

Unipro Public Joint-Stock Company

**Accounting Statements and
Independent Auditor's Report**

31 December 2020

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INDEPENDENT AUDITOR'S REPORT

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Independent Auditor's Report

To the shareholders and the Board of Directors of Unipro Public Joint-Stock Company

Our Opinion

In our opinion, the accounting statements accurately reflect in all material aspects the financial situation of Unipro Public Joint-Stock Company (hereinafter referred to as the "Company") as of 31 December 2020, along with its profit and loss and cash flows for the year ended as of the said date in accordance with the accounting rules applicable in the Russian Federation.

Subject of the Audit

We audited the Company's accounting statements including:

- Balance Sheet as of 31 December 2020;
 - Profit and Loss Statement for the year ended as of the said date;
 - Statement of Changes in Equity for the year ended on the specified date;
 - Cash Flow Statement for the year ended as of the said date;
 - Notes to the Balance Sheet and P&L Statement, including the main provisions of the accounting policy and other explanatory information.
-

Basis for the Opinion

We conducted the audit in accordance with the International Standards on Auditing ("ISA"). Our responsibility under the above standards is further described in the section *Auditor's Responsibility for the Audit of the Accounting Statements* hereof.

We believe that we acquired sufficient and appropriate audit evidence to express our opinion.

Independence

We are independent from the Company in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA Code) and ethical requirements of the Code of Professional Ethics for Auditors and Rules for Auditors' and Audit Organisations' Independence applicable to this audit of accounting statements in the Russian Federation. We also discharged all the other ethical obligations in accordance with these requirements and IESBA Code.



Our Audit Methodology

Short Overview

Materiality Materiality at the level of the Company's accounting statements in general: RUB 927 million, which accounts for 5% of the profit before tax.

Key Issues of the Audit • Valuation of the provision for doubtful debts

When planning the audit, we determined materiality and assessed the risks of material misstatement of the accounting statements. Specifically, we examined the areas where the management made subjective judgments regarding significant estimated values, including use of assumptions and consideration of future events associated with uncertainty by virtue of their nature. Similar to all our audits, we also considered the risk that the management circumvented the internal control systems, including but not limited to assessing the evidence of the management's partiality that gives rise to the risk of material misstatement resulting from fraud.

The audit scope was determined so that we could perform works sufficient to express our opinion on the accounting statements in general with due regard to the Company structure, accounting processes and controls used by the Company, and the specifics of the Company's industry sector.

Materiality

The scope of our audit was determined under the influence of materiality. The audit is intended to deliver a reasonable assurance that accounting statements do not contain any material misstatements. Misstatements may be caused either by fraud or error. They are deemed material if it is reasonable to assume that, taken individually or collectively, they may affect the users' economic decisions that are based on the accounting statements.

Using our professional judgment, we set certain quantitative threshold values for materiality, including materiality at the level of the Company's accounting statements in general as depicted in the table below. We used these values and qualitative factors to determine the scope of our audit, as well as the nature, dates and scope of the audit procedures, and assessed the impact of misstatements (taken individually and collectively), if any, on the accounting statements in general.

Materiality at the Level of the Company's Accounting Statements in General

RUB 927 million

The Way it was Determined

5% of the profit before tax

Justification of the Base Indicator to Determine the Materiality Level

We chose to use profit before tax as the base indicator to determine the materiality level as we believe that it is this base indicator that the users most commonly consider when evaluating the Company's performance and it represents a generally accepted base indicator. We set materiality at the level of 5%, which falls within the range of acceptable quantitative thresholds of materiality applicable to the profit-making companies of the sector.

Key Issues of the Audit

The key issues of the audit are the issues that according to our professional judgment were most significant for our audit of accounting statements for the current period. These issues were considered in the context of our audit of the accounting statements in general and when developing our opinion on these accounting statements, and we shall not express our opinion regarding these issues separately.

Key Issue of the Audit

Which Audit Procedures were Performed to Address the Key Issue of the Audit

Valuation of the Provision for Doubtful Debts

See Clause 2.7 "Accounts Receivable and Payable" and Clause 3.10 "Accounts Receivable" of the Notes to the Balance Sheet and P&L Statement

As of 31 December 2020, the amount of the Company's accounts receivable, including advances paid, was 7,874,095 thousand roubles (15,176,270 thousand roubles net of the provision for doubtful debts amounting to 7,302,175 thousand roubles). Therefore, in the structure of the Company's accounts receivable the debt assessed by the Company's management as doubtful takes up a significant portion (as of 31 December 2020, the provision covered 48% of the accounts receivable). The Company's management creates the provision for doubtful debts based on the evaluation of worsening of creditworthiness of certain purchasers, their individual special aspects, dynamics of payments, subsequent payment after the reporting date, as well as the analysis of projected future cash inflows based on the circumstances in place on the reporting date. The degree of accuracy of management's estimates will be confirmed or refuted by future developments that are basically uncertain.

We have given special care to assessing the provision for doubtful debts since the assessment process implies the use of material judgments by the management, and the amount of such provision is considerable.

Our audit procedures in respect of the management's assessment of the provision for doubtful debts included the following:

- verifying the analysis of probabilities of repaying the debt performed by the Company's management with regard to the evaluation of creditworthiness of counterparties, the availability of information about the option of paying by instalments, subsequent payment after the reporting date, availability of collateral for payment, its quality and other factors considered by management;
- analysis of the accounts receivable turnover whose deliverables were used, among others, to confirm the analysis of probabilities of debt repayment performed by Company's management;
- sample testing of the overdue but uncovered accounts receivable to assess the conclusions drawn by the management in respect of the lack of need to accrue the provision for doubtful debts subject to the prospects and deadlines of repaying such indebtedness;
- sample testing of documents underlying the

Key Issue of the Audit

Which Audit Procedures were Performed to Address the Key Issue of the Audit

assessment by the management of probabilities of debt repayment, such as payment orders confirming debt repayment in 2021;

- obtaining and analysing written statements of the management regarding the assessment of the provision for doubtful debts performed.

In addition, we have assessed the adequacy of the information disclosed in Note 3.10 to the Balance Sheet and P&L Statement.

The current estimates of the Company's management in respect of the provision for doubtful debts in preparing the financial statements for the year ended on 31 December 2020 may be subject to changes caused by future developments that are basically uncertain.

Having performed the above procedures, we have not identified any facts evidencing the need to introduce material adjustments to the provision for doubtful debts in the attached accounting statements.

Other Information

The management is responsible for other information. Such other information contains Unipro Public Joint-Stock Company Annual Report for 2020, Issuer's Quarterly Report for 1Q 2021 (but does not include the accounting statements and our auditor's report thereon), which are expected to be presented to us after the date hereof.

Our opinion on the accounting statements shall not cover the other information, and we shall not provide an opinion expressing any kind of certainty with respect to this information.

In connection with our audit of the accounting statements, our duty is to get acquainted with the other information mentioned above as soon as we receive it and to analyse whether there are material discrepancies between the other information and the accounting statements or our knowledge acquired in the course of the audit and whether the other information contains other probable material misstatements.

If upon reviewing Unipro Public Joint-Stock Company Annual Report for 2020 or the Issuer's Quarterly Report for 1Q 2021, we conclude that they contain a material misstatement, we must report this to the persons in charge of corporate management.

Responsibility of the Management and of the Persons in Charge of Corporate Management for Accounting Statements

The management is responsible for the preparation and fair presentation of these accounting statements in accordance with the accounting rules applicable in the Russian Federation, and for such internal controls as the management deems necessary to ensure preparation of accounting statements that are free from material misstatements, whether due to fraud or error.

When preparing the accounting statements, the management shall assess the Company's ability to continue as a going concern, disclose the going-concern information in appropriate instances, and prepare accounting statements based on the going-concern assumption unless the management either intends to liquidate the Company or go out of business, or has no realistic alternative but to do so.

Persons in charge of corporate governance are responsible for overseeing the preparation of the accounting statements of the Company.

Auditor's Responsibility for the Audit of the Accounting Statements

Our objective is to obtain a reasonable assurance of the fact that the accounting statements do not contain material misstatements, whether due to fraud or error, as well as to release an auditor's report containing our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements may be due either to fraud or error and are deemed material if it is reasonable to assume that, taken individually or collectively, they may affect the users' economic decisions that are based on the accounting statements.

When conducting an audit in accordance with the ISA, we apply professional judgment and maintain professional scepticism throughout the entire duration of the audit. Furthermore, we:

- Identify and assess the risks of material misstatement of accounting statements either due to fraud or error; Develop and carry out audit procedures to respond to these risks; Acquire audit evidence that is sufficient and appropriate to express our opinion. The risk of revealing material misstatement due to fraud is higher than the risk of revealing material misstatement due to error, as fraud may include conspiracy, falsification, wilful omission, misrepresentation, or actions to circumvent the internal control system;
- Become aware of the internal control system significant for the audit in order to develop audit procedures that fit the circumstances, but not in order to express our opinion on the performance of the Company's internal control system;
- Evaluate the appropriateness of the applicable accounting policy, validity of the estimates made by the management, and relevant information disclosure;
- Conclude on the legitimacy of the management's going-concern assumption and use the acquired audit evidence to draw a conclusion on whether there is considerable uncertainty caused by certain events and circumstances that may put the Company's ability to continue as a going concern in question. If we conclude that there is considerable uncertainty, we shall ensure that our auditor's report draws attention to due disclosure in the accounting statements or – in case of failure to duly disclose the information – modify our opinion. Our opinions are based on the audit evidence received prior to the date of the auditor's report. Meanwhile, future events and circumstances may make the Company unable to continue as a going concern;
- Assess the overall presentation of the accounting statements, their structure and content, including disclosure, and whether the accounting statements reflect the transactions and events in their basis so as to ensure their accurate presentation.

We engage in the information exchange with the persons in charge of corporate management notifying them, without limitation, of the expected scope and dates of the audit, as well as of any material problems identified during the audit, including any major flaws in the internal control system revealed during the audit.



We equally provide the persons in charge of corporate management with a statement certifying our compliance with all the ethical requirements regarding independence and notified these persons of any other relations and issues that may validly be deemed to affect the auditor's independence, and in appropriate instances — of the relevant precautions.

We select the issues of highest significance for the audit of the accounting statements for the current period that consequently constitute the key issues of the audit from among the issues that we reported to the persons in charge of corporate management. We describe those issues in our auditor's report, except in cases where their public disclosure is prohibited by the law or regulation or when we come to the conclusion in very rare cases that the information on the matter should not be communicated in our report, as it can reasonably be assumed that the negative consequences of its communication would exceed its public benefit.

