

Independent Auditor's Report  
on accounting (financial) statements  
**of Public Joint-Stock Company**

Rosseti Kuban  
for 2022

*March 2023*

**Independent Auditor's Report  
on accounting (financial) statements of  
Public Joint-Stock Company  
Rosseti Kuban**

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## Independent Auditor's Report

To the Shareholders and the Board of Directors  
of the Public Joint Stock Company  
Rosseti Kuban

### ***Opinion***

We have audited the accounting (financial) statements of Public Joint Stock Company Rosseti Kuban (hereinafter referred to as the "Company"), consisting of the balance sheet as of December 31, 2022, the statement of financial results for 2022 and appendices thereto.

In our opinion, the attached accounting (financial) statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, as well as its financial results and cash flows for 2022 in accordance with the rules for the preparation of accounting (financial) statements established in the Russian Federation.

### ***Basis for our audit opinion***

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under these standards are further described in the Auditor's "Auditor's responsibility for the audit of accounting (financial) statements" section of our opinion. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Standards for Independence) (IESBA Code) adopted by the International Ethics Standards Board for Accountants (IESBA) and the ethical requirements applicable to our audit of the consolidated financial statements in the Russian Federation, and we have fulfilled other ethical obligations in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is adequate and appropriate to provide a basis for our audit opinion.

### ***Key audit issues***

Key audit issues are issues that, according to our professional judgment, were the most significant to our audit of the accounting (financial) statements for the current period. These issues were considered in the context of our audit of the accounting (financial) statements as a whole and in the formation of our opinion on these statements, and we do not express a separate opinion on these issues. With respect to each of the issues below, our description of how the relevant matter was addressed in our audit is given in this context.



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We have fulfilled the responsibilities described in the Auditor's Responsibility for the Audit of the Accounting (Financial) Statements section of our opinion, including in relation to these issues. Accordingly, our audit included the implementation of procedures developed in response to our assessment of the risks of material misstatement of the accounting (financial) statements. The results of our audit procedures, including those conducted during the consideration of the following issues, serve as a basis for our audit opinion on the accompanying accounting (financial) statements.

**Key audit issue**

**How the relevant key issue was addressed in our audit**

***Recognition and measurement of revenue from transmission services***

Recognition and measurement of revenue from transmission services was one of the most significant issues of our audit due to the specific nature of the mechanisms of operation of the electricity market, which leads to disagreements between power grid, energy retail and other companies regarding the volume and cost of electricity transferred. The amount of revenue disputed by counterparties is material to the accounting (financial) statements of the Company. Management's assessment of the probability of resolving disagreements in its favor is to a great degree subjective. Revenue is recognised when, subject to assumptions, disagreements are resolved in favour of the Company.

Information on revenue from electricity transmission services is disclosed in paragraph 5.11 of the Notes to the balance sheet and income statement.

***Impairment of receivables***

The issue of impairment of receivables was one of greatest importance for our audit due to the material balances of receivables as of December 31, 2022, as well as the fact that management's assessment of the possibility of recovering these receivables is based on assumptions, in particular, on the forecast of the solvency of the Company's customers.

Information on the impairment of receivables is disclosed in paragraph 6.5 of the Notes to the balance sheet and income statement

We reviewed the accounting policy applied with respect to the recognition of revenue from transmission services, studied the system of internal control over the recording of this revenue, checked the determination of the corresponding amounts of revenue based on the concluded contracts for the transmission of electricity, on a sample basis received confirmations of accounts receivable balances from counterparties, conducted an analysis of the results of litigation settlements in relation to the disputed amounts of services rendered, if any, and assessment of the current procedures for confirming the volumes of transmitted electricity.

We studied the Company's accounting policy in relation to receivables to determine impairment allowance, and also reviewed the assessment procedures made by the Company's management, including analysis of the payment of trade receivables, analysis of dates of maturity and delinquency, and analysis of customer solvency.

We conducted audit procedures in relation to the information used by the Company to determine the impairment of receivables, as well as the structure of receivables by terms of maturity, and tested the calculation of accrued provisions.



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**Key audit issue**

**How the relevant key issue was addressed in our audit**

***Recognition, measurement and disclosure of provisions and contingent liabilities***

Recognition, measurement and disclosure of provisions and contingent liabilities in relation to judicial proceedings and claims of counterparties (including territorial power grids and assessment energy supply companies) were one of the most significant matters of our audit in connection with the fact that they require significant judgments by management in relation to significant amounts of balances of settlements with counterparties, which are disputed in litigation or are in the process of pre-trial settlement.

Information on reserves and contingent liabilities is disclosed in paragraph 6.14 of the Notes to the balance sheet and income statement.

***Impairment of property, plant and equipment***

In accordance with clause 38 of FSBI 6/2020, "Fixed Assets", the Company conducted, as of December 31, 2022, an impairment test and took into account the change in their carrying value due to impairment in the manner prescribed by International Financial Reporting Standard (IAS) 36, "Impairment of Assets", entered into force on the territory of the Russian Federation by order of the Ministry of Finance of the Russian Federation dated December 28, 2015, No.217n (registered by the Ministry of Justice of the Russian Federation on February 2, 2016, registration No.40940). The value in use of property, plant and equipment representing a significant share of the Company's capital assets as at 31 December 2022 was estimated using the method of forecasting cash flow.

The issue of testing property, plant and equipment for impairment was one of the most material to our audit, as the balance of property, plant and equipment constitutes a significant part of all assets of the Company at the reporting date, and also because the process of management evaluating the value in use is complex, largely subjective and based on assumptions, in particular, on the forecast of the volumes of electricity transmission, transmission tariffs, as well as operating and capital expenditures, which depend on the expected future market or economic conditions in the Russian Federation, including such as long-term growth rates of tariffs and discount rate.

The Company disclosed the information on the deliverables of the analysis of fixed assets for impairment in clause 6.1 of the "Notes to the balance sheet and income statement".

The audit procedures included review of decisions rendered by the courts, various instances, and examination of management's judgments regarding the

the likelihood of an outflow of economic resources due to the resolution of disputes, an examination of the compliance of the documentation prepared with the provisions of existing contracts and legislation, analysis of disclosure in the "Notes to the balance sheet and income statement on contingent and estimated liabilities".

As part of our audit procedures, we have, among other things, estimated the Company's assumptions and techniques, in particular those relating to projected electricity transmission revenues, tariff solutions, operating and capital costs, long-term growth rates of tariffs and discount rate. We have tested the input data included in the model and tested the arithmetic accuracy of the model used to determine the recoverable amount in the impairment test of property, plant and equipment. We engaged internal evaluation experts to analyze the model used to determine recoverable amount in the impairment test of property, plant and equipment. We also reviewed the sensitivity of the model to changes in key measurement indicators and the disclosures of the Company about the assumptions on which impairment testing results are most dependent.



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### ***Other information included in the annual report for 2022***

Other information includes information contained in the annual report 2022, but does not include the accounting (financial) statements and our audit report thereon. Management is responsible for other information. The annual report 2022 is expected to be provided to us after the date of this audit report.

Our opinion on the accounting (financial) statements does not apply to other information and we will not provide a conclusion with confidence in any form with respect to this information.

In connection with our audit of the accounting (financial) statements, it is our responsibility to familiarize ourselves with the above-mentioned other information when it is provided to us and in this case to consider whether there are material inconsistencies between the other information and the accounting (financial) statements or our knowledge obtained during the audit and whether the other information contains any other material misstatement.

### ***The responsibility of the management and Audit Committee of the Board of Directors for the accounting (financial) statements***

Management is responsible for the preparation and fair presentation of these accounting (financial) statements in accordance with the accounting (financial) reporting rules established in the Russian Federation, and for such internal control as management determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the accounting (financial) statements, management is responsible for assessing the Company's ability to continue as a going concern, for disclosing information related to going concern, as appropriate, and for reporting on a going concern basis, unless management intends to liquidate the Company, cease activities, or management has no realistic alternative to such activities.

The Audit Committee of the Board of Directors is responsible for supervision over the preparation of the Company's accounting (financial) statements.

### ***Auditor's Responsibility for the Audit of the Accounting (Financial) Statements***

Our objectives are to obtain reasonable assurance that the accounting (financial) statements are generally free from material misstatement due to fraud or error and to issue an audit opinion containing our opinion. Reasonable assurance represents a high degree of certainty, but is not a guarantee that an audit conducted in accordance with International Auditing Standards will always reveal a material misstatement if any. Misstatements may be the result of fraud or error and are considered

material if it can reasonably be assumed that individually or collectively they could have an impact on users' economic decisions made on the basis of these accounting (financial) statements.



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As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and we remain professional skeptics throughout the audit process. Besides, we perform the following:

- ▶ identify and assess the risks of material misstatement of the accounting (financial) statements due to fraud or errors; design and perform audit procedures in response to these risks; obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk that a fraud-induced material misstatement will not be detected is greater than the risk that an error-based material misstatement will not be detected, as fraud may include collusion, forgery, omission, misrepresentation of information or actions bypassing the system of internal control;
- ▶ delve into the internal control system that is relevant to the audit for the purpose of developing audit procedures that are appropriate in the circumstances, rather than for the purpose of expressing an opinion on the effectiveness of the Company's internal control system;
- ▶ assess the appropriate nature of the accounting policies used and the reasonableness of the estimates calculated by management and the related disclosures;
- ▶ conclude about the lawfulness of the management in applying the going concern assumption and, based on the audit evidence obtained, whether there is any material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw, in our auditor's report, attention to the related disclosures in the financial statements; or, if such disclosure is inappropriate, we shall modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. Future events or conditions may, however, cause the Company to be unable to continue as a going concern;
- ▶ evaluate the presentation of the accounting (financial) statements in general, and its structure and content in particular, including information disclosure, and we also evaluate whether the accounting (financial) statements present underlying transactions and events in such a way that their fair presentation is ensured.

We maintain communication with the Audit Committee of the Board of Directors, bringing to its attention, among other things, information about the planned volume and timing of the audit, as well as substantive audit remark, including significant deficiencies in the internal control system, if we identify them during the audit process.

We also provide the Audit Committee of the Board of Directors with a statement that we have observed all relevant ethical requirements related to independence and have informed these individuals of all relationships and other matters that may reasonably be considered to influence the independence of the auditor and, where appropriate, of actions taken to address threats or precautions.



Of the issues that we have brought to the attention of the Audit Committee of the Board of Directors, we identify issues that were most relevant to the audit of the accounting (financial) statements for the current period and which are therefore key audit issues. We describe these matters in our auditor's report unless public disclosure of these matters is prohibited by law or regulation or, in extremely rare cases, we conclude that information about a matter should not be communicated in our report since it can reasonably be assumed that the negative consequences of the communication of such information will exceed the socially significant benefit from its communication.

The head of the audit, based on the results of which this independent auditor's report was issued,  
- T.L. Okolotina

A handwritten signature in blue ink, appearing to be 'T.L. Okolotina', written in a cursive style.

T.L. Okolotina,  
acting on behalf of the Limited Liability Company  
"Center for Audit Technologies and Solutions - Audit Services" on the  
basis of a power of attorney, unnumbered, dated April 18, 2022,  
head of audit, based on the results of which an audit report was drawn up (ORNZ 21906110171)

March 21, 2023

***Information about the auditor***

Name: Limited Liability Company "Center for Audit Technologies and Solutions - Audit Services"

The entry was made in the Unified State Register of Legal Entities on December 5, 2002 and assigned the state registration number 1027739707203.

Location: 115035, Russia, Moscow, Sadovnicheskaya embankment, 77, bld. 1.

The Limited Liability Company "Center for Audit Technologies and Solutions - Audit Services" is a member of the Self-Regulatory Organization of Auditors Association "Commonwealth" (SRO AAS). The Limited Liability Company "Center for Audit Technologies and Solutions - Audit Services" is included in the control copy of the register of auditors and audit organizations under the main registration number 12006020327.

***Information about the auditee***

Name: Public Joint Stock Company "Rosseti Kuban"

The entry was made in the Unified State Register of Legal Entities on September 17, 2022, and the state registration number assigned is: 1022301427268.

Location: 350033, Russia, Krasnodar Territory, Krasnodar, Stavropolskaya street, 2a.

**Balance sheet**  
as of **December 31 20 22**

Organization Rosseti Kuban PJSC  
 Tax identification number \_\_\_\_\_  
 Type of economic activity transmission of electricity and technological connection to distribution networks  
 Organizational and legal form/form of ownership \_\_\_\_\_  
 Public joint stock company / private property \_\_\_\_\_  
 Unit of measurement: thousand rubles \_\_\_\_\_  
 Location (address) 350033, Krasnodar, Stavropolskaya str., 2A

	Codes
OKUD form	0710001
Date (day, month, year)	31.12.2022
according to OKPO	00104604
INN	2309001660
according to OKVED 2	35.12
according to OKOPF/OKFS	12247 / 16
according to OKEI	384

Accounting statements are subject to mandatory audit  V \_\_\_\_\_  
 Name of the audit organization/last name, first name, patronymic (if any) of the individual auditor \_\_\_\_\_  
 TSATR - Audit Services Limited Liability Company  
 Identification number of the taxpayer of the audit organization/individual auditor \_\_\_\_\_ INN 7709383532  
 Main state registration number of the audit organization/individual auditor \_\_\_\_\_ OGRN / OGRNIP 1027739707203

Explanation s	Index name	Line code	As of December 31		
			2022	2021	2020
<b>ASSET</b>					
<b>I. FIXED ASSETS</b>					
5.1.1.-5.2.2.	Intangible assets	1110	52 643	92 247	145 514
5.2.2.	including pending transactions for the acquisition of intangible	1111	7 500	7 500	7 500
5.2.1.-5.2.2.	Research and development results	1120	52 214	21 578	17 603
5.2.2.	including the costs of research and development in progress	1121	52 214	21 578	17 603
	Intangible development assets	1130	-	-	-
	Tangible development assets	1140	-	-	-
5.3.1.-5.3.7.	Fixed assets	1150	78 118 655	71 345 800	63 827 345
	land plots and objects of nature management	1151	136 648	136 562	136 562
	buildings, machinery and equipment, structures	1152	64 668 827	60 607 412	59 203 156
	other types of fixed assets	1153	157 588	252 210	196 617
5.3.7	Right-of-use asset	11531	2 967 844	4 228 736	-
5.3.5.	construction in progress	1154	7 125 396	4 052 784	3 391 998
5.3.6.	advances issued for capital construction and acquisition of fixed assets	1155	385 886	637 506	96 451
	raw materials and materials that are intended for use in the creation of fixed assets*	1156	2 676 466	1 430 590	802 561
5.3.1.	Profitable investments in material values	1160	-	-	-
5.4.1.-5.4.3.	Financial investments	1170	45 688	39 840	31 579
	investments in subsidiaries	1171	45 687	39 839	31 578
	investments in dependent companies	1172	-	-	-
	investments in other organizations	1173	1	1	1
	loans granted to organizations for a period of more than 12	1174	-	-	-
	financial investments	1175	-	-	-
5.7.2.	Deferred tax assets	1180	2 200 526	2 429 612	1 020 464
	Other fixed assets	1190	154 746	133 158	253 975
	<b>Total Section I</b>	<b>1100</b>	<b>80 624 472</b>	<b>74 062 235</b>	<b>65 296 480</b>
<b>II. CURRENT ASSETS</b>					
5.5.1-5.5.2.	Inventories	1210	1 923 736	1 924 864	1 910 048
	raw materials, materials and other similar values	1211	1 923 736	1 924 864	1 910 048
	work in progress costs	1212	-	-	-
	finished goods and goods for resale	1213	-	-	-
	goods shipped	1214	-	-	-
	other stocks and expenses	1215	-	-	-
	Value added tax on acquired valuables	1220	1 433	5 007	19 601
5.6.1.-5.6.4.	Accounts Receivable	1230	7 626 134	6 547 358	8 547 200
	which is expected to be paid more than 12 months after the	1231	43 085	19 042	23 124
	buyers and customers	123101	1 241	1 819	445
	bills receivable	123102	-	-	-
	advances issued	123103	-	-	-
	other receivables	123104	41 844	17 223	22 679
	which is expected to be paid within 12 months after the reporting	1232	7 583 049	6 528 316	8 524 076
	buyers and customers	123201	6 198 385	5 863 976	7 577 874
	bills receivable	123202	-	-	-
	debt of subsidiaries and affiliates on dividends	123203	-	-	-
	debt of participants (founders) on contributions to the authorized	123204	-	-	-
	advances issued	123205	78 313	43 534	47 518
	other receivables	123206	1 306 351	620 806	898 684
5.4.1-5.4.3.	Financial investments (excluding cash equivalents)	1240	-	-	-
	loans granted to organizations for a period of less than 12 months	1241	-	-	-
	other short-term financial investments	1242	-	-	-
F.4	Cash and cash equivalents	1250	4 118 182	1 964 719	718 034
	cash register	1251	-	-	-
	settlement accounts	1252	3 468 182	1 964 718	718 030
	currency accounts	1253	-	-	-
	other cash	1254	650 000	1	4
	Other current assets	1260	1 573 337	974 558	888 881
	<b>Total Section II</b>	<b>1200</b>	<b>15 242 822</b>	<b>11 416 506</b>	<b>12 083 764</b>
	<b>BALANCE</b>	<b>1600</b>	<b>95 867 294</b>	<b>85 478 741</b>	<b>77 380 244</b>

Explanations	Index name	Line code	As of December 31 2022	As of December 31 2021	As of December 31 2020
	<b>LIABILITY</b>				
	<b>III. CAPITAL AND RESERVES</b>				
3.1.	Authorized capital (share capital, authorized fund, contributions of	1310	33 465 784	33 465 784	33 465 784
3.1.	Capital (before registration of changes)	1311	2 864 262	716 784	-
3.1.	Own shares repurchased from shareholders	1320	-	-	-
5.3.1.,5.1.1.	Revaluation of capital assets	1340	-	-	-
3.1.	Additional capital (without revaluation)	1350	6 481 916	6 481 916	6 481 916
3.1.	Reserve capital	1360	509 812	424 221	424 221
3.1.	Retained profit (uncovered loss)	1370	1 931 825	(351 364)	(2 542 723)
	for previous years	1371	(1 369 107)	(2 063 198)	(1 041 445)
	for the reporting period	1372	3 300 932	1 711 834	(1 501 278)
	Total Section III	1300	45 253 599	40 737 341	37 829 198
	<b>IV. LONG-TERM LIABILITIES</b>				
5.6.7.-5.6.8.	Borrowed funds	1410	16 931 543	16 036 315	17 882 922
	bank loans that mature more than 12 months after the reporting date	1411	15 531 543	14 636 315	16 482 922
	loans that mature more than 12 months after the reporting date	1412	1 400 000	1 400 000	1 400 000
5.7.2.	Deferred tax liabilities	1420	3 746 979	3 610 868	2 132 816
5.7.1.	Estimated liabilities	1430	-	-	-
5.6.5.-5.6.6.	Other liabilities	1450	4 070 948	4 295 806	1 514 462
	including settlement of lease obligations	1451	1 624 891	2 844 513	-
	Total Section IV	1400	24 749 470	23 942 989	21 530 200
	<b>V. SHORT-TERM LIABILITIES</b>				
5.6.7.-5.6.8.	Borrowed funds	1510	3 990 281	4 834 192	5 553 866
	bank loans that mature within 12 months after the reporting date	1511	3 972 112	8 231	-
	loans that mature within 12 months after the reporting date	1512	18 169	4 825 961	5 553 866
5.6.5.-5.6.6.	Accounts payable	1520	18 898 158	12 739 058	10 763 538
	suppliers and contractors	1521	9 342 262	6 861 390	5 936 862
	bills payable	1522	-	-	-
	payroll arrears to staff	1523	341 987	299 668	317 117
	debt to state off-budget funds	1524	459 368	157 707	135 442
	debt on taxes and fees	1525	709 386	758 445	771 058
	advances received	1526	5 331 457	2 290 864	2 640 747
	debt to participants (founders) for the payment of income	1527	101 678	344	479
	other accounts payable	1528	1 150 266	986 417	961 833
	settlement of lease obligations	1529	1 461 754	1 384 223	-
	Revenue of the future periods	1530	549 634	292 170	159 854
5.7.1.	Estimated liabilities	1540	2 358 399	2 802 883	1 527 161
	Other liabilities	1550	67 753	130 108	16 427
	Total Section V	1500	25 864 225	20 798 411	18 020 846
	<b>BALANCE</b>	<b>1700</b>	<b>95 867 294</b>	<b>85 478 741</b>	<b>77 380 244</b>

Head

\_\_\_\_\_  
 (signature) K.A. Iordanidi  
 (printed full name)

\_\_\_\_\_  
 L.V. Loskutova  
 (printed full name)

" 21 " March 20 23 .

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one

**Income statement**  
for January - December 20 22 .

Organization Rosseti Kuban PJSC  
Tax identification number \_\_\_\_\_  
Type of economic activity transmission of electricity and technological connection to distribution networks  
Organizational and legal form/form of ownership \_\_\_\_\_  
Public joint stock company / private property  
Unit of measurement: thousand rubles

OKUD form \_\_\_\_\_  
Date (day, month, year) 31.12.2022  
according to OKPO \_\_\_\_\_  
INN 2309001660  
according to OKVED 2 \_\_\_\_\_  
\_\_\_\_\_ 35.12  
according to OKOPF/OKFS \_\_\_\_\_  
according to OKEI \_\_\_\_\_

Codes	
OKUD form	0710002
Date (day, month, year)	31.12.2022
according to OKPO	00104604
INN	2309001660
according to OKVED 2	35.12
according to OKOPF/OKFS	12247 / 16
according to OKEI	384

Explanation s	Index name	Code	For 2022	For 2021
1	2	3	4	5
	Revenue	2110	63 738 857	57 669 744
	including			
	electricity transmission revenue	2111	61 452 874	54 526 276
	revenue due to utility connection	2112	1 282 050	2 347 653
	revenue due to the organization of the functioning and development of the UES of Russia in terms of the distribution electric grid complex	2113	-	-
	revenue due to the resale of electricity and capacity	2114	-	-
	income from participation in other organizations	2115	-	-
	rental income	2116	148 909	162 638
	revenue due to the sale of other products, goods, works, services of an industrial nature	2117	855 024	633 177
	revenue due to the sale of other products, goods, works, services of a non-industrial nature	2118	-	-
2.1.	Cost of sales	2120	(52 991 184)	(49 902 736)
	including			
	cost of electricity transmission	2121	(51 354 745)	(48 482 492)
	cost of utility connection	2122	(721 400)	(826 344)
	cost of the organization of the functioning and development of the UES of Russia in terms of the distribution electric grid complex	2123	-	-
	cost of the resale of electricity and capacity	2124	-	-
	cost of participation in other organizations	2125	-	-
	cost of rental services	2126	(111 769)	(71 296)
	cost of other products, goods, works, services of an industrial nature	2127	(803 270)	(522 604)
	cost of other products, goods, works, services of a non-industrial nature	2128	-	-
	Gross profit (loss)	2100	10 747 673	7 767 008
2.1.	Selling expenses	2210	-	-
2.1.	Management expenses	2220	(162 561)	(151 774)
	Profit (loss) due to sales	2200	10 585 112	7 615 234
	Income from participation in other organizations	2310	-	19 895
	Interest receivable	2320	109 410	28 305
	Interest payable	2330	(2 662 572)	(1 552 608)
5.11.	Other income	2340	3 557 740	1 413 802
5.11.	Other expenses	2350	(4 409 261)	(4 825 874)
	Profit (loss) before tax income	2300	7 180 429	2 698 754
2.3.	Income tax	2410	(1 980 742)	(1 098 296)
2.3.	including current income tax	2411	(1 632 827)	(1 149 652)
2.3.	deferred income tax	2412	(347 915)	51 356
2.3.	Other	2460	44 790	111 376
	Net income (loss)	2400	5 244 477	1 711 834

Explanations	Index name	Code	For 2022	For 2021
5.1.1. 5.3.1.	<b>FOR REFERENCE</b>			
	Result of the revaluation of non-current assets, which is not included in the net profit (loss) of the period	2510	-	-
	Result of other operations, which is not included in the net profit (loss) of the period	2520	-	-
	Tax on income from operations, the result of which is not included in the net profit (loss) of the period	2530	-	-
	Cumulative financial result of the period	2500	5 244 477	1 711 834
2.2.	Underlying earnings (loss) per share	2900	15,1080	5,1150
2.2.	Diluted earnings (loss) per share	2910	15,1080	5,1150

Head \_\_\_\_\_ K.A. Iordanidi  
(signature) (printed full name)

Chief Accountant \_\_\_\_\_ L.V. Loskutova  
(signature) (printed full name)

" 21 " March 20 23 .

