

**Balance sheet**  
**30 June 2019**

<b>Form No. 1 OKUD</b> [Russian National Classifier of Management Documentation]		Codes
		0710001
		Date
		30.06.2019
Organization: Kubanenergo PJSC	OKPO [Russian Classifier of Businesses and Organizations]	0 0
Taxpayer Identification Number	INN	2309001660
Type of activity: electricity transmission	OKVED [Russian Classifier of Types of Economic Activity]	35.12
Organizational legal form/ownership form: Public Joint Stock Company / private	OKOPF [Russian Classifier of Organizational Legal Forms]/OKFS [Russian National Classifier of Forms of Ownership]	12247 / 16
Unit: thousand rubles	OKEI [Russian Classifier of Measurement Units]	384
Address: 2A Stavropolskaya str., 350033 Krasnodar, Krasnodar region		
The Accounting Statements are subject to compulsory audit: <input type="checkbox"/> YES <input type="checkbox"/> NO		
Name of the audit company / surname, name, patronymic (if any) of the individual auditor: Limited Liability Company Ernst & Young		
Taxpayer Identification Number of the audit company /individual auditor	INN	7709383532
Primary Public Registration Number of the audit company /individual auditor	OGRN	1027739707203

notes	Indicator	Line code	as of 30 June 2019	as of 31 December 2018	as of 31 December 2017
	<b>ASSETS</b>				
	<b>I. NON-CURRENT ASSETS</b>				
5.1.1.- 5.2.2.	Intangible assets	1110	33 680	38 621	33 456
5.2.2.	including purchase of intangible assets in progress	1111	7 500	7 500	6 000
5.2.1.- 5.2.2	R&D results	1120	112 758	107 450	69 571
5.2.2.	including expenditures on researches in progress	1121	112 758	107 450	69 571
	Intangible development assets	1130	-	-	-
	Tangible development assets	1140	-	-	-
5.3.1.- 5.3.6.	Fixed assets	1150	62 069 624	62 534 635	59 659 050
	land plots and environmental facilities	1151	136 435	136 330	136 244
	buildings, vehicles, equipment, constructions	1152	52 728 914	50 768 189	50 815 750
	other fixed assets	1153	174 851	207 553	260 043
5.3.5.	construction in progress	1154	8 117 180	10 190 196	6 737 703
5.3.6.	advances paid for capital construction and	1155	145 863	341 336	1 054 174

	purchase of fixed assets				
	raw materials and materials for production of fixed assets*	1156	766 381	891 031	655 136
5.3.1.	Income-bearing investments in tangible valuables	1160	-	-	-
5.4.1.- 5.4.3.	Financial investments	1170	37 556	37 556	36 004
	in subsidiaries	1171	37 555	37 555	36 003
	in dependent companies	1172	-	-	-
	in other companies	1173	1	1	1
	loans to companies due in more than 12 months	1174	-	-	-
	financial investments	1175	-	-	-
5.7.2.	Deferred tax assets	1180	862 773	764 948	881 948
	Other non-current assets	1190	208 231	229 593	175 097
	TOTAL Section I	1100	63 324 622	63 712 803	60 855 126
	<b>II. CURRENT ASSETS</b>				
5.5.1.- 5.5.2.	Supplies	1210	1 670 837	1 762 670	1 490 541
	raw materials, supplies and other similar assets	1211	1 670 837	1 762 670	1 490 541
	expenses on construction-in-progress	1212	-	-	-
	finished products and goods for resale	1213	-	-	-
	goods delivered	1214	-	-	-
	other stock and expenses	1215	-	-	-
	Value added tax on valuables acquired	1220	2 411	2 450	6 020
5.6.1.- 5.6.4.	Accounts receivable	1230	9 481 873	7 041 684	6 832 606
	Accounts receivable that are due beyond 12 months	1231	30 604	22 880	28 694
	buyers and customers	123101	870	1 128	-
	bills receivable	123102	-	-	-
	advances paid	123103	-	-	-
	other accounts receivable	123104	29 734	21 752	28 694
	Accounts receivable that are due in the next 12 months	1232	9 451 269	7 018 804	6 803 912
	buyers and customers	123201	8 396 564	6 205 537	6 155 946
	bills receivable	123202	-	-	-
	debts of affiliated and depended companies on interest	123203	-	-	-
	debts of participants (founders) on share capital payment	123204	-	-	-
	advances paid	123205	23 306	34 489	32 118
	other accounts receivable	123206	1 031 399	778 778	615 848