Manager of the engagement that was used to issue this Independent Auditor's Report — Albina Faritovna Kamalova.

PWC Audit JSC

4 March 2021

Moscow, Russian Federation

/Signature/

[Seal: PricewaterhouseCoopers Audit Joint-Stock Company]

A. F. Kamalova, Engagement Manager (Qualification Certificate No. 01-001621), PricewaterhouseCoopers Audit Joint Stock Company

Audited entity: Unipro Public Joint-Stock Company
Entry made in the Unified State Register of Legal Entities on 4 March 2009, state registration number No. 1058602056985 assigned

Taxpayer Identification Number (INN) 8602067092

Building 34, 34 Energostroyteley Street, Surgut, Khanty-Mansi Autonomous District – Yugra, Tyumen Region, 23 Russian Federation.

Independent Auditor
PricewaterhouseCoopers Audit Joint-Stock Company

Registered by State Institution Moscow Registration Chamber on 28 February 1992 under No. 008 890

Entry was made in the Unified State Register of Legal Entities on 22 August 2002 and state registration number No. 1027700148431 assigned

Taxpayer Identification Number (INN) 7705051102

Member of Self-Regulatory Organisation of Auditors Sodruzhestvo Association

Primary Registration Number of the entry in the Register of Auditors and Audit Organisations: 10201003683

Balance Sheet as of 31 December 2020

As of 31 December 2020

Company: UNIPRO PJSC

Taxpayer Identification Number

Economic activity type: Electric power generation by thermal power plants, including power plant performance assurance

Legal form / form of incorporation: Public Joint Stock Company / Joint private and foreign ownership

Unit of measurement: RUB thous.

Location (address): 23, Energostroiteley Street, building 34, Surgut, Khanty-Mansi Autonomous Area – Yugra, Tyumen Region, 628406, Russian Federation

The accounting statements are subject to mandatory auditing
Audit company's name / individual auditor's last name, first name, patronymic (if any):
PricewaterhouseCoopers Audit Joint Stock Company
Taxpayer Identification Number
Primary State Registration Number

Form under OKUD (Russian National Classifier of Management Documentation)	Codes 0710001
Date (day, month, year) under OKPO (Russian National Classifier of Businesses and Organisations)	31.12.2020 76828204
INN under OKVED 2 (Russian National Classifier of Economic Activities)	8602067092 35.11.1
under OKOPF (Russian National Classifier of Forms of Incorporation) / OKFS (Russian National Classifier of Forms of Ownership) under OKEI (Russian National Classifier of Measurement Units)	12247/34 384

YES NO ☐

INN	7705051102
OGRN / OGRNIP	1027700148431

Notes 1	Indicator 2	Line code 3	As of 31 December 2020 4	As of 31 December 2019	As of 31 December 2018
	ASSETS				
	I. NON-CURRENT ASSETS				
	Intangible assets	1110	242,995	95,550	22,831
Clause 3.2	Fixed Assets	1150	125,012,418	121,030,130	113,469,886
Clause 3.4	including: construction in progress	1151	57,780,525	51,807,636	35,899,793
Clause 3.5	Long-term financial investments	1170	678,653	705,803	764,451
	Deferred tax assets	1180	1,053,695	808,690	683,559
Clauses 3.6, 3.7.	Other non-current assets	1190	5,140,695	4,166,336	3,009,394
	Total, Section I	1100	132,128,456	126,806,509	117,950,121
	II. CURRENT ASSETS				
Clause 3.8	Inventories	1210	6,083,588	7,863,609	7,974,634
Clause 3.8	including: raw materials, supplies and other similar assets	1211	6,083,588	7,863,609	7,974,634
	Input value added tax	1220	2,141	2,494	3,013
Clause 3.10	Accounts receivable	1230	7,874,095	7,593,686	7,636,576
Clause 3.10	including: long-term debt	1231	619,898	615,496	638,406
Clause 3.10	short-term debt	1232	7,254,197	6,978,190	6,998,170
Clause 3.10	Including: buyers and customers	1233	6,206,111	5,705,268	5,753,468
Clause 3.10	advances paid	1234	115,402	149,797	255,300
Clause 3.11	Short-term financial investments (except cash equivalents)	1240	791,843	934,621	1,113,196
Clause 3.12	Cash and cash equivalents	1250	100,558	3,024,763	4,668,234
Clause 3.9	Other current assets	1260	127,965	111,760	71,517
	Total, Section II	1200	14,980,190	19,530,933	21,467,170
	BALANCE	1600	147,108,646	146,337,442	139,417,291

Notes 1	Indicator 2	Line code 3	As of 31 December 2020 4	As of 31 December 2019	As of 31 December 2018
	LIABILITIES				
	III. SHAREHOLDERS' FUNDS				
Clause 3.14	Authorised capital	1310	25,219,482	25,219,482	25,219,482
	Revaluation of non-current assets	1340	446,381	448,549	451,229
Clause 2.10, Clause 3.14	Add-on capital (without revaluation)	1350	40,969,311	40,969,311	40,969,311
Clause 3.14	Reserve capital	1360	1,260,974	1,260,974	1,260,974
	Retained earnings (uncovered loss)	1370	61,698,966	60,585,180	55,769,600
	Total, Section III	1300	129,595,114	128,483,496	123,670,596
	IV. NON-CURRENT LIABILITIES				
	Deferred tax liabilities	1420	7,001,851	7,121,297	7,571,273
Clause 3.23	Other liabilities	1450	1,543,153	961,482	529,077
	Total, Section IV	1400	8,545,004	8,082,779	8,100,350
	V. CURRENT LIABILITIES				
Clause 3.20	Short-term loan liabilities	1510	478,700	2,506,167	-
Clause 3.13	Accounts payable	1520	6,767,008	5,452,730	6,313,361
Clause 3.13	including: payables to suppliers	1521	4,629,889	3,683,208	4,075,751
Clause 3.13	taxes and levies payable	1522	1,506,153	1,133,175	1,617,313
	Deferred income	1530	65	109	179
Clause 3.24	Estimated liabilities	1540	995,951	889,631	758,178
Clause 3.13, Clause 3.24	Other current liabilities	1550	726,804	922,530	574,627
	Total, Section V	1500	8,968,528	9,771,167	7,646,345
	BALANCE	1700	147,108,646	146,337,442	139,417,291

Director

/Signature/
Signature

/Signature/ M.G. Shirokov
Printed name

Chief Accountant

/Signature/
Signature

/Signature/ A. N. Koblova
Printed name

03 March 2021

Profit and Loss Statement for 2020

Company UNIPRO PJSC

Taxpayer Identification Number

Type of economic activity

Electric power generation by thermal power plants, including power plant performance assurance

Legal form / form of incorporation

Public Joint Stock Company / Joint private and foreign ownership

Unit of measurement: RUB thous.

	Codes
Form under OKUD (Russian National Classifier of Management Documentation)	0710002
Date (day, month, year)	31.12.2020
under OKPO (Russian National Classifier of Businesses and Organisations)	76828204
INN	8602067092
under OKVED 2 (Russian National Classifier of Economic Activities)	35.11.1
under OKOPF (Russian National Classifier of Forms of Incorporation) / OKFS (Russian National Classifier of Forms of Ownership)	12247/34
under OKEI (Russian National Classifier of Measurement Units)	384

Notes	Indicator	Line code	For 2020	For 2019
1	2	3	4	5
Clause 3.15	Revenue	2110	80,286,268	84,761,696
Clause 3.16	Cost of sales	2120	(60,507,529)	(60,149,462)
	Gross profit (loss)	2100	19,778,739	24,612,234
	Profit (loss) from sales	2.200	19,778,739	24,612,234
	Income from shareholdings	2310	170,486	1,446
	Interest receivable	2320	195,209	456,461
	Interest payable	2330	(47,931)	(6,167)
Clause 3.17	Other income	2340	416,935	253,911
Clause 3.17	Other expenses	2350	(1,967,839)	(2,136,586)
	Profit (loss) before tax	2300	18,545,599	23,181,299
Clause 3.18	Income tax	2410	(3,517,875)	(4,426,775)
Clause 3.18	including current income tax	2411	(3,868,806)	(5,002,785)
Clause 3.18	deferred income tax	2412	350,931	576,010
Clause 3.18	Other	2460	12,368	(25,452)
	Net profit (loss)	2400	15,040,092	18,729,072

Notes	Indicator	Line code	For 2020	For 2019
1	2	3	4	5
	FOR REFERENCE			
	Profit / loss from other transactions not included in net profit (loss) of the period	2520	(2,168)	(2,680)
	Total profit / loss for the period	2500	15,037,924	18,726,392
Clause 3.20	Base profit (loss) per share, RUB	2900	0.24	0.30

Director

/Signature/
Signature

/Signature/ M.G. Shirokov
Printed name

Chief Accountant

/Signature/
Signature

A. N. Koblova
Printed name

03 March 2021

Statement of Changes in Equity for 2020

Company UNIPRO PJSC

Taxpayer Identification Number

Type of economic activity

Electric power generation by thermal power plants, including power plant performance assurance

Legal form / form of incorporation

Public Joint Stock Company / Joint private and foreign ownership

Unit of measurement: RUB thous.