## 2.1. Cost of sold products, works, services by cost elements

Indicator		For 2022	For 2021
Name	Code		
1	2	3	4
Production costs	6510	52 991 184	49 902 736
including			
material costs	6511	11 567 990	11 175 271
labor costs	6512	6 086 158	5 409 491
compulsory insurance premiums, insurance against accidents and fire protection	6513	1 774 480	1 582 067
depreciation	6514	4 904 610	4 627 784
depreciation of the right-of-use asset	65141	1 393 316	-
other costs	6515	27 264 630	27 108 123
For reference: change in stocks and reserves (increase [+], decrease [-]):	6520	-	-
including			
work in progress	6521	-	-
finished products	6522	-	-
goods outsourced	6523	-	-
goods shipped	6524	-	-
auxiliary raw materials	6525	-	-
<b>Total cost of sales</b>	<b>6500</b>	<b>52 991 184</b>	<b>49 902 736</b>
Selling expenses	6550	-	-
including			
material costs	6551	-	-
labor costs	6552	-	-
compulsory insurance premiums, insurance against accidents and fire protection	6553	-	-
depreciation	6554	-	-
depreciation of the right-of-use asset	65541	-	-
other costs	6555	-	-
Management expenses	6560	162 561	151 774
including			
material costs	6561	-	-
labor costs	6562	1 668	19 997
compulsory insurance premiums, insurance against accidents and fire protection	6563	398	5 686
depreciation	6564	-	-
depreciation of the right-of-use asset	65641	-	-
other costs	6565	160 495	126 091

Head

(signature)

K.A. Iordanidi

(printed full name)

Chief Accountant

(signature)

L.V. Loskutova

(printed full name)

« 21 » "21", 20 23 .



### 2.3. Profit taxation

Indicator	Code	For 2022	For 2021
1	2	3	4
<b>Profit (loss) before tax income</b>	6710	7 180 429	2 698 754
including taxable profit (loss) at:			
20%	67101	7 180 429	2 698 754
other rates	67102	-	-
non-taxable	67103	-	-
Constant differences	6711	2 723 281	2 792 727
Change in temporary deductible differences	6712	(1 040 085)	1 987 222
Change in temporary taxable differences	6713	(699 490)	(1 730 442)
Provisional expense (income) for income tax	6721	1 436 086	539 751
Permanent tax expense (income)	6722	544 656	558 545
Deferred income tax, including:	6723	(347 915)	51 356
change in deferred tax asset	67231	(208 017)	397 444
change in deferred tax liability	67232	(139 898)	(346 088)
Current income tax	6725	(1 632 827)	(1 149 652)
Expense (income) on profit tax	67251	(1 980 742)	(1 098 296)
<b>Income tax amounts for previous tax periods (according to revised declarations, tax audits)</b>	6726	98 059	52 041
<b>Other tax payments and sanctions from profit</b>	6727	(35 987)	59 335
<b>Write-off of deferred income taxes</b>	6728	(17 282)	-
for reference: recognition (write-off) of deferred tax assets due to the fact that the probability that the organization will receive taxable profit in subsequent reporting periods has changed	67281	-	-
<b>Net income (loss)</b>	6729	5 244 477	1 711 834

Head

\_\_\_\_\_  
(signature)

K.A. Iordanidi

\_\_\_\_\_  
(printed full name)

Chief Accountant

\_\_\_\_\_  
(signature)

L.V. Loskutova

\_\_\_\_\_  
(printed full name)

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

(2) - indicate the period of the previous year, which is similar to the reporting period

**Statement of changes in equity  
for 20 22.**

Organization Rosseti Kuban PJSC  
 Tax identification number \_\_\_\_\_  
 Type of economic activity transmission of electricity and technological connection to distribution networks  
 Organizational and legal form/form of ownership \_\_\_\_\_  
 Public joint stock company / private property \_\_\_\_\_  
 Unit of measurement: thousand rubles

Codes	
OKUD form	0710004
Date (day, month, year)	31   12   2022
according to OKPO	00104604
INN	2309001660
according to OKVED 2	35.12
according to OKOPF/OKFS	12247   16
according to OKEI	384

**3.1. Capital flow**

Index name	Code	Authorized capital	Capital (before registration of changes)	Own shares repurchased from shareholders	Extra capital	Reserve capital	Retained profit (uncovered loss)	Total
The amount of capital as of December 31, 2(20) .	3100	33 465 784	-	-	6 481 916	424 221	(2 542 723)	37 829 198
For 2(21) .								
Capital increase - total:	3210	-	716 784	-	-	-	2 375 150	3 091 934
including:								
net profit	3211	x	x	x	x	x	1 711 834	1 711 834
property revaluation	3212	x	x	x	-	x	-	-
income that is attributable directly to capital increases	3213	x	x	x	-	x	663 316	663 316
additional issue of shares	3214	-	716 784	-	-	x	x	716 784
increase in the par value of shares	3215	-	-	x	x	x	-	x
reorganization of a legal entity	3216	-	-	-	-	-	-	-
Capital decrease - total:	3220	-	-	-	-	-	(183 791)	(183 791)
including:								
loss	3221	x	x	x	x	x	-	-
property revaluation	3222	x	x	x	-	x	-	-
expenses that are attributable directly to the capital decrease	3223	x	x	x	-	x	(183 791)	(183 791)
decrease in the par value of shares	3224	-	-	-	x	x	-	-
reduction in the number of shares	3225	-	-	-	x	x	-	-
reorganization of a legal entity	3226	-	-	-	-	-	-	-
dividends	3227	x	x	x	x	x	-	-
Change in additional capital	3230	x	x	x	-	x	-	x
Change in reserve capital	3240	x	x	x	x	-	-	x
The amount of capital as of December 31, 2(21) .	3200	33 465 784	716 784	-	6 481 916	424 221	(351 364)	40 737 341
For 2(22) .								
Capital increase - total:	3310	-	2 147 478	-	-	-	5 244 548	7 392 026
including:								
net profit	3311	x	x	x	x	x	5 244 477	5 244 477
property revaluation	3312	x	x	x	-	x	-	-
income that is attributable directly to capital increases	3313	x	x	x	-	x	71	71
additional issue of shares	3314	-	2 147 478	-	-	x	x	2 147 478
increase in the par value of shares	3315	-	-	x	x	x	-	x
reorganization of a legal entity	3316	-	-	-	-	-	-	-
Capital decrease - total:	3320	-	-	-	-	-	(2 875 768)	(2 875 768)
including:								
loss	3321	x	x	x	x	x	-	-
property revaluation	3322	x	x	x	-	x	-	-
expenses that are attributable directly to the capital decrease	3323	x	x	x	-	x	-	-
decrease in the par value of shares	3324	-	-	x	x	x	-	-
reduction in the number of shares	3325	-	-	-	x	x	-	-
reorganization of a legal entity	3326	-	-	-	-	-	-	-
dividends	3327	x	x	x	x	x	(2 875 768)	(2 875 768)
Change in additional capital	3330	x	x	x	-	x	-	x
Change in reserve capital	3340	x	x	x	x	85 591	(85 591)	x
The amount of capital as of December 31, 2(22) .	3300	33 465 784	2 864 262	-	6 481 916	509 812	1 931 825	45 253 599

(1) - indicate the year preceding the previous one

(2) - indicate the previous year

(3) - indicate the reporting year

### 3.2. Adjustments due to changes in accounting policies and correction of errors\*

Index name	Code	As of December 31 2020	Change in capital for 2021		As of December 31 2021
			from net profit (loss)	due to other factors	
<b>Capital - total</b>					
before adjustments	3400	37 829 198	1 711 834	632 339	40 173 371
adjustment due to:					
change in accounting policy	3410	-	563 970	-	563 970
error fixes	3420	-	-	-	-
after adjustments	3500	37 829 198	2 275 804	632 339	40 737 341
including:					
Retained profit (uncovered loss):					
before adjustments	3401	(2 542 723)	1 711 834	(84 445)	(915 334)
adjustment due to:					
change in accounting policy	3411	-	563 970	-	563 970
error fixes	3421	-	-	-	-
after adjustments	3501	(2 542 723)	2 275 804	(84 445)	(351 364)
other capital items subject to adjustments:					
(by items)					
before adjustments	3402	40 371 921	-	716 784	41 088 705
Authorized capital	34021	33 465 784	-	-	33 465 784
Capital (before registration of changes)	340211	-	-	716 784	716 784
Own shares repurchased from shareholders	34022	-	-	-	-
Extra capital	34023	6 481 916	-	-	6 481 916
Reserve capital	34024	424 221	-	-	424 221
adjustment due to:					
change in accounting policy	3412	-	-	-	-
error fixes	3422	-	-	-	-
after adjustments	3502	40 371 921	-	716 784	41 088 705

(1) - indicate the year preceding the previous one  
(2) - indicate the previous year

### 3.3. Net assets

Index name	Code	As of December 31 2022	As of December 31 2021	As of December 31 2020
Net assets	3600	45 803 233	41 029 511	37 989 052

Head \_\_\_\_\_ K.A. Iordanidi  
(signature) (printed full name)

Chief Accountant \_\_\_\_\_ L.V. Loskutova  
(signature) (printed full name)

" 21 " \_\_\_\_\_ March \_\_\_\_\_ 20 23 .

- (1) - indicate the year preceding the previous one
- (2) - indicate the previous year
- (3) - indicate the reporting year

**3.4. Calculation of the valuation  
of the net assets of a joint-stock company**

Index name		Balance sheet line code	31 2022	31 2021	31 2020
1		2	3	4	5
<b>I.</b>	<b>Assets</b>				
1.	Intangible assets	1110	52 643	92 247	145 514
2.	Research and development results	1120	52 214	21 578	17 603
3.	Intangible development assets	1130	-	-	-
4.	Tangible development assets	1140	-	-	-
5.	Fixed assets	1150	78 118 655	71 345 800	63 827 345
6.	Profitable investments in material values	1160	-	-	-
7.	Long-term and short-term financial investments	1170 + 1240	45 688	39 840	31 579
8.	Other fixed assets 2	1180+1190	2 355 272	2 562 770	1 274 439
9.	Inventories	1210	1 923 736	1 924 864	1 910 048
10.	Value added tax on acquired valuables	1220	1 433	5 007	19 601
11.	Accounts receivable 3	1230	7 626 134	6 547 358	8 547 200
12.	Cash and cash equivalents	1250	4 118 182	1 964 719	718 034
13.	Other current assets 1	1260	1 573 337	974 558	888 881
14.	Total assets accepted for calculation (the sum of these items 1 through 13)		95 867 294	85 478 741	77 380 244
<b>II.</b>	<b>Liabilities</b>				
15.	Long-term borrowings	1410	16 931 543	16 036 315	17 882 922
16.	Deferred tax liabilities	1420	3 746 979	3 610 868	2 132 816
17.	Estimated liabilities	1430+1540	2 358 399	2 802 883	1 527 161
18.	Other long-term liabilities	1450	4 070 948	4 295 806	1 514 462
19.	Short-term borrowings	1510	3 990 281	4 834 192	5 553 866
20.	Accounts payable 4	1520	18 898 158	12 739 058	10 763 538
21.	Other short-term liabilities 5	1550	67 753	130 108	16 427
22.	Total liabilities accepted for calculation (the sum of these items 15 through 21)		50 064 061	44 449 230	39 391 192
23.	Net asset value of a joint-stock company (total assets to be calculated (line 14) minus total liabilities to be accepted for calculation (line 22))		45 803 233	41 029 511	37 989 052

Head \_\_\_\_\_ K.A. Iordanidi  
(signature) (printed full name)

Chief Accountant \_\_\_\_\_ L.V. Loskutova  
(signature) (printed full name)

« 21 » March 20 23 .

<sup>1</sup> Except for actual costs of repurchase of own shares from shareholders.

<sup>2</sup> Including deferred tax assets.

<sup>3</sup> Except for indebtedness of participants (founders) on contributions to authorized capital.

<sup>4</sup> Including the amount of income owed to participants

<sup>5</sup> Other long-term and short-term liabilities show the amounts of reserves created in accordance with the established procedure in connection with contingent liabilities and termination of operations

<sup>6</sup> indicate the year preceding the previous one

<sup>7</sup> indicate the previous year

<sup>8</sup> indicate the reporting date of the reporting period

**Cash flow statement**  
for January - December 20 22 .

Organization Rosseti Kuban PJSC  
Tax identification number \_\_\_\_\_  
Type of economic activity transmission of electricity and technological connection to distribution networks  
Organizational and legal form/form of ownership \_\_\_\_\_  
Public joint stock company / private property \_\_\_\_\_  
Unit of measurement: thousand rubles

	Codes
OKUD form	0710005
Date (day, month, year)	31.12.2022
according to OKPO	00104604
INN	2309001660
according to OKVED 2	35.12
according to OKOPF/OKFS	12247/16
according to OKEI	384

Index name	Code	For 2022	For 2021
1	2	3	4
<b>Cash flows from current operations</b>		55 852 392	48 764 627
Income - total	4110		
including:			
from the sale of products, goods, works and services	4111	54 658 297	47 404 605
<i>including from the sale of products, goods, works and services to parent companies, daughter companies and dependent companies</i>	411101	2 010	4 368
lease payments, license payments, royalties, commissions and other similar payments	4112	51 522	66 137
<i>including from lease payments, license payments, royalties, commissions and other similar payments from parent companies, daughter companies and dependent companies</i>	411201	1 649	3 496
from the resale of financial investments	4113	-	-
<i>including from the resale of financial investments to parent companies, daughter companies and dependent companies</i>	411301	-	-
other income	4119	1 142 573	1 293 885
<i>including other income from parent companies, daughter companies and dependent companies</i>	411901	10	16
Payments - total	4120	(43 765 402)	(40 249 889)
including:			
to suppliers (contractors) for raw materials, materials, works, services	4121	(28 851 519)	(27 062 094)
<i>including to suppliers (contractors) for raw materials, materials, works, services of parent companies, daughter companies and dependent companies</i>	412101	(497 763)	(521 542)
in connection with the remuneration of employees	4122	(6 321 114)	(5 751 322)
interest on debt obligations	4123	(2 352 859)	(1 672 282)
<i>including interest on debt obligations of parent companies, daughter companies and dependent companies</i>	412301	(600 829)	(414 260)
corporate income tax	4124	(1 850 641)	(1 263 716)
other payments	4129	(4 389 269)	(4 500 475)
<i>including other payments to parent companies, daughter companies and dependent companies</i>	412901	(79 748)	(67 213)
Balance of cash flows from current operations	4100	12 086 990	8 514 738
<b>Cash flows from investment operations</b>		668 398	423 282
Income - total	4210		
including:			
from the sale of non-current assets (except for financial investments)	4211	54 899	2 710
<i>including from the sale of non-current assets (except for financial investments) to parent companies, daughter companies and dependent companies</i>	421101	-	-
from the sale of shares of other organizations (participatory interests)	4212	-	-
<i>including from the sale of shares of other organizations (participation interests) to parent companies, daughter companies and dependent companies</i>	421201	-	-
from the return of loans granted, from the sale of debt securities (rights to claim funds from other persons)	4213	-	-
<i>including from the return of loans granted, from the sale of debt securities (rights to claim funds from other persons) of parent companies, daughter companies and dependent companies</i>	421301	-	-
dividends, interest on debt financial investments and similar income from equity participation in other organizations	4214	104 103	26 493
<i>including dividends, interest on debt financial investments and similar income from equity participation in other organizations from parent companies, daughter companies and dependent companies</i>	421401	-	-
other income	4219	509 396	394 079
<i>including other income from parent companies, daughter companies and dependent companies</i>	421901	32	32
Payments - total	4220	(10 020 904)	(5 963 117)
including:			
in connection with the acquisition, creation, modernization, reconstruction and preparation for the use of non-current assets	4221	(9 954 239)	(5 886 149)
<i>including payments to parent companies, daughter companies and dependent companies in connection with the acquisition, creation, modernization, reconstruction and preparation for the use of non-current assets</i>	422101	(1 016 035)	(964 719)
in connection with the acquisition of shares of other organizations (participation interests)	4222	-	-
<i>including payments to parent companies, daughter companies and dependent companies in connection with the acquisition of shares in other organizations (participatory interests)</i>	422201	-	-
in connection with the acquisition of debt securities (the rights to claim funds from other persons), the provision of loans to other persons	4223	-	-
<i>including payments to parent, subsidiary and affiliated companies in connection with the acquisition of debt securities (rights to claim funds from other persons), granting loans to other persons</i>	422301	-	-
interest on debt obligations included in the cost of an investment asset	4224	(41 980)	(27 728)
<i>including interest on debt obligations included in the cost of an investment asset to parent companies, daughter companies and dependent companies</i>	422401	-	-
other payments	4229	(24 685)	(49 240)
<i>including other payments to parent companies, daughter companies and dependent companies</i>	422901	-	-
Balance of cash flows from investment operations	4200	(9 352 506)	(5 539 835)

Index name	Code	For 2022	For 2021
<b>Cash flows from financial transactions</b>			
Income - total	4310	17 787 403	24 675 106
including:			
obtaining credits and loans	4311	15 683 201	23 915 046
<i>including obtaining loans and borrowings from parent companies, daughter companies and dependent companies</i>	431101	-	4 200 000
cash deposits of owners (participants)	4312	-	-
<i>including cash deposits of owners (participants) of parent companies, daughter companies and dependent companies</i>	431201	-	-
from issuance of shares, increase in participation	4313	2 104 202	760 060
<i>including the issuance of shares, increasing the shares of parent companies, daughter companies and dependent companies</i>	431301	2 104 202	760 060
from the issuance of bonds, bills of exchange and other debt securities, etc.	4314	-	-
<i>including the issuance of bonds, bills of exchange and other debt securities and others of parent companies, daughter companies and dependent companies</i>	431401	-	-
other income	4319	-	-
<i>including other income from parent companies, daughter companies and dependent companies</i>	431901	-	-
Payments - total	4320	(19 018 423)	(26 403 321)
including:			
to owners (participants) in connection with the redemption of shares (participatory interests) of the organization from them or their withdrawal from the membership	4321	-	-
<i>including payment to owners (participants) in connection with the redemption of their shares (participatory interests) of the organization or their withdrawal from the membership of parent companies, daughter companies and dependent companies</i>	432101	-	-
for the payment of dividends and other payments for the distribution of profits in favor of the owners (participants)	4322	(2 752 208)	-
<i>including for the payment of dividends and other payments for the distribution of profits in favor of the owners (participants) of parent companies, daughter companies and dependent companies</i>	432201	(872 691)	-
in connection with the redemption (repurchase) of promissory notes and other debt securities, repayment of credits and loans	4323	(15 616 215)	(26 361 654)
<i>including in connection with the redemption (repurchase) of promissory notes and other debt securities, repayment of loans and borrowings to parent companies, daughter companies and dependent companies</i>	432301	(4 200 000)	(5 400 000)
other payments	4329	(650 000)	(41 667)
<i>including other payments to parent companies, daughter companies and dependent companies</i>	432901	-	-
Balance of cash flows from financial transactions	4300	(1 231 020)	(1 728 215)
<b>Balance of cash flows for the reporting period</b>	<b>4400</b>	<b>1 503 464</b>	<b>1 246 688</b>
<b>Balance of cash and cash equivalents at the beginning of the reporting period</b>	<b>4450</b>	<b>1 964 718</b>	<b>718 030</b>
<b>Balance of cash and cash equivalents at the end of the reporting period</b>	<b>4500</b>	<b>3 468 182</b>	<b>1 964 718</b>
The magnitude of the impact of changes in the foreign exchange rate against the ruble	4490	-	-

Head \_\_\_\_\_ (signature)      K.A. Iordanidi \_\_\_\_\_ (printed full name)      Chief Accountant      L.V. Loskutova \_\_\_\_\_ (signature)

" 21 " \_\_\_\_\_ March \_\_\_\_\_ 20 23 .