5.4.1.- 5.4.3.	Financial investments (except cash equivalents)	1240	-	-	-
	loans to companies due in more than 12 months	1241	-	-	-
	other short-term financial investments	1242	-	-	-
f.4	Monetary assets and equivalents	1250	818 400	2 194 307	1 667 376
	cash bank	1251	-	-	-
	operating account	1252	818 400	2 194 307	1 667 376
	currency account	1253	-	-	-
	other funds	1254	-	-	-
	Other current assets	1260	1 174 378	1 194 901	1 005 084
	TOTAL Section II	1200	<b>13 147 899</b>	<b>12 196 012</b>	<b>11 001 627</b>
	<b>BALANCE</b>	<b>1600</b>	<b>76 472 521</b>	<b>75 908 815</b>	<b>71 856 753</b>

	<b>LIABILITIES</b>	Line	as of 30 June 2019	as of 31 December 2018	as of 31 December 2017
	<b>III. CAPITAL AND RESERVES</b>				
3.1.	Authorized capital (reserve capital, statutory fund and partners' contributions)	1310	30 379 335	30 379 335	28 286 813
3.1	Capital (before registration of changes)	1311	-	-	2 092 522
3.1.	Treasury stock bought out at from the shareholders	1320	-	-	-
5.3.1., 5.1.1	Revaluation of non-current assets	1340	10 382 496	10 736 476	10 755 560
3.1.	Additional capital (without revaluation)	1350	6 481 916	6 481 916	6 481 916
3.1.	Reserve capital	1360	302 820	295 260	268 996
3.1.	Unallocated profit (uncovered loss) of	1370	(12 965 761)	(12 654 441)	(12 476 889)
	the past years	1371	(12 451 659)	(12 805 639)	(13 002 165)
	the reported period	1372	(514 102)	151 198	525 276
	Total for section III	1300	34 580 806	35 238 546	35 408 918
	<b>IV. LONG-TERM LIABILITIES</b>				
5.6.7- 5.6.8	Borrowed funds	1410	10 618 379	13 283 239	22 617 796
	bank credits payable in more than 12 months after the reporting date	1411	7 018 379	9 683 239	15 617 796
	credits payable in more than 12 months after the reporting date	1412	3 600 000	3 600 000	7 000 000
5.7.2.	Deferred tax liabilities	1420	726 487	438 719	178 832
5.7.1.	Reserve for contingent liabilities	1430	-	-	-
5.6.5- 5.6.6.	Other liabilities	1450	1 479 609	1 248 675	989 505
	Total for section IV	1400	12 824 475	14 970 633	23 786 133
	<b>V. SHORT-TERM LIABILITIES</b>				
5.6.7.- 5.6.8.	Borrowed funds	1510	15 315 636	11 395 279	91 064

	bank payable in more than 12 months after the reporting date	1511	11 837 692	7 915 101	13 120
	credits payable in more than 12 months after the reporting date	1512	3 477 944	3 480 178	77 944
5.6.5.- 5.6.6.	Payables	1520	12 252 931	12 812 433	11 019 865
	suppliers and contractors	1521	5 062 375	5 238 557	6 198 136
	bills payable	1522	-	-	-
	salaries payable	1523	214 950	313 073	209 427
	debt to state extra-budgetary funds	1524	117 658	120 710	108 782
	taxes and fees payable	1525	764 227	606 530	258 006
	advances received	1526	5 018 009	5 164 803	2 889 096
	payable to the participants (founders) on income payment	1527	144 517	919	500
	other accounts payable	1528	931 195	1 367 841	1 355 918
	Reserves for future expenses	1530	119 696	123 239	126 616
5.7.1	Estimated liability	1540	1 375 928	1 348 029	1 399 272
	Miscellaneous liabilities	1550	3 049	20 656	24 885
	Total for section V	1500	29 067 240	25 699 636	12 661 702
	<b>BALANCE (assets)</b>	<b>1700</b>	<b>76 472 521</b>	<b>75 908 815</b>	<b>71 856 753</b>