Form under OKUD (Russian National Classifier of Management Documentation)	Codes 0710003
Date (day, month, year) under OKPO (Russian National Classifier of Businesses and Organisations)	31.12.2020 76828204
INN	8602067092
under OKVED 2 (Russian National Classifier of Economic Activities)	35.11.1
under OKOPF (Russian National Classifier of Forms of Incorporation) / OKFS (Russian National Classifier of Forms of Ownership)	12247/34
under OKEI (Russian National Classifier of Measurement Units)	384

1. Capital flow

Notes	Indicator	Line code	Authorised capital	Treasury shares	Add-on capital	Reserve capital	Retained earnings (uncovered loss)	Total
1	2	3	4	5	6	7	8	9
	Capital as of 31 December 2018	3100	25,219,482	-	41,420,540	1,260,974	55,769,600	123,670,596
	For 2019							
	Capital increase, total:	3210	-	-	-	-	18,828,058	18,828,058
	including:							
	Net profit	3211	X	X	X	X	18,729,072	18,729,072
	income directly attributable to the capital increase	3213	X	X		X	98,986	98,986
	Capital reduction, total:	3220	-	-	-	-	(14,015,158)	(14,015,158)
	including:							
	expenses directly attributable to capital reduction	3223	X	X	-	X	(15,158)	(15,158)
	dividends	3227	X	X	X	X	(14,000,000)	(14,000,000)
	Add-on capital changes	3230	X	X	(2,680)	X	2,680	-
	Reserve capital changes	3240	X	X	X	-	-	X
	Equity as at 31 December 2019	3200	25,219,482	-	41,417,860	1,260,974	60,585,180	128,483,496
	for 2020							
	Capital increase, total:	3310	-	-	-	-	15,111,634	15,111,634
	including:							
	Net profit	3311	X	X	X	X	15,040,092	15,040,092
	income directly attributable to the capital increase	3313	X	X		X	71,542	71,542
	Capital reduction, total:	3320	-	-	-	-	(14,000,016)	(14,000,016)
	including:							
	expenses directly attributable to capital reduction	3323	X	X	-	X	(16)	(16)
Clause 3.20	dividends	3327	X	X	X	X	(14,000,000)	(14,000,000)
	Add-on capital changes	3330	X	X	(2,168)	X	2,168	-
	Changes in capital reserves	3340	X	X	X	-	-	X
	Capital as of 31 December 2020	3300	25,219,482	-	41,415,692	1,260,974	61,698,966	129,595,114

2. Adjustments Due to Changes in the Accounting Policy and Correction of Errors

Indicator	Code	As of 31 December 2018	Changes in equity for 2019 at the expense of net profit	due to other factors	As of 31 December 2019
1	2	3	4	5	6
Capital, total	3400	124,858,857	18,612,405	(13,901,014)	129,570,248
prior to adjustments					
adjustment due to:	3410	(1,188,261)	116,667	(15,158)	(1,086,752)
changes in the accounting policy					
Correction of errors	3420				
after adjustment	3500	123,670,596	18,729,072	(13,916,172)	128,483,496
including:	3401	56,957,861	18,612,405	(13,898,334)	61,671,932
retained earnings (uncovered loss):					
prior to adjustments					
adjustment due to:	3411	(1,188,261)	116,667	(15,158)	(1,086,752)
changes in the accounting policy					
Correction of errors	3421				
after adjustment	3501	55,769,600	18,729,072	(13,913,492)	60,585,180

3. Net Assets

Note	Indicator	Line code	As of 31 December 2020	As of 31 December 2019	As of 31 December 2018
1	2	3	4	5	6
	Net assets	3600	129,595,179	128,483,605	123,670,775

03 March 2021

Director

/Signature/

Signature

/Signature/ M.G. Shirokov

Printed name

Chief Accountant

/Signature/

Signature

A. N. Koblova

Printed name

03 March 2021

Cash Flow Statement

Company UNIPRO PJSC

Taxpayer Identification Number

Type of economic activity

Electric power generation by thermal power plants, including power plant performance assurance

Legal form / form of incorporation

Public Joint Stock Company / Joint private and foreign ownership

Unit of measurement: RUB thous.

Form under OKUD (Russian National Classifier of Management Documentation)	Codes 0710004
Date (day, month, year)	31.12.2020
under OKPO (Russian National Classifier of Businesses and Organisations)	76828204
INN	8602067092
under OKVED 2 (Russian National Classifier of Economic Activities)	35.11.1
under OKOPF (Russian National Classifier of Forms of Incorporation) / OKFS (Russian National Classifier of Forms of Ownership)	12247/34
under OKEI (Russian National Classifier of Measurement Units)	384

Notes	Indicator	Line code	for 2020	for 2019
1	2	3	4	5
	Operating cash flows			
	Total receipts	4110	80,457,716	84,618,630
	including:			
	From sale of products, goods, works and services	4111	79,559,213	84,258,644
Clause 3.12	other receipts	4119	898,503	359,986
	Total payments	4120	(59,504,893)	(62,239,332)
	including:			
	to suppliers (contractors) for raw materials, supplies, works, services	4121	(46,206,241)	(46,232,600)
	in connection with salary payment to employees	4122	(6,150,525)	(5,575,500)
	interest on debt liabilities	4123	(54,098)	-
	Corporate income tax	4124	(3,807,252)	(5,002,961)
Clause 3.12	Other payments	4129	(3,286,777)	(5,428,272)
	Balance of cash flows from operating activities	4100	20,952,823	22,379,297
	Cash flows from investing activities			
	Total receipts	4210	379,887	5,534,037
	including:			
	From recovery of issued loans, from sale of debt securities (monetary claims against third parties)	4213		5,119,226
	dividends, interest on debt financial investments and similar receipts from shareholdings in other companies	4214	360,351	414,811
	from closing of deposits	4215	19,536	-
	Total payments	4220	(8,438,366)	(17,992,368)
	including:			
	In connection with acquisition, creation, upgrading, reconstruction and preparation for use of non-current assets	4221	(8,423,366)	(12,965,368)
	in connection with the acquisition of other companies' shares (participatory interests)	4222	(15,000)	(27,000)
	in connection with acquisition of debt securities (monetary claims against third parties), extension of loans to third parties	4223		(5,000,000)
	Balance of cash flows from investing activities	4200	(8,058,479)	(12,458,331)
	Cash flows from financing activities			
	Total receipts	4310	2,572,829	2,500,000
	including:			
	receipt of loans and borrowings	4311	2,390,462	2,500,000
	other receipts	4319	182,367	
	Total payments	4320	(18,412,201)	(14,060,941)
	including:			
	To pay dividends and make other payments as distribution of the profit to the owners (participants)	4322	(14,000,439)	(14,060,941)
	Due to the redemption (buy-back) of bills and other debt securities, repayment of credits and loans	4323	(4,411,762)	
	Other payments	4329	-	-
	Balance of financial cash flows	4300	(15,839,372)	(11,560,941)
	Balance of cash flows for the reporting period	4400	(2,945,028)	(1,639,974)
	Balance of cash and cash equivalents as of the beginning of the reporting period	4450	3,024,763	4,668,234
	Balance of cash and cash equivalents as of the end of the reporting period	4500	100,558	3,024,763
	Effect of changes in the foreign exchange rate to the rouble	4490	(20,823)	(3,497)

Director

/Signature/
Signature

/Signature/ M.G. Shirokov
Printed name

Chief Accountant

/Signature/
Signature

A. N. Koblova
Printed name

03 March 2021

Unipro Public Joint-Stock Company

NOTES TO THE BALANCE SHEET AND PROFIT AND LOSS STATEMENT FOR 2020

1 General Information

1.1 Company Profile

Unipro Public Joint-Stock Company (former OGC-4 OJSC (prior to 08 July 2011), E.ON Russia JSC (prior to 23 June 2016), hereinafter referred to as the Company) was established on 04 March 2005 according to Order of RAO UES of Russia OJSC No. 34r dated 02 March 2005.

The Company's core business activities include the following:

- generation and sale of electric power;
- generation and sale of heat power.

The Company is registered at the address: 23 Energostroyteley Street, bldg. 34, Surgut, Khanty-Mansi Autonomous Area – Yugra 628406 Russian Federation.

Mailing address: Floor 23, Block B, 10, Presnenskaya Embankment, 123112 Moscow

The Company's staff headcount as of 31 December 2020 was 4 556 employees (as of 31 December 2019 – 4,585 employees).

The Company's shares are listed on the Moscow Exchange (MOEX).

As of 31 December 2020, the Company had 7 regional standalone business units (6 branches and 1 representative office):

No.	Branch name	Location address
1	Yaivinskaya GRES Branch	5 Timiryazeva Street, Yaiva Urban-Type Settlement, Aleksandrovsk, 618340 Perm Territory, Russian Federation
2	Shaturskaya GRES Branch	5, Chernoozerskiy Dr., Shatura, 140700 Moscow Region, Russian Federation
3	Smolenskaya GRES Branch	Ozerny Settlement, Dukhovshchinsky District, 216239 Smolensk Region, Russian Federation
4	Surgutskaya GRES-2 Branch	23 Energostroyteley Street, bldg 34, Surgut, Khanty-Mansi Autonomous Area – Yugra, 628406 Russian Federation.
5	Berezhovskaya GRES Branch	1/15 Energetikov Industrial Facility, Kholmogorskoye settlement, Sharypovo District, Krasnoyarsk Territory 662328, Russian Federation
6	Engineering Branch	1 Energetikov Industrial Facility, bldg 15, Kholmogorskoye settlement, Sharypovo District, Krasnoyarsk Territory 662328, Russian Federation
7	Moscow Representative Office	10 Presnenskaya Embankment, block B, floor 23, Moscow, 123112, Russian Federation

Current members of the Board of Directors (elected at the Annual General Meeting of Shareholders of the Company on 10 June 2020) as of 31 December 2020:

No.	Full name	Position (the positions are provided as of the date of nomination to the Board of Directors)
1	Andreas Schierenbeck	CEO of Uniper SE, Chairman of the Board of Directors
2	Anna Grigoryevna Belova	Professor of Higher School of Management, Higher School of Economics, Independent Director, Deputy Chairman of the Board of Directors
3	Georgiy Levanovich Abdushelishvili	Managing Director – Senior Partner, Vektor Liderstva JSC, Independent Director
4	Dr. Patrick Wolff	Chief Legal Counsel and Compliance Area Manager, Uniper SE
5	Oleg Vyacheslavovich Vyugin	Professor of School of Finance, Faculty of Economic Sciences, Higher School of Economics, Independent Director
6	David Bryson	Chief Operating Officer, Uniper SE
7	Fip Uwe Heinz	Senior Vice President, Gas Supply & Origination, Uniper Global Commodities SE
8	Reiner Hartmann	Head of the Moscow Representative Office of Uniper Global Commodities SE

Item No.	Full name	Position (the positions are provided as of the date of nomination to the Board of Directors)
9	Maxim Gennadyevich Shirokov	General Director of Unipro PJSC

Members of the Management Board of the Company as of 31 December 2020:

No.	Full name	Position
1	Maxim Gennadyevich Shirokov	General Director, Chairman of the Management Board, Unipro PJSC
2	Ulf Backmeyer	Deputy General Director for Finance and Economics, Deputy Chairman of the Management Board, Unipro PJSC
3	Igor Viktorovich Popov	Deputy General Director for Production, Unipro PJSC

To assist the Company's Board of Directors and executive bodies in improving the corporate governance efficiency and the Company's financial and business operations, including through a systematic and consistent approach to analysis and assessment of the risk management, internal control, and corporate governance systems, the Company has created a centralised internal audit function performed by the Internal Audit Department.

From 1 January 2016, following a demerger of Uniper SE, a new international company, from E.ON Group, E.ON Russia JSC became its part and was renamed to Unipro PJSC on 23 June 2016.

83.73% of the Company's shares are held by Uniper SE (before June 2018 – by Uniper Russia Holding GmbH, a subsidiary of Uniper SE).