1 - indicate the reporting period

2 - indicate the period of the previous year, which is similar to the reporting period

**Check:**

Balance of cash and cash equivalents at the beginning of the reporting period	4450	(1)	(4)
Balance of cash and cash equivalents at the end of the reporting period	4500	(650 000)	(1)

## 5.1. Intangible assets

### 5.1.1. Availability and movement of intangible assets

Indicator			At the beginning of the year				Changes over the period								At the end of the period			
Name	Code	Period					Received	Retired			Depreciated on accrued	Impairment loss	Revaluation					
			Initial/current market value	Accumulated depreciation	Impairment losses	Initial/current market value		Accumulated depreciation										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
<b>Intangible assets - total</b>	5100	for 2022	218 576	(133 829)	-	84 747	2 928	-	-	-	(42 532)	-	-	-	221 504	(176 361)	-	45 143
	5110	for 2021	218 576	(80 562)	-	138 014	-	-	-	-	(53 267)	-	-	-	218 576	(133 829)	-	84 747
Objects of intellectual property (exclusive rights to the deliverables of intellectual property)	5101	for 2022	180 181	(104 049)	-	76 132	2 928	-	-	-	(34 944)	-	-	-	183 109	(138 993)	-	44 116
	5111	for 2021	180 181	(60 216)	-	119 965	-	-	-	-	(43 833)	-	-	-	180 181	(104 049)	-	76 132
including:																		
<i>at the patent holder for inventions, industrial design, utility model</i>	51011	for 2022	24 479	(11 858)	-	12 621	-	-	-	-	(4 139)	-	-	-	24 479	(15 997)	-	8 482
	51111	for 2021	24 479	(7 719)	-	16 760	-	-	-	-	(4 139)	-	-	-	24 479	(11 858)	-	12 621
<i>at the right holder for computer programs, databases</i>	51012	for 2022	155 510	(91 999)	-	63 511	2 928	-	-	-	(30 805)	-	-	-	158 438	(122 804)	-	35 634
	51112	for 2021	155 510	(52 327)	-	103 183	-	-	-	-	(39 672)	-	-	-	155 510	(91 999)	-	63 511
<i>at the owner of a trademark, service mark, name of origin of goods</i>	51013	for 2022	192	(192)	-	-	-	-	-	-	-	-	-	-	192	(192)	-	-
	51113	for 2021	192	(170)	-	22	-	-	-	-	(22)	-	-	-	192	(192)	-	-
Other	5102	for 2022	38 395	(29 780)	-	8 615	-	-	-	-	(7 588)	-	-	-	38 395	(37 368)	-	1 027
	5112	for 2021	38 395	(20 346)	-	18 049	-	-	-	-	(9 434)	-	-	-	38 395	(29 780)	-	8 615

(1) - indicate the reporting year

(2) - indicate the previous year

## 5.2. Deliverables of research, development and technological work and intangible assets

### 5.2.1. Availability and flow of R&D deliverables

Index name	Code	Period	At the beginning of the year		Changes over the period				At the end of the period	
			initial cost	part of the cost written off for expenses	received	retired		part of the cost written off for expenses over the period	initial cost	part of the cost written off for expenses
						initial cost	part of the cost written off for expenses			
1	2	3	4	5	6	7	8	9	10	11
<b>R&amp;D - total</b>	5140	for 20 22	-	-	-	-	-	-	-	-
	5150	for 20 21	-	-	-	-	-	-	-	-
including:										
Patentable R&D deliverables	5141	for 20 22	-	-	-	-	-	-	-	-
	5151	for 20 21	-	-	-	-	-	-	-	-
Other	5142	for 20 22	-	-	-	-	-	-	-	-
	5152	for 20 21	-	-	-	-	-	-	-	-
<b>For reference, from the total amount of R&amp;D:</b>										
R&D expenses carried out in-house	5143	for 20 22	-	-	-	-	-	-	-	-
	5153	for 20 21	-	-	-	-	-	-	-	-
Outsourced R&D expenses	5144	for 20 22	-	-	-	-	-	-	-	-
	5154	for 20 21	-	-	-	-	-	-	-	-

(1) - indicate the reporting year

(2) - indicate the previous year

**5.2.2. Pending and unregistered R&D and pending transactions for the acquisition of intangible assets**

Index name	Code	Period	At the beginning of the year	Changes over the period			At the end of the period
				period costs	written off as costs that did not give a positive result	accepted for accounting as intangible assets or R&D	
1	2	3	4	5	6	7	8
Pending R&D expenses - total	5160	for 20 22	21 578	37 632	-	(6 996)	52 214
	5170	for 20 21	17 603	20 875	(16 900)	-	21 578
including:							
Patentable R&D deliverables	5161	for 20 22	21 578	37 632	-	(6 996)	52 214
	5171	for 20 21	17 603	20 875	(16 900)	-	21 578
Other	5162	for 20 22	-	-	-	-	-
	5172	for 20 21	-	-	-	-	-
Pending transactions for the acquisition of intangible assets - total	5180	for 20 22	7 500	-	-	-	7 500
	5190	for 20 21	7 500	-	-	-	7 500
including:							
at the patent holder for inventions, industrial design, utility model	5181	for 20 22	-	-	-	-	-
	5191	for 20 21	-	-	-	-	-
at the right holder for computer programs, databases	5182	for 20 22	-	-	-	-	-
	5192	for 20 21	-	-	-	-	-
at the owner of a trademark, service mark, name of origin of goods	5183	for 20 22	-	-	-	-	-
	5193	for 20 21	-	-	-	-	-
Other	5184	for 20 22	7 500	-	-	-	7 500
	5194	for 20 21	7 500	-	-	-	7 500

(1) - indicate the reporting year

(2) - indicate the previous year



Index name	Code	Period	Effect of one-time inter-reporting period adjustment			At the beginning of the year			Changes over the period									At the end of the period			
						initial cost	accumulated depreciation and impairment	book value	received			retired			depreciation accrued	impairment	revaluation		initial cost	accumulated depreciation and impairment	book value
			initial cost	accumulated depreciation on received objects	impairment				initial cost	accumulated depreciation	impairment	initial cost	accumulated depreciation								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Objects with an unlimited useful life, not depreciable ones - total	5202	for 2022	-	-	-	136 562	-	136 562	86	-	-	-	-	-	-	-	-	-	136 648	-	136 648
	5212	for 2021	-	-	-	136 562	-	136 562	-	-	-	-	-	-	-	-	-	-	136 562	-	136 562
including:			-	-	-																
land plots	52021	for 2022	-	-	-	136 562	-	136 562	86	-	-	-	-	-	-	-	-	-	136 648	-	136 648
	52121	for 2021	-	-	-	136 562	-	136 562	-	-	-	-	-	-	-	-	-	-	136 562	-	136 562
nature management objects	52022	for 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	52122	for 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital investments for fundamental land improvement	5203	for 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5213	for 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounted for as part of income-generating investments in material assets - total	5220	for 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5230	for 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
including:			-	-	-																
property for leasing	5221	for 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5231	for 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
property provided under a lease contract	5222	for 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5232	for 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) - indicate the reporting year  
(2) - indicate the previous year

**5.3.3. Change in the value of fixed assets as a result of completion, additional equipment, reconstruction and partial liquidation**

Index name	Cod e	For 2022	For 2021
1	2	3	4
Increase in the cost of fixed assets as a result of completion, additional equipment, reconstruction - total	5260	2 436 601	1 163 450
including:			
buildings	5261	4 188	1 792
structures, except for power lines	5262	168 691	3 056
power lines and relevant devices	5263	1 704 108	805 140
machines and equipment	5264	410 189	353 462
production and household equipment, including other facilities	5265	149 425	-
investment property	5266	-	-
Decrease in the value of fixed assets as a result of partial liquidation - total:	5270	(67 551)	(99 320)
including:			
buildings	5271	-	-
structures, except for power lines	5272	(62)	(5 559)
power lines and relevant devices	5273	(54 117)	(93 358)
machines and equipment	5274	(13 372)	(403)
production and household equipment, including other facilities	5275	-	-
investment property	5276	-	-

(1) - indicate the reporting year

(2) - indicate the previous year

#### 5.3.4. Other use of fixed assets

Index name	Code	As of <u>December 31</u> 2022	As of <u>December 31</u> 2021	As of <u>December 31</u> 2020
1	2	3	4	5
Leased-out fixed assets on the balance sheet	5280	115 551	101 182	105 041
Leased-out fixed assets off the balance sheet	5281	200	-	-
Leased fixed assets on the balance sheet	5282	-	-	-
Leased fixed assets off the balance sheet	5283	3 316 107	3 325 277	20 181 738
Real estate objects accepted into operation and actually used, which are in the process of state registration	5284	3 388 838	3 339 062	3 385 515
Fixed assets transferred for preservation	5285	10 047	10 115	10 115
Other use of fixed assets (pledge, etc.)	5286	-	-	-

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one

5.3.5. Capital investments in progress

Index name	Code	Period	At the beginning of the year	Changes over the period				At the end of the period
				period costs	written off	accepted for accounting as fixed assets or increase in the cost of capital investments	impairment	
1	2	3	4	5	6	7	8	9
Construction in progress and pending acquisitions, upgrades, etc., for the fixed assets - total	5240	for 20 22 .	4 052 784	13 402 718	(1 429 550)	(8 900 556)	-	7 125 396
	5250	for 20 21 .	3 391 998	6 880 426	(930 430)	(5 289 210)	-	4 052 784
including:								
construction in progress	5241	for 20 22 .	3 110 852	11 344 559	(38 767)	(8 531 884)	-	5 884 760
	5251	for 20 21 .	2 536 652	5 447 314	(159 732)	(4 713 382)	-	3 110 852
acquisition of fixed assets	5242	for 20 22 .	-	368 589	-	(368 589)	-	-
	5252	for 20 21 .	54	575 774	-	(575 828)	-	-
equipment for installation	5243	for 20 22 .	941 932	1 689 487	(1 390 783)	-	-	1 240 636
	5253	for 20 21 .	855 292	857 338	(770 698)	-	-	941 932
other	5244	for 20 22 .	-	83	-	(83)	-	-
	5254	for 21 21 .	-	-	-	-	-	-

5.3.6. Advances issued for capital construction and acquisition of fixed assets

Index name	Code	Period	At the beginning of the year		Changes over the period						At the end of the period		
			accounted for under the terms of the contract	reserve amount for doubtful debts	receipt			retirement			accounted for under the terms of the contract	reserve amount for doubtful debts	
					as a result of business transactions (the amount of debt under the transaction)	other accruals	reserve accrual	redemption	write-off at the expense of the reserve previously accrued	write-off to financial result			reserve recovery
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Advances issued for capital construction	5291	for 20 22 .	765 453	(2 033)	208 272	-	-	(508 651)	-	-	-	465 074	(2 033)
	5292	for 20 21 .	116 533	(1 127)	709 060	-	(1 055)	(59 991)	(149)	-	-	765 453	(2 033)
including:													
capital construction	52911	for 20 22 .	746 493	(2 012)	184 394	-	-	(490 020)	-	-	-	440 867	(2 012)
	52921	for 20 21 .	97 477	(957)	691 778	-	(1 055)	(42 762)	-	-	-	746 493	(2 012)
acquisition of fixed assets	52912	for 20 22 .	2 990	(21)	-	-	-	(2 969)	-	-	-	21	(21)
	52922	for 20 21 .	21	(21)	2 969	-	-	-	-	-	-	2 990	(21)
other	52913	for 20 22 .	15 970	-	23 878	-	-	(15 662)	-	-	-	24 186	-
	52923	for 20 21 .	19 035	(149)	14 313	-	-	(17 229)	(149)	-	-	15 970	-

(1) - indicate the reporting year

(2) - indicate the previous year

5.3.7. Availability and movement of the right-of-use asset

Index name	Code	Period	Effect of one-time inter-reporting period adjustment			At the beginning of the year			Changes over the period												At the end of the period				
			initial cost	accumulated depreciation and impairment	residual value	initial cost	accumulated depreciation and impairment	residual value	Initial cost						Accumulated depreciation and impairment						initial cost	accumulated depreciation and impairment	residual value		
									received			retired			received			retired							
									initial cost	reclassification between groups	change of contract conditions	initial cost	reclassification between groups	change of contract conditions	depreciation accrued	reclassification between groups	impairment	change of contract conditions	accumulated depreciation	reclassification between groups				change of contract conditions	impairment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Right-of-use asset - total	7200	for 2022	-	-	-	4 228 736	-	4 228 736	156 009	85	2 182	(28 822)	(85)	-	(1 393 316)	-	-	-	3 055	-	-	-	4 358 105	(1 390 261)	2 967 844
	7210	for 2021	4 228 736	-	4 228 736	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 228 736	-	4 228 736
including:																									
land and buildings	72011	for 2022	-	-	-	857 986	-	857 986	31 779	85	(14 370)	(7 493)	-	-	(267 097)	-	-	-	1 272	-	-	-	867 987	(265 825)	602 162
	72111	for 2021	857 986	-	857 986	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	857 986	-	857 986
power lines and relevant devices	72012	for 2022	-	-	-	1 886 254	-	1 886 254	39 454	-	1 962	(7 333)	-	-	(628 062)	-	-	-	931	-	-	-	1 920 337	(627 131)	1 293 206
	72112	for 2021	1 886 254	-	1 886 254	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 886 254	-	1 886 254
machines and equipment	72013	for 2022	-	-	-	700 117	-	700 117	83 643	-	11 458	(694)	-	-	(238 873)	-	-	-	352	-	-	-	794 524	(238 521)	556 003
	72113	for 2021	700 117	-	700 117	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	700 117	-	700 117
other	72014	for 2022	-	-	-	784 379	-	784 379	1 133	-	3 132	(13 302)	(85)	-	(259 284)	-	-	-	500	-	-	-	775 257	(258 784)	516 473
	72114	for 2021	784 379	-	784 379	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	784 379	-	784 379

(1) - indicate the reporting year

(2) - indicate the previous year

5.4. Financial investments

5.4.1. Availability and movement of financial investments

Index name	Code	Period	At the beginning of the		Changes over the period					At the end of the period	
			initial cost	adjustment accumulated	received	retired (redeemed)		accrual of interest (including bringing the initial cost to face value)	current market value (impairment loss)	initial cost	adjustment accumulated
						initial cost	adjustment accumulated				
1	2	3	4	5	6	7	8	9	10	11	12
<b>Long-term FI - total</b>	5301	for 20 22	45 690	(5 850)	-	-	-	-	5 848	45 690	(2)
	5311	for 20 21	45 690	(14 111)	-	-	-	-	8 261	45 690	(5 850)
Contributions to authorized (share) capitals of other companies - total	53021	for 20 22	45 690	(5 850)	-	-	-	-	5 848	45 690	(2)
	53121	for 20 21	45 690	(14 111)	-	-	-	-	8 261	45 690	(5 850)
including:											
daughter companies	530211	for 20 22	45 687	(5 848)	-	-	-	-	5 848	45 687	-
	531211	for 20 21	45 687	(14 109)	-	-	-	-	8 261	45 687	(5 848)
dependent companies	530212	for 20 22	-	-	-	-	-	-	-	-	-
	531212	for 20 21	-	-	-	-	-	-	-	-	-
other	530213	for 20 22	3	(2)	-	-	-	-	-	3	(2)
	531213	for 20 21	3	(2)	-	-	-	-	-	3	(2)
State and municipal securities	53022	for 20 22	-	-	-	-	-	-	-	-	-
	53122	for 20 21	-	-	-	-	-	-	-	-	-
Securities of other organizations - total	53023	for 20 22	-	-	-	-	-	-	-	-	-
	53123	for 20 21	-	-	-	-	-	-	-	-	-
including:											
debt securities (bonds, bills)	530231	for 20 22	-	-	-	-	-	-	-	-	-
	531231	for 20 21	-	-	-	-	-	-	-	-	-
Loans granted	53024	for 20 22	-	-	-	-	-	-	-	-	-
	53124	for 20 21	-	-	-	-	-	-	-	-	-
Deposits	53025	for 20 22	-	-	-	-	-	-	-	-	-
	53125	for 20 21	-	-	-	-	-	-	-	-	-
Other	53026	for 20 22	-	-	-	-	-	-	-	-	-
	53126	for 20 21	-	-	-	-	-	-	-	-	-
<b>Long-term FIs that have current market value - total</b>	5302	for 20 22	-	-	-	-	-	-	-	-	-
	5312	for 20 21	-	-	-	-	-	-	-	-	-
Contributions to authorized (share) capitals of other companies - total	53031	for 20 22	-	-	-	-	-	-	-	-	-
	53131	for 20 21	-	-	-	-	-	-	-	-	-
including:											
daughter companies	530311	for 20 22	-	-	-	-	-	-	-	-	-
	531311	for 20 21	-	-	-	-	-	-	-	-	-
dependent companies	530312	for 20 22	-	-	-	-	-	-	-	-	-
	531312	for 20 21	-	-	-	-	-	-	-	-	-
other	530313	for 20 22	-	-	-	-	-	-	-	-	-
	531313	for 20 21	-	-	-	-	-	-	-	-	-
State and municipal securities	53032	for 20 22	-	-	-	-	-	-	-	-	-
	53132	for 20 21	-	-	-	-	-	-	-	-	-
Securities of other organizations - total	53033	for 20 22	-	-	-	-	-	-	-	-	-
	53133	for 20 21	-	-	-	-	-	-	-	-	-
including:											
debt securities (bonds, bills)	530331	for 20 22	-	-	-	-	-	-	-	-	-
	531331	for 20 21	-	-	-	-	-	-	-	-	-
Other	53034	for 20 22	-	-	-	-	-	-	-	-	-
	53134	for 20 21	-	-	-	-	-	-	-	-	-
<b>Long-term FIs, for which the current market value is not determined - total</b>	5303	for 20 22	45 690	(5 850)	-	-	-	-	5 848	45 690	(2)
	5313	for 20 21	45 690	(14 111)	-	-	-	-	8 261	45 690	(5 850)

(1) - indicate the reporting year

(2) - indicate the previous year



Index name	Code	Period	At the beginning of the		Changes over the period					At the end of the period	
			initial cost	adjustment accumulated	received	retired (redeemed)		accrual of interest (including bringing the initial cost to face value)	current market value (impairment loss)	initial cost	adjustment accumulated
						initial cost	adjustment accumulated				
1	2	3	4	5	6	7	8	9	10	11	12
Short-term FIs that have current market value - total	5306	for 20 22	-	-	-	-	-	-	-	-	-
	5316	for 20 21	-	-	-	-	-	-	-	-	-
Contributions to authorized (share) capitals of other companies - total	53071	for 20 22	-	-	-	-	-	-	-	-	-
	53171	for 20 21	-	-	-	-	-	-	-	-	-
State and municipal securities	53072	for 20 22	-	-	-	-	-	-	-	-	-
	53172	for 20 21	-	-	-	-	-	-	-	-	-
Securities of other organizations - total	53073	for 20 22	-	-	-	-	-	-	-	-	-
	53173	for 20 21	-	-	-	-	-	-	-	-	-
including:											
debt securities (bonds, bills)	530731	for 20 22	-	-	-	-	-	-	-	-	-
	531731	for 20 21	-	-	-	-	-	-	-	-	-
Other	53074	for 20 22	-	-	-	-	-	-	-	-	-
	53174	for 20 21	-	-	-	-	-	-	-	-	-
Short-term FIs, for which the current market value is not determined - total	5307	for 20 22	-	-	-	-	-	-	-	-	-
	5317	for 20 21	-	-	-	-	-	-	-	-	-
Financial investments - total	5300	for 20 22	45 690	(5 850)	-	-	-	-	5 848	45 690	(2)
	5310	for 20 21	45 690	(14 111)	-	-	-	-	8 261	45 690	(5 850)

(1) - indicate the reporting year

(2) - indicate the previous year

#### 5.4.2. Adjustments to estimates of financial investments

Indicator		At the beginning of the year	Changes over the period			At the end of the period
Name	Code		Increase	Decrease	Retirement upon write-off of FI	
1	2	3	4	5	6	7
<b>Long-term financial investments</b>	7100	(5 850)	5 848	-	-	(2)
The difference between the current market value of financial investments and their initial valuation	7110	-	-	-	-	-
<i>including:</i>						
Contributions to authorized (share) capitals of other companies - total	7111	-	-	-	-	-
<i>including:</i>						
daughter companies	71111	-	-	-	-	-
dependent companies	71112	-	-	-	-	-
other	71113	-	-	-	-	-
State and municipal securities	7112	-	-	-	-	-
Securities of other organizations - total	7113	-	-	-	-	-
<i>including:</i>						
debt securities (bonds, bills)	71131	-	-	-	-	-
Other	7114	-	-	-	-	-
The difference between the current value of debt securities and their initial cost	7120	-	-	-	-	-
<i>including:</i>						
Securities of other organizations - total	7121	-	-	-	-	-
<i>including:</i>						
debt securities (bonds, bills)	71211	-	-	-	-	-
Other	7122	-	-	-	-	-
Provision for depreciation of financial investments for which the market value is not determined	7130	(5 850)	5 848	-	-	(2)
<i>including:</i>						
Contributions to authorized (share) capitals of other companies - total	7131	(5 850)	5 848	-	-	(2)
<i>including:</i>						
daughter companies	71311	(5 848)	5 848	-	-	-
dependent companies	71312	-	-	-	-	-
other	71313	(2)	-	-	-	(2)
State and municipal securities	7132	-	-	-	-	-
Securities of other organizations - total	7133	-	-	-	-	-
<i>including:</i>						
debt securities (bonds, bills)	71331	-	-	-	-	-
Loans granted	7134	-	-	-	-	-
Deposits	7135	-	-	-	-	-
Other	7136	-	-	-	-	-

Indicator		At the beginning of the year	Changes over the period			At the end of the period
Name	Code		Increase	Decrease	Retirement upon write-off of FI	
1	2	3	4	5	6	7
<b>Short-term financial investments</b>	7200	-	-	-	-	-
The difference between the current market value of financial investments and their initial estimate, by which it was determined	7210	-	-	-	-	-
<i>including:</i>						
Contributions to authorized (share) capitals of other companies - total	7211	-	-	-	-	-
<i>including:</i>						
daughter companies	72111	-	-	-	-	-
dependent companies	72112	-	-	-	-	-
other	72113	-	-	-	-	-
Securities of other organizations - total	7212	-	-	-	-	-
<i>including:</i>						
debt securities (bonds, bills)	72121	-	-	-	-	-
Other	7213	-	-	-	-	-
The difference between the current value of debt securities and their initial cost	7220	-	-	-	-	-
<i>including:</i>						
Securities of other organizations - total	7221	-	-	-	-	-
<i>including:</i>						
debt securities (bonds, bills)	72211	-	-	-	-	-
Other	7222	-	-	-	-	-
Provision for depreciation of financial investments that do not have a market value	7230	-	-	-	-	-
<i>including:</i>						
Contributions to authorized (share) capitals of other companies - total	7231	-	-	-	-	-
<i>including:</i>						
daughter companies	72311	-	-	-	-	-
dependent companies	72312	-	-	-	-	-
other	72313	-	-	-	-	-
State and municipal securities	7232	-	-	-	-	-
Securities of other organizations - total	7233	-	-	-	-	-
<i>including:</i>						
debt securities (bonds, bills)	72331	-	-	-	-	-
Loans granted	7234	-	-	-	-	-
Deposits	7235	-	-	-	-	-
Other	7236	-	-	-	-	-

### 5.4.3. Other use of financial investments \*

Index name	Code	As of December 31	As of December 31	As of December 31
		2022 (1)	2021 (2)	2020 (3)
1	2	3	4	5
Pledged financial investments - total	5320			
including:				
bonds	5321			
bills	5322			
shares	5323			
Financial investments transferred to third parties (except for sale) - total	5325			
including:				
bonds	5326			
bills	5327			
shares	5328			
Other use of financial investments	5329			

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one

## 5.5. Inventories

### 5.5.1. Availability and movement of stocks

Index name	Code	Period	Effect of one-time inter-reporting period adjustment		At the beginning of the year		Changes over the period					At the end of the period	
					prime cost	reserve amount for impairment	receipt and costs	retired		of losses due to cost reduction	turnover of stocks between groups (types) thereof	prime cost	reserve amount for impairment
			prime cost	reserve for impairment									
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Stocks - total	5400	for 2022	-	-	1 926 407	(1 543)	3 849 479	(3 800 559)	668	(50 716)	x	1 975 327	(51 591)
	5420	for 2021	(124 024)	-	1 914 678	(4 630)	3 411 692	(3 275 939)	3 722	(635)	x	1 926 407	(1 543)
feedstock and materials	5401	for 2022	-	-	1 926 407	(1 543)	3 849 479	(3 800 559)	668	(50 716)	-	1 975 327	(51 591)
	5421	for 2021	(124 024)	-	1 914 678	(4 630)	3 411 692	(3 275 939)	3 722	(635)	-	1 926 407	(1 543)
unfinished production goods	5402	for 2022	-	-	-	-	-	-	-	-	-	-	-
	5422	for 2021	-	-	-	-	-	-	-	-	-	-	-
goods shipped	5403	for 2022	-	-	-	-	-	-	-	-	-	-	-
	5423	for 2021	-	-	-	-	-	-	-	-	-	-	-
finished goods and products	5404	for 2022	-	-	-	-	-	-	-	-	-	-	-
	5424	for 2021	-	-	-	-	-	-	-	-	-	-	-
other stocks and expenses	5405	for 2022	-	-	-	-	-	-	-	-	-	-	-
	5425	for 2021	-	-	-	-	-	-	-	-	-	-	-