Director \_\_\_\_\_ Ocheredko O.V  
(signature)

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

29 July 2019

**(1)- reporting date of the reporting period**

**(2)-the previous year**

**(3)-the year preceding the previous year**

## Profit and Loss Statement

**January – June 2019**

		Codes
Form OKUD [Russian National Classifier of Management Documentation]		<b>0710002</b>
	Date	<b>30.06.2019</b>
Organization: Kubanenergo PJSC	OKPO [Russian Classifier of Businesses and Organizations]	<b>00104604</b>
Taxpayer Identification Number	INN [Taxpayer Identification Number]	<b>2309001660</b>
Type of activity: electricity transmission	OKVED [Russian Classifier of Economic Activities]	<b>35.12</b>
Organizational legal form/ownership form: Public Joint Stock Company / private	OKOPF [Russian Classifier of Organizational Legal Forms]/OKFS [Russian Classifier of Forms of Ownership]	<b>12247 / 16</b>
Unit: thousand rubles	OKEI [Russian Classifier of Measurement Units]	<b>384</b>

	Indicator	Line	Jan-June of 2019	Jan-June of 2018
1	2	3	4	5
	Income	2110	22 981 343	22 256 417
	including income from			
	electric energy transmission	2111	22 614 648	22 030 607
	grid connection	2112	252 320	143 639
	organization and development of UES of Russia in connection with distributional power network	2113	-	-
	resale of electric energy and capacity	2114	-	-
	participation in other organizations	2115	-	-
	lease	2116	6 721	8 084
	selling other products, goods, works, services of industrial type	2117	107 654	74 087
	other products, goods, works, services of non-industrial type	2118	-	-
2.1.	Cost of sales	2120	(21 280 029)	(19 776 394)
	including cost of			
	energy transmission	2121	(20 780 132)	(19 424 217)
	grid connection	2122	(440 728)	(313 729)
	organization and development of UES of Russia in connection with distributional power grid	2123	-	-
	resale of electric energy and capacity	2124	-	-
	participation in other organizations	2125	-	-
	lease	2126	(3 780)	(3 870)
	other products, goods, works, services of industrial type	2127	(55 389)	(34 578)
	other products, goods, works, services of non-industrial type	2128	-	-
	Gross profit (loss)	2100	1 701 314	2 480 023
2.1.	Commercial expenses	2210	-	-
2.1.	Administrative expenses	2220	(69 146)	(80 732)
	Sales profit (loss)	2200	1 632 168	2 399 291
	Participation incomes	2310	-	-
	Interest receivable	2320	26 347	30 380
	Interest payable	2330	(970 624)	(963 474)

5.11.	Other incomes	2340	973 293	753 805
5.11.	Other expenses	2350	(1 977 646)	(1 837 772)
	Profit (loss) before tax	2300	(316 462)	382 230
2.3.	Current profit tax	2410		(253 862)
2.3.	including constant tax liabilities (assets)	2421	249 548	306 498
2.3.	Changes in deferred tax liabilities	2430	(288 033)	(115 297)
2.3.	Changes in deferred tax assets	2450	101 777	(13 785)
2.3.	Other	2460	(11 384)	(36 703)
	Net profit (loss)	2400	(514 102)	(37 417)
	<b>FOR REFERENCE:</b>	Line	Jan-June of 2019	Jan-June of 2018
5.1.1. 5.3.1.	Results of revaluation of non-current assets not included into net profit (loss) of the period	2510	-	-
3.2	Results of other operations not included into net profit (loss) of the period	2520	-	-
	Aggregate financial result of the period	2500	(514 102)	(37 417)
2.2	Basis profit (loss) per share	2900	-1,6920	-0,1230
2.2.	Diluted profit (loss) per share	2910	-1,6920	-0,1230

Director \_\_\_\_\_ Didenko Ye.Ye.  
(signature)

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

29 July 2019

(seal)

- (1) – reporting date of the reporting period  
(2) – period of the previous year similar to the reporting period