Uniper SE Group is the major shareholder of Unipro and is a leader in traditional power generation sector in Europe. The Company operates in European countries, Russia and several other countries. Uniper includes hydroelectric, gas-fired and coal power plants with a total capacity of 34 GW. Thanks to these key assets and the use of different fuel types, Uniper is a major and reliable supplier of electricity a large portion of which is produced using environmentally friendly technologies such as hydroelectric stations.

Fortum Oyj, Espoo, Finland ("Fortum") is the major shareholder of Uniper SE. As an independent registered group Uniper publishes its quarterly statements, half-year interim financial statements and consolidated annual financial statements, which are also included in the corresponding consolidated financial statements of Fortum. The Republic of Finland is the major shareholder of Fortum.

According to the public announcement of Fortum Oyj dated 10 February 2020 (publication of financial statements of Fortum Oyj as well as the overview of operations and financial activities for 9 months of 2020), the share of voting rights in Uniper SE held by Fortum Oyj (Espoo, Finland) as of 30 September 2020 was 75.01% (as of 31 December 2019, 73.4%).

1.2 Operating Environment of the Company

The Russian economy has some specifics that are typical for emerging markets. It is especially sensitive to movements in oil and gas prices. The legal, tax, and legal framework laws is continuously developing and is subject to frequent changes and varying interpretations. Persistent political tensions in the region and international sanctions imposed on certain Russian companies and citizens have a continuous negative effect on the Russian economy.

On 11 March 2020, the World Health Organisation declared the COVID-19 epidemic a global pandemic. Due to the pandemic, the Russian government authorities took a number of measures to suppress the spread and mitigate the consequences of COVID-19, including traffic ban and limitations, quarantine, self-isolation and restrictions on commercial activities, including shutdown of enterprises.

These measures have particularly limited the economic activities in Russia, have already produced and may have further adverse impact on business, market participants, Company clients, as well as on the Russian and global economy over an indefinite period of time.

The Company management takes all necessary measures to maintain Company stability and support its clients and employees, including the following:

- sanitary treatment of premises;
- acquisition of additional personal protective equipment and disinfecting agents, non-contact thermometers and recirculation units;
- medical testing of personnel;
- transfer of part of the administrative staff to remote work;
- transfer of part of legally binding document flow to the electronic format.

It is hard to predict the consequences of the current economic situation and the aforesaid measures, and the current expectations and estimates of the Company management may differ from the actual outcomes.

The Company's activities are more or less exposed to various risks (financial, legal, sovereign, regional, reputational, etc.). The Notes to the Balance Sheet and Profit and Loss Statement provide the information about the Company's exposure to risks and their root causes, risk management mechanisms, and period over period changes.

2 Accounting Policy

2.1 Basis for Preparation

The accounting statements have been prepared in compliance with the accounting and reporting rules currently in effect in the Russian Federation that were enacted by Federal Law 'On Accounting', as well as with the Regulation on Accounting and Reporting in the Russian Federation and the other regulatory legal acts adopted by the Ministry of Finance of the Russian Federation.

The data of the accounting statements are presented in thousands of roubles.

The Company's assets are valued at actual cost, except for fixed assets and intangible assets (reflected at net book value) and assets for which impairment provisions have been created in line with established procedures (impairment).

In the Balance Sheet, financial investments, accounts receivable and payable, and estimated liabilities are classified as short-term if their circulation period does not exceed 12 months following the reporting date. The remaining assets and liabilities above are classified as long-term ones.

2.2 Fixed Assets

The 'Fixed Assets' line shows:

- Fixed assets at the net book value;
- Equipment to be installed;
- Construction in progress;
- Advances paid under capital construction;
- Estimated liability for the disposal of fixed assets and rehabilitation (ELDFAR).

Fixed assets include land plots, buildings, machinery, equipment, vehicles, and other relevant facilities with the useful life over 12 months, and whose value exceeds RUB 40,000.

Repair expenses for fixed assets, provided that such expenses are recurring, are reflected in line 1190 'Other non-current assets' and recognised in expenses on a straight-line basis within the period until the next similar repair.

Fixed assets are reflected in the accounting records at initial cost equal to actual acquisition and construction costs. An asset requiring a long time (over 12 month) and major acquisition, construction, and/or manufacturing costs to be prepared for intended use is recognised as an investment asset. Investment assets include constructions-in-progress to be ultimately reflected in the accounting records as fixed assets (including land plots), intangible assets or other non-current assets.

For accounting purposes, fixed assets are depreciated using the straight-line method based on their useful lives. The Balance Sheet reflects fixed assets at their initial cost less depreciation.

The useful lives accepted by the Company are provided in the table below:

Group of fixed assets	Useful life (number of years)
Buildings	25–50
Structures and transmitters	25–40
Machinery and equipment	5–15
Vehicles	7–15
Other	2–7

The useful life of assets is determined based on the expected period of reaping economic benefits to be established based on:

- the Company's experience in operating similar assets;
- the actual period of use of the asset specified in technical data sheets.

The expected useful life of the asset is to be established by the commission involving business line specialists.

Fixed assets are not subject to depreciation if their consumer properties do not change over time (land plots; natural resources sites; etc.)

Fixed assets shall not be depreciated in the following cases:

- If such fixed assets have been preserved for over three months for the period from the month following the month of preservation to the month of de-preservation inclusive;
- During the recovery of the asset in excess of 12 months for the period from the month following the month when the facility was taken down for recovery up to the month when recovery was completed.

Financial results of selling fixed assets are recorded in the profit and loss statement among other income and expenses.

2.3 Lease Assets and Liabilities

The Company decided to apply FSBU 25/2018 (Federal Accounting Standard) starting from the statements for 2020.

The Company recognises the following contracts as the subject of lease:

- contracts of lease of land plots and equipment for power facilities;
- contracts of lease of communication channels;
- contract of lease of the office premises for the Moscow representative office.

The right to use an asset is recognised at its actual cost. The lease liability is initially measured as an amount of an adjusted cost of future lease payments as of the date of such measurement. The present value of future lease payments shall be determined by discounting their nominal values.

The discount rate used to measure the lease liability is the best fund raising rate with due regard to the present conditions in the financial market.

2.4 Inventories

Inventories are estimated at the total actual costs of their acquisition.

Inventories issued for production or withdrawn otherwise are estimated at the average prime cost.

Tools, instruments, maintenance accessories, overalls and special gear, as well as any other items worth up to RUB 40,000 and with a useful life of over a year are recorded as inventories. The value of special gear and overalls valued above RUB 40,000 per kit with a useful life of over one year is depreciated using the straight-line method from the month following the month of handover to operation.

Inventories produced by disassembling an item of fixed assets or a different piece of property to be disposed of that are fit for further use by the Company are reflected in the accounting records at mark-to-market value to be determined in the manner established by the Company.

Inventories intended for capital works are reflected as part of Construction-in-progress.

Inventories, the market value of which at the end of the year turned out to be lower than the value at which they are accounted due to a sustained (lasting) price fall (obsolescence, full or partial loss of quality) are reflected in the balance sheet at the market value. A provision was made for the amount of the difference between the carrying value of such inventories and their market value (by the amount of inventories) and attributed to the increase in other expenses.

2.5 Deferred Expenses

Expenses incurred by the Company in the reporting year and relating to future reporting periods are reflected as deferred expenses and shall be written off as intended on a uniform basis during the periods they relate to. The duration of such a period is decided upon at the time of entry of deferred expenses to the books.

The Company accounts the following deferred expenses:

- software (licences acquired under a licence (sub-licence) agreement or copies of a computer programmes, with the term of the right to use the computer programmes set in the licence (sub-licence) agreement, of not more than 12 months;
- services for technical support of computer programmes (or acquisition of access to those services (certificates/access keys to the technical support of the computer programmes), service packages (services for updating the acquired computer programmes, technical and/or consulting support, etc.) with a set term for the provision of those services of not more than 12 months,
- services for the issue of an EDS with an electronic certificate term.
- Other expenses relating to future reporting periods.
- Deferred expenses are reported as follows:
- to be written off as expenses 12 months or more after the reporting date as other non-current assets;
- to be written off as expenses within 12 months (inclusive) from the reporting date as other current assets.

2.6 Financial Investments

Financial investments are recognised for accounting purposes at actual costs of their acquisition.

Sub-accounting records of financial investments are maintained broken down by financial investment types and by assets, in which such investments were made (corporate sellers of securities, other companies in which the Company participates, corporate borrowers, etc.).

The bookkeeping unit for financial investments, depending on the nature of and procedure for acquisition and use thereof, is a series or any other homogeneous aggregate of financial investments.

Financial investments whose mark-to-market value can be determined in due order are revalued on a quarterly basis at mark-to-market value as of the end of the reporting period and the revalued amount is reflected in the accounting statements. The difference between the valuation of such financial investments as of the current reporting date and their previous valuation is recognised as other income and expenses.

The financial investments whose mark-to-market value is not determined, are carried as of the end of the reporting period at their carrying (book) value less the financial investment impairment provision made with regard to the assets, for which there are conditions for a major persistent impairment as of the reporting date. The size of the financial investment impairment provision is calculated based on the initial cost and expected market cost of such investments.

The market value is either the cost of net assets of the company invested into or a fraction of the fair value of net assets prorated to the share of investments into the company.

When financial investments are withdrawn and become the securities, for which the mark-to-market value is determined in due order, their value is determined on the basis of the last valuation. Withdrawal of financial investments, for which the mark-to-market value is not determined, is measured at the initial cost of each bookkeeping unit of financial investments.

Contributions to the authorised (share) capitals of other companies shall be recognised as the Company's financial investments and shall be booked as the amount of the investor's actual costs, i.e. at the cost of contributed assets, at which they were reflected in the Company's balance sheet.

In addition, financial investments shall include bank bills issued by buyers in case of settlements for the goods and products sold and works and services delivered.

Income and expenses from financial investments are recognised as other income and expenses.

2.7 Receivables and Payables

Accounts receivable of buyers are recorded in the amount of services provided, work completed, and products shipped at reasonable prices and established tariffs. Settlements with other debtors shall be reflected on the basis of contractual prices for accounting and reporting purposes.

Advances for future supplies of fixed assets, equipment, major works and services paid to counterparties are recorded as non-current assets net of the value added tax (hereinafter – VAT). The tax on such advances is reflected as a part of other accounts receivable.

The debts, including those that concern the advances paid to suppliers, not settled by the due date, or that are highly unlikely be settled by the date laid down in the contracts and not secured with relevant guarantees, sureties or otherwise, are reflected in the balance sheet less the provisions for doubtful debts. These provisions represent a conservative estimation by the Company's Management of the portion of debts that is likely not to be settled. The provision for doubtful debts is attributed to the increase in other expenses. If the debts, for which a provision was previously formed, are settled, the respective amount of the provision is restored.

