2 (cancelled) Nord Stream, refinancing of corporate loans via project bonds
Equity	 Potential partners: industrial investors, construction companies, product purchasers, financial investors and others. Structuring of partnership / joint ventures 	Nord StreamYuzhno-Russkoe fieldSakhalin-2



Selected project finance experience of RPFB (1)

Project	PF Ioan amount	Tenor, years	Credit sources / transaction features / role of RPFB
Project for the development of oil and gas condensate fields in Yamal-Nenets Autonomous District since 2024 (the transaction is postponed)	RUB 230 bn	16	Lender – syndicate of Russian banks Role of RPFB: financial model, financial options report, selection of the optimal business model, assistance in developing a marketing scheme and structuring sponsors' relations, debt deconsolidation structure
Medium-tonnage LNG production plant in the Leningrad region 2020 – 2023	RUB 160 bn	16	Lender – Russian bank For the first time a long-term off balance sheet project finance has been attracted Role of RPFB: development of the business model and deal structure, calculation of economic indicators, preparation of the business plan, assistance in attracting other consultants and coordinating their activities
PJSC «Gazprom» - «Achimov IV/V» 2020 – until now	PF RUB 150 bn Bridge RUB 90 bn	16	Lender – syndicate of banks Financing of upstream gas & condensate project Role of RPFB: structuring of the service contract project, financial options report, information memorandum, financial model – artificial economics (cost+ price formula)
PJSC «Gazprom» - «Yuzhno- Russkoe» gas-condensate field (Stage 2 – Turon Project) 2018 – 2020	RUB 40 bn	8	Lender – Russian commercial bank Financing to support gas production (development of Cenomanian and Turonian fields), corporate loan (without pledge) based on the existing cash flows Role of RPFB (sole advisor): financial options report, business plan, financial model, bank beauty contest



Selected project finance experience of RPFB (2)

Project	PF loan amount	Tenor, years	Credit sources / transaction features / role of RPFB			
JSC «Norilsk Nikel» - polymetal ore			Lender – Sberbank			
field development in Chita region («Bystrinsky GOK») 2012 – 2016	\$0.8 bn	8	Role of RPFB (exclusive advisor): business plan, financial model, product logistic scheme, pledge structuring, project expertise			
			Lender – VEB			
JSC «Mechel» - development of Elga coal mine 2012 - 2013	\$2.5 bn	13.5	Role of RPFB (exclusive advisor): business plan, financial model, logistic scheme, creation of APC by segregation of assets and license from existing company, pledge structuring, project expertise			
JSC «Gazprom» - Adler PP power of	RUB 19.5 bn	15	Creditor - VEB			
360 mW in Krasnodar Region 2009 – 2010			Role of RPFB: business plan, financial model			
JSC «Gazprom» - «Yuzhno-Russkoe»	€1.1 bn	8	Creditors – syndicate of Russian and international banks			
gas-condensate field (Stage 1) $2007 - 2011$			First project finance on the basis of Russian contractual structure, multicurrency loans, artificial economics: price formula – cost +			
	€6.4 bn	16	Creditors – international ECAs, bank syndicate			
JSC «Gazprom» - «Nord Stream» 2007 – 2011			Structure on the basis of gas transportation contract – "flat" tariff, phase financing, non-tied government financing (UFK Hermes)			
ISC "Cozprom" "Sokholin 2"	\$6.7 bn	12	Creditors – international ECAs, bank syndicate			
JSC «Gazprom» - «Sakhalin-2» 2006 – 2014			Structure on the basis of Product Share Agreement, non-tied government financing (JBIC/NEXI)			



Contacts

RPFB's contact details:

Russia, 123610 Moscow

Krasnopresnenskaya nab., 12, Entrance 3, Suite 1606

Tel.: +7 (495) 225-01-88

Fax.: +7 (495) 225-01-89

Email: info@projectfinance.ru

www.projectfinance.ru



Annex 1

RPFB's Track record
(information transactions and mandates after 2021 is confidential)



RPFB's deals & mandates 2015-2021

Development of Yuzhno-Russkoye gas field (Stage 2)

Financial Concept Report preparation

Bonds under JBIC's guarantee



JPY 65 000 000 000

Financial advisory to the Issuer

December 2018

Framework Agreement



Advisory on pre-investment stage projects

2014-2019

TurkStream (offshore section)