## 2.1. Cost of sold goods, services, and works sorted by cost types

Indicator	Code	Jan-June of 2019	Jan-June of 2018
1	2	3	4
Production costs	6510	21 280 029	19 776 394
including			
direct materials costs	6511	4 693 361	4 189 929
labour costs	6512	2 145 226	2 114 750
fringe benefit expenses, occupational accident and occupational disease insurance	6513	652 380	641 814
depreciation and amortization	6514	2 072 440	1 918 111
miscellaneous expenses	6515	11 716 622	10 911 790
For reference: changes in inventory and provision (increase [+], decrease [-]):	6520	-	-
including			
production-in-progress	6521	-	-
products for sale	6522		
purchased products	6523	-	-
products shipped	6524	-	-
auxiliary material	6525	-	-
<b>Total cost of sales</b>	<b>6500</b>	<b>21 280 029</b>	<b>19 776 394</b>
Business expenses	6550	-	-
including			
materials costs	6551		
labour costs	6552	-	-
fringe benefit expenses	6553	-	-
depreciation and amortization	6554	-	-
miscellaneous expenses	6555	-	-
Administrative expenses	6560	69 146	80 732
including			
materials costs	6561	-	-
labour costs	6562	2 144	10 735
fringe benefit expenses, occupational accident and occupational disease insurance	6563	641	3 223
depreciation and amortization	6564	-	-
miscellaneous expenses	6565	66 361	66 774

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

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(1) – reporting date of the reporting period

(2) – period of the previous year similar to the reporting period

## 2.2 Profit per share, diluted profit per share

Indicator	Code	Jan-June of 2019	Jan-June of 2018
1	2	3	4
<b>Net profit (uncovered loss) of the reporting period</b>	6610	(514 102)	(37 417)
Dividends on preferred shares (3)	6611	-	-
Base earnings (loss) of the reporting period	6612	(514 102)	(37 417)
Average amount of ordinary shares in circulation within the reporting period	6613	303 793	303 793
<b>Base earnings (loss) per share (rubles)</b>	6620	-1,6920	-0,1230
Average market cost of one ordinary share	6621	72	66
<b>Possible growth of profit and average amount of shares in circulation</b>	6630	X	X
In the result of conversion of preferred shares into ordinary	6631	X	X
possible growth of profit	66311	-	-
additional amount of shares	66312	-	-
In the result of conversion of obligations into ordinary shares	6632	X	X
possible growth of profit	66321	-	-
additional amount of shares	66322	-	-
In the result of contract on purchase-sale of shares at price lower than the market price	6633	X	X
contract price	66331	-	-
possible growth of profit	66332	-	-
additional amount of shares	66333	-	-
<b>Diluted profit per share (rubles)</b>	6640	-1,6920	-0,1230
adjusted base earning	6641	(514 102)	(37 417)
adjusted amount of average amount of ordinary shares in circulation	6642	303 793	303 793

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

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- (1) – reporting date of the reporting period
- (2) – period of the previous year similar to the reporting period
- (3) – this indicator includes dividends on cumulative shares for the previous reporting periods that were paid out or declared during the reporting year

### 2.3. Profit taxation

Indicator	Code	Jan-June of 2019	Jan-June of 2018
1	2	3	4
<b>Profit (loss) before taxation</b>	6710	(316 462)	382 230
Including at:			
20% rate	67101	(316 462)	382 230
other rates	67102	-	-
non-taxable	67103	-	-
Permanent difference	6711	1 247 740	1 532 489
Change of deductible temporary differences	6712	508 886	(68 924)
Change of taxable temporary differences	6713	(1 440 163)	(576 484)
Provisional profits tax expense (revenue)	6721	(63 292)	76 446
Permanent tax liability (asset)	6722	249 548	306 498
Changes in deferred tax assets	6723	101 777	(13 785)
Changes in deferred tax liability	6724	(288 033)	(115 297)
Current profit tax	6725	-	(253 862)
<b>Sum of profit tax for the previous tax periods (adjusted declarations, tax inspections)</b>	6726	-	-
<b>Other tax payments and sanctions from profit</b>	6727	(7 697)	(207)
<b>Write-off of deferred income taxes and losses</b>	6728	(3 687)	(36 496)
For reference: sums of deferred tax assets and deferred tax liability written-off due disposal of an assets or type of liability	67281	-	-
<b>Profit (loss) from core activities</b>	6729	(514 102)	(37 417)