(1) - indicate the reporting year

(2) - indicate the previous year

### 5.5.2. Pledged stocks

Index name	Code	As of december 31, 2022	As of december 31, 2021	As of December 31, 2020
1	2	3	4	5
Stocks not paid for at the reporting date - total	5440	-	-	-
including:				
feedstock and materials	5441	-	-	-
unfinished production goods	5442	-	-	-
goods shipped	5443	-	-	-
finished goods and products	54441	-	-	-
other stocks and expenses	54442	-	-	-
Stocks pledged under the contract - total	5445	-	-	-
including:				
feedstock and materials	5446	-	-	-
goods shipped	5447	-	-	-
finished goods and products	5448	-	-	-
other stocks and expenses	5449	-	-	-

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one

## 5.6 Accounts receivable and payable

### 5.6.1. Availability and movement of receivables

Index name	Code	Period	At the beginning of the year		Changes over the period							At the end of the period		
			accounted for under the terms of the contract	reserve amount for doubtful debts	receipt			retirement				transfer from long-into short-term debts	accounted for under the terms of the contract	reserve amount for doubtful debts
					as a result of business transactions (the amount of debt under the transaction)	due interest, penalties and other accruals	reserve accrual	redemption	write-off at the expense of the reserve previously accrued	write-off to financial result	reserve recovery			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Long-term receivables - total</b>	5501	for 20 22 .	19 042	-	111 012	-	(75 848)	(11 047)	-	-	10 000	(10 074)	108 933	(65 848)
	5521	for 20 21 .	23 124	-	8 314	-	-	(1 923)	-	-	-	(10 473)	19 042	-
including:														
Settlements with buyers and customers	5502	for 20 22	1 819	-	33 303	-	(31 958)	(32)	-	-	-	(1 891)	33 199	(31 958)
	5522	for 20 21	445	-	2 852	-	-	-	-	-	-	(1 478)	1 819	-
including:														
for electricity transmission	55021	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	55221	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
for utility connection	55022	for 20 22	1 819	-	1 345	-	-	(32)	-	-	-	(1 891)	1 241	-
	55222	for 20 21	-	-	2 852	-	-	-	-	-	-	(1 033)	1 819	-
for the organization of the functioning and development of the UES of Russia in terms of the distribution electric grid complex	55023	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	55223	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
for the resale of electricity and capacity	55024	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	55224	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
for rental income	55025	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	55225	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
for others	55026	for 20 22	-	-	31 958	-	(31 958)	-	-	-	-	-	31 958	(31 958)
	55226	for 20 21	445	-	-	-	-	-	-	-	-	(445)	-	-





Index name	Code	Period	At the beginning of the year		Changes over the period							At the end of the period		
			accounted for under the terms of the contract	reserve amount for doubtful debts	receipt			retirement				transfer from long-term into short-term debts	accounted for under the terms of the contract	reserve amount for doubtful debts
					as a result of business transactions (the amount of debt under the transaction)	due interest, penalties and other accruals	reserve accrual	redemption	write-off at the expense of the reserve previously accrued	write-off to financial result	reserve recovery			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
debt of participants (founders) on contributions to the authorized capital	5514	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	5534	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
Debt of subsidiaries and affiliates on dividends	5515	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	5535	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables	5516	for 20 22	1 398 795	(777 989)	1 008 408	-	(97 339)	(265 402)	(63 355)	(782)	32 477	8 183	2 085 847	(779 496)
	5536	for 20 21	1 603 892	(705 208)	306 961	-	(124 208)	(500 800)	(19 982)	(271)	31 445	8 995	1 398 795	(777 989)
including:														
interest-free bills	55161	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	55361	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
overpayment of taxes and fees	55162	for 20 22	269 726	-	473 108	-	-	(26 980)	-	-	-	-	715 854	-
	55362	for 20 21	355 954	-	13 205	-	-	(99 233)	-	(200)	-	-	269 726	-
sale of property	55163	for 20 22	36 290	(35 442)	1 069	-	31 950	(32 732)	-	-	-	125	4 752	(3 492)
	55363	for 20 21	40 857	(35 494)	(57)	-	(2 106)	(7 113)	-	-	2 158	2 603	36 290	(35 442)
other	55164	for 20 22	1 092 779	(742 547)	534 231	-	(129 289)	(205 690)	(63 355)	(782)	32 477	8 058	1 365 241	(776 004)
	55364	for 20 21	1 207 081	(669 714)	293 813	-	(122 102)	(394 454)	(19 982)	(71)	29 287	6 392	1 092 779	(742 547)
Of the total amount of short-term receivables:	5517	for 20 22	7 568	-	17 360	-	-	(7 435)	-	-	-	-	17 493	-
	5537	for 20 21	12 215	-	5 758	-	-	(10 405)	-	-	-	-	7 568	-
debt of daughter companies	55171	for 20 22	7 568	-	17 360	-	-	(7 435)	-	-	-	-	17 493	-
	55371	for 20 21	12 215	-	5 758	-	-	(10 405)	-	-	-	-	7 568	-
debt of dependent companies	55172	for 20 22	-	-	-	-	-	-	-	-	-	-	-	-
	55372	for 20 21	-	-	-	-	-	-	-	-	-	-	-	-
Total	5500	for 20 22	9 037 659	(2 490 301)	2 362 618	-	(787 528)	(1 131 619)	(70 872)	(783)	636 088	-	10 197 003	(2 570 869)
	5520	for 20 21	10 537 879	(1 990 679)	1 104 208	-	(607 842)	(2 578 202)	(25 955)	(271)	82 265	-	9 037 659	(2 490 301)

(1) - indicate the reporting year

(2) - indicate the previous year

### 5.6.3. Overdue accounts receivable

Index name	Code	As of december 31, 2022		As of december 31, 2021		As of December 31, 2020	
		accounted for under the terms of the contract	book value (excluding allowance for doubtful debts)	accounted for under the terms of the contract	book value (excluding allowance for doubtful debts)	accounted for under the terms of the contract	book value (excluding allowance for doubtful debts)
1	2	3	4	5	6	7	8
which is expected to be paid within 12 months after the reporting date	564	2 876 165	677 297	2 776 407	1 061 557	4 310 833	2 645 352
including:							
buyers and customers, including	5641	1 939 975	522 972	1 807 509	872 191	3 205 125	2 248 711
<i>for electricity transmission</i>	56411	1 796 945	475 573	1 609 132	799 827	3 044 095	2 209 092
<i>for utility connection</i>	56412	32 501	12 105	29 444	7 985	36 480	9 014
<i>for the organization of the functioning and development of the UES of Russia in terms of the distribution electric grid complex</i>	56413	-	-	-	-	-	-
<i>for the resale of electricity and capacity</i>	56414	-	-	-	-	-	-
<i>for rental income</i>	56415	54 978	22 995	54 583	19 851	44 425	19 215
<i>other</i>	56416	55 551	12 299	114 350	44 528	80 125	11 390
bills receivable	5642	-	-	-	-	-	-
debt of subsidiaries and affiliates on dividends	5643	-	-	-	-	-	-
debt of participants (founders) on contributions to the authorized capital	5644	-	-	-	-	-	-
advances issued	5645	25 677	23 304	5 832	2 179	12 392	8 386
other receivables	5646	910 513	131 021	963 066	187 187	1 093 316	388 255

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one





Index name	Code	Period	Effect of one-time inter-reporting period adjustment	Balance at the beginning of the year	Changes over the period					Balance at the end of the period	
					receipt		redemption		transfer from long-into short-term debt		
					as a result of business transactions (the amount of debt under the transaction)	accrued interest, penalties and other accruals	redemption	write-off to financial result			
1	2	3	4	5	6	7	8	9	10	11	
participation in other organizations	55625	for 20 22	-	-	-	-	-	-	-	-	-
	55825	for 20 21	-	-	-	-	-	-	-	-	-
for rental services	55626	for 20 22	-	17 253	8 515	-	(5 770)	-	2 177	22 175	
	55826	for 20 21	-	11 080	11 691	-	(7 151)	-	1 633	17 253	
for others	55627	for 20 22	-	125 508	924 377	-	(117 863)	(812)	3 399	934 609	
	55826	for 20 21	-	98 991	137 342	-	(109 479)	(1 346)	-	125 508	
Debt to participants (founders) for the payment of income	5563	for 20 22	-	344	101 678	-	(344)	-	-	101 678	
	5583	for 20 21	-	479	-	-	(135)	-	-	344	
Bills payable	5564	for 20 22	-	-	-	-	-	-	-	-	
	5584	for 20 21	-	-	-	-	-	-	-	-	
Debt to state off-budget funds	5565	for 20 22	-	157 707	459 368	-	(157 707)	-	-	459 368	
	5585	for 20 21	-	135 442	157 707	-	(135 442)	-	-	157 707	
Settlements with regard to taxes and fees	5566	for 20 22	-	758 445	709 386	-	(758 445)	-	-	709 386	
	5586	for 20 21	-	771 058	758 445	-	(771 058)	-	-	758 445	
Arrears to the staff of the organization	5567	for 20 22	-	299 668	341 987	-	(299 668)	-	-	341 987	
	5587	for 20 21	-	317 117	299 668	-	(317 117)	-	-	299 668	
Other accounts payable	5568	for 20 22	-	986 417	662 260	-	(497 028)	(2 045)	662	1 150 266	
	5588	for 20 21	-	961 833	520 075	-	(494 736)	(4 783)	4 028	986 417	
Settlement of lease obligations	55681	for 20 22	-	1 384 223	37 132	-	(1 274 260)	-	1 314 659	1 461 754	
	55881	for 20 21	1 384 223	-	-	-	-	-	-	1 384 223	
<b>Of the total short-term debt</b>	5569	for 20 22	-	493 822	622 770	-	(412 697)	-	115	704 010	
	5589	for 20 21	-	270 704	488 841	-	(265 723)	-	-	493 822	
debt to daughter companies	55691	for 20 22	-	493 822	622 770	-	(412 697)	-	115	704 010	
	55891	for 20 21	-	270 704	488 841	-	(265 723)	-	-	493 822	
debt to dependent companies	55692	for 20 22	-	-	-	-	-	-	-	-	
	55892	for 20 21	-	-	-	-	-	-	-	-	
<b>Total</b>	5550	for 20 22	-	17 034 864	14 276 745	-	(8 284 612)	(57 891)	-	22 969 106	
	5570	for 20 21	4 228 736	12 278 000	7 916 047	-	(7 355 615)	(32 304)	-	17 034 864	

(1) - indicate the reporting year

(2) - indicate the previous year

**Reference value:**

Long-term accounts payable - total	5551	for 20 22	(1)	-	-
Short-term accounts payable - total	5571	for 20 21	(2)	-	-
Settlements with suppliers and	5560	for 20 22	(1)	-	-
	5580	for 20 21	(2)	-	-
	5561	for 20 22	(1)	-	-

Index name	Code	Period	Effect of one-time inter-reporting period adjustment	Balance at the beginning of the year	Changes over the period					Balance at the end of the period	
					receipt		redemption		transfer from long-into short-term debt		
					as a result of business transactions (the amount of debt under the transaction)	accrued interest, penalties and other accruals	redemption	write-off to financial result			
1	2	3	4	5	6	7	8	9	10	11	
contractors	5581	for 20 21 (2)		-							-
	5562	for 20 22 (1)		-							-
Advances received	5582	for 20 21 (2)		-							-
	5563	for 20 22 (1)		-							-
Debt to participants (founders) for the payment of income	5583	for 20 21 (2)		-							-

Index name	Code	Period	Effect of one-time inter-reporting period adjustment	Balance at the beginning of the year	Changes over the period					Balance at the end of the period	
					receipt		redemption		transfer from long-into short-term debt		
					as a result of business transactions (the amount of debt under the transaction)	accrued interest, penalties and other accruals	redemption	write-off to financial result			
1	2	3	4	5	6	7	8	9	10	11	
Bills payable	5564	for 20 22 (1)		-							-
	5584	for 20 21 (2)		-							-
Debt to state off-budget funds	5565	for 20 22 (1)		-							-
	5585	for 20 21 (2)		-							-
Settlements with regard to taxes and fees	5566	for 20 22 (1)		-							-
	5586	for 20 21 (2)		-							-
Arrears to the staff of the organization	5567	for 20 22 (1)		-							-
	5587	for 20 21 (2)		-							-
Other accounts payable	5568	for 20 22 (1)		-							-
	5588	for 20 21 (2)		-							-
Settlement of lease obligations	55681	for 20 22 (1)		-							-
	55881	for 20 21 (2)		-							-

### 5.6.6. Overdue accounts payable

Index name	Code	As of December 31 2022	As of December 31 2021	As of December 31 2020
1	2	3	4	5
<b>V. SHORT-TERM LIABILITIES</b>				
Accounts payable		5 684 265	3 778 831	3 734 448
including:				
Settlements with suppliers and contractors	5691	5 034 180	3 188 311	2 774 790
<i>including</i>				
<i>construction</i>	56911	1 696 399	712 884	644 377
<i>other</i>	56912	3 337 781	2 475 427	2 130 413
Bills payable	5692	-	-	-
Payroll arrears to staff	5693	-	-	-
Debt to state off-budget funds	5694	-	-	-
Debt on taxes and fees	5695	-	-	-
Advances received	5696	427 795	394 607	447 724
Debt to participants (founders) for the payment of income	5697	-	-	-
Other accounts payable	5698	222 290	195 913	511 934

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one

5.6.7. Credits and loans

Index name	Code	Period	At the beginning of the year	Changes over the period					At the end of the period
				Receipt	Interest accrual	Redemption of the principal amount of the debt	Interest redemption	Transfer from long-term into short-term debt	
1	2	3	4	5	6	7	8	9	10
<b>Long-term borrowings - total</b>	7410	for 20 22	16 036 315	14 682 503	-	(6 061 727)	-	(7 725 548)	16 931 543
	7430	for 20 21	17 882 922	17 894 477	-	(19 741 084)	-	-	16 036 315
including:									
Credits	7411	for 20 22	14 636 315	14 682 503	-	(6 061 727)	-	(7 725 548)	15 531 543
	7431	for 20 21	16 482 922	17 894 477	-	(19 741 084)	-	-	14 636 315
Loans	7412	for 20 22	1 400 000	-	-	-	-	-	1 400 000
	7432	for 20 21	1 400 000	-	-	-	-	-	1 400 000
<b>Short-term borrowings - total</b>	7420	for 20 22	4 834 192	1 000 698	2 379 171	(9 554 489)	(2 394 839)	7 725 548	3 990 281
	7440	for 20 21	5 553 866	6 020 569	1 580 336	(6 620 569)	(1 700 010)	-	4 834 192
including:									
Credits	7421	for 20 22	-	1 000 698	-	(4 754 489)	-	7 725 548	3 971 757
	7441	for 20 21	-	1 220 569	-	(1 220 569)	-	-	-
<i>Interest on credits</i>	74211	for 20 22	8 231	-	1 762 480	-	(1 770 356)	-	355
	74411	for 20 21	-	-	1 279 084	-	(1 270 853)	-	8 231
Loans	7422	for 20 22	4 825 961	-	616 691	(4 800 000)	(624 483)	-	18 169
	7442	for 20 21	5 553 866	4 800 000	301 252	(5 400 000)	(429 157)	-	4 825 961

(1) - indicate the reporting year

(2) - indicate the previous year

**Check:**

Long-term borrowings - total	for 20 22 . (1)	-
	for 20 21 . (2)	-
Short-term borrowings - total	for 20 22 . (1)	-
	for 20 21 . (2)	-

-
-
-
-

### 5.6.8. Credit and loan costs

Indicator		For long-term credits and loans	For short-term credits and loans
Name	Code		
1	2	3	4
Total credit costs:	7510	1 484 410	278 070
written off to other expenses	7511	1 470 936	272 300
included in the cost of assets	7512	13 474	5 770
Total loan costs:	7520	98 980	517 711
written off to other expenses	7521	98 980	494 974
included in the cost of assets	7522	-	22 737
Of the total costs of loans and credits:	7530	1 583 390	795 781
accrued interest	7531	1 583 390	795 781
other expenses	7532	-	-

### 5.7.1. Estimated liabilities

Indicator		Balance at the beginning of the year	Recognized	Redeemed	Written off as an excess sum	Balance at the end of the period
Name	Code					
1	2	3	4	5	6	7
<b>Estimated liabilities - total</b>	5700	2 802 883	1 846 346	(1 414 770)	(876 060)	2 358 399
including:						
Payment for upcoming vacations	5701	330 958	599 208	(559 388)		370 778
Payment of remuneration for the results of the ye	5702	415 390	464 941	(328 559)	-	551 772
Litigation pending at the reporting date	5703	276 278	221 867	(22 274)	(156 251)	319 620
Claims of tax authorities based on the results of tax inspections not resolved at the reporting date	5704	559 578	173 376	-	(559 578)	173 376
Other estimated liabilities	5705	1 220 679	386 954	(504 549)	(160 231)	942 853
<b>Of the total amount of contingent liabilities:</b>						
Those created at the expense of costs of ordinary activities	5706	1 395 974				
Those created at the expense of other costs	5707	393 814				
Those included in the cost of the asset	5708	56 558				

**Check:**

<b>Estimated liabilities - total</b>	5700	-
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-
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### 5.7.2. Deferred taxes

Name	Code	Deferred tax assets	Deferred tax liabilities
1	2	3	4
Balance at the beginning of the reporting year	7700	2 429 612	3 610 868
Change in the timing differences in the reporting period with tax consequences	7710	(208 017)	139 898
Result of changes in tax rates	7720	-	-
Result of changing the taxation rules (the procedure for accounting for income tax)	7730	-	-
Change in the timing differences in the reporting period on transactions, the results of which are not included in accounting profit (loss)	7740	-	-
Write-off of the timing differences without tax consequences	7750	(21 069)	(3 787)
<i>For reference:</i> recognition (write-off) of deferred tax assets due to the fact that the probability that the organization will receive taxable profit in subsequent reporting periods has changed	7760	-	x
Balance at the end of the reporting period	7800	2 200 526	3 746 979

## 5.8. Provisions

Indicator		As of december	As of December	As of December
Name	Code	31, 2022	31	31
1	2	3	4	5
Those received - total	5800	1 781 328	1 770 906	549 501
including:				
bills	5801	-	-	-
pledged-in property	5802	-	-	107
including:				
fixed assets	58021	-	-	107
securities and other financial investments	58022	-	-	
other	58023	-	-	
other received	5803	1 781 328	1 770 906	549 394
Those issued under own obligations – total	5810	-	-	-
including:				
bills	5811	-	-	-
pledged-out property	5812	-	-	-
including:				
fixed assets	58121	-	-	-
securities and other financial investments	58122	-	-	-
other	58123	-	-	-
other issued	5813	-	-	-

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

(2) - indicate the previous year

(3) - indicate the year preceding the previous one

### 5.9. State assistance

Index name	Code	2022				2021			
		At the beginning of the year	Received during the year	Returned during the year	At the end of the year	At the beginning of the year	Received during the year	Returned during the year	At the end of the year
Budget funds received - total	5900	-	6 003	(6 003)	-	-	6 494	(6 494)	-
<i>including:</i>					-				-
for current expenses	5901	-	1 224	(1 224)	-	-	1 291	(1 291)	-
compensation to Chernobyl victims	5902	-	-	-	-	-	-	-	-
to fulfill tasks for mobilization training	5903	-	-	-	-	-	-	-	-
to eliminate inter-territorial cross-subsidization	5904	-	-	-	-	-	-	-	-
for investments in non-current assets	5905	-	-	-	-	-	-	-	-
for other purposes	5906	-	4 779	(4 779)	-	-	5 203	(5 203)	-
<i>including:</i>					-				-
financing of preventive measures to reduce occupational injuries and professional diseases	5911	-	-	-	-	-	-	-	-
financing of in-depth medical examinations of employees engaged in work with harmful and (or) hazardous production factors	5912	-	-	-	-	-	-	-	-

(1) - indicate the reporting year

(2) - indicate the previous year

### 5.11. Other income and expenses

Indicator		For 2022	For 2021
Name	Code		
1	2		
<b>Other income total</b>	8000	3 557 740	1 413 802
including:			
From the sale of fixed assets, except for apartments	8001	52 281	1 959
From the sale of apartments	8002	-	-
From the sale of the material production inventories	8003	9 841	13 781
From the sale of currency	8004	-	-
From the sale of intangible assets	8005	-	-
From the sale of securities	8006	-	-
From the sale of other assets	8007	-	-
From joint activities	8008	-	-
Profit for 2021, which was revealed in the reporting period	8009	199 492	-
Profit for 2020, which was revealed in the reporting period	8010	28 068	107 757
Profit for 2019, which was revealed in the reporting period	8011	5 167	14 260
Profit before 01.01.2019, which was revealed in the reporting period	8012	221 904	221 031
Penalties, fines and forfeits recognized or those, for which decisions of the court (arbitration court) on their collection were received	8013	468 105	323 976
Accounts payable, for which the limitation period expired (more than three years)	8014	57 629	32 304
Exchange differences	8015	-	-
Property found to be in surplus as a result of inventory reconciliation	8016	188	4 540
Assets received free of charge, others than fixed assets and intangible assets	8017	6 019	7 711
Income from gratuitously received fixed assets, which is determined in the prescribed manner	8018	16 046	25 822
The cost of tangible assets that remain from the write-off of assets that are unsuitable for recovery and further use	8019	6 100	3 934
Revaluation of financial investments according to the current market value	8020	-	-
Income from reduction (write-off) of provision for doubtful debts	8021	636 088	82 265
Income from reduction (write-off) of estimated liabilities	8022	876 060	59 716
Income from the reduction (write-off) of the provision for depreciation of the value of inventories	8023	676	3 863
Income from contracts of assignment of the right to claim	8024	-	-
Income from identified non-contractual consumption of electricity	8025	38 905	68 476
Insurance claims receivable	8026	566 521	160 699
Income associated with participation in the management companies of other organizations	8027	-	-
Recovery of previously written off receivables	8028	122	88
Discount on bills of exchange	8029	-	-
Compensation for the difference in tariffs (budget funding)	8030	-	-
Income from the reduction (write-off) of the impairment reserve of financial investments	8031	5 848	8 261
Revaluation of fixed assets	8032	-	-
Income from the revaluation of previously discounted fixed assets	8033	-	-
Income from redemption of bills of exchange	8034	-	-
Income from the termination of lease contract	8035	262	-
Rental interest income	8036	-	-
Other	8037	362 418	273 359