Financial advisory on longterm Project finance loan facilities (deal cancelled) Since 2019 Development of Yuzhno-Russkoye gas field (Stage 2)



RUB 40 000 000 000 Financial advisory on longterm debt financing

2020

Development of Achimov formation (Areas 4 and 5)



Financial advisory on longterm Project finance loan facilities (the transaction is postponed) Since 2020 Development of Achimov formation (Areas 4 and 5)



RUB 90 000 000 000 Financial advisory on shortterm bridge loan

2021

2018 2019 2020 2021

Sulfur Dioxide Project



Advisory on structured ECAs financing

(suspended) 2014-2015 Sakhalin-II Project Train 3 LNG Plant



Financial Options Report preparation

2015

Construction of Steelmaking and Rolling Mill



Financial advisory on longterm Project finance loan facilities (deal cancelled) 2013-2016 Nord Stream-2 Project



Financial advisory on longterm Project finance loan facilities (deal cancelled) Since 2015 Bystrinsky Mining and Processing Plant



USD 800 000 000
Financial advisory on long-term Project finance loan facilities

May 2016

Nord Stream project bonds (private placement)



EUR 628 000 000

Financial Advisory on refinancing of commercial bank facilities

December 2017

TurkStream (offshore section)



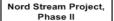
Financial Concept Report preparation

2017-2018

2015 2016 2017 2018



RPFB's closed deals 2006-2014





EUR 2 500 000 000 Financial advisory on long-

term Project finance loan facilities

March 2011

Development of Yuzhno-Russkoye gas field



EUR 1 100 000 000

Financial advisory on longterm Project finance loan facilities

March 2011

Development of Urengoskoye gas field



Financial advisory bridge loan and Project Finance (Deal canceled) 2011 - 2012

MECHEL

Elginskoye coal deposit (Phase I)



USD 2 500 000 000 Financial advisory on long-

term Project finance loan facilities from VEB

October 2013

Development of Shtokman gas and condensate field



Financial advisory on longterm Project finance loan facilities (Deal canceled) 2009 - 2013

Sakhalin-II Project Project bonds





2011 - 2014

South Stream





Eni

Financial advisory on longterm Project finance loan facilities (Deal canceled)

2011 - 2014

2011 2012 2013 2014

CJSC Gaztranzit



Advisory on the improvement of the financing terms of existing loans

December 2007

Sakhalin-II Project, Phase II





USD 5 300 000 000 Financial advisory on longterm Project finance loan facilities

June 2008

Development of Yuzhno-Russkoye gas field



USD 1 100 000 000

Financial advisory on shortterm bridge loan under shareholders' guarantees

July 2008

Sakhalin-II Project, Phase II





USD 1 400 000 000

Financial advisory on longterm Project finance loan facilities

October 2009

Development of Yuzhno-Russkoye gas field



USD 1 300 000 000

Financial advisory on shortterm bridge loan under shareholders' guarantees

July 2009

Nord Stream Project, Phase I



EUR 3 900 000 000

Financial advisory on longterm Project finance loan facilities

March 2010

Adlerskaya TPP



RUR 19 450 000 000

Financial advisory on longterm Project finance loan facility

October 2010

2007 2008 2009 2010

JSC Nesvetai TPP



Preparation of investment analysis report for purchase of JSC Nesvetai TPP by holding company ESTÁR

October 2006

Nord Stream Project



Financial advisory on preinvestment stage

January-December 2006

Mobile gas turbine Power Plant



Assistance in obtaining of status of wholesale agent reparation of feasibility study for calculation of tariff applicable in 2007 January-December 2006

2006

Gazprom's LNG business development



Advisory on development of LNG business within the Gazprom group

February-December 2006

Development of a new gold mine



USD 60 000 000

Advisory on Project finance package

December 2006

Shtokman Project, Phase I



Pre-investment advisory (business model, partners' selection, framework agreement)

January-July 2007

Yuhzno-Russkoye **Project Development**



Pre-investment advisory (optimal business model allocation of economic benefits, shareholder agreement)

August-December 2007



RPFB's closed deals 2004-2006



USD 970 000 000 Advisory on refinancing of the existing loans and portfolio

optimization April 2005

Blue Stream Project



USD 1 868 500 000

Advisory on refinancing of project loans by the issue of quaranteed bonds

July 2005

USD 200 000 000

Financial advisory on unsecured corporate loan

September 2005

JSC OGK-1



Preparation of medium- and long-term investment program

2006

Federal Service on Tariffs of the Russian Federation



Development of procedures for the calculation of the vield on invested capital in the power sector