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

- (1) – reporting date of the reporting period  
(2) – period of the previous year similar to the reporting period

### 3.4. Calculation of cost estimation of net assets of joint stock company

Indicator		Line	as of 30 June 2019	as of 31 December 2018	as of 31 December 2017
1		2	3	4	5
<b>I.</b>	<b>Assets</b>				
1.	Intangible assets	1110	33 680	38 621	33 456
2.	Results of researches and developments	1120	112 758	107 450	69 571
3.	Intangible development assets	1130	-	-	-
4.	Tangible development assets	1140	-	-	-
5.	Fixed assets	1150	62 069 624	62 534 635	59 659 050
6.	Income-bearing investments in tangible valuables	1160	-	-	-
7.	Long-and short-term financial investments	1170 + 1240	37 556	37 556	36 004
8.	Other intangible assets <sup>2</sup>	1180+1190	1 071 004	994 541	1 057 045
9.	Stock	1210	1 670 837	1 762 670	1 490 541
10.	Value added tax on valuables acquired	1220	2 411	2 450	6 020
11.	Accounts receivable <sup>3</sup>	1230	9 481 873	7 041 684	6 832 606
12.	Cash and equivalents	1250	818 400	2 194 307	1 667 376
13.	Miscellaneous current assets <sup>1</sup>	1260	1 174 378	1 194 901	1 005 084
14.	Total assets taken for accounting, (sum of paragraphs 1-13)		76 472 521	75 908 815	71 856 753
<b>II.</b>	<b>Liabilities</b>				
15.	Long-term borrowed funds	1410	10 618 379	13 283 239	22 617 796
16.	Deferred tax liabilities	1420	726 487	438 719	178 832
17.	Estimated liability	1430+1540	1 375 928	1 348 029	1 399 272
18.	Other long-term liabilities	1450	1 479 609	1 248 675	989 505
19.	Short-term borrowed funds	1510	15 315 636	11 395 279	91 064
20.	Bills payable <sup>4</sup>	1520	12 252 931	12 812 433	11 019 865
21.	Other short-term liabilities <sup>5</sup>	1550	3 049	20 656	24 885
22.	Total for liabilities taken for accounting (sum of paragraphs 15-21)		41 772 019	40 547 030	36 321 219
23.	Cost of net assets of joint stock company (total for assets taken for accounting (line 14) minus total liabilities taken for accounting (line 22))		34 700 502	35 361 785	35 535 534

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

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1 – Except actual expenses on repurchase of own stock from shareholders

2 – Including the sum of differed tax assets

3 – Except debt of participants (founders) on share capital payment

4 – Including the sum of debt to participants on interest payment

5 – The data on the amount of other long-term and short-term liabilities includes the amount of reserves created in accordance with the established procedure in connection with contingent liabilities and with the termination of activities

6 – year before the previous year

7 – previous year

8 – reporting date of the reporting period

## 5.11. Other revenues and expenditures

Indicator		Jan-June 2019	Jan-June 2018
1	Code 2		
<b>Other revenues, total</b>	8000	973 293	753 805
including from sale of:			
fixed assets, except for apartments	8001	-	-
apartments	8002	-	-
business inventories	8003	3 894	4 531
currency	8004	-	-
intangible assets	8005	-	-
securities	8006	-	-
other assets	8007	-	-
joint activities	8008	-	-
Profit of 2018, revealed in reporting period	8009	140 545	-
Profit of 2017, revealed in reporting period	8010	11 567	48 892
Profit of 2016, revealed in reporting period	8011	6 354	8 755
Profit before 01.01.2016, revealed in the reporting period	8012	242	2 598
Acknowledged penalties, fines and forfeits or on which court's decisions (arbitration court's decisions) are got on their collection	8013	317 670	340 788
Accounts payable in respect to which a limitation period has expired (over three years)	8014	2 469	7 951
Currency differences	8015	-	-
Property in surplus following results of inventory taking	8016	-	-
Donated assets, except for fixed assets and intangible assets	8017	616	270
Revenue from donated fixed assets, determined according to an established procedure	8018	10 297	9 964
Cost of material valuables, remained from writing off of assets, which are not eligible for recovery and further use	8019	454	1 333
Reassessment of financial investments on current market value	8020	-	-
Revenue from decrease (writing off) of provision for doubtful debts	8021	214 968	215 600
Revenue from decrease (writing off) of reserve for estimated liabilities	8022	15 951	46 295
Revenue from decrease (writing off) of reserve for cost reduction of business inventories	8023	154	477
Revenues on claim assignment agreements	8024	-	-
Revenue from revealed non-contractual consumption of electric power	8025	48 201	22 303
Insurance payments receivable	8026	20 283	15 190
Revenues tied with participation in other organizations' charter capitals	8027	-	-