Indicator		For 2022	For 2021
Name	Code		
1	2		
<b>Other expenses total</b>	8100	(4 409 261)	(4 825 874)
including:			
From the sale of fixed assets, except for apartments	8101	(11 580)	(1 849)
From the sale of apartments	8102	-	-
From the sale of the material production inventories	8103	(8 112)	(11 305)
From the sale of currency	8104	-	-
From the sale of intangible assets	8105	-	-
From the sale of securities	8106	-	-
From the sale of other assets	8107	-	-
Other taxes	8108	-	-
Bank service charges	8109	(753)	(580)
Expenses for servicing financial investments	8110	-	-
Allowance for doubtful debts	8111	(787 528)	(608 897)
Impairment reserve of financial investments	8112	-	-
Impairment reserve of tangible assets	8113	(121 696)	(876)
Provision for discontinued operations	8114	-	-
Provision for estimated liabilities	8115	(241 557)	(273 716)
Retirement of assets without income	8116	-	(16 900)
VAT on donated property	8117	-	-
Loss for 2021, which was revealed in the reporting period	8118	(382 270)	-
Loss for 2020, which was revealed in the reporting period	8119	(163 150)	(504 701)
Loss for 2019, which was revealed in the reporting period	8120	(255 527)	(565 434)
Loss before 01.01.2019, which was revealed in the reporting period	8121	(155 039)	(408 516)
Penalties, fines and forfeits recognized or those, for which decisions of the court (arbitration court) on their collection have been received	8122	(42 093)	(30 456)
State duties on business contracts	8123	(16 741)	(12 606)
Revaluation of financial investments according to the current market value	8124	-	-
Discount on bills of exchange	8125	-	-
Expenses under contracts of assignment of the right to claim	8126	-	-
Non-refundable VAT	8127	(3 455)	(22 305)
Expenses for identified non-contractual consumption of electricity	8128	-	-
Contributions to associations and foundations	8129	(3 323)	(3 207)
Accounts receivable, for which the limitation period expired (more than three years)	8130	(783)	(271)
Exchange differences	8131	-	-
Legal costs	8132	(2 790)	(3 450)
Theft, shortage	8133	-	(167)
Enforcement costs	8134	-	-
Repayment of the cost of employees' apartments	8135	-	-
Other material (financial) assistance and other payments to employees	8136	(382 645)	(337 595)
Financial assistance to pensioners (including one-time payments, compensation on utility bills)	8137	(8 658)	(9 174)
Spending on sporting events	8138	(10 277)	(3 296)
Expenses for holding cultural and educational events	8139	(8 401)	(11 958)
Charity spending	8140	(22 992)	-
The value of bills to be redeemed	8141	-	-
Residual value of decommissioned fixed assets	8143	(31 444)	-
Depreciation of fixed assets	8144	-	-
Depreciation of the right-of-use asset	8145	-	-
Expenses from the termination of lease contract	8146	(5)	-
Other	81478	(1 748 442)	(1 998 615)

5.13. Information on reportable segments

	Code	Period	Electric power transmission	Grid connection	Reporting segment name	Reporting segment name	Reporting segment name	Other segments	Total
1	2	3	4	5	6	7	8	9	10
Revenue from external buyers	8310	2022	61 452 874	1 282 050	-	-	-	1 003 933	63 738 857
	8311	2021	54 526 276	2 347 653	-	-	-	795 815	57 669 744
Sales proceeds between segments	8320	2022	-	-	-	-	-	-	-
	8321	2021	-	-	-	-	-	-	-
<b>Total segment revenue</b>	<b>8300</b>	<b>2022</b>	<b>61 452 874</b>	<b>1 282 050</b>	-	-	-	<b>1 003 933</b>	<b>63 738 857</b>
including	<b>8400</b>	<b>2021</b>	<b>54 526 276</b>	<b>2 347 653</b>	-	-	-	<b>795 815</b>	<b>57 669 744</b>
<i>transmission revenue</i>	8301	2022	61 452 874	-	-	-	-	-	61 452 874
	8401	2021	54 526 276	-	-	-	-	-	54 526 276
<i>revenue due to utility connection</i>	8302	2022	-	1 282 050	-	-	-	-	1 282 050
	8402	2021	-	2 347 653	-	-	-	-	2 347 653
<i>revenue due to the resale of electricity and capacity</i>	84021	2022	-	-	-	-	-	-	-
	84022	2021	-	-	-	-	-	-	-
<i>other revenue</i>	8303	2022	-	-	-	-	-	1 003 933	1 003 933
	8403	2021	-	-	-	-	-	795 815	795 815
Interest receivable	8303	2022	-	-	-	-	-	109 410	109 410
	8403	2021	-	-	-	-	-	28 306	28 306
Interest payable	8304	2022	2 662 572	-	-	-	-	-	2 662 572
	8404	2021	1 552 608	-	-	-	-	-	1 552 608
Income tax expense	8305	2022	1 704 481	172 051	-	-	-	59 420	1 935 952
	8405	2021	523 092	457 767	-	-	-	6 061	986 920
<b>Segment profit/(loss)</b>	8306	2022	4 725 107	448 133	-	-	-	71 237	5 244 477
	8406	2021	1 076 192	972 195	-	-	-	(336 553)	1 711 834
<b>Segment assets</b>	8307	2022	92 107 730	1 978 808	-	-	-	1 780 756	95 867 294
	8407	2021	82 765 965	1 460 106	-	-	-	1 252 670	85 478 741
including non-current assets	8308	2022	77 618 628	1 723 676	-	-	-	1 282 168	80 624 472
	8408	2021	71 951 738	1 304 014	-	-	-	806 483	74 062 235
<b>Segment liabilities</b>	8309	2022	84 352 393	8 666 498	-	-	-	2 848 403	95 867 294
	8409	2021	79 255 899	4 771 140	-	-	-	1 451 702	85 478 741
<b>Depreciation of fixed assets and intangible assets</b>	8390	2022	4 728 044	98 092	-	-	-	78 474	4 904 610
	8490	2021	4 507 462	69 416	-	-	-	50 906	4 627 784



**ROSSETI KUBAN  
PUBLIC JOINT STOCK COMPANY  
(ROSSETI KUBAN PJSC)**

**NOTES  
TO THE ACCOUNTING (FINANCIAL) STATEMENTS  
FOR 2022**

Krasnodar  
2023

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## 1. GENERAL PROVISIONS

Rosseti Kuban PJSC (hereinafter - Company) is the largest electric grid company in the territory of the Krasnodar Territory and the Republic of Adygea, transmitting and distributing electricity through electric networks with a voltage of 110 kV and below between settlements, in rural settlements and individual cities and district centers of the Krasnodar Territory and the Republic of Adygea, including Sochi.

**Full name:** Rosseti Kuban Public Joint Stock Company.

**Abbreviated name:** **Rosseti Kuban PJSC.**

Registered on February 10, 1993.

Entered in the Unified State Register of Legal Entities by the Inspectorate of the Federal Tax Service of Russia No. 3 in Krasnodar No. 1022301427268 on September 17, 2002. Certificate 23 No. 001806938

**INN (KPP):** 2309001660 (997650001).

**Organizational and legal form/form of ownership of Rosseti Kuban PJSC**

- Public Joint Stock Company (OKOPF Code 47 )/private property (OKFS Code 16).

**Location (legal address) of Rosseti Kuban PJSC** - 350033, Russian Federation, Krasnodar, Stavropol str., 2A.

**The main activities of the Company are:**

- services for transmission and distribution of electric energy in networks;
- utility connection services to distribution power grids.

**Table 1 - Permits (licenses) to individual types of work**

Type of activity	Issuing authority	Details	Validity period
1	2	3	4
Right to use subsoil (production of fresh groundwater for domestic and drinking process water supply system in Krasnodar)	Ministry of natural resources of the Krasnodar Territory	KRD No. 80383 VE	November 30, 2015 - July 20, 2034
Right to use subsoil (production of fresh groundwater for drinking water supply in the Tver station of Absheron district of Krasnodar Territory)	Ministry of natural resources of the Krasnodar Territory	KRD No. 80380VE	October 26, 2015 - January 1, 2035
Carrying out works related to the use of information constituting state secrets	Directorate of the Russian Federal Security Service in the Krasnodar Territory	GT 0084635, registration number 2050	August 31, 2020 - July 13, 2023
Transportation by buses of other persons of the licensee for their own needs	Rostransnadzor of the Ministry of Transportation of Russia	AN-23-000047	April 8, 2019 - perpetual

The accounting (financial) statements of Rosseti Kuban PJSC include performance indicators of all branches, representative offices and other divisions, namely:

**Table 2 - Branches of Rosseti Kuban PJSC**

No.	Name	Location
1.	Krasnodar Electric Networks	350000, Krasnodar, Pashkovskaya str., 131
2.	Sochi Electric Networks	354000, Sochi, Constitution of the USSR str., 42
3.	Armavir Electric Networks	352900, Armavir, Vorovsky str., 54
4.	Adygea Electric Networks	385000, Maykop, Shovgenov str., 358
5.	Timashev Electric Networks	352700, Timashevsk, Lenin str., 176
6.	Tikhoretsky Electric Networks	352122, Tikhoretsk, Dzerzhinsky str., 62
7.	Leningrad Electric Networks	353745, Leningradskaya station, 302 Division str., 6
8.	Slavic Electric Networks	353560, Slavyansk-on-Kuban, Stroiteley str., 49
9.	Southwest Electric Networks	353902, Novorossiysk, Vostochny Mol, 1
10.	Labinsky Electric Networks	352503, Labinsk, Mira str., 334
11.	Ust-Labinsky Electric Networks	352232, Ust-Labinsk, Krasnodarskaya str., 4

**The average number of listed employees** in Rosseti Kuban PJSC during the reporting period was 8,767 people, in the previous 2021 - 8,876 people, in 2020 - 8,959 people.

**Auditor of the Company:**

Name: Center for Audit Technologies and Solutions -  
Audit Services Limited Liability Company

Legal address: 115035, Moscow, Sadovnicheskaya embankment,  
77, bld. 1

Actual address: 115035, Moscow, Sadovnicheskaya embankment,  
77, bld. 1

INN: 7709383532

OGRN: 1027739707203

Phone/Fax: 8 (495) 755-97-00

**The management bodies of the Company** are the General Meeting of Shareholders, the Board of Directors of the Company, the Management Board (collegial executive body of the Company), the General Director (sole executive body of the Company).

**Acting General Director of the Company:** Ebzeev Boris Borisovich.

**Chief Accountant - Head of the Department of Accounting, Tax Accounting and Reporting:** Loskutova Lyudmila Vladimirovna.

**Table 3 - Composition of the Company's Board of Directors (as of December 31, 2022):**

<b>No</b>	<b>Full name</b>	<b>Principal place of employment and position</b>	<b>Status in the Board of Directors of Rosseti Kuban PJSC</b>
1.	Krainskiy Daniil Vladimirovich	Deputy General Director for Legal support, Rosseti PJSC	Chairman of the Board of Directors
2.	Gladkovsky Grigory Konstantinovich	Deputy Chief Engineer, Rosseti PJSC	Member of the Board of Directors
3.	Goncharov Yuri Vladimirovich	Chief Advisor to the General Director, Rosseti PJSC	Member of the Board of Directors
4.	Kazakov Aleksandr Ivanovich	–	Member of the Board of Directors
5.	Kaloeva Madina Valerievna	Corporate Management Director – Head of the Corporate Management Department, Rosseti PJSC	Member of the Board of Directors
6.	Kravchenko Konstantin Yurievich	Deputy General Director for Digital Transformation, Rosseti PJSC	Member of the Board of Directors
7.	Medvedev Mikhail Vladimirovich	Advisor to the General Director, Avangard JSC	Member of the Board of Directors
8.	Molsky Alexey Valerievich	Deputy General Director for Investment and Capital Construction, Rosseti PJSC	Member of the Board of Directors
9.	Polinov Alexey Alexandrovich	Deputy General Director for Economics and Finance, Rosseti PJSC	Member of the Board of Directors
10.	Ebzeev Boris Borisovich	Chairman of the Board, General Director of Rosseti South PJSC, Chairman of the Management Board, Acting General Director of Rosseti Kuban PJSC (part-time)	Member of the Board of Directors
11.	Yavorsky Victor Korneevich	Member of the Presidium of the Management Board of NPO OPORA of RUSSIA, General Director of TORI-AUDIT LLC	Member of the Board of Directors

**Table 4 - Composition of the Company Management Board (as of December 31, 2022):**

<b>No</b>	<b>Full name</b>	<b>Place of employment and position</b>	<b>Status in the Management Board of Rosseti Kuban PJSC</b>
1.	Ebzeev Boris Borisovich	Chairman of the Board, General Director of Rosseti South PJSC, Chairman of the Management Board, General Director of Rosseti Kuban PJSC (part-time)	Chairperson of the Management Board
2.	Armaganyan Edgar Garrievich	First Deputy General Director - Director of the branch of Rosseti Kuban PJSC Sochi Electric Networks	Deputy Chairman of the Management Board
3.	Dzhabrailova Yulianna Khasanovna	Deputy General Director - Chief of Staff, Rosseti South PJSC, Chief of Staff, Rosseti Kuban PJSC (part-time)	Member of Management Board
4.	Iordanidi Kirill Alexandrovich	Deputy General Director for Economics and Finance, Rosseti South PJSC, Deputy General Director for Economics and Finance, Rosseti Kuban PJSC (part-time)	Member of Management Board
5.	Korzhanovsky Victor Anatolyevich	Deputy General Director for Investment Activities, Rosseti Kuban PJSC	Member of Management Board
6.	Galinova Julia Vladimirovna	Deputy General Director for Corporate Governance, Rosseti Kuban PJSC	Member of Management Board
7.	Loskutova Lyudmila Vladimirovna	Chief Accountant - Head of the Department of Accounting, Tax Accounting and Reporting, Rosseti Kuban PJSC	Member of Management Board
8.	Mikhailov Vladimir Alexandrovich	Deputy General Director for Technical Issues - Chief Engineer, Rosseti Kuban PJSC	Member of Management Board
9.	Nishchuk Oleg Fedorovich	Deputy General Director for Services, Rosseti Kuban PJSC	Member of Management Board

The body controlling the financial and economic activities of the Company is the Board of Internal Auditors.

**Table 5 - Composition of the Company's Audit Commission (as of December 31, 2022):**

<b>No</b>	<b>Full name</b>	<b>Place of employment and position</b>	<b>Status in the Audit Commission</b>
1.	Kovaleva Svetlana Nikolaevna	Chairman of the Commission - Internal Audit Director - Head of Internal Audit Department, Rosseti PJSC	Chairman of the Audit Commission
2.	Rybalchenko Alexander Alexandrovich	Chairman of the Commission - Internal Audit Director - Head of Internal Audit Department, Rosseti PJSC	Member of the Audit Commission
3.	Trishina Svetlana Mikhailovna	Deputy Head of the Internal Audit Department - Head of the Corporate Audit and Control Directorate of the Subsidiary office of the Internal Audit Department, Rosseti PJSC	Member of the Audit Commission
4.	Tsarkov Viktor Vladimirovich	First Deputy Chief of the Internal Audit Department, Rosseti PJSC	Member of the Audit Commission
5.	Tsyganova Natalya Alexandrovna	Chief Expert of Corporate Audit and Control of Subsidiaries of Internal Audit Department, Rosseti PJSC	Member of the Audit Commission

**Table 6 - Major Subsidiaries and Affiliates**

<b>Name of the Subsidiary</b>	<b>Share in the authorized capital (%)</b>	<b>Location</b>	<b>Type of activity</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Recreation centre "Energetik" JSC	100	353490, Krasnodar Territory, Gelendzhik, settl. Divnomorskoye, str. Pioneer, 4	Organization of recreation and rehabilitation of children and adults, primarily employees of Kubanenergo PJSC and their families; organization and conduct of seminars and conferences
Energoservice of Kuban JSC	100	350080, Krasnodar Territory, Krasnodar, Novorossiyskaya str., 47	Design, installation and adjustment of power, gas and process equipment metering units, hot and cold water supply

## **2. MAIN PROVISIONS OF THE ACCOUNTING POLICY**

The accounting (financial) statements of Rosseti Kuban PJSC were formed in accordance with the regulatory documents on accounting and reporting in force in the Russian Federation, in particular, Federal Law of December 6, 2011 No. 402-FZ "On Accounting", the Regulations for Accounting and Reporting in the Russian Federation, approved by order of the Ministry of Finance of Russia dated 29.07.1998 No. 34n (with subsequent amendments and additions), Federal accounting standards, approved by orders of the Ministry of Finance of Russia, as well as in accordance with the Corporate Standard of Rosseti PJSC "*Unified Corporate Accounting Principles for Accounting Purposes*".

Accounting (financial) statements are presented in thousand rubles (unless otherwise indicated). Negative indicators are shown in parentheses.

### **2.1. Foreign currency assets and liabilities**

At the beginning and end of the reporting period the Company has no assets and liabilities denominated in foreign currency.

### **2.2. Research, development and technological work (R&D costs)**

Accounting of expenses for research, development and technological works is carried out in accordance with PBU 17/02, approved by Order of the Ministry of Finance of Russia dated November 19, 2002 No. 115n as amended. Write-off of expenses for each R&D object is performed in a linear way.

Information on R&D costs and movements is provided in the Notes to the balance sheet and the statement of financial results in tabular forms:

5.2.1. "Availability and movement of R&D results";

5.2.2 "Unfinished and unregistered R&D and unfinished transactions for the acquisition of intangible assets".

### **2.3. Intangible Assets (IA)**

Accounting of intangible assets is maintained by the Company in accordance with the Regulation on Accounting "*Accounting of Intangible Assets*" of PBU 14/2007, approved by Order of the Ministry of Finance of Russia dated December 27, 2007 No. 153n.

Useful life of intangible assets is determined on the basis of:

- the validity period of the Company's rights to the result of intellectual activity or means of individualization and the period of control over the asset,
- the expected life of the asset during which the Company intends to receive economic benefits.

The useful life of the IA may not exceed the life of the Company.

Depreciation by IA with a certain useful life is carried out in a linear way.

Information on intangible assets is given in the Notes to the balance sheet and the statement of financial results in table form 5.1.1 "Availability and movement of intangible assets".

#### **2.4. Property, plant and equipment and construction in progress**

Accounting of fixed assets is maintained by the Company in accordance with the Federal Accounting Standard FSBU 6/2020 "Fixed Assets", approved by Order of the Ministry of Finance of Russia dated 17.09.2020 No. 204n.

Accounting for construction in progress is carried out by the Company in accordance with the Federal Accounting Standard FSBU 26/2020 "Capital Funds", approved by Order of the Ministry of Finance of the Russian Federation dated 17.09.2020 No. 204n, as well as in accordance with the Regulation on accounting for long-term investments (letter of the Ministry of Finance of Russia dated 30.12.1993 No. 160), in part that does not contradict the later regulatory acts of accounting.

Objects of fixed assets are taken into account at the initial cost, determined depending on the method of receipt - acquisition for a fee, creation by own resources (construction), gratuitous receipt, etc.

The costs of loans received and loans related to the formation of an investment asset (fixed assets, property complexes and other similar assets requiring a long time and expenses for acquisition and (or) construction) are included in the cost of the amortized asset.

Depreciation on fixed assets objects is accrued in a linear manner based on their useful life.

The result of disposal, write-off and gratuitous transfer of property, plant and equipment is recorded in the Statement of Financial Results as part of other income and expenses.

The registration of property received under leasing agreements is carried out in accordance with the Federal Law of October 29, 1998 No. 164-FZ "*On Financial Lease (Leasing)*".

The fixed assets include rights to use assets under lease agreements in accordance with the Federal Accounting Standard "Accounting for Leases" (FSBU 25/2018), taking into account exemptions in relation to lease agreements with a period of less than 12 months or rental items with a market value of not more than 300,000 rubles. The useful life of the rights to use the assets is determined on the basis of the lease terms.

The value of the right to use the asset is repaid evenly throughout the lease period (not suspended) by analogy with the depreciation accrual according to the rules accepted by the lessee in respect of own fixed assets comparable to the subject of the lease.

Interest accrued on the lease obligation is reflected in the "Interest Payable" line of the Statement of Financial Results.

## 2.5. Inventories

Inventory accounting is maintained by the Company in accordance with the Federal Accounting Standard "Inventories" FSBU 5/2019, approved by order of the Ministry of Finance of the Russian Federation dated 15.11.2019 No. 180n.

Inventories are assets consumed or sold in the normal operating cycle of an organization, or used for a period of not more than 12 months.

Inventories are recognized in accounting while the following conditions are met:

- costs incurred in the acquisition or creation of inventories will ensure that the economic benefits of the organization will be realized in the future;
- the amount of costs incurred or equated to the acquisition or creation of inventory is determined.

Inventories include:

- the raw materials, materials, fuel, spare parts, components intended for use in the performance of work, provision of services;
- tools, equipment, special clothing, special equipment, packaging and other similar objects used in the performance of work, provision of services, except when these objects are considered for accounting purposes as fixed assets.

The average estimate of the actual cost of inventory issued or written off for other purposes is made by determining the actual cost of inventory at the time of issue (rolling valuation).

The Company shall create a provision for impairment of reserves in respect of all reserves of the Company, for which there are signs of obsolescence of reserves, loss of their initial qualities, reduction of their market value.

Inventory information is provided in the Notes to the balance sheet and the statement of financial results in tabular forms:

5.5.1. "Availability and movement of inventory";

5.5.2. "Pledged inventory".

## **2.6. Future expenses**

Recognition of the expenses incurred as a future period expense and equating it with an asset as reflected in accounting and reporting belong to the principle approach established in the Company. This approach is based on an understanding of the temporal fact that the organization is likely to derive economic benefits from this asset in the future and to estimate its value with a sufficient degree of reliability.

The Company has established that the balance of expenses of future periods is reflected under the lines "Other non-current assets" and "Other current assets".

At the same time, the distribution between Section I and II of the balance sheet is based on the maturity of the corresponding expenses, that is, expenses with a maturity of more than 12 months are reflected in Section I of the balance sheet, the rest - in Section II.

## **2.7. Financial investments**

Accounting of financial investments is maintained by the Company in accordance with the Regulation on Accounting "*Accounting of Financial Investments*" of PBU 19/02, approved by Order of the Ministry of Finance of Russia dated December 10, 2002 No. 126n.

Contributions to the authorized capital of other organizations are recognized as financial investments of the organization and are reflected in accounting in the amount of actual expenses of the investor, that is, in terms of the value of assets contributed to the deposit, according to which they were reflected in the balance sheet of the investor.

Financial investments, for which the current market value is not determined, shall be reflected in accounting and in the accounting statements as at the reporting date at the original cost (item 21 of PBU 19/02).

Financial investments from which it is possible to determine the current market value are reflected in the accounting statements at the end of the reporting year at the current market value by adjusting their valuation at the previous reporting date (item 20 of PBU 19/02).

Debt securities are recorded at the cost of acquisition. The difference between the nominal purchase value and the nominal value of securities is included in other income and expenses.

## **2.8. Loans and credits**

Expenses on loans and credits are recorded by the Company in accordance with the Regulation on Accounting "*Accounting of Expenses on Loans and Credits*" of PBU 15/2008, approved by Order of the Ministry of Finance of Russia dated October 6, 2008 No. 107n.

## **2.9. Estimated liabilities**

Accounting of estimated and contingent liabilities is maintained by the Company in accordance with the Regulation on Accounting "*Estimated Liabilities, Contingent Liabilities and Contingent Assets*" of PBU 8/2010, approved by Order of the Ministry of Finance of Russia dated December 13, 2010 No. 167n.

## **2.10. Deferred taxes**

Deferred taxes are recorded by the Company in accordance with the Regulation on Accounting "*Accounting for Corporate Profit Tax Calculations*" of PBU 18/02, approved by Order of the Ministry of Finance of Russia dated November 19, 2002 No. 114n.