2006

National Reserve Corporation



Assessment of an investment opportunity in the power sector

May 2006

2006

2005



USD 763 000 000

Advisory on refinancing of the Gazprombank loan facility to EuRoPol Gaz S.A. (Poland)

September 2006

2005

USD 1 100 000 000

Advisory on refinancing of the existing loan facility with extension of the maturity May 2004

Construction of CCGT

power plant (390 MW)

in Schekino, Russia

Ukhtinskaya compressor station



SEK 371 839 496

Financial advisory on export credit facility insured by EKN (Sweden)

May 2004



USD 1 100 000 000

Financial advisory on refinancing of the existing loan facilities and optimisation of the credit porfolio August 2004

JSC Mosenergo (TGK-3)



Preparation of medium- and long-term investment program

2005

JSC Permskaya TPP



Preparation of the feasibility study for the calculation of tariff applicable in 2006 for the construction of powergenerating unit #4

2005

JSC Kashirskaya TPP



Preparation of the feasibility study for the calculation of ariff applicable in 2006 for the reconstruction of powergenerating unit #3

2005

Advisory on OAO "Gazprom"

bid for 51% share of "Distrigaz

Sud S.A.", the gas distribution

company (Romania)



Advisory on the acquisition from E.On Ruhrgas/Gaz de France of 16.3% share of "SPP", the gas distribution company (Slovakia) (Deal canceled)

2004

Construction of HPP (750 MW) in El Cajon,



supplier Financial advisory (feasibility study, contractual structure, financing scheme)

Mexico

Advisory to equipment (mitigation of risks, optimization of contractual structure)

Construction of Ivanovo TPP (650 MW)



Financial advisory (business plan) 2004

Pskovskaya CHP assets disposal



Advisory to the seller (information memorandum, design and co-ordination of assets sales procedure)

Sakhalin Power **Bridge Project**



Financial advisory (feasibility study, contractual structure)









OAO "Gazprom" bid for 51% share of "SNP Petrom S.A.", the integrated oil and gas company (Romania)



RPFB's closed deals 1998-2003

Development of Zapolyarnoye gas field



USD 450 000 000

Financial advisory on mediumterm loan facility

November 2002



USD 300 000 000

Financial advisory on shortterm loan facility (working capital)

December 2002



OAO "Gazprom" bid for 35% share of "DEPA", the national gas company (Greece)

2003



USD 150 000 000

inancial advisory on mediumterm loan facility (corporate)

May 2003





Financial advisory (business plan)

2005

2003

Blue Stream Project



USD 70 000 000

Financial advisory on unsecured medium-term loan facility

September 2003

Reconstruction of the Unified Gas Supply System



USD 300 000 000

Financial advisory on mediumterm loan facility

November 2003

2002

Reconstruction of the Unified Gas Supply System



USD 250 000 000

Financial advisory on mediumterm loan facility

January 2002

Construction of a power line to the Zun-Holba gold mine



USD 8 150 000

Financial advisory on mediumterm loan facility

January 2002



USD 150 000 000

Financial advisory on shortterm loan facility (working capital)

February 2002

Development of Zapolyarnoye gas field



USD 300 000 000

Financial advisory on mediumterm loan facility

March 2002



USD 325 000 000

Financial advisory on mediumterm loan facility

June 2002



USD 200 000 000

Financial advisory on shortterm loan facility (working capital)

July 2002

Transbalkan Pipeline Project, Phase II



USD 97 000 000

Financial advisory on longterm loan facility

September 2002

2002



USD 326 000 000

Advisory on restructuring of short-term unsecured loan into long-term secured loan

October 1998

Transbalkan Pipeline Project, Phase I



USD 52 000 000

Financial advisory on longterm loan facility

December 1999

JSC Buryatzoloto



USD 4 000 000

Financial advisory on shortterm loan facility (working capital)

Blue Stream Project



USD 2 900 000 000

Financial advisory on multisource debt & equity financing

January 2000 December 2000

Blue Stream Project (on-shore section)



EUR 250 000 000

Financial advisory on mediumterm loan facility

February 2001

The increase of throughput capacity of pipeline to Hungary



USD 130 000 000

Financial advisory on mediumterm loan facility

November 2001



USD 100 000 000

Financial advisory on shortterm loan facility (working capital)

