

Serbian state-owned power utility EPS said that it has recorded a net loss in the amount of 23.2 million euros in 2019, compared to a loss of 12.3 million euros in the previous year. The company's operational revenues increased by 5.4 % in 2019 to 2.08 billion euros, but operational costs rose as well - by 3.5 % to reach almost 2 billion euros.

Electricity production in 2019 amounted to 33.5 TWh, which is 5 % below the planned level. Production of hydropower plants was 7 % above the plan, but coal-fired thermal power plants produced 10 % less electricity than planned. According to the program agreed between Serbian Government and the International Monetary Fund (IMF), Serbian state-owned power utility EPS will become a joint stock company in 2020. The Government said that EPS' legal status will be changed to a joint-stock company in line with the ongoing corporate restructuring process and financial consolidation, aiming to improve the viability of the company and ensure its professional management.

Local media speculate that EPS should transform from public enterprise to joint stock company by the end of the year, most likely in October. After that, in 2021, a stake in the company could be offered for sale to potential investors. Sources state that there is a possibility that the sale of EPS will come in stages, as the company is already divided into several smaller parts, in a form of a strategic partnership with the Government, as the state will retain some of its ownership in its possession, as in the case of oil company NIS. However, Serbian Government reiterated on several occasions that it has no intentions to sell power utility EPS. On the contrary, it is considering the acquisitions of power utilities of neighboring countries in order to expand and strengthen its economy.