When compiling financial statements, the deferred tax asset and liabilities are reflected in the balance sheet on a gross basis.

## **2.11. Revenue and other income**

Revenue and other income are recorded by the Company in accordance with the Regulation on Accounting "*Organization Revenues*" of PBU 9/99, approved by Order of the Ministry of Finance of Russia dated May 6, 1999 No. 32n.

Revenue is recognized in the Company's accounting under the following conditions:

- 1) the entity is entitled to receive this revenue arising from a particular contract or otherwise confirmed accordingly;
- 2) the amount of revenue can be determined;
- 3) there is confidence that as a result of a particular operation there will be an increase in the economic benefits of the Company. The certainty that a particular transaction will result in an increase in the economic benefits of the organization exists when the organization has received the asset or there is no uncertainty about the receipt of the asset;
- 4) ownership (possession, use and disposal) of products (goods) passed from the organization to the buyer or the work was accepted by the customer (the service was provided);
- 5) the costs incurred or to be incurred in connection with this transaction can be determined.

Other revenues of the Company are proceeds related to participation in authorized capital of other organizations; proceeds from the sale of property, plant and equipment and other assets; fines, penalties and forfeitures for violation of conditions of contracts; receiving assets free of charge; profit of past years; accounts payable for which the limitation period has expired; exchange rate differences and other income, as per item 7 of PBU 9/99.

Other income is shown in the income statement excluding expenses related to this income when:

- the relevant accounting rules provide for or do not prohibit such recognition of income;
- income and related expenses arising as a result of the same or similar fact of economic activity (for example, the provision of temporary use (temporary possession and use) of their assets) are not significant for characterizing the financial position of the Companies.

### **2.12. Cost of goods, products sold, works, services, commercial expenses, management expenses, other expenses**

Expenses are recorded by the Company in accordance with the Regulation on Accounting "*Expenses of the Organization*" of PBU 10/99, approved by Order of the Ministry of Finance of Russia dated May 6, 1999 No. 33n. General administrative expenses are recognized in the cost of goods and services sold in full in the reporting period, their distribution by types of activities is carried out in proportion to revenue.

Management expenses are recorded in account 26 "General administrative expenses" by cost center and item. Management expenses are recorded in the Statement of Financial Results in the line "Management expenses".

### **2.13. State assistance**

Accounting of funds received within the framework of state assistance is carried out by the Company in accordance with the Regulation on Accounting "*Accounting of State Assistance*" of PBU 13/2000, approved by Order of the Ministry of Finance of Russia dated October 16, 2000 No. 92 n.

## **2.14. Related Parties**

Information on related parties is disclosed by the Company in accordance with the Regulation on Accounting "*Information on Related Parties*" of PBU 11/2008, approved by Order of the Ministry of Finance of Russia dated April 29, 2008 No. 48n.

## **2.15. Segment Information**

Information on segments is disclosed by the Company in accordance with the Regulation on Accounting "*Information on Segments*" of PBU 12/2010, approved by Order of the Ministry of Finance of Russia dated November 8, 2010 No. 143n.

## **2.16. Cash Flow Information**

Information on cash flow is disclosed by the Company in accordance with the Regulation on Accounting "*Statement of Cash Flows*" of PBU 23/2011, approved by Order of the Ministry of Finance of Russia dated February 2, 2011 No. 11n.

## **3. ACCOUNTING POLICY CHANGES IN 2022**

Significant changes in the Company's Accounting Policy for 2022 are due to the beginning of application of the following federal accounting standards: FSBU 6/2020 "Fixed Assets", approved by Order of the Ministry of Finance of the Russian Federation dated 17.09.2020 No. 204n; FSBU 26/2020 "Capital Investments", approved by Order of the Ministry of Finance of the Russian Federation dated 17.09.2020 No. 204n;

FSBU 25/2018 "Accounting for Leases", approved by Order of the Ministry of Finance of the Russian Federation dated 16.10.2018 No. 208n;

FSBU 27/2021 "Documents and Document Flow in Accounting", approved by Order of the Ministry of Finance of the Russian Federation dated 16.04.2021 No. 62n.

## **4. ACCOUNTING POLICY CHANGES IN 2023**

Accounting Policy for the purposes of tax accounting has been amended in connection with the entry into force on January 1, 2023 of the Federal Law of 14.07.2022 No. 263-FZ "On Amendments to Parts One and Two of the Tax Code of the Russian Federation", introducing the institution of a single tax account (and a single tax payment) for all taxpayers.

## **5. PRIOR PERIOD ADJUSTMENTS AND OTHER ACCOUNTING CHANGES**

In accordance with Clause 50 of FSBU 25/2018 "Rental Accounting", the Company chose the possibility of a simplified transition method with one-time recognition of the right to use the asset and the lease obligations as of the beginning of the reporting period (end of the period preceding the reporting period). The cost of the right-of-use asset is equal to its fair value, the cost of the lease obligations - the present value of the remaining unpaid lease payments discounted at the rate at which the Company raised or could raise borrowed funds on conditions comparable to the lease agreement.

In accordance with the transitional provisions of FSBU 6/2020 "Fixed Assets", the Company adjusted the book value of fixed assets by adjusting the useful life and accumulated depreciation for objects of fixed assets in operation. At the same time, fixed assets were written off, which, in accordance with the previous accounting policy, were accounted for in fixed assets, but in accordance with the new standard they are not.

As a result, the Company made the following adjustments to the Balance Sheet as of December 31, 2021:

<b>Balance Sheet Line as of December 31, 2021</b>	<b>Before adjustment</b>	<b>Adjustment</b>	<b>After adjustment</b>
1150 Fixed Assets	66 287 667	5 058 133	71 345 800
1152 Buildings, machinery and equipment, structures	59 779 025	828 387	60 607 412
1153 Other types of fixed assets	251 200	1 010	252 210
11531 Right-of-use asset	-	4 228 736	4 228 736
1180 Deferred tax assets	1 439 051	990 561	2 429 612
1100 Total Section I	68 013 541	6 048 694	74 062 235
1210 Inventories	2 048 888	(124 024)	1 924 864
1211 Raw materials, materials and other similar values	2 048 888	(124 024)	1 924 864
1200 Total Section II	11 540 530	(124 024)	11 416 506
<b>1600 Balance</b>	<b>79 554 071</b>	<b>5 924 670</b>	<b>85 478 741</b>

<b>Balance Sheet Line as of December 31, 2021</b>	<b>Before adjustment</b>	<b>Adjustment</b>	<b>After adjustment</b>
1370 Retained earnings (uncovered loss) of prior years	(915 334)	563 970	(351 364)
1371 Retained earnings (uncovered loss) of prior years	(2 627 168)	563 970	(2 063 198)
1300 Total Section III	40 173 371	563 970	40 737 341
1420 Deferred tax liabilities	2 478 904	1 131 964	3 610 868
1450 Other liabilities	1 451 293	2 844 513	4 295 806
1451 Other liabilities, including settlement of lease obligations	-	2 844 513	2 844 513
1400 Total Section IV	19 966 512	3 976 477	23 942 989
1529 Settlement of lease obligations	-	1 384 223	1 384 223
1500 Total Section V	19 414 188	1 384 223	20 798 411
<b>1700 Balance</b>	<b>79 554 071</b>	<b>5 924 670</b>	<b>85 478 741</b>

## **6. DISCLOSURE OF SELECTED ACCOUNTING STATEMENTS FOR 2022**

### **6.1. Fixed assets**

Real estate assets commissioned and actually used, which are in the process of state registration are taken into account on account 01.06 Real estate assets, the ownership of which is not registered. As of December 31, 2022, the initial value of real estate assets commissioned and actually used in the process of state registration amounted to 3,388,838 thousand rubles.

Property, plant and equipment received under contracts providing for the fulfillment of obligations by non-monetary funds for the period from January 1 to December 31, 2022 were absent.

Due to indicators of impairment of non-current assets, an impairment test was conducted as of December 31, 2022.

As cash-generating unit, the group of assets of Rosseti Kuban PJSC as a whole (without allocating groups of assets of branches) is determined.

According to the results of testing as of December 31, 2022, no impairment of non-current assets of the Company was revealed.

Information on the availability and movement of the right-of-use asset, on the groups of fixed assets, on the change in value and on the use of fixed assets is given in the Notes to the balance sheet and the statement of financial results in tabular forms:

5.3.1. Property, plant and equipment and the right-of-use asset;

5.3.3. Change in the cost of property, plant and equipment as a result of further construction, additional equipment, reconstruction and partial liquidation;

5.3.4. Other use of property, plant and equipment;

5.3.7. "Availability and movement of the right-of-use asset".

#### **6.1.1. Capital Work in Progress (CWIP)**

As capital work in progress, the balance sheet of the Company reflects: the amount of advances and advance payment of services related to construction and acquisition of fixed assets, excluding VAT; raw materials and materials to be used in the creation of fixed assets. As of December 31, 2022, the amount of advances and advance payment for services related to the construction and acquisition of fixed assets amounted to 385,886 thousand rubles, VAT on advances and advance payments for services related to construction and acquisition of fixed assets is shown in line 1260 "Other current assets" in the amount of 77,155 thousand rubles.

As of December 31, 2022, the amount of raw materials and materials to be used in the creation of fixed assets amounted to 2,676,466 thousand rubles.

The amount of costs on loans and credits included in the value of investment assets (para. 3, 4, item 17 of PBU 15/2008) is given in the Notes to the balance sheet and the statement of financial results in table form 5.6.8. "Credit and loan costs"

Information on the availability and movement of construction in progress is disclosed in the Notes to the balance sheet and the statement of financial results in table form 5.3.5. "Capital work in progress".

### **6.1.2. Fixed asset objects leased**

There are no asset objects leased in the current reporting period. Leasing payments are not planned in the forthcoming period.

### **6.2. Financial investments**

As of December 31, 2022, an analysis of the financial investments of Rosseti Kuban PJSC was conducted for impairment indicators. As a result, the provision for impairment of financial investments was restored in the amount of 5,848 thousand rubles.

Information on financial investments is given in the Notes to the balance sheet and the statement of financial results in tabular forms:

5.4.1. "Availability and movement of financial investments";

5.4.2. "Adjustments to estimates of financial investments".

### **6.3. State assistance**

In 2022, the territorial bodies of the SIF of the Russian Federation adopted decisions on the financial provision of preventive measures to reduce industrial injuries and occupational diseases.

The information is given in the Notes to the balance sheet and the statement of financial results in table form 5.9. "State assistance".

### **6.4. Capital and Reserves**

As of the beginning of 2022, the authorized capital of the Company amounted to 33,465,783,700 rubles and consisted of 334,657,837 ordinary shares with a nominal value of 100 rubles each.

In the reporting year, the placement of shares of the additional issue continued, the state registration of which and the registration of the listing prospectus of Rosseti Kuban PJSC were carried out by the Bank of Russia on 01.04.2021 (state registration number 1-02-00063-A).

The maximum volume of placement of additional shares of this issue is 69,583,132 shares with a nominal value of 100 rubles each for a total amount of 6,958,313 thousand rubles.

The date of completion of the placement of these securities (taking into account the extension of the placement period provided for by the listing prospectus of Rosseti Kuban PJSC, registered by the Bank of Russia on 25.04.2022) - is the earliest of the following dates:

- 1) date of placement of the last security of this additional issue;
- 2) 2 years from the date of state registration of this additional issue of securities, that is, 01.04.2023.

As of 31.12.2022, 28,642,620 additional shares have been placed. Since the placement of additional shares at the end of the reporting year has not been completed, the state registration of changes to the Company's charter has not been carried out. The amount of authorized capital as of 31.12.2022 amounted to 33,465,783,700 rubles. The total number of placed voting shares of the Company as of 31.12.2022 is 363,300,457 pieces. Preferred shares were not issued by the Company.

Additional capital of the Company is formed at the expense of additional paid-in capital. The Company creates a reserve capital designed to cover losses that, although not specifically defined, may occur in economic turnover. The reserve capital is created at the expense of the Company's net profit.

At the extraordinary general meeting of shareholders held on December 5, 2022, a decision was made to pay dividends on ordinary shares of Rosseti Kuban PJSC from the Company's net profit for the 9 months of 2022 in the amount of 1,943,545 thousand rubles (Minutes of the extraordinary general meeting of shareholders dated 08.12.2022 No. 49).

## **6.5. Accounts Receivable**

As of 31.12.2022, the Company's accounts receivable amounted to 7,626,134 thousand rubles (less provision for doubtful debts), including arrears of 677,297 thousand rubles.

Table 7 - Budget settlements

(thousand rubles)

Indicator	Debt as of December 31, 2021		Accrued for 2022	Paid for 2022	Debt as of December 31, 2022	
	Debit	Credit			Debit	Credit
Value added tax	–	536 089	3 386 255	3 456 700	–	465 644
Property tax	533	159 376	643 796	654 771	7 521	155 389
Income tax	251 934	–	1 399 146	1 850 442	703 230	–
Land charge	1 277	872	2 797	1 931	476	937
Personal income tax	29	60 193	871 991	861 804	16	70 367
Transport tax	–	1 910	8 904	8 615	–	2 199
Other taxes and levies	–	5	22 192	7 347	–	14 850
<b>Tax total</b>	<b>253 773</b>	<b>758 445</b>	<b>6 335 081</b>	<b>6 841 610</b>	<b>711 243</b>	<b>709 386</b>
Failure-to-file penalty	1	–	1	1	1	–
Failure-to-pay penalty	15 952	–	4 655	-6 687	4 610	–
<b>Total</b>	<b>269 726</b>	<b>758 445</b>	<b>6 339 737</b>	<b>6 834 924</b>	<b>715 854</b>	<b>709 386</b>

Accounts receivable on taxes and fees increased in 2022 by 446,128 thousand rubles.

A significant increase in receivables occurred on the income tax of organizations in the amount of 451,296 thousand rubles. Income tax receivables were generated as a result of the excess of advance tax payments paid during 2022 over the amount of income tax calculated at the end of the year.

An increase in receivables for corporate property tax occurred due to the overpayment on revised tax returns, the period for set-off/return on which did not occur (the office tax audit was not completed).

At the same time, the receivables for penalties and fines decreased, which is associated with the return in 2022 of overpayments from the budget for recalculations of previously accrued amounts of penalties downward.

Table 8 - Calculation of insurance premiums

(thousand rubles)

Indicator	Debt as of December 31, 2021		Accrued for 2022	Paid for 2022	Debt as of December 31, 2022	
	Debit	Credit			Debit	Credit
<b>Premiums - total</b>	<b>6 183</b>	<b>157 707</b>	<b>1 974 778</b>	<b>1 668 251</b>	<b>1 317</b>	<b>459 368</b>
<b>including:</b>						
contribution to the pension fund	15	115 250	1 431 178	1 210 008	129	336 834
compulsory health insurance	–	29 368	343 862	292 133	1	81 098
social insurance	6 168	13 089	199 438	166 110	1 187	41 436
<b>Fines - total</b>	<b>–</b>	<b>–</b>	<b>-</b>	<b>-</b>	<b>–</b>	<b>–</b>
<b>Penalty fee - total</b>	<b>128</b>	<b>–</b>	<b>8</b>	<b>(100)</b>	<b>20</b>	<b>–</b>
<b>Total</b>	<b>6 311</b>	<b>157 707</b>	<b>1 974 786</b>	<b>1 668 151</b>	<b>1 337</b>	<b>459 368</b>

Receivables on insurance premiums decreased in 2022 by 4,974 thousand rubles. The decrease was due to a decrease in receivables from contributions to the social insurance fund, as well as a decrease in receivables from penalties, due to the return of excess amounts paid by the tax authority.

**Table 9 - Distribution of taxes, penalties and fines by budget levels**  
(thousand rubles)

Indicator	Debt as of December 31, 2021		Accrued for 2022	Paid for 2022	Debt as of December 31, 2022	
	Debit	Credit			Debit	Credit
<b>Taxes - total</b>	<b>253 773</b>	<b>758 445</b>	<b>6 335 081</b>	<b>6 841 610</b>	<b>711 243</b>	<b>709 386</b>
Federal budget	37 785	596 285	4 490 229	4 603 339	105 471	550 861
Territorial, republican	214 711	161 288	1 842 055	2 236 340	605 296	157 588
Local	1 277	872	2 797	1 931	476	937
<b>Fines - total</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>
Federal budget	1	-	-	-	1	-
Territorial, republican	-	-	1	1	-	-
Local	-	-	-	-	-	-
<b>Penalty fee - total</b>	<b>15 952</b>	<b>-</b>	<b>4 655</b>	<b>(6 687)</b>	<b>4 610</b>	<b>-</b>
Federal budget	10 989	-	434	(7 685)	2 870	-
Territorial, republican	4 945	-	4 211	1 004	1 738	-
Local	18	-	10	(6)	2	-
<b>Total</b>	<b>269 726</b>	<b>758 445</b>	<b>6 339 737</b>	<b>6 834 924</b>	<b>715 854</b>	<b>709 386</b>

Information on the availability and movement of receivables for the reporting period is presented in table form 5.6.1. "Availability and movement of receivables" in the Notes to the balance sheet and the statement of financial results. The turnover does not include receivables generated and repaid in one reporting period.

Information on overdue receivables for the reporting period is presented in table form 5.6.3. "Overdue accounts receivable"

## 6.6. Accounts payable, credits and loans

"Availability and movement of accounts payable in the reporting period" is presented in table form 5.6.5. "Availability and movement of accounts payable" in the Notes to the balance sheet and the statement of financial results. The turnover does not include accounts payable generated and repaid in one reporting period.

As of 31.12.2022, accounts payable amounted to 22,969,106 thousand rubles (including long-term 4,070,948 thousand rubles). Accounts payable include debt on lease obligations in the amount of 3,086,645 thousand rubles (including long-term 1,624,891 thousand rubles).

The main part of accounts payable is debt to suppliers and contractors in the amount of 9,342,262 thousand rubles or 40.7%.

The largest share in the amount of debt to suppliers and contractors, in the amount of 25.4%, is occupied by accounts payable for services for the transfer of electric energy.

Accounts payable on taxes decreased by 49,059 thousand rubles, due to a decrease in accounts payable on value added tax by 70,445 thousand rubles.

Accounts payable on insurance premiums increased in 2022 by 301,661 thousand rubles, which is associated with the postponement of payments on insurance premiums for May and June 2022 to 2023, in accordance with Decree of the Russian Federation of April 29, 2022 No. 776 "On Changing the Premium Due Date".

**Table 10 - Amounts and maturity of loans, credits of Rosseti Kuban PJSC as of December 31, 2022**

(thousand rubles)

Name of the bank	Credit Agreement No.	Amount of actual debt, thousand rubles.	Interest arrears	Maturity
Raiffeisenbank JSC	44895-KRD	1 483 981	354	Less than 1 year
GPB Bank (JSC)	0720-048-0000-GS	1 283 077	–	Less than 1 year
GPB Bank (JSC)	0720-049-0000-GS	17 200	–	Less than 1 year
GPB Bank (JSC)	0720-050-0000-GS	1 187 500	–	Less than 1 year
Rosseti PJSC	5736	–	18 169	Less than 1 year
<b>Total line 1510</b>	–	<b>3 971 758</b>	<b>18 523</b>	
GPB Bank (JSC)	0719-030-0000-K	1 000 000	–	More than 1 year
GPB Bank (JSC)	0719-031-0000-K	730 968	–	More than 1 year
GPB Bank (JSC)	0719-120-0000-K	648 885	–	More than 1 year
GPB Bank (JSC)	No. 0722-0033-GS-1	1 651 690	–	More than 2 years
Rosseti PJSC	5736	1 400 000	–	More than 2 years
Promsvyazbank PJSC	0089-20-3-15	1 900 000	–	More than 1 year
Promsvyazbank PJSC	0021-22-3-15	2 000 000	–	More than 2 years
RNCB Bank, PJSC	88/22-VKL	2 000 000	–	More than 2 years
RNCB Bank, PJSC	89/22-VKL	900 000	–	More than 2 years
RNCB Bank, PJSC	90/22-VKL	900 000	–	More than 2 years
RNCB Bank, PJSC	91/22-VKL	900 000	–	More than 2 years
RNCB Bank, PJSC	92/22-VKL	900 000	–	More than 2 years
Bank RRDB (JSC)	No. 398yu	2 000 000	–	More than 2 years
<b>Total line 1410</b>	–	<b>16 931 543</b>	–	

\* A person belonging to the same group of persons to which the company belongs

\*\*\* The Company has the right to dispose of more than 50% of the total number of votes attributable to the shares constituting the authorized capital of this person.

Interest rates on the Company's debt portfolio as of December 31, 2022 were formed in the range of 7.07% - 9.20% per annum.

The amount of interest on rental obligations is reflected in line 2330 "Interest payable" of the statement of financial results, and amounts to 325,382 thousand rubles for 2022.

Information for the reporting period is presented in tabular forms: 5.6.5.

5.6.5. "Availability and movement of accounts payable";

5.6.6. "Overdue accounts payable";

5.6.7. "Credits and loans";

5.6.8. "Credit and loan costs"

### 6.6.1. Securing obligations

As of December 31, 2022, on the off-balance sheet account 008 "Securing Obligations and Payments Received", the amount of bank guarantees received to

ensure fulfillment of obligations under contract/supply agreements and return of payments (advances) amounted to 1,781,328 thousand rubles. Information for the reporting period is presented in table form 5.8. "Securities".