The receivables and payables with expired limitation periods are written off pursuant to the Company's local regulation from the source specified in such regulation. To secure the Company's right of claim, written-off debt is charged on off-balance accounts for 5 years following the write-off period.

2.8 Assets and Liabilities in Foreign Currency

To book business activities denominated in foreign currencies, official exchange rates against the rouble effective as of the date of the transaction were applied. Funds on the foreign currency bank accounts and other uncleared balances (other than received and made advances and prepayment) are recognised in the accounting statements as the amounts calculated on the basis of official exchange rates.

The exchange rates as of 31 December 2020 were as follows: RUB 73.8757 for USD 1, RUB 90.6824 for EUR 1 (the exchange rates as of 31 December 2019 were as follows: RUB 61.9057 for USD 1, RUB 69.3406 for EUR 1; as of 31 December 2018: RUB 69.4706 for USD 1, RUB 79.4605 for EUR 1).

Foreign exchange differences arising under the transactions involving assets and liabilities in foreign currency during the year and as they were recalculated as of the reporting date were attributed to profit or loss as other income and expenses.

2.9 Cash Equivalents and Recognition of Cash Flows in the Cash Flow Statement

Cash equivalents include highly liquid financial investments that can be easily converted into an amount of funds known beforehand and that are exposed to an insignificant risk of changes in values.

The Company classifies short-term bank deposits with maturities up to three months as cash equivalents.

In the cash flow statement, the Company's cash flows that cannot be definitely classified as flows under current, investment or financial operations, are recorded as cash flows from current operations.

The value of foreign currency cash flows to be presented in the cash flow statement was recalculated in roubles at the official exchange rate of this foreign currency against the rouble established by the Central Bank of Russia as of the date of payment or receipt of the payment.

If the Company has respective transactions, the cash flow statement presents in the aggregated way the following:

- receipts of funds from buyers to be transferred to principals (if the Company acts as a commission agent);
- VAT amounts as part of receipts from buyers and customers, payments to suppliers and contractors, and payments to the budget system and VAT refund therefrom.

Receipts and payments are presented in the aggregated way in the lines 'Other receipts' / 'Other payments' of the cash flow statement in case if the said types of flows are insignificant or if receipts and payments refer to one of the aforesaid types.

2.10 Authorised Capital, Surplus, and Capital Reserve

The authorised capital is reflected in the amount of the nominal value of ordinary shares. The authorised capital amount corresponds to the one established in the Company's Articles of Association. The Company's surplus includes the increment in the value of fixed assets determined based on their revaluation (in the Company branches prior to their accession), the paid-in capital in excess of par gained as a result of the offer of the Company's shares at the price exceeding their denomination.

In compliance with the laws of the Russian Federation, the Company created a reserve fund amounting to 5% of the authorised capital. As of 31 December 2020, the reserve fund was created in full.

2.11 Estimated Liabilities, Contingent Liabilities and Contingent Assets

Estimated Liabilities

The Company keeps records of estimated and contingent liabilities according to Accounting Regulation 'Estimated Liabilities, Contingent Liabilities and Contingent Assets' RAS 8/2010 approved by Order of the Ministry of Finance of the Russian Federation No. 167n dated 13 December 2010.

The estimated liability is recorded in the accounting in the amount required for the direct performance (repayment of obligations) as of the reporting date or for the transfer the obligation to another person as of the reporting date.

Short-term estimated liabilities:

- Estimated liability for vacation allowances;
- Estimated liability for annual bonuses;
- Estimated liability for quarterly bonuses;
- Estimated liability for legal proceedings;
- Estimated liability for tax disputes;
- Estimated liability for the work performed / services provided under concluded contracts, but not accepted by the Company due to various circumstances;
- Other estimated liabilities meeting the criteria specified in RAS 8/2010.

Long-term estimated liabilities:

- Estimated liability for the disposal of fixed assets and rehabilitation.

If the recognition criteria for estimate liabilities established in Clause 5 of PBU 8/2010 are no longer met, the unused amount shall be written off.

The value of an estimated liability whose maturity period exceeds 12 months shall be discounted. The rate (rates) and methods of discounting shall be determined by the Company, taking into consideration the current conditions on the financial market, the risks related to the assumed consequences of the estimated liability and other factors. Increase in the estimated liability due to the increase of its present value is accounted in the other expenses and recognised in the interest payable in the profit and loss statement.

Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not presented in the balance sheet, but are disclosed in the notes to the balance sheet and profit and loss statement.

A contingent liability (contingent asset) occurs as a result of any previous events of the business life, when the existence of the Company's liability (asset) as of the reporting date depends on the occurrence (non-occurrence) of one or more future indefinite events not controlled by the Company. A contingent liability is disclosed in the notes to the balance sheet and profit and loss statement, except for the cases when the decrease in economic benefits relating thereto is unlikely.

A contingent asset is disclosed in the notes to the balance sheet and profit and loss statement, when receipts relating thereto are probable. In this case, an estimated value or a range of estimated values are specified, if they can be determined.

2.12 Income Tax Settlements

The amount of deferred tax assets and liabilities is reflected separately in the balance sheet: the amount of deferred tax assets as of the last date of the reporting period has been reflected as part of non-current assets, the amount of deferred tax liabilities as of the last date of the reporting period – as part of long-term liabilities.

2.13 Revenue Recognition

Proceeds from the sale of products and provision of services are recognised as products are shipped to buyers (or services are rendered) and payment documents are issued. They are carried in the statements less the value added tax.

The Company divides income into income from core activities and other income.

The types of income reflected as part of income from the Company's core activities are as follows:

- Sale of electric power and capacity;
- Sale of heat power;
- Revenues from the sale of other types of products, works, services.

Among other income, the Company recognises the following:

- Income from shareholdings in other companies;
- Interest receivable;
- Revenues from sale of fixed assets;
- Revenues from sale of inventories;
- Revenues from the transactions involving derivatives (forward contracts for the purchase of foreign currency) after the closing date;
- Profit of previous years revealed in the reporting period;
- Penalties, fines and forfeits acknowledged or in respect of which there is a court decision on their recovery;
- Amounts payable with expired limitation period;
- Foreign exchange differences;
- Results of asset inventory audit;
- Revenues from the sale of bills reflected in financial investments;
- Revenues under claim assignment agreements;
- Expenses incurred as a result of force majeure (natural disasters, fire, accident, etc., including insurance compensations).

2.14 Recognition of Expenses

Production costs are booked in the reporting period, in which they were incurred. In the same period, production costs including administrative expenses are recognised as the prime costs of sold products in the profit and loss statement.

Other expenses include:

- Expenses on sale of fixed assets and other assets;
- Expenses on transactions involving derivatives (forward and option contracts for foreign currency purchase) after the closing date;
- Expenses on the sale of bills recognised in the Company's financial investments;
- Expenses under claim assignment agreements;
- Maintenance of preserved production facilities;
- Interest paid under credit / loan agreements (except for those included in the investment asset value), bank account fees;
- Interest paid under bills;
- Services of credit institutions;
- Fines and penalties paid for the breach of business contracts;
- Losses of past years;
- Uncollectable accounts receivable;
- Foreign exchange differences;
- Social payments;
- Expenses incurred as a result of force majeure (natural disasters, fire, accident, etc.), and others.

2.15 Historical Records

The following adjustments were taken into consideration while compiling the balance sheet:

1. Due to the start of application of the Federal Accounting Standard FSBU 25/2018 "Accounting for Lease", the Company recognised on a one-off basis as of 31 December 2019 the right to use a lease asset and a lease liability and posted the difference to the retained profit.
2. Due to the start of application of a new wording of the Accounting Regulation "Accounting for Corporate Income Tax Settlements" PBU 18/02 from 01 January 2020, the comparative figures of the accumulated balance of deferred taxes were adjusted retrospectively in the Company's balance sheet, and the amount of adjustment was posted to the retained profit as of end of 2019 and 2018.

Adjustments are presented in the table below:

RUB thous.

Adjustment of indicators as of 31 December 2019					
Indicator	Line code	Before adjustment	Adjustment number	Adjustment amount	After adjustment
ASSET I. NON-CURRENT ASSETS					
Deferred tax assets	1180	112,473	2	696,217	808,690
Other non-current assets	1190	3,467,966	1	698,370	4,166,336
LIABILITIES III. SHAREHOLDERS' FUNDS					
Retained earnings (uncovered loss)	1370	61,671,932	1.2	(1,086,752)	60,585,180
LIABILITIES IV. NON-CURRENT LIABILITIES					
Deferred tax liabilities	1420	5,353,486	2	1,767,811	7,121,297
Other liabilities	1450	588,901	1	372,581	961,482
LIABILITIES V. CURRENT LIABILITIES					
Other current liabilities	1550	581,583	1	340,947	922,530

Adjustment of indicators as of 31 December 2018					
Indicator	Line code	Before adjustment	Adjustment number	Adjustment amount	After adjustment
ASSET I. NON-CURRENT ASSETS					
Deferred tax assets	1180	135,023	2	548,536	683,559
LIABILITIES III. SHAREHOLDERS' FUNDS					
Retained earnings (uncovered loss)	1370	56,957,861	2	(1,188,261)	55,769,600
LIABILITIES IV. NON-CURRENT LIABILITIES					
Deferred tax liabilities	1420	5,834,476	2	1,736,797	7,571,273

When compiling the Profit and Loss Statement the following adjustment was taken into consideration: due to the start of application of a new wording of the Accounting Regulation "Accounting for Corporate Income Tax Settlements" PBU 18/02 from 01 January 2020, the comparative figures of the deferred tax for 2019 were adjusted retrospectively in the Company's Profit and Loss Statement.

RUB thous.

Indicator	Line code 2019	Line code 2020	Indicators for 2019 before adjustment	Adjustment	Indicators for 2019 after adjustment
Profit (loss) before tax	2300	2300	23,181,299	-	23,181,299
Current income tax	2410		(5,002,785)		
including permanent tax liabilities (assets)	2421		(92,819)		
Changes in deferred tax liabilities	2430		478,600	116,667	
Changes in deferred tax assets	2450		(19,257)		
Income tax		2410			4,426,775
including current income tax		2411			(5,002,785)
deferred income tax		2412			576,010
Other	2460	2460	(25,452)	-	(25,452)
Net profit (loss)	2400	2400	18,612,405	116,667	18,729,072

3 Disclosure of Material Reporting Figures

3.1 Information by Segments

There are no reporting segments in the Company's activities as the core activity is production of electrical power and capacity, the sales of which amount to 98% of the revenue from the sale of products (services). The Company also carries out other activities that are not significant and do not form any separate reporting segments.