Recovery of accounts receivable written off earlier	8028	48	94
Discount on bills	8029	-	-
Compensation for difference in tariffs (budgetary financing)	8030	-	-
Revenue from decrease (writing off) of reserve for possible losses of financial investments	8031	-	17 234
Increases in the value of assets	8032	-	-
Revenue from earlier discounted fixed assets	8033	-	-
Revenue from payment of a bill	8034	-	-
Other	8035	179 580	11 530
<b>Other expenditures, total</b>	<b>8100</b>	<b>(1 977 646)</b>	<b>(1 837 772)</b>
Including from sale of:			
fixed assets, except for apartments	8101	-	-
apartments	8102	-	-
business inventories	8103	(3 798)	(3 883)
currency	8104	-	-
intangible assets	8105	-	-
securities	8106	-	-
other assets	8107	-	-
Other taxes	8108	-	-
Expenditures in respect to banks' services payment	8109	(150)	(128)
Expenditures to performance of service financial investments	8110	-	-
Provision for doubtful debts	8111	(454 200)	(64 096)
Reserve for possible losses of financial investments	8112	-	-
Reserve for cost reduction of material valuables	8113	-	-
Reserve for discontinuing operation	8114	-	-
Reserve for estimated liabilities	8115	(38 240)	(76 662)
Retirement of incomeless assets	8116	-	(17 234)
VAT on donated property	8117	-	-
Loss of 2018, revealed in reporting period	8118	(237 536)	-
Loss of 2017, revealed in reporting period	8119	(59 294)	(250 285)
Loss of 2016, revealed in reporting period	8120	(14 409)	(68 612)
Loss before 01.01.2016, revealed in reporting period	8121	(9 024)	(158 907)
Acknowledged penalties, fines and forfeits or on which court's decisions (arbitration court's decisions) are got on their collection	8122	(7 187)	(305 824)
State duties in respect to economic contracts	8123	(6 655)	(7 600)
Reassessment of financial investments on current market value	8124	-	-
Discount on bills	8125	-	-
Expenditures under claim assignment agreements	8126	-	-
Nonreimbursable VAT	8127	(4 091)	(4 176)
Expenditures in respect to revealed non-contractual consumption of electric power	8128	-	-
Contributions in incorporations and funds	8129	(2 439)	(1 937)
Accounts receivable in respect to which a limitation period has expired (over three years)	8130	(3 299)	(2 692)
Currency differences	8131	-	-
Court costs	8132	(452)	(458)
Plundering, deficiencies	8133	-	-

Costs in respect to enforcement proceedings	8134	-	-
Cost redemption of employees' flats	8135	-	-
Other material (financial) aid and other payments to employees	8136	(137 161)	(133 032)
Material aid to pensioners (including lump sum payments, compensations of community charges)	8137	(3 869)	(3 134)
Expenditures to carry out sporting events	8138	(1 566)	(2 311)
Expenditures to carry out social activities	8139	(3 157)	(3 029)
Expenditures for charity	8140	-	-
Cost of the redeemed bonds	8141	-	-
Balance after the wrote off of the fixed assets	8143	-	-
Write-down of fixed assets	8144	-	-
Other	8145	(991 119)	(733 772)

Director \_\_\_\_\_ Didenko Ye.Ye.  
(signature)

Chief accountant \_\_\_\_\_ Skiba I.V.  
(signature)

29 July 2019

(1) – reporting date of the reporting period

(2) – previous year's period similar to the reporting period