### 6.6.2. Information about the organization's ability to raise additional funds at the reporting date

Table 11 - Credit lines unused by the Company

(thousand rubles)

Bank - creditor	Number and date of the agreement	Amount of unused limit	Disbursement period end date
Sberbank PJSC	No. 5400/449 dated 09.07.2018	2 000 000	08.07.2023
Sberbank PJSC	No. 5400/635 dated 18.11.2019	2 000 000	16.11.2024
Sberbank PJSC	No. 5400/634 dated 18.11.2019	2 000 000	16.11.2024
Sberbank PJSC	No. 5400/695 dated 17.09.2020	1 500 000	16.09.2025
Sberbank PJSC	No. 5400/696 dated 17.09.2020	2 000 000	16.09.2025
Sberbank PJSC	No. 5400/791 dated 29.04.2022	2 000 000	11.01.2027
Sberbank PJSC	No. 5400/792 dated 29.04.2022	2 000 000	11.01.2027
Sberbank PJSC	No. 5400/793 dated 29.04.2022	1 200 000	11.01.2029
VTB Bank (PJSC)	No. KS-30750/0007/V-20 dated 20.08.2020	1 425 000	20.07.2025
VTB Bank (PJSC)	No. KS-30750/0008/V-20 dated 20.08.2020	1 575 000	20.07.2025
VTB Bank (PJSC)	No. KS-30750/0009/V-20 dated 20.08.2020	1 575 000	20.07.2025
VTB Bank (PJSC)	No. KS-30750/0013/V-20 dated 31.08.2020	1 500 000	31.07.2025
VTB Bank (PJSC)	No. KS-30750/0010/V-20 dated 31.08.2020	1 575 000	31.07.2025
VTB Bank (PJSC)	No. KS-30750/0014/V-20 dated 31.08.2020	1 575 000	31.07.2025
VTB Bank (PJSC)	No. KS-30750/0012/V-20 dated 31.08.2020	1 850 000	31.07.2025
VTB Bank (PJSC)	No. KS-30750/0011/V-20 dated 31.08.2020	2 000 000	31.07.2025
Bank RRDB (JSC)	No. 355yu dated 06.11.2018	1 261 000	05.05.2023
Bank RRDB (JSC)	No. 356yu dated 06.11.2018	1 261 000	05.05.2023
Bank RRDB (JSC)	No. 357yu dated 06.11.2018	1 261 000	05.05.2023
Bank RRDB (JSC)	No. 369yu dated 11.12.2019	1 000 000	11.06.2024
Bank RRDB (JSC)	No. 374yu dated 29.04.2020	1 000 000	29.04.2025
Bank RRDB (JSC)	No. 375yu dated 29.04.2020	1 500 000	29.04.2025
Bank RRDB (JSC)	No. 376yu dated 29.04.2020	2 000 000	29.04.2025
Bank RRDB (JSC)	No. 379yu dated 25.08.2020	1 575 000	25.02.2025
Bank RRDB (JSC)	No. 397yu dated 29.12.2021	1 200 000	29.12.2028
GPB Bank (JSC)	No. 0719-031-0000-K dated 18.09.2019	269 033	18.09.2024
GPB Bank (JSC)	No. 0719-120-0000-K dated 20.11.2019	2 351 115	15.11.2024
GPB Bank (JSC)	No. 0720-048-0000-GS dated 30.09.2020	216 923	26.09.2025
GPB Bank (JSC)	No. 0720-049-0000-GS dated 30.09.2020	1 557 800	26.09.2025
GPB Bank (JSC)	No. 0722-0016-GS dated 17.08.2022	2 000 000	16.07.2027
GPB Bank (JSC)	No. 0722-0017-GS dated 17.08.2022	2 000 000	16.07.2027
GPB Bank (JSC)	No. 0722-0018-GS dated 17.08.2022	2 000 000	16.07.2027

The Company has opened free credit limits, which allow to ensure the refinancing of borrowed funds with maturity in 2023. Total amount of free credit limit opened in creditor banks (including under overdraft loan agreements), with the end of the disbursement period in 2023-2025 as of December 31, 2022, it amounts to 58,342,199 thousand rubles, including in Sberbank PJSC in the amount of 14,700,000 thousand rubles, in RRDB Bank (JSC) in the amount of 12,058,000 thousand rubles, in GPB Bank (JSC) in the amount of 14,243,180 thousand rubles, in VTB Bank (PJSC) in the amount of 13,075,000 thousand rubles, in SMP Bank

JSC in the amount of 1,500,000 thousand rubles, in AK BARS BANK PJSC in the amount of 1,000,000 thousand rubles, in Moscow Credit Bank PJSC in the amount of 1,500,000 thousand rubles, in AB RUSSIA JSC in the amount of 250,000 thousand rubles, in Raiffeisenbank JSC in the amount of 16,019 thousand rubles.

## **6.7. Business Risk Information**

The Company operates a risk management system (hereinafter referred to as RMS), the purpose of which is to provide reasonable confidence in achieving the Company's goals set at all levels of the Company's management, including those defined by the Strategy for the Development of the Electric Grid Complex of the Russian Federation, program development documents and the Company's Charter, as well as ensuring the Company's cost growth, while respecting the balance of interests of all interested parties.

The Company's risk management process is carried out by the Board of Directors, the authorized committee of the Board of Directors, the Company's Audit Committee, the Company's executive bodies, managers and employees at all levels of the Company's management, the Directorate of Internal Control and Risk Management, and includes identification and assessment of risks, their ranking, as well as impact (response) on risks to ensure reasonable assurance of achievement of the Company's goals.

In order to ensure the functioning of RMS in the Company, the Board of Directors approved the Risk Management Policy, hereinafter - the RM Policy, (Minutes dated 24.02.2021 No. 420/2021). The RM Policy is an internal document of the Company defining its attitude to risks, establishing the general principles of RMS construction, its goals and objectives, general approaches to the organization, functioning and improvement of RMS, distribution of responsibility among the participants of RMS and the nature of their interaction, stages of the risk management process.

The main principles of RMS are:

1) creation and protection of the Company's values (RMS contributes to achieving goals and improving productivity, ensuring human health and safety, safety of all activities of the Company, compliance with legal and regulatory requirements, environmental protection, improving the quality of services, efficiency of operations, management and reputation);

2) risk management is an integral part of all organizational processes (risk management is not a separate activity that is separate from the main activities and processes in the organization; this is part of management commitments and an integral part of all organizational processes, including strategic planning and all project and change management processes);

3) risk management is part of the decision-making process;

4) risk management is systematic, structured and timely;

5) risk management is based on the best available information;

6) risk management is transparent and takes into account the interests of stakeholders;

7) risk management is dynamic, iterative (repetitive) and responsive to change;

8) risk management contributes to the continuous improvement of the organization;

9) responsibility for risk management - all RMS participants are responsible for identifying, evaluating, analyzing and continuously monitoring risks as part of their activities, developing and implementing the necessary risk management measures, continuously monitoring the effectiveness of risk management measures;

10) the principle of optimality (the ratio of the cost of implementing risk management activities and the effect of implementing these activities is analyzed, including the correspondence between the level of complexity of the RMS and the level of complexity and the degree of importance of the object to be analyzed from the point of view of risks);

11) the unity of methodological base. Risk management (identification, analysis, assessment and monitoring of risks, development and monitoring of the effectiveness of risk management measures) is carried out on the basis of approaches and standards common to all structural units of the Company.

The Company collects and analyzes quarterly information characterizing external and internal factors that can negatively affect the achievement of the Company's goals. To minimize the consequences of risk realization, the Company developed and executed measures aimed at preventing the occurrence of negative consequences; at the same time, there are political and economic factors affecting the activities of Rosseti Kuban PJSC, in respect of which the Company cannot guarantee that measures aimed at overcoming possible negative situations can lead to correction of the situation, since these risk factors are beyond the control of the Company.

### **Industry risks**

*Risk of increased costs for power transmission services of other grid organizations*

In conditions of limited tariff growth, the regional regulator accepted significant revenue growth for individual network organizations by reducing revenue (or by maintaining the same level) from Rosseti Kuban PJSC in favor of an increase in other network organizations.

The subjective approach of the regional regulator to the distribution of the network component among network organizations in the region of presence, the non-revision of tariff decisions for individual network organizations during several periods of regulation, the inclusion of the investment component for individual network organizations, or as a result of compliance with the FAS of Russia and court decisions can lead to the realization of risk. The risk is assessed by the Company as "moderate" with an average level of consequences from implementation. In order to minimize this risk and mitigate the consequences of its

implementation, the Company provides to the Department of State Regulation of Tariffs of the Krasnodar Territory - the executive authority of the Krasnodar Territory in the field of state regulation of tariffs - substantiating materials confirming the level of economically justified expenses, and also defends positions on the need for advanced growth of expenses of the Company as a systemically forming company, "boiler holder" of the Krasnodar Territory and the Republic of Adygea. There are no territorial network organizations in the region that could influence the realization of this risk.

*Risk of an increase in the price of electricity purchased to compensate for losses*

Free pricing in the wholesale market of electric energy (power), where the purchase of electric energy (power) is carried out in order to compensate for the technological consumption (loss) of electric energy during the transmission of electricity through networks is a factor for the realization of this risk. If the risk is realized, there may be a change in the value of net profit, the total volume of uncontrolled expenses, the debt burden, the value of the costs of servicing borrowed loans. The risk is assessed by the Company as "moderate" with an average level of consequences from implementation. In order to minimize this risk and mitigate the consequences of its implementation, the shortfall in income on exceeding the weighted average non-regulated price of wholesale market for electricity and power in fact in relation to the decision adopted in the tariff and balance sheet decision is stated to the regulator in order to compensate in the future regulation period.

### **Country and regional risks**

*Risks associated with adverse weather conditions leading to technological disturbances.*

The actual value for achieving the reliability indicator of electricity transmission services in indicative terms did not exceed the planned values. Risk is assessed as "moderate" with an average level of impact from implementation. To identify the causes of major technological disturbances (accidents), accident investigations are organized in accordance with the requirements of the Decree of the Government of the Russian Federation dated 28.10.2009 No. 846 "On Approval of the Rules for Investigating the Causes of Accidents in the Electric Power Industry" (as amended). Based on the results of investigations, emergency response measures are being developed in order to minimize the consequences of the realization of the risk and prevent the occurrence of similar cases henceforth and cover the above factors.

Drastic changes of regional scale (environmental, political, demographic, social) are unlikely, but their emergence will certainly affect the activities of the Company. Given the sufficient level of development of the transport infrastructure of the region, the risks of termination of transport communication due to inaccessibility and remoteness are minimal.

The Company estimates that the situation in the region will have a favorable impact on its activities, and there is no reason to expect that the current changes in the situation in the region will entail non-fulfillment of the Company's obligations.

## **Financial Risks**

### *Risk of increased inflation*

The current inflation rate may affect the financial position of the Company. According to the Central Bank of Russia, inflation in annual terms in the Russian Federation for 2022 year amounted to 11.94%. According to the forecast of the Bank of Russia, taking into account the current monetary policy, annual inflation will decrease to 5.0-7.0% in 2023 and return to 4% in 2024.

In order to minimize financial risks, risks associated with inflationary processes and affecting financial results, the Company implements a set of measures to effectively manage material resources, increase labor productivity, implement the Company's procurement policy in repair and other operational activities, and optimize costs through the rational use of material and labor resources. Measures are also taken to analyze financial risks, plan and evaluate the actual profitability of the work, determine profitability indicators indicating the level of profitability of the Company, normative values of financial coefficients characterizing solvency and liquidity, which makes it possible to quickly identify shortcomings in the work and take measures to eliminate them. In addition, according to the Decree of the Government of the Russian Federation of December 29, 2011 No. 1178 "On pricing in the field of regulated prices (tariffs) in the electric power industry", when regulating electricity tariffs, the inflation rate (consumer price index) determined in the forecast of the socio-economic development of the Russian Federation is taken into account. Thus, the Company estimates this risk as "significant".

### *Risk of increasing interest rates on credits and loans*

The Company attracts short-term and long-term borrowing from the Russian financial market. The increase in inflation in the Russian Federation is one of the factors for the overall increase in interest rates. A significant increase in interest rates on credits and loans may lead to an increase in the cost of servicing the Company's debt. Currently, the risk of rising interest rates on loans is estimated as "significant". In order to manage this risk, the Company optimizes the structure of the debt portfolio, reduces the cost of servicing it. The weighted average rate on the debt portfolio as of 31.12.2022 was 8.78% per annum. In addition, the Company seeks to use credits and loans with a fixed interest rate. Proposed actions of the Company in case of negative impact of changes in interest rates on its activities: attracting loans for longer periods in order to prevent negative impact of short-term fluctuations in interest rates, diversification of sources of financing, negotiation with creditor banks, sending letters on the possibility of reducing interest rates on loans.

## **Legal Risks**

*Risk of issuing legal acts (dispute resolution) on collection of debts for power transmission services not in favor of the Company.*

The absence of documents confirming actual performance by the Company of obligations, services and incurred costs, including insufficient or poor quality of substantiating materials, inconsistency of actions of structural divisions may lead to negative financial consequences for the Company when performing court acts (dispute resolution) on collection of debts for power transmission services not in favor of the Company, recovery of court costs. Risk is assessed as "significant" with an average level of impact from implementation.

The Company participates in litigation, the results of which may significantly affect the Company's financial and economic activities. The Company constantly monitors the judicial practices, which allows to use this information to achieve positive court decisions in its favor.

*Impossibility of timely land registration (by priority objects)*

The Company's exposure to the risk of late land registration is assessed as "moderate". The risks of late land registration are minimal and do not significantly affect electricity transmission activities, however, timely registration of land relations directly affects the implementation of the investment program, the implementation of which directly affects the reliability of electricity supply. The Company implements interaction with regional/republican/local authorities, with land rights holders. In addition, the actions of contracting organizations performing work on the land registration are monitored. In case of change and/or presentation of claims, deliberate obstruction of registration of property rights by the relevant bodies, inconsistency of actions of the Company employees, the necessary measures will be taken to issue the relevant documentation.

*Involvement of employees in corruption activities*

Violation and non-fulfillment of the requirements of the legislation of the Russian Federation, local regulatory legal acts and organizational and administrative documents may lead to negative reputational consequences, as well as financial damage to the Company. The Company uses best practices in assessing the risk of corruption - the principle of zero tolerance of management to corruption and fraud, that is, if such a risk is identified, it is assessed as "critical" with a high level of consequences from implementation. This reflects the high level of corporate culture and the principle of zero tolerance of management to corruption and fraud. The implementation of the Anti-Corruption Plan allows the Company's managers/employees to develop a negative attitude towards corruption behavior.

*Intentional unlawful actions on the part of legal entities and individuals, as well as on the part of employees of the Company, causing economic damage and damage to business reputation*

Risk is assessed as "significant" due to the systematic identification of facts of economic misconduct. To minimize this risk, the Company reconstructs the engineering and technical means of protection at the fuel and energy complex facilities in accordance with the Company's investment program, monitors the fulfillment of contractual obligations by private security organizations, checks the service of private guards at the Company's facilities, interacts with law enforcement agencies, and carries out preventive work with Company employees.

#### *Professional risks of the Company*

The risk of industrial injuries is assessed as "critical" with a high level of consequences from implementation and is leveled by ensuring safe working conditions through:

- issuance of certified, quality protective equipment, flushing and neutralizing equipment, serviceable tools, accessories
- control of their correct application;
- implementation and use of technologies ensuring safe performance of works and safe working conditions;
- compliance with the requirements of regulatory legal acts on technical operation, in the field of labor protection, fire, industrial and environmental safety, including in the design, construction, reconstruction and technical re-equipment;
- monitoring of execution/implementation of programs containing requirements for labor protection and aimed at prevention of injuries (programs for elimination of traumatic places, etc.);
- timely training on labor protection with quality check of their assimilation.

#### **Reputational risks**

The risk of losses for the Company due to such factors as a decrease in the number of clients (counterparties) due to the formation of a negative idea of financial stability, financial position, quality of its work is minimal. The Company is constantly working to maintain the reliability and uninterrupted supply of energy to consumers, improve the quality of services provided and increase customer orientation - to achieve the goals defined by the Strategy for the Development of the Electric Grid Complex of the Russian Federation. The realization of these goals and objectives largely determines the Company's business reputation.

The Company is subject to a natural monopoly, annually there is an increase in the number of electricity consumers, and a decrease in the volume of services provided due to negative reputation factors is unlikely. In addition, the Company has developed a positive practice for long-term interaction with its counterparties.

#### **Strategic Risks**

The Company, being part of a single distribution electric grid complex in Russia, strives to achieve the goals defined at the state level. By order of the Government of Russia dated 03.04.2013 No. 511-r, the Strategy for the Development of the Electric Grid Complex of the Russian Federation was approved. The Company is a subsidiary of Rosseti PJSC, the largest strategic electric grid company in Russia, respectively, the Company participates in the implementation of strategies and programs in the areas of activity (business processes) of Rosseti PJSC. The goal of this Strategy is to ensure reliable, high-quality and affordable energy supply to consumers by organizing the most efficient and world-standard network infrastructure. To ensure the implementation of the tasks and achievement of the goals defined in the Development Strategy of Rosseti PJSC and its subsidiaries and affiliates until 2030, as well as the tasks set for the electric grid complex at the federal level, the Long-Term Development Program of Rosseti PJSC and its subsidiaries and affiliates (Rosseti Group of Companies) until 2030 was approved. These documents define, among other things, the main risks that the Company may face in implementing the strategy. The list of these risks includes:

- reduction of revenue from electric power transmission;
- failure to adopt regulatory initiatives to improve pricing in the industry;
- implementation of large-scale projects for the construction of network infrastructure that do not provide the necessary level of return on invested capital;
- cyber attacks on network infrastructure.

Decisions on the start of implementation of a specific strategy (program) in the Company's activities are made by its Board of Directors.

The probability of realization of the Company's risk of losses as a result of errors (deficiencies) made in the management decisions determining the Company's business and development strategy is assessed as low.

Measures to prevent the occurrence of this risk are:

- elaboration of proposals and scenarios to improve the implementation of a specific strategy and programme;
- analysis of the effectiveness of implementation of the Company's specific strategy, making management decisions based on the analysis results;
- development and implementation of key performance indicators for strategy achievement, their linkage with the Company managers award;
- continuous monitoring by the Company's structural subdivisions of the ratio of the costs of implementing a specific strategy to the benefit received and submission to the Board of Directors of the Company of this information for making management decisions (including determining the quantity and quality of resources).

## **Operational Risks**

*Risk of reduction of electric power transmission services to consumers connected to regional distribution networks*

The decrease in electricity consumption may be due to external factors such as macroeconomic fluctuations in energy consumption: economic crises and a decline in the production of goods, the construction by consumers of their own generation, weather anomalies, industrial accidents, man-made disasters, a pandemic and the observance of quarantine regime by both individuals and legal entities. Internal risk factors include power outage due to power interruptions. The potential impact of these factors may affect the decrease in the volume of electricity transmission services and, accordingly, changes in the Company's revenue. At the moment, the risk is assessed as "moderate" with an average level of consequences from implementation.

However, in accordance with the forecast for the energy system of the Republic of Adygea and the Krasnodar Territory, developed by Russian Power System Operator JSC as part of the "Scheme and Program for the Development of the Unified Energy System of Russia for 2021-2027", demand for electric energy and capacity will increase. The Company participates in the formation of the Scheme and Program for the Development of the Electric Power Industry of the Krasnodar Territory, on the basis of which the Company's investment program is formed, the purpose of which is to expand the potential market for services and increase the number of connected consumers. The Company monitors and predicts electric consumption by voltage levels, by which the price (tariff) for electric energy transmission services is differentiated, and by categories of consumers, as well as monitoring the physical parameters of the balance of electric energy and power, carrying out work to increase the accuracy and reliability of demand planning for electric energy and power. The current and forecast economic situation in the region and in the whole country is also monitored, preparatory work is underway for the proper functioning of energy equipment in the corresponding seasons of the year, maintenance and repair of energy facilities is carried out.

*Risk of non-fulfillment by counterparties of obligations to pay for power transmission services within the terms established by the agreement/contract and/or in part*

As a result of the risk of non-fulfillment by counterparties of obligations to pay for services, the Company's accounts receivable index is subject to the greatest influence in the Company's reporting due to the inability of counterparties to pay for services of the Company. The risk is due to the insufficient performance of mechanisms for increasing payment discipline in the market for the provision of electricity transmission services, the consumer's lack of incentive to timely payments for electric energy transmission services. The deterioration of the economic situation in Russia may affect the increase in the costs of transmitting electricity through the Company's electric networks, which, while maintaining the established tariffs, will lead to a reduction in profits. As a result of this, disputed and overdue receivables for power transmission services arise, which leads to a decrease in liquidity and

financial stability of the Company. To reduce this risk, the Company carries out work on receivables management aimed at optimizing its size and repayment of debts. The risk is assessed by the Company as "moderate" with an average level of consequences from implementation.

*Risk of changing network configuration and operation modes*

The change in the network operation mode, the presence of transit flows with intersystem regions, the presence of emergency modes, the consolidation of electrical network property, as a result, the increase in load losses are the main factors in the realization of this risk. The consequences of realization of this risk may be exceeding the established level of power losses laid down by the Company's business plan for the current year. The Company estimates the risk as "moderate" with a low level of consequences from implementation.

In order to prevent the realization of this risk, the Company monitors and predicts electric consumption by voltage levels, by which the price (tariff) for electric energy transmission services is differentiated, and by categories of consumers, as well as monitoring the physical parameters of the balance of electric energy and power, and conducting work to increase the accuracy and reliability of planning demand for electric energy and power. In addition, data on loss volumes and prices for electric energy used by last resort suppliers in calculating the cost of loss of electric energy are monitored.

*Risk of natural technical failures in the protection systems of information and telecommunication systems of electric grid complex facilities*

The reasons for this risk may be the use of obsolete equipment, lack of technical support, the use of equipment after the end of its service life. The realization of this risk can lead to a decrease in the security of the electric grid complex facilities, a temporary downtime in information and telecommunication systems. The Company estimates the risk as "moderate" with a low level of consequences from implementation.

In order to prevent the realization of this risk, the Company provides technical support for information protection tools, periodically analyzes the operability of information protection tools, provides repair and/or replacement of equipment, and also monitors the provision of protection systems with uninterruptible and redundant power.

*Risk of disruption and/or termination of operation of information infrastructure facilities and telecommunication systems of electric grid facilities*

The main sources of risk realization may be unlawful actions of third parties as a result of a computer attack, which may lead to material damage to the Company, damage to goodwill, as well as disconnection of electricity consumers. The risk is assessed by the Company as "significant" with a high level of consequences from implementation.

In order to prevent the realization of this risk, the Company implements the inclusion in the technical specifications for the creation of information infrastructure objects and telecommunication systems of objects of the electric network complex of information security requirements, the introduction of means of information protection at objects of information infrastructure in accordance with technical specifications for their creation.

The Company monitors the actions of the Company's employees through information security systems, monitors and analyzes external information security events, and applies certified information protection tools.

*Risk of undue impact on the facilities of the electric grid complex and their information and telecommunication systems (terrorist, sabotage, criminal and other), including using information technologies*

The attractiveness of the facility for terrorist groups (the facility, during the failure of which the restriction of the power supply of large electricity consumers is introduced) and, as a result, the failure of the equipment, the disconnection of electricity consumers for a long time is the main factor for the realization of the risk. The risk is assessed by the Company as "significant" with a high level of consequences from implementation.

The Company works on:

- installation of engineering security equipment, video surveillance systems, access control system, security alarm at electric power facilities;
- reconstruction of engineering and technical means of protection at fuel and energy facilities in accordance with the investment program of the Company;
- organization of physical protection of the Company's most important fuel and energy facilities;
- inclusion of information security requirements in technical specifications for the creation of information infrastructure facilities and telecommunication systems of electrical network facilities;
- implementation of means of information protection at objects of information infrastructure in accordance with technical assignments for their creation;
- monitoring the actions of the Company's employees using information security systems. External information security events are monitored and analyzed, certified information security tools are used.

### **Investment risks**

Implementation of the Company's investment program requires attracting significant financial resources, both own and borrowed, on conditions that meet the parameters of the tariff system.

The main investment risks are the risk of increasing the volume of financing of the investment program as a whole and/or by individual titles (in relation to established limits), which are assessed as "significant". The remaining identified investment risks (non-compliance by contractors with the design, delivery,

construction, commissioning of facilities, impossibility of timely registration of land relations) are assessed as "moderate".

The sources of risk may be an increase in the cost of materials, equipment and work for objective reasons (financial crisis, inflation, foreign economic changes, natural disasters, etc.), the refusal of contractors to participate in procurement procedures for the implementation of an innovative project.

To minimize the risks of late and low-quality execution of the investment program:

- inclusion in the investment program of only those projects for which there are applicant organizations that meet the necessary requirements for the implementation of innovative projects;
- timely submission of proposals during the formation and adjustment of the investment program;
- control of implementation of investment projects by cost and terms.

