

TASHIR

External Communications Department

Press Release

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Tashir commissions a plant producing advanced electric equipment in Armenia

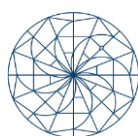
Multi-profile Kaskad Holding, part of Tashir Group, starts a series of facilities producing high-tech electric equipment for an automated distribution networks electricity metering system. The plants will manufacture the latest certified electric equipment for industrial and civil use by Electric Networks of Armenia. The plant production capacity will total 250,000 units per year. Tashir has invested a total of 20M USD in the project.

Serzh Sargsyan, the President of Armenia, the minister of energy of Armenia Levon Eolyan, chairman of the commission on regulation of public services Robert Nazaryan, and other officials visited the grand opening of the plant in Yerevan.

Start of the new plants became the first step in an anti-crisis program announced in September 2015 by Samvel Karapetyan, the company's new owner. The campaign's aimed at step-by-step modernization of distribution network equipment, company's finances optimization, and stronger control of financial and economic operations within CJSC Electric Networks of Armenia. Production facilities are located in Shengavit district of Yerevan. According to the enterprise development plans, about 500 new jobs will be created soon.

“Beside attracting investments and adding new jobs, the project is of special economic significance for us. We hope to prove that Armenia is the right place to do business and invest money,” noted Samvel Karapetyan, President of Tashir Group.

Two facilities have been commissioned: one to manufacture electricity meters and the other, to produce meter cabinets for the automated commercial electricity metering system (ASKUE) which is a joint project with Russia's leading developer in the area, Systems and Technologies ETC CJSC. The new innovative equipment will allow both managing electricity usage and automating data collection from meters, thus significantly increasing power usage measurement accuracy and minimize options for power waste and fraud allowed by technical imperfections. Automated



commercial electricity metering system enables power consumption records on house, district or city level from a single dispatcher and financial center.

Besides, Tashir Group is planning to start the third line of production soon, to manufacture low-voltage distribution cabinets.

Sergey Pogosov, Board Member, Kaskad Holding, comments: “I am proud to say that, within a tight schedule, we have built the country’s first plant to manufacture modern, competitive energy equipment to match global standards. Electronic power meters employed by Electric Networks of Armenia are outdated and fail to meet contemporary requirements. Creating a new production facility is a big step forward on our way to modernize the company's equipment and optimize corporate costs. Moreover, the new metering systems are an important contribution to wireless system development in Armenia's power supply network.

For over a decade now, Tashir Group has been aggressively developing its business in energy industry; it develops and supplies holistic, efficient infrastructural solutions for Russian cities, industrial enterprises, urban developments, civil and residential facilities. The holding’s priorities include serial production of modern electric equipment for both industrial and civil use. Some of the models manufactured at the high-voltage equipment plant in Kaluga are unprecedented in Russia.

Technical information

Automated commercial electricity metering system (ASKUE)

ASKUE enables commercial metering of power (electric output). Energy audit systems help to record consumption of electricity and heat in residential, commercial and industrial spaces. They keep power consumption records on house, district or city level from a single dispatcher and financial center.

CJSC Electric Networks of Armenia currently supply electricity at 10(6) / 0.4 kV voltage levels to over 1M consumers. That said, over 65% of the said electricity meters are induction ones. Those are worn out which leads to continual underestimation of electricity usage. According to Russia’s centers of standardization and metrology, induction electricity meters meant to work for 30 years fail, on average, after 20 to 23 years due to wearing out of the register mechanism. Nearly all electricity meter manufacturers now having shifted to producing electronic meters,

induction meters are tricky to maintain as spare parts are discontinued and low quality replacements are used instead. To add to that, induction meters have to protection against fraud attacks whatsoever. Electronic power meters employed by Electric Networks of Armenia are outdated and fail to meet contemporary requirements.

Key aims of building a single automated commercial electricity metering system for low-voltage networks of CJSC Electric Networks of Armenia include:

1. Obtaining electricity balance for the whole way from its receipt by distribution networks to its output to end user.
2. Meter data collecting automation to exclude visual readout errors, with fast data export to the enterprise billing system.
3. Significant increase of power usage measurement accuracy due to new hi-tech meters.
4. Minimizing options for power waste and fraud allowed by technical imperfections; higher net electricity supply; and reducing loss to the normative level.
5. Continual meter health monitoring using the automated metering system, and quick troubleshooting.
6. Staffing optimization thanks to electricity metering process automation.

Information:

About Tashir Group

Tashir is a diversified federation-wide group of companies founded in 1999 and uniting over 200 companies in various sectors of Russia's economy, including construction, manufacturing, finance, energy, development, retail, and entertainment. Its staff totals over 45,000 people. The company's geography covers 25 cities of Russia and neighboring states. Tashir's founder and President is Samvel Karapetyan. The company is headquartered in Moscow.

The Group's primary business is development and managing of commercial real estate, with a focus on retail estate. Being a Russia's leader in development, Tashir has so far built 2.5 million sq m of modern, hi-tech commercial and residential real estate.

Kaskad Holding

Kaskad Holding is Russia's largest multi-profile engineering and construction organization, part of Tashir Group since 2005.

Key competencies of Cascade Holding include all kinds of construction and mounting works, power transfer and supply, electric and heat supply networks operating, energy audit, and energy equipment manufacturing.

Kaskad Holding activities include a number of additional business lines, from design and engineering to construction of various buildings and structures, i.e. city infrastructure objects, as well as projects in road and bridge building, capital repairs, reconstruction and installation of utility networks, etc.

The company's strong production facilities and rich expertise make it a one-stop shop for all works, design to pre-commissioning and commissioning.

Kaskad Holding staff totals over 3,000 people.

Systems and Technologies ETC CJSC

Systems and Technologies ETC CJSC is a leading Russian manufacturer of automated energy metering systems and energy industry automation solutions. It is the only company in its segment to offer produce used by about 60% of Russia's energy industry players.

Systems and Technologies ETC CJSC were ranked 3rd in RIA RBC rating of companies offering services in energy saving and energy efficiency improving, at year-end 2013.

The company's famous brands include Kvant meters, SICON controllers collecting and transferring data, and Pyramid 2000 software.

CJSC Electric Networks of Armenia

CJSC Electric Networks of Armenia transfers and distributes electricity in Republic of Armenia and is licensed to export power to Republic of Georgia and Nagorny Karabakh Republic. According to Armenian law "On Energy", the company is the only entities in the country entitled to deal with all other legal and physical entities in power purchase or sales.

The company serves over 1M consumers, is one of the country's major tax-payers and its largest employer.

Contacts

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