The Company carries out its activity in the Russian Federation, the risk sources and risk nature throughout the Russian Federation are more or less the same.

3.2 Fixed Assets

Breakdown of balance sheet line 1150 'Fixed Assets':

RUB thous.

Item	31.12.2020	31.12.2019	31.12.2018
Fixed assets (net book value)	67,231,893	69,222,494	77,570,093
Capital investments in progress, including:	57,780,525	51,807,636	35,899,793
Capital investments in fixed assets and new construction/ acquisition of new fixed assets	51,461,203	42,983,854	21,775,373
Advances to suppliers/ contractors on capital investments (net of VAT)	1,335,530	1,136,427	1,298,867
Equipment to be installed and other assets to be used for capital investments	4,983,792	7,687,355	12,825,553
Total: balance sheet line 1150	125,012,418	121,030,130	113,469,886

Among other things, line 'Equipment to be Installed and Other Assets to be Used for Capital Investments' reflects inventories intended for capital works worth RUB 63,956,000, RUB 1,107,731,000, and RUB 6,186,143,000 as of 31 December 2020, 31 December 2019, and 31 December 2018, respectively.

Availability of and Changes in Fixed Assets at Initial Cost

RUB thous.

Indicator	Year	As of the beginning of the year	Increase	Decrease	As of the end of the year
Fixed assets, including:	2020	127,440,928	3,835,438	(290,130)	130,986,236
	2019	130,367,650	1,370,722	(4,297,444)	127,440,928
Buildings	2020	28,485,909	69,937	(9,189)	28,546,657
	2019	28,467,941	24,700	(6,732)	28,485,909
Structures and transmitters	2020	17,437,966	450,640	(2,588)	17,886,018
	2019	17,377,394	241,424	(180,852)	17,437,966
Machinery and equipment	2020	80,338,254	3,286,432	(256,409)	83,368,277
	2019	83,380,331	1,039,344	(4,081,421)	80,338,254

Indicator	Year	As of the beginning of the year	Increase	Decrease	As of the end of the year
Other fixed assets	2020	599,396	28,429	(21,944)	605,881
	2019	562,581	65,254	(28,439)	599,396
Land plots	2020	69,874	-	-	69,874
	2019	69,874	-	-	69,874
ELDFAR	2020	509,529	-	-	509,529
	2019	509,529	-	-	509,529

Depreciation charges and changes in depreciation charges, RUB thous.

Indicator	Year	As of the beginning of the year	Written off due to disposal of fixed asset	Depreciation accrued	As of the end of the year
Fixed assets, including:	2020	(58,218,434)	149,087	(5,684,996)	(63,754,343)
	2019	(52,797,557)	316,558	(5,737,435)	(58,218,434)
Buildings	2020	(6,061,317)	3613	(682,160)	(6,739,864)
	2019	(5,379,503)	1,783	(683,597)	(6,061,317)
Structures and transmitters	2020	(6,952,743)	1,756	(545,770)	(7,496,757)
	2019	(6,506,393)	122,356	(568,706)	(6,952,743)
Machinery and equipment	2020	(44,688,071)	125,405	(4,344,360)	(48,907,026)
	2019	(40,484,177)	164,219	(4,368,113)	(44,688,071)
Other fixed assets	2020	(425,702)	18,313	(48,753)	(456,142)
	2019	(400,837)	28,200	(53,065)	(425,702)
ELDFAR	2020	(90,601)	-	(63,953)	(154,554)
	2019	(26,647)	-	(63,954)	(90,601)

Change in the Value of Existing Fixed Assets, RUB thous.

Breakdown of advances paid to counterparties for future supplies, RUB thous.

Company	31.12.2020		31.12.2019		31.12.2018	
	Total	Net of VAT	Total	Net of VAT	Total	Net of VAT
POWER MACHINES PJSC	783,366	652,805	782,705	652,254	357	303
INSTITUTE ORGENERGOSTROY JSC	235,152	196,236	465,936	391,579	1,204,418	1,020,693
SIEMENS GAS TURBINE TECHNOLOGIES LLC	87,379	73,335	36,797	31,184	28,355	24,030
EFER SERVICE LLC	12,621	10518	15,548	12,957	-	-
ENNOVA JSC	15,719	13,217	14,554	12,334	-	-
ZARUBEZHENERGOPROEKT JSC	-	-	1,316	1,115	2,600	2,203
MACHINE-BUILDING FACTORY OF PODOLSK JSC	-	-	-	-	203,724	172,647
COTES JSC	-	-	-	-	19,276	16,336
Magaldi Power S.p.A.	-	-	-	-	14,163	14,163
GE RUS LLC	295,034	245,862	-	-	2,690	2,280
KATEN LLC	71,877	59,898	-	-	-	-
QUARTZ GROUP LLC	61,167	50,986	-	-	-	-
Other	47,658	32,673	48,161	35,004	55,152	46,212
Total	1,609,973	1,335,530	1,365,017	1,136,427	1,530,735	1,298,867
Indicator	2020		2019		2018	
Increase in the value of fixed assets due to extension, retrofitting, reconstruction – total, including:	1,642,104		786,676		3,286,606	
Buildings	59,689		24,700		163,649	
Structures and transmitters	350,202		211,952		185,426	
Machinery and equipment	1,232,213		549,745		2,937,531	
Other fixed assets	-		279		-	
Decrease in the value of fixed assets due to partial disposal – total, including:	(171,167)		(4,031,882)		(1,343,894)	
Machinery and equipment	(163,997)		(4,022,171)		(1,304,268)	
Other fixed assets	(7,170)		-		-	

3.3 Accident at Berezovskaya GRES

On 1 February 2016, a fire occurred in the boiler house of Power Unit No. 3 at Unipro PJSC Berezovskaya GRES Branch damaging a major part of Power Unit No. 3 that had to be replaced.

Following the accident, an 800 MW power unit was taken down for unscheduled repairs. The power unit does not generate any electric power and is depreciated during the repair operations. According to the current estimates, Unipro PJSC expects to restore the power unit in Q1 2021 and resume receipt of payments for the capacity of Berezovskaya GRES Power Unit No. 3 starting from Q2 2021. According to the current market rules, no fines are expected for the failure to supply the capacity.

The Power Unit might be commissioned later than planned, resulting in later receipt of income.

3.4 Construction-In-Progress

The Company is building new facilities and is reconstructing the existing ones.

Construction-in-progress includes equipment to be installed and tangible assets to be used for capital investments.

The breakdown of the most important projects of construction-in-progress is presented below:

RUB thous.

Risk	Construction start year	31.12.2020	31.12.2019	31.12.2018
Repair and recovery works at Power Unit No. 3 at Berezovskaya GRES	2016	43,203,197	35,739,462	15,810,075
Fuel receiving station (Berezovskaya GRES)	2014	5,437,591	5,375,304	5,260,931
Dry ash removal system (Berezovskaya GRES)	2011	101,360	101,360	101,813
Equipment to be installed at facilities under construction-in-progress at Berezovskaya GRES		2,493,306	4,585,881	5,171,055
Other assets, including equipment to be installed and other assets, to be used for capital investments		5,209,541	4,869,202	8,257,052
Advances paid	-	1,335,530	1,136,427	1,298,867
Total	-	57,780,525	51,807,636	35,899,793

The volume of capital construction under project "Repair and Recovery Works at Power Unit No. 3 (Berezovskaya GRES)" in 2020 amounted to RUB 7,487,376,000 (in 2019 – RUB 16,122,720,000; in 2018 – RUB 9,112,741,000).

Moreover, Berezovskaya GRES Branch is building a new fuel receiving station. After its commissioning, coal will be supplied continuously to the three units at once. All production processes at the new fuel receiving station will be fully automated and, once it is commissioned, integrated with the new fuel supply system at Berezovskaya GRES.

In 2020, part of construction-in-progress assets were recognised as other expenses in the Asset write-off expenses. The amount includes writing off of assets purchased for use in repair and reconstruction of Power Unit No. 3 at Berezovskaya GRES Branch based on the preliminary identification of damages and initial design documentation. When clarifying defects and design documentation assets that are no longer needed were discovered.

3.5 Long-term financial investments

RUB thous.

Indicator	Year	As of the beginning of the year		Changes for the period				As of the end of the period	
		Initial value	Cumulative adjustment	Increase	Decrease (repaid) Initial cost	Cumulative adjustment	Current market value (impairment losses)	Initial value	Cumulative adjustment
Long-term financial investments – total, including:	2020	1,780,680	(1,074,877)	754,436	(791,843)		10,257	1,743,273	(1,064,620)
	2019	1,842,711	(1,078,260)	872,387	(934,418)		3,383	1,780,680	(1,074,877)
Investments in authorised capitals, including:	2020	1,291,200	(1,074,877)		-		10,257	1,291,200	(1,064,620)
	2019	1,291,200	(1,078,260)				3,383	1,291,200	(1,074,877)
Investments in authorised capitals of subsidiaries and affiliates	2020	1,202,000	(1,011,009)					1,202,000	(1,011,009)
	2019	1,202,000	(1,011,009)					1,202,000	(1,011,009)
Investments in authorised capitals of other companies	2020	89,200	(63,868)		-	-	10,257	89,200	(53,611)
	2019	89,200	(67,251)	-	-	-	3,383	89,200	(63,868)
Investments in other securities of companies (bonds, bills, etc.)	2020	489,480		754,436	(791,843)			452,073	
	2019	551,511		872,387	(934,418)			489,480	
Investments in other securities of other companies (bills)	2020	489,480		754,436	(791,843)			452,073	
	2019	551,511	-	872,387	(934,418)	-		489,480	-

Breakdown of long-term financial investments:

RUB thous.

Item	31.12.2020	31.12.2019	31.12.2018
Bills	452,073	489,480	551,511
Share in Unipro Engineering LLC	125,000	125,000	125,000
Share in E.ON Connecting Energies LLC	39,991	39,991	39,991
Share in Siberia AIP LLC	26,000	26,000	26,000
Shares of RusHydro PJSC	35,589	25,332	21,949
Total	678,653	705,803	764,451

Shares of RusHydro PJSC are carried at the mark-to-market value.

Breakdown of long-term bills:

RUB thous.

Investment type	Maturity	Amount		
		31.12.2020	31.12.2019	31.12.2018
Bank bills	2022	452,073	-	-
Bank bills	2021	-	489,480	-
Bank bills	2020	-	-	551,339
Bills of Ulyanovskenergo OJSC	2020	-	-	172
Total		452,073	489,480	551,511

The Company intends to hold to maturity all the long-term financial investments.