December 2001



RPFB's closed deals 1994-1998

Development of new oil field



USD 65 000 000

Financial advisory on longterm loan facility

April 1997

USD 160 000 000

Financial advisory on short-

term loan facility

December 1996

Construction of Yamal-Europe gas pipeline



DM 1 675 000 000

Financial advisory on longterm export finance facility

May 1997

Gold mines

upgrading and

expansion program

Construction of gas distribution systems, Yamal-Europe Project



USD 160 000 000

Financial advisory on mediumterm loan facility

May 1997

Construction of Yamal-Europe gas pipeline



USD 3 000 000 000

Financial advisory on shortterm loan facility

November 1997

Construction of gas distribution system in Astrakhan region



USD 167 000 000

Financial advisory on mediumterm loan facility

December 1997



USD 230 000 000

Financial advisory on shortterm loan facility

May 1998



USD 50 000 000

Financial advisory on shortterm export finance facility

December 1998

1997

1998



USD 10 000 000 Financial advisory on longterm loan facility

December 1996

Gold mines upgrading and expansion program



USD 15 000 000

Private placement of new Equity among institutional investors

December 1996

Construction of Polish section of Yamal-Europe gas pipeline



USD 1 002 779 800

Financial advisory on longterm loan facility

January 1997

Upgrade of Unified Gas Supply System



USD 225 000 000

Financial advisory on mediumterm loan facility

January 1997

Construction of Yamal-Europe gas pipeline



USD 2 500 000 000

Financial advisory on mediumterm loan facility

January 1997

Construction of gas meter and gas boiler manufacturing plant



DM 40 000 000

Financial advisory on mediumterm loan facility

February 1997

1996

1994

1997

Equipment for petrochemical complex. **Novy Urengoy**



DM 935 546 431

Financial advisory on longterm export finance facility

September 1994

Re-vamping of Unified Gas Supply System



USD 1 615 000 000

Financial advisory on longterm export finance facility December 1994

Oil well rehabilitation program



USD 43 767 488

Financial advisory on longterm loan facility October 1995

Oil well rehabilitation program



USD 84 206 731

Financial advisory on longterm loan facility

January 1996

Construction of Yamal-Europe gas pipeline



DM 1 000 000 000

Financial advisory on longterm loan facility

1996

May 1996

Construction of gas meter and gas boiler manufacturing plant



DM 33 500 000

Financial advisory on mediumterm loan facility

June 1996



Annex 2

Key Partner's CV



PARTNER'S CV

Ruslan Vazetdinov, Managing Director

- Mr. Vazetdinov is a Partner of RPFB Project Finance since its inception in 1999. He also holds a position of Managing director. From 1999 to April 2018 held a position of Executive Director
- Ruslan Vazetdinov is responsible for maintaining relationships with key clients, promotion of company services, managing teams in the core projects. Specialization of Mr. Vazetdinov is raising financing in the energy sector. Mr. Vazetdinov has advised on over \$36 bn of transactions. Mr. Vazetdinov led the advisory teams that worked on numerous Gazprom international loan facilities and investment projects, including Yamal-Europe, Blue Stream, Gaztransit, Sakhalin-2, Nord Stream, Yuzhno Russkoye, Shtokman, South/Turk Stream. He participated in several landmark M&A, asset swap, joint venture transactions of Gazprom with its international partners such as General Electric, ENI, Enel, E.On, BASF, Shell, Total, Statoil, Petro-Canada, Mitsui and other
- Mr. Vazetdinov worked in Russian Project Finance Bank from 1992 to 1999 starting as a project officer and becoming Executive Director. Ruslan Vazetdinov was responsible for development of the advisory business in energy sector, which resulted in a number of mandates and closed financings. His client list includes Gazprom, RAO UES, Amoco, GE Power Systems, Dresser, Mitsui, Marubeni, ABB, European Gas Turbines
- Prior to working in finance held a position of research engineer and research officer in National Research Nuclear University MEPhI
- Mr. Vazetdinov has a degree in computer science from Moscow Engineering Physics Institute – MEPhI (1987), London Business School - Foundation Program Certificate in finance (1994), MBA in Business & Economics from California State University Hayward (1996), bachelor degree in Management from Institute of Business and Economics in Moscow (2005)