## **6.8. Deferred tax assets and liabilities**

The Company shall apply the accrual method in order to recognize income and expenses when calculating income tax. The Company calculates and reports deferred tax assets and income tax liabilities. Deferred tax assets (DTA) and deferred tax liabilities (DTL) are calculated for temporary differences, which are income and expenses that form an accounting profit (loss) in one reporting period, and the taxable base for income tax in other reporting periods. In analytical accounting, temporary differences are considered differently by types of assets and liabilities, in the valuation of which the temporary difference arose.

The current income tax is recognized as income tax for tax purposes, determined in accordance with the legislation of the Russian Federation on taxes and fees. The statement of financial results also reflects the future (deferred) component of income tax expense.

Current income tax is recognized in the accounts as a liability to the budget equal to the amount of tax payable to the budget for the reporting period.

The contingent expense (income) on income tax is calculated as the product of the accounting profit (loss) on the income tax rate established by the legislation of the Russian Federation on taxes and fees.

In 2022, income tax amounted to 1,980,742 thousand rubles, including the current tax of 1,632,827 thousand rubles. In 2022, the Company determined the following components of income tax:

- contingent expense - 1,436,086 thousand rubles,
- permanent tax expense - 544,656 thousand rubles,
- deferred tax asset - (208,017) thousand rubles,
- deferred tax liability - (139,898) thousand rubles.

There were no reasons for the change in applied tax rates compared to the previous reporting period.

Information on profit taxation, deferred tax movement is disclosed in the Notes to the balance sheet and the statement of financial results in table forms 2.3 and 5.7.2.

**6.9. Cost of goods, products sold, works, services, commercial expenses, management expenses and other expenses**

Expenses (costs) are recognized in the reporting period in which they occurred, regardless of the time of the actual payment of funds and other form of implementation (assumption of temporary certainty of the facts of economic activity).

**Table 13 - Breakdown of "Other costs" as part of the cost price**  
(thousand rubles)

Indicator		2021	2022
Name	Code		
Cost of sales	6510	49 902 736	52 991 184
including			
Other costs	6515	27 108 123	27 264 630
including			
Grid distribution company services		13 867 571	15 243 169
Services of FGC UES PJSC		8 051 470	8 324 432
Other expenses		5 189 082	3 697 029

### 6.9.1. Information on energy costs

**Table 14 - Information on energy costs**

No.	Adopted targets/indicators	UoM	2021 (fact)	2022 (fact)
1.	2	3	5	5
1.1.	<b>Electricity loss, including</b>	<b>mln rubles, with VAT</b>	<b>10 883,478</b>	<b>11 142,829</b>
		<b>mln kWh</b>	<b>2 502,071</b>	<b>2 479,536</b>
1.1.1.	Consumption for auxiliary needs of substations	mln rubles, with VAT	86,796	76,662
		mln kWh	19,954	18,824
1.2.	<b>Consumption of resources for economic needs, including by resource type</b>	<b>mln rubles, with VAT</b>	<b>151,640</b>	<b>151,137</b>
1.2.1.	fuel and energy, including	mln rubles, with VAT	148,501	148,246
		toe	4 164	3 903
1.2.1.1.	electric power	mln rubles, with VAT	139,899	139,743
		thousand kWh	29 764,935	28 025,076
		thousand kWh per m <sup>2</sup> space area	0.190	0,179
1.2.1.2.	thermal energy	mln rubles, with VAT	7,734	7.735
		Gcal	3 183,902	3 023,674
		Gcal per m <sup>2</sup> space area	0.145	0,138
1.2.1.3.	natural gas	thousand m <sup>3</sup>	118,851	94,405
		mln rubles, with VAT	0,869	0,768
1.2.2.	hot water supply	thousand m <sup>3</sup>	–	–
		mln rubles, with VAT	–	–
1.2.3.	cold water supply	thousand m <sup>3</sup>	69,446	68,405
		mln rubles, with VAT	3,139	2,891
1.3.	<b>Equipment with metering devices for energy resources consumed for economic needs of the Company</b>	<b>%</b>	<b>100</b>	<b>100</b>
1.4.	<b>Equipment with smart metering devices for consumers in the retail market,</b>	<b>%</b>	<b>23,72</b>	

No.	Adopted targets/indicators	UoM	2021 (fact)	2022 (fact)
1.	2	3	5	5
	<b>in accordance with the Program for the development of smart electricity metering</b>			<b>26,65</b>

\* Equipment with smart metering devices is determined in accordance with the requirements of Government Resolutions on June 19, 2020, No. 890 "On the procedure for providing access to the minimum set of functions of smart electric energy (power) metering systems".

## 6.10. Cash Flow Information

In accordance with PBU 23/2011, the organization's cash flows in the form of receipts and payments of value added tax (receipts from buyers and customers, payments to suppliers and contractors and payments to or from the budget system of the Russian Federation) are reflected in line 4119 "Other receipts" of the Statement of Cash Flows Form in the amount of - 36,934 thousand rubles, including:

- VAT as part of the received amounts 11,000,999 thousand rubles;
- VAT as part of the transferred amounts (7,515,103) thousand rubles;
- VAT paid to the budget (3,456,701) thousand rubles;
- VAT reclaimed 7,739 thousand rubles.

Result: 36,934 thousand rubles.

The transfer of cash to deposit accounts recognized as cash equivalents is not a cash flow and is not reflected in the Statement of Cash Flows.

**Table 15 - Amount of minimum permanent cash balance in the Company's settlement accounts as of December 31, 2022**

(thousand rubles)

Basis (additional agreement, transaction confirmation)	Transaction start date	Transaction end date	The amount of the minimum permanent balance
1	2	3	4
Application No. 36 of 30.12.2022 for placement of the minimum permanent balance Additional Agreement w/n of 27/12/19 to the Contract RKO No. 300318000026 of 20/06/18	30.12.2022	09.01.2023	685,704.5
VTB Bank (PJSC)			685,704.5
<b>Total</b>			<b>685,704.5</b>

The debt of Rosseti Kuban PJSC on overdraft loans as of December 31, 2022 is absent.

There are no sureties of third parties received and not used by the Company to obtain a loan, indicating the amount of funds that the Company can attract, as of December 31, 2022.

Cash (or its equivalents) not available for use by the Company (for example, letters of credit opened in favor of other organizations for transactions pending at the reporting date) are not available as of December 31, 2022.

## 6.11. Segment Information

According to PBU 12/2010, the structure of management and decision making in the organization, as well as the system of internal reporting, is taken as the basis for the allocation of segments in the Company. Key figures of reporting segments are calculated based on management reporting data.

The Company has defined the following reporting segments:

- 1) electric power transmission;
- 2) utility connection to distribution power grids.

The Company discloses information in accounting (financial) statements only for the above reporting segments. The remaining segments are reported as other segments. As part of the information on the reporting segments, the Company does not disclose cash flows from current, investment and financial transactions due to the practical labor intensity of its presentation in the accounting (financial) statements.

**Table 16 - Buyers whose revenue from sale is not less than 10% of the Company's total revenue**

(thousand rubles)

No.	Name of the buyer (customer)	Total revenue	Including: electric power transmission	Including: other services
1.	Independent Energy Distribution Company of Krasnodar Territory JSC	19 531 366	19 531 366	-
2.	TNS Energo Kuban PJSC	28 913 339	28 840 928	72 411

Information on the reporting segments is provided in the Notes to the balance sheet and the statement of financial results in table form 5.13. "Information on reporting segments".

## **6.12. Related Parties Information**

### **6.12.1. List of Related Parties**

The activities of Rosseti Kuban PJSC may be influenced by persons who are affiliated with the Company. In accordance with the legislation of the Russian Federation Rosseti Kuban PJSC publishes lists of its affiliates on its website at: <https://rosseti-kuban.ru/aktsioneram-i-investoram/raskrytie-informatsii/spisok-affilirovannykh-lits-obschestva/>

The following affiliates may have the greatest influence on the Company's activities:

- the largest shareholder of the Company – Federal Grid Company - Rosseti PJSC, which owns 93.96% of the shares of Rosseti Kuban PJSC;
- members of the Company's management bodies (members of the Board of Directors and Management Board, General Director of Rosseti Kuban PJSC).

Rosseti Kuban PJSC controls the activities of its subsidiaries: Recreation centre "Energetik" JSC, Energoservice of Kuban JSC, through corporate governance methods

### 6.12.2. Transactions with related parties and pending transactions with related parties settled under the terms of contracts in cashless form

Table 17 - **Income and related debt for 2021**

(thousand rubles)

Counterparty	As of December 31, 2020	Accrued	Redeemed	As of December 31, 2021
Recreation centre "Energetik" JSC ***	69	1 764	(1 799)	34
Energoservice of Kuban JSC ***	52	5 013	(4 894)	171
Rosseti PJSC***	–	1 421	(1 421)	–
FOCL-VL Management JSC	–	5 436	(4 077)	1 359

Table 18 - **Income and related debt for 2022**

(thousand rubles)

Counterparty	As of December 31, 2021	Accrued	Redeemed	As of December 31, 2022
Recreation centre "Energetik" JSC ***	34	2 101	(2 135)	–
Energoservice of Kuban JSC ***	171	5 028	(4 812)	387
Rosseti PJSC***	–	1 422	(1 422)	–
Rosseti Digital JSC *	1 359	5 654	(7 013)	–

Table 19 - Expenses, other transactions and related arrears for 2021

(thousand rubles)

Counterparty	As of December 31, 2020	Accrued	Redeemed	As of December 31, 2021
1	2	3	4	5
Rosseti PJSC***				
- other debt	(40 019)	(151 733)	172 318	(19 434)
- settlements with founders	–	(760 060)	716 784	(43 276)
- interest calculations	(153 866)	(286 355)	414 260	(25 961)
FGC UES PJSC *				
- trading operations	(792 487)	(9 755 169)	9 732 840	(814 816)
- other debt	(20)	(28)	28	(20)
- other debt	6 883	9 397	(2 842)	13 438
reserve	–	–	–	–
Rosseti Northern Caucasus PJSC*				
- other debt	(54)	–	–	(54)
- other debt	74 269	10 661	(12 371)	72 559
- reserve	(66 459)	(8 032)	2 550	(71 941)
Recreation centre "Energetik" JSC ***				
- other debt	(305)	(41 403)	41 653	(55)
CTZ JSC*				
- other debt	(1 439)	(8 728)	4 863	(5 304)
Energoservice of Kuban JSC ***				
- other debt	(270 396)	(1 759 152)	1 535 783	(493 765)
- other debt	27 542	410 502	(225 504)	212 540
- dividends	–	(19 894)	19 894	–
STC FGC UES PJSC*				
- other debt	–	(35)	35	–
FOCL-VL Management JSC*				
- trading operations	(276 384)	(500 053)	384 567	(391 870)
- other debt	(23 165)	(211 947)	212 062	(23 050)
FGC-Asset Management LLC*				
- interest calculations		(14 898)	14 898	

Table 20 - Expenses, other transactions and related arrears for 2022

(thousand rubles)

Counterparty	As of December 31, 2021	Accrued	Redeemed	As of December 31, 2022
1	2	3	4	5
Rosseti PJSC***				
- other debt	(19 434)	(151 331)	150 839	(19 926)
- settlements with founders	(43 276)	(2 976 893)	3 020 169	–
- interest calculations	(25 961)	(593 037)	600 829	(18 169)
FGC UES PJSC *				
- trading operations	(814 816)	(10 087 352)	10 002 547	(899 621)
- other debt	(20)	(496)	496	–
- other debt	13 438	6 460	(3 768)	16 130
reserve	–	–	–	–

Counterparty	As of December 31, 2021	Accrued	Redeemed	As of December 31, 2022
1	2	3	4	5
Rosseti Northern Caucasus PJSC*				
- other debt	72 559	76 573	(80 177)	68 955
- reserve	(71 941)	(7 025)	10 541	(68 425)
Recreation centre "Energetik" JSC ***				
- other debt	(55)	(31 793)	31 666	(182)
CTZ JSC*				
- other debt	(5 304)	(49 104)	22 628	(31 780)
Energoservice of Kuban JSC ***				
- other debt	(493 765)	(2 078 103)	1 868 039	(703 829)
- other debt	212 540	155 956	(241 043)	127 453
Rosseti Digital JSC *				
- trading operations	(391 870)	(407 649)	477 278	(322 241)
- other debt	(23 050)	(142 441)	158 511	(6 980)
Rosseti Lenenergo PJSC*				
- other debt	-	(5 067)	120	(4 947)
Rosseti Moscow Region PJSC*				
- other debt	-	(1 320)	1 320	-
Rosseti Center PJSC*				
- other debt	-	(1 374)	1 374	-
Rosseti South JSC *				
- other debt	-	(685 704)		(685 704)

\* A person belonging to the same group of persons to which the Company belongs.

\*\* A person has the right to dispose of more than 20% of the Company's shares.

\*\*\* The Company has the right to dispose of more than 50% of the total number of votes attributable to shares constituting the authorized capital of this person.

Settlements are carried out monthly, the terms of the contracts are market. The form of settlements is cashless.

Write-off of accounts receivable for which the statute of limitations has expired, other bad debts, including at the expense of the reserve for doubtful debts, was not made.

### 6.12.3. Remuneration to be paid to key management personnel

Table 21 - Information on the amount of payments to key management personnel

Types of payments	Members of the Board of Directors		Member of the Audit Commission		Board members	
	2021	2022	2021	2022	2021	2022
<b>1. Short-term remuneration, including</b>	<b>16 530</b>	<b>22 704</b>	<b>986</b>	<b>1 034</b>	<b>1 793</b>	<b>1 979</b>
<b>1.1. Labour remuneration for the reporting period (without vacation allowance)</b>	<b>12 746</b>	<b>17 411</b>	<b>756</b>	<b>793</b>	<b>1 539</b>	<b>1 668</b>
a) premium	–	–	–	–	–	–
b) bonuses	–	–	–	–	–	–
c) other payments of an incentive nature, the basis for the accrual of which are specific indicators of labor or performance results	–	–	–	–	–	–
<b>1.2. Annual paid leave for work in the reporting period</b>	–	–	–	–	–	–
<b>1.3. Other payments in favor of the key management personnel (regardless of the existence of a condition in the labor contract) total, including</b>	–	–	–	–	–	–
a) payment by the Company for utility services	–	–	–	–	–	–
b) payment by the Company for medical care, including treatment	–	–	–	–	–	–
c) lump-sum payments of material assistance for vacation	–	–	–	–	–	–
d) full or partial payments for recreation	–	–	–	–	–	–
e) full or partial payment of training for personal purposes	–	–	–	–	–	–
f) other (indicate which) including:	–	–	–	–	–	–
housing allowance	–	–	–	–	–	–
severance payments	–	–	–	–	–	–
<b>1.4. Accrued taxes and other mandatory payments to relevant budgets and extrabudgetary funds</b>	<b>3 784</b>	<b>5 293</b>	<b>230</b>	<b>241</b>	<b>254</b>	<b>311</b>
<b>2. Long-term remuneration, including:</b>	–	–	–	–	–	–
<b>2.1. Post-employment benefits, including</b>	–	–	–	–	–	–
a) payments under voluntary insurance contracts concluded with insurance organizations	–	–	–	–	–	–
b) payments under non-state pension agreements concluded with non-state pension funds	–	–	–	–	–	–
c) other payments ensuring payment of pensions and other social guarantees at the end of their employment	–	–	–	–	–	–
<b>2.2. Other long-term benefits</b>	–	–	–	–	–	–
<b>2.3. Accruals for long-term remuneration</b>	–	–	–	–	–	–
<b>3. Total remuneration (short-term and long-term) excluding accruals</b>	<b>12 746</b>	<b>17 411</b>	<b>756</b>	<b>793</b>	<b>1 539</b>	<b>1 668</b>
<b>4. Total remuneration accruals (short-term and long-term)</b>	<b>3 784</b>	<b>5 293</b>	<b>230</b>	<b>1 034</b>	<b>254</b>	<b>311</b>

### **6.13. Going Concern Principle**

The financial statements of Rosseti Kuban PJSC for 2022 are prepared on the basis of the going concern principle, which implies that the Company is able to realize its assets and repay its obligations during normal business activities in the foreseeable future. As reflected in these financial statements, financial result (profit) of the Company for 2022 amounted to 5,244,477 thousand rubles (in 2021 - financial result (profit) amounted to 1,711,834 thousand rubles), short-term liabilities of the Company as of December 31, 2022 amounted to 25,914,315 thousand rubles, including liabilities on borrowed funds in the amount of 3,990,281 thousand rubles. The Company has opened free credit limits, which allow to ensure the refinancing of borrowed funds with maturity in 2023.

Thus, despite the working capital deficit, the management of the Company believes that the Company will be able to fulfill all its current obligations during 2023.

### **6.14. Estimated liabilities, contingent liabilities and assets**

The Company recognizes estimated liabilities when the recognition conditions are met in accordance with the Regulation on Accounting "Estimated Liabilities, Contingent Liabilities and Contingent Assets" (PBU 8/2010), approved by order of the Ministry of Finance of the Russian Federation dated 13.12.2010 No. 167n.

In 2022, the Company recognized in accounting the estimated liabilities related to possible payments of unused leave payment in the amount of 599,208 thousand rubles, used the previously formed estimated liability in the amount of 559,388 thousand rubles, the balance at the end of the reporting period amounted to 370,778 thousand rubles. As of December 31, 2022, an estimated liability related to possible payments of remuneration for the year was formed in the amount of 551,772 thousand rubles.

As of December 31, 2022, the on-site tax audit for 2016-2018 has been completed. The Decision of the tax authority on the results of the on-site tax audit of financial and economic activities revealed violations regarding the definition of the operating service life and depreciation group for a number of energy infrastructure facilities.

Due to the existence of negative court practice on the additional calculation of income tax, as well as on the property tax of organizations due to overestimation of depreciation, the Company estimates the risk as "probable". In this regard, the management of the Company, exercising the principle of prudence, decided to create a reserve for estimated obligations in the amount of 173,376 thousand rubles.

Due to the absence in the Decision of the tax authority on the results of the on-site tax audit for the period 2016-2018 of claims on property tax of organizations, in terms of reclassification of fixed assets from "movable" to "immovable" property and a change in judicial practice in favor of other subsidiaries and affiliates of Rosseti PJSC, the amount of the previously created reserve of estimated liabilities for tax risks in the amount of 559,578 thousand rubles was completely restored.

The amount of the reserve for court disputes as of December 31, 2022 amounted to 319,620 thousand rubles.

No discounting of the value of the estimated liabilities recognized by the Company was made, since the expected performance period does not exceed 12 months after the reporting date.

There are no expected amounts of counter claims or claims against third parties for reimbursement of expenses that the Company will incur in the performance of the obligation, as well as assets recognized under such claims in accordance with Clause 19 of PBU 8/2010 as of the reporting date.

Information on the estimated liabilities is provided in the Notes to the balance sheet and the statement of financial results in table form 5.7.1. "Estimated liabilities".

### **6.15. Events after the reporting period**

Accounting of events after the reporting date and disclosure of information about them in the reporting is carried out by the Company in accordance with the Regulation on Accounting "*Events after the Reporting Date*" of PBU 7/98, approved by Order of the Ministry of Finance of the Russian Federation dated November 25, 1998 No. 56n.

On January 09, 2023, the reorganization of the Russian Grids Public Joint Stock Company (the largest shareholder of the Company), the Far Eastern Energy Management Company - ENES Joint Stock Company (also the owner of a stake in the Company) was completed in the form of merger into the Federal Grid Company - Rosseti Public Joint Stock Company (successor) (OGRN 1024701893336, INN 4716016979), entry in the Unified State Register of Legal Entities under state registration number 2237700011767. Federal Grid Company - Rosseti PJSC is the

universal successor of the listed organizations, ownership of all shares of Rosseti Kuban PJSC owned by the specified shareholders of the Company passed to it.

The share of Federal Grid Company - Rosseti Public Joint Stock Company from the placed shares of the Company as of 09.01.2023 is 99.69%.

The Company operates in the Russian Federation and is therefore exposed to risks related to the state of the economy and financial markets of the Russian Federation.

The economy of the Russian Federation manifests some characteristics typical of emerging markets. The country's economy is especially sensitive to oil and gas prices. Legal, tax and regulatory systems continue to develop and are subject to frequent changes, as well as admit the possibility of different interpretations.

In 2022, the effect of external sanctions on legal entities and individuals in the Russian Federation continues, in connection with which the influence of economic and other factors, as well as the uncertainty factor on the conditions for conducting activities in the Russian Federation, increases. In 2022, there continues to be high uncertainty of influence from external and internal factors for the economy of the Russian Federation, volatility of financial indicators. Sanctions have been imposed on a number of Russian banks in the United States, Great Britain and the EU. All of the above has a negative impact on the economy of the Russian Federation. At the same time, during the reporting year there was a structural restructuring of the economy, a number of legislative measures made it possible to maintain the stability of the economy of the Russian Federation and adapt to the changes that were taking place.

There are no other facts of economic activity that have or may subsequently have an impact on the financial condition or results of the Company's activities and occur between the reporting date (December 31, 2022) and the date of signing the accounting (financial) statements of Rosseti Kuban PJSC for 2022.

Deputy General Director  
for Economics and Finance  
Rosseti Kuban PJSC

K.A. Iordanidi

Chief Accountant - Head of the  
Department of Accounting, Tax Accounting  
and Reporting  
Rosseti Kuban PJSC

L.V. Loskutova

March 21, 2023

## **Appendices to the Balance Sheet and the Statement of Financial Results**

- Appendix 5.1.1 "Availability and movement of intangible assets"
- Appendix 5.2.1 "Availability and movement of R&D results"
- Appendix 5.2.2 "Unfinished and unregistered R&D and unfinished transactions for the acquisition of intangible assets"
- Appendix 5.3.1 "Availability and movement of fixed assets"
- Appendix 5.3.3 "Change in the cost of property, plant and equipment as a result of further construction, additional equipment, reconstruction and partial liquidation"
- Appendix 5.3.4 "Other use of property, plant and equipment"
- Appendix 5.3.5 "Capital work in progress"
- Appendix 5.3.6 Advances issued for capital construction and acquisition of property, plant and equipment"
- Appendix 5.3.7 "Availability and movement of the right-of-use asset"
- Appendix 5.4.1 "Availability and movement of financial investments"
- Appendix 5.4.2 "Adjustments to estimates of financial investments"
- Appendix 5.5.1 "Availability and movement of inventory"
- Appendix 5.5.2 "Pledged inventory"
- Appendix 5.6.1 "Availability and movement of receivables"
- Appendix 5.6.3 "Overdue accounts receivable"
- Appendix 5.6.5 "Availability and movement of accounts payable"
- Appendix 5.6.6 "Overdue accounts payable"
- Appendix 5.6.7 "Credits and loans"
- Appendix 5.6.8 "Credit and loan costs"
- Appendix 5.7.1 "Estimated liabilities"
- Appendix 5.7.2 "Deferred taxes"
- Appendix 5.8 "Securities"
- Appendix 5.9 "State assistance"
- Appendix 5.11 "Other income and expenses"
- Appendix 5.13 "Information on reporting segments"
- Appendix 2.1 "Cost of sold products, works, services by cost elements"
- Appendix 2.2 "Earnings per share, diluted earnings per share"
- Appendix 2.3 "Profit taxation"