3.6 Other non-current assets

Line 1190 “Other Non-Current Assets” shows:

- expenses to be written off in future, with the writing-off period over 12 months following the reporting date;

- recurring major repair expenses on power units arising after certain long intervals put together in group 'Capitalised Repairs';
- the rights to use an asset pursuant to FSBU 25/2018.

RUB thous.

Group description	31.12.2020	31.12.2019	31.12.2018
Capitalised repairs	3,869,831	3,437,147	2,972,656
Rights to use an asset	1,244,075	698,370	-
Other expenses	26,789	30,819	36,738
Total	5,140,695	4,166,336	3,009,394

3.7 Lease

Pursuant to FSBU 25/2018, the Company recognised on a one-off basis as of 31 December 2019 the right to use assets in the amount of RUB 698,370,000 and a lease liability in the amount of RUB 713,528,000, the difference posted to the retained profit.

Data on the rights to use assets:

RUB thous.

Group description	Year	As of the beginning of the year	Recognised	Depreciation accrued	As of the end of the year
Right to use assets, including:	2020	698,370	772,524	226,819	1,244,075
Including	2019	-	698,370	-	698,370
Lease of land plots and equipment	2020	431,800	-	11,259	420,541
	2019	-	431,800	-	431,800
Lease of communication channels	2020	77,300	-	26,290	51,010
	2019	-	77,300	-	77,300
Lease of office premises	2020	189,270	772,524	189,270	772,524
	2019	-	189,270	-	189,270

Lease liabilities:

RUB thous.

Group description	Year	As of the beginning of the year	Recognised	Interest accrued	Lease payments made	As of the end of the year
Lease liability	2020	713,528	772,524	40,239	(340,947)	1,185,344
	2019	-	713,528	-	-	713,528

3.8 Inventories

Changes in inventories during the period:

RUB thous.

Indicator	Year	As of the beginning of the year	Changes for the period			As of the end of the period
			Increase	Decrease	Turnover of inventories between their groups (types)	
Inventories – total, including:	2020	7,897,270	34,274,772	(36,070,398)	x	6,101,644
	2019	7,984,799	36,161,064	(36,248,593)	x	7,897,270
Fuel	2020	1,407,992	32,589,353	(32,646,191)	(2,903)	1,348,251
	2019	1,384,342	34,505,840	(34,483,479)	1,289	1,407,992
Spare parts, components, etc.	2020	6,489,278	1,685,419	(3,424,207)	2,903	4,753,393
	2019	6,600,457	1,655,224	(1,765,114)	(1,289)	6,489,278

Changes in the provision for inventory impairment:

RUB thous.

Indicator	Year	As of the beginning of the year	Changes for the period		As of the end of the year
			Written off	Accrued	
Inventories – total, including:	2020	(33,661)	33,671	(18,066)	(18,056)
	2019	(10,165)	16,506	(40,002)	(33,661)
Fuel	2020	(1,602)	1,607	(298)	(293)
	2019	(348)	348	(1,602)	(1,602)
Spare parts, materials, etc.	2020	(32,059)	32,064	(17,768)	(17,763)
	2019	(9,817)	16,158	(38,400)	(32,059)

3.9 Other current assets

Other current assets include the expenses to be written off in the future, within 12 months following the reporting date.

Breakdown of other current assets:

RUB thous.

Group description	31.12.2020	31.12.2019	31.12.2018
Software	50,958	59,406	16,644
Other current assets	77,007	52,354	54,873
Total	127,965	111,760	71,517

3.10 Accounts receivable

Accounts receivable in the balance sheet are shown less the provisions for doubtful debts.

Breakdown of long-term and short-term accounts receivable, RUB thous.

Counterparty name	Debt amount			Provision amount		
	31.12.2020	31.12.2019	31.12.2018	31.12.2020	31.12.2019	31.12.2018
Long-term accounts receivable	1,300,289	615,496	638,406	680,391	-	-
Buyers and customers, including:	1,057,991	377,600	377,600	680,391	-	-
Siemens Gas Turbine Technologies LLC	377,600	377,600	377,600	-	-	-
Chechenenergo Joint-Stock Company	418,522	-	-	418,522	-	-
Short-term receivables, incl.:	13,875,981	13,804,522	13,190,855	6,621,784	6,826,332	6,192,685
Buyers and customers, including the major ones:	12,811,582	12,517,681	11,926,191	6,605,471	6,812,413	6,172,723
Dagestan Energy Retail Company PJSC	3,177,546	3,020,107	2,631,160	3,177,546	3,017,875	2,593,688
Center of Financial Settlements JSC	1,970,137	1,442,212	1,656,421	18,802	32,018	19,627
Mosenergosbyt JSC	783,922	508,165	751,993	-	-	-
Kola Energy Retail Company PJSC	490,468	490,468	490,734	490,468	490,468	490,734
Nurenergo OJSC	411,713	411,713	411,717	411,713	411,713	411,717
Advances, including the major ones	115,501	149,801	255,304	99	4	4
CITY CENTER INVESTMENT B.V. Representative office in the Russian Federation	10,969	58,520	62,527	-	-	-
Other, including:	948,898	1,137,040	1,009,360	16,214	13,915	19,958
Taxes and charges payable	263,437	314,982	311,034	-	-	-
Total	15,176,270	14,420,018	13,829,261	7,302,175	6,826,332	6,192,685

In 2020, long-term debt grew in light of conclusion of debt restructuring agreements for electricity supply, which had mostly occurred before 01 January 2020, for a total amount of RUB 1,053,593,000 with the following companies:

- Kabardino-Balkarskoye Power Engineering and Electrification Joint-Stock Company;
- Kalmenergosbyt Joint-Stock Company
- Karachayevo-Cherkesskenergo Joint-Stock Company
- Rosseti North Caucasus Public Joint-Stock Company
- Tyvaenergosbyt Joint-Stock Company
- Chechenenergo Joint-Stock Company

The restructured debt repayment deadlines provide for debt repayment according to the schedules until 2025 inclusive.

Changes in receivables:

RUB thous.

Indicators	Year	As of the beginning of the year	Increase	Decrease	Written-off as a financial result	As of the end of the year
Long-term accounts receivable – total	2020	615,496	889,528	(204,735)	-	1,300,289
	2019	638,406	-	(22,910)	-	615,496
including:						
buyers and customers	2020	377,600	815,992	(135,601)	-	1,057,991
	2019	377,600	-	-	-	377,600
loans	2020	237,896	73,536	(69,134)	-	242,298
	2019	260,341	-	(22,445)	-	237,896
Other	2020	-	-	-	-	-
	2019	465	-	(465)	-	-
Short-term accounts receivable – total	2020	13,804,522	140,800,174	(140,728,002)	(713)	13,875,981
	2019	13,190,855	122,230,819	(121,615,708)	(1,444)	13,804,522
including:						
buyers and customers	2020	12,517,681	97,233,045	(96,939,127)	(17)	12,811,582
	2019	11,926,191	102,893,668	(102,302,044)	(134)	12,517,681
advances	2020	149,801	23,627,043	(23,661,343)	-	115,501
	2019	255,304	3,062,645	(3,168,010)	(138)	149,801
other	2020	1,137,040	19,940,086	(20,127,532)	(696)	948,898
	2019	1,009,360	16,274,506	(16,145,654)	(1,172)	1,137,040
Total	2020	14,420,018	141,689,702	(140,932,737)	(713)	15,176,270
	2019	13,829,261	122,230,819	(121,638,618)	(1,444)	14,420,018

Changes in the provision for doubtful debts:

RUB thous.

Indicators	Year	As of the beginning of the year	Accrued	Spent	As of the end of the year
Long-term accounts receivable – total	2020	-	(680,391)	-	(680,391)
	2019	-	-	-	-
including:	2020	-	(680,391)	-	(680,391)
buyers and customers	2019	-	-	-	-
Short-term accounts receivable – total	2020	(6,826,332)	(2,603)	207,151	(6,621,784)
	2019	(6,192,685)	(639,690)	6,043	(6,826,332)
including:	2020	(6,812,413)	-	206,942	(6,605,471)
buyers and customers	2019	(6,172,723)	(639,690)	-	(6,812,413)
advances	2020	-	(95)	-	(99)
	2019	(4)	-	-	(4)
other	2020	(13,915)	(2,508)	209	(16,214)
	2019	(19,958)	-	6,043	(13,915)

3.11 Short-term financial investments

Breakdown of short-term financial investments:

RUB thous.

Investment type	Maturity	Amount		
		31.12.2020	31.12.2019	31.12.2018
Bank bills	2021	791,843	-	-
Bank bills	2020	-	934,246	-
Bank bills	2019	-	-	993,564
Bills of Ulyanovskenergo OJSC	2020	-	172	-
Bills of Ulyanovskenergo OJSC	2019	-	203	203
Bills of Ulyanovskenergo OJSC	2018	-	-	203
Loan to Unipro Engineering LLC	2019	-	-	119,226
Total		791,843	934,621	1,113,196

Changes in short-term financial investments:

RUB thous.

Investment type	Year	As of the beginning of the year	Increase	Repaid	As of the end of the year
Bills	2020	934,621	791,843	(934,621)	791,843
	2019	993,970	934,418	(993,767)	934,621
Loan to Unipro Engineering LLC	2020	-	-	-	-
	2019	119,226	-	(119,226)	-
Loan to Uniper SE	2020	-	-	-	-
	2019	-	5,000,000	(5,000,000)	-
Total	2020	934,621	791,843	(934,621)	791,843
	2019	1,113,196	5,934,418	(6,112,993)	934,621

Total short-term financial investments as of 31 December 2020, 31 December 2019 and 31 December 2018 have been adjusted for the financial investment impairment provision in the amount of RUB 72,419,000.

As of 31 December 2020, loans granted have been fully repaid.

The Company intends to hold to maturity all the short-term financial investments.

3.12 Cash and cash equivalents

Structure of cash and cash equivalents:

RUB thous.

Indicator	31.12.2020	31.12.2019	31.12.2018
Cash on settlement accounts	7,150	34,145	77,517
Cash on foreign currency accounts	4,549	6	3,927
Cash on special bank accounts	500	500	492
Monetary documents	328	-	-
Cash on hand	31	112	298
Total cash	12,558	34,763	82,234
Short-term bank deposits (maturing within three months) in roubles	88,000	2,990,000	4,586,000
Total cash equivalents	88,000	2,990,000	4,586,000
Total cash and cash equivalents (line 1250)	100,558	3,024,763	4,668,234

The free cash flow was allocated to deposits.

Breakdown of bank deposits as of 31 December 2020:

RUB thous.

Name of the credit institution	Investment type	Rate, %	Amount	Repayment date
Gazprombank (JSC)	Deposit	2.00	88,000	11.01.2021
Total			88,000	

Breakdown of bank deposits as of 31 December 2019:

RUB thous.

Name of the credit institution	Investment type	Rate, %	Amount	Repayment date
Gazprombank (JSC)	Deposit	5.5	1,000,000	14.01.2020
Gazprombank (JSC)	Deposit	5.5	590,000	09.01.2020
UniCredit Bank JSC	Deposit	5.65	500,000	09.01.2020
Bank VTB (PJSC)	Deposit	5.65	900,000	09.01.2020
Total			2,990,000	

Breakdown of bank deposits as of 31 December 2018:

RUB thous.

Name of the credit institution	Investment type	Rate, %	Amount	Repayment date
Gazprombank (JSC)	Deposit	6	1,636,000	01.2019
UniCredit Bank JSC	Deposit	6.55	1,400,000	01.2019
NCO NCC (JSC)	Deposit	7.57	1,000,000	01.2019
Bank VTB (PJSC)	Deposit	6.5	550,000	January 2019
Total			4,586,000	

Breakdown of line 4119 'Other Receipts' in the operating cash flow statement:

RUB thous.

Receipts	2020	2019
Other receipts	85,276	204,482
Settlements under claim assignment agreements	-	155,504
VAT (aggregated)	417,351	-
Settlements on swap transactions	395,876	-
Total	898,503	359,986

Breakdown of line 4129 'Other Payments' in the operating cash flow statement:

RUB thous.

Payment description	2020	2019
Settlements on taxes and levies	(738,430)	(1,499,704)
Social insurance and security payments	(1,521,927)	(1,386,444)
Other payments	(540,817)	(901,957)
VAT (aggregated)	-	(685,260)
Property insurance payments	(424,791)	(389,099)
Settlements on swap transactions	-	(274,357)
Water use settlements	(60,812)	(291,451)
Total	(3,286,777)	(5,428,272)

The amount of cash flows required to maintain the existing scope of the Company's operations is shown as part of current activities. VAT amount in the Cash Flow Statement is presented in the aggregated way.

Significant cash flows between the Company and its subsidiaries, affiliated or principal entities:

RUB thous.

Related party	CFS line code	Increase	
		2020	2019
Parent company			
Uniper SE	4213	-	5,000,000
Uniper SE	4214	-	81,950
Subsidiaries			
Unipro Engineering LLC	4111	810	11,454
Unipro Engineering LLC	4213	-	119,225
Unipro Engineering LLC	4214	60,936	19,670
Affiliates			
E.ON Connecting Energies LLC	4111	5,723	7,091
E.ON Connecting Energies LLC	4214	108,146	-
Fortum Group			
Fortum PJSC	4111	11,449	6,731
Uralenergosbyt LLC	4111	383,425	319,758

Related party	CFS line code	Payments	
		2020	2019
Parent company			

Uniper SE	4223	-	(5,000,000)
Uniper SE	4322	(11,136,413)	(11,136,413)
Uniper SE	4323	(2,500,000)	-
Subsidiaries			
Unipro Engineering LLC	4121	-	(306)
Siberia AIP LLC	4222	(15,000)	(27,000)
Affiliates			
E.ON Connecting Energies LLC	4121	(123)	(268)

3.13 Short-term accounts payable

Breakdown of accounts payable:

RUB thous.

Indicator	Year	As of the beginning of the year	Changes for the period				As of the end of the period
			Increase		Decrease		
			Increase	Interest, fines, etc.	Repayment	Written-off as profit or loss	
Short-term accounts payable – total, including:	2020	7,958,897	109,093,825	48,562	(109,855,517)	(59)	7,245,708
	2019	6,313,361	127,349,443	6,989	(125,710,738)	(158)	7,958,897
Suppliers and contractors	2020	3,683,208	65,998,065	631	(65,052,015)	-	4,629,889
	2019	4,075,751	70,897,788	822	(71,291,039)	(114)	3,683,208
Advances received	2020	11,008	106,445	-	(96,203)	-	21,250
	2019	38,227	117,825	-	(145,044)	-	11,008
Tax settlements	2020	1,133,175	17,920,495	-	(17,547,517)	-	1,506,153
	2019	1,617,313	29,883,963	-	(30,368,101)	-	1,133,175
Credits and loans	2020	2,506,167	2,390,462	47,931	(4,465,860)	-	478,700
	2019	-	2,500,000	6,167	-	-	2,506,167
other	2020	625,340	22,678,357	-	(22,693,922)	(59)	609,716
	2019	582,070	23,949,867	-	(23,906,553)	(44)	625,340
Total	2020	7,958,897	109,093,825	48,562	(109,855,517)	(59)	7,245,708
	2019	6,313,361	127,349,443	6,989	(125,710,738)	(158)	7,958,897

Furthermore, line 1550 'Other short-term liabilities' shows the VAT recovered upon the payment of advances to contractors and the receipt of tax invoices for the amount of the advance paid.

1. Refunded VAT amounts to RUB 251,226,000 as of 31 December 2020 (RUB 240,411,000 as of 31 December 2019; RUB 255,217,000 as of 31 December 2018).
2. Estimated liabilities under concluded contracts for works and services in this line, whenever the works/services under such contracts were performed as of the reporting date, but were not accepted by the Company due to various reasons, amount to RUB 233,278,000 as of 31 December 2020 (RUB 341,172,000 as of 31 December 2019; RUB 319,410,000 as of 31 December 2018).
3. Short-term debt on lease recognised as of 31 December 2020 amounts to RUB 242,300,000 (RUB 340,947,000 as of 31 December 2019). Changes are disclosed in Clause 3.7 hereof.

3.14 Equity

The Company's authorised capital is fully paid as of 31 December 2020, 31 December 2019, and 31 December 2018 and amounts to RUB 25,219,482,000 — 63 048 706 145 and 44,925,042,874/49,130,625,974 ordinary shares with the par value of RUB 0.40 each.

The reserve capital of the Company as of 31 December 2020 is RUB 1,260,974,000 (as of 31 December 2019 – RUB 1,260,974,000; as of 31 December 2018 – RUB 1,260,974,000), which accounts for 5% of the authorised capital.

A major portion of the Company's surplus is accounted for as paid-in capital in excess of par (RUB 40,969,311,000 as of 31 December 2020, 31 December 2019, 31 December 2018).

3.15 Income from Core Activities

Breakdown of income from core activities:

RUB thous.

Type of activity	2020	2019
Sale of electric power and capacity	78,564,853	82,920,543
Sale of heat	1,370,663	1,417,365
Sale of other works, services	350,752	423,788
Total	80,286,268	84,761,696

3.16 Expenses on Core Activities

Breakdown of the cost:

RUB thous.

Expense type	2020	2019
Tangible costs, including:	42,766,792	42,690,938
Production works and services	1,424,995	1,456,621
Depreciation	6,584,721	6,254,462
Payroll costs	5,498,282	5,280,028
Social security contributions	1,477,094	1,355,315
Other costs, including:	4,180,640	4,568,719
Expenses on WMEP services	1,436,008	1,351,251
Taxes, levies, and other mandatory fees	958,044	1,030,177
Other	543,841	807,888
Security expenses	529,043	505,966
Insurance expenses	489,053	436,871
Cleaning and other similar expenses	150,093	114,563
Expenses on software purchase and maintenance	66,056	87,808
Lease payments	8,502	234,195
Total	60,507,529	60,149,462

3.17 Other income and expenses

RUB thous.

Item	2020	2019
Other income (+) / expenses (-), including:	(1,550,904)	(1,882,675)
Other income	416,935	253,911
Other expenses	(1,967,839)	(2,136,586)
<i>including by items of other income and expenses</i>		
Positive and negative foreign exchange differences	302,702	(229,895)
Other income	38,532	41,981
Income from recovery of other provisions	35,340	65,672
Profit and losses of prior years	14,319	(17,578)
Income and expenses on valuation of shares at fair market value	10,258	
Recognition of property following inventory audit	5,970	45,414
Income and expenses on sale of fixed assets	5,724	9,379
Income and expenses on contractual penalties, compensation for losses under contracts and / or based on the court decision	2,488	88,019
Income and expenses resulting from force majeure	1,602	(521,171)
Asset write-off expenses	(910,736)	(70,156)
Income and expenses on provision for doubtful debts	(591,573)	(877,572)
Other expenses	(139,203)	(88,085)
Expenses on holding the General Meeting of Shareholders, meetings of the Board of Directors, and other similar expenses	(88,628)	(120,571)
Expenses on charity, sponsorship	(71,077)	(70,624)
Income and expenses on sale of inventories, metal scrap	(33,756)	63
Payments to employees, retirees and other similar expenses	(32,312)	(24,867)
Expenses on gratuitous transfer of property and property rights	(26,248)	-
Contributions to non-profit associations	(17,792)	(20,675)
Expenses on bank services / fees on bank guarantees	(16,084)	(17,311)
Payments to the trade union	(14,733)	(17,529)
Expenses on mass cultural events	(13,870)	(47,850)
Expenses on VAT not refunded from the budget	(6,497)	(6,025)
Estimated Liabilities	(5,299)	(6,677)
Expenses on sale of debt securities	(31)	3,383

In 2020, 'Asset Write-off Expenses' include writing off of assets purchased for use in repair and reconstruction of Power Unit No. 2020 at Berezovskaya GRES Branch based on the preliminary identification of damages and initial design documentation. When clarifying defects and design documentation assets that are no longer needed were discovered.

In 2019, the 'Income and Expenses Resulting from Force Majeure' item includes other expenses related to the accident in Power Unit No. 3 of Berezovskaya GRES branch in the amount of RUB 850 million.

Positive and negative foreign exchange differences

Risk	2020	2019
Positive exchange differences	563,631	93,929
Negative exchange differences	(260,929)	(323,824)
Total positive and negative foreign exchange differences	302,702	(229,895)

3.18 Taxes

When calculating its tax liabilities, Unipro PJSC proceeds from the provisions of the current tax laws of the Russian Federation, the strict compliance with which is one of the corporate principles of the Company.

The total amount of taxes (except for personal income taxes and taxes payable in case of dividend income) calculated by the Company in 2020 amounted to RUB 11,474,248,000, which was RUB 1,154,684,000 less as compared to 2019 (RUB 12,628,932,000).

In 2020, the Company continued to pay special attention to the selection of goods, work (service) providers, including within the frames of the comprehensive internal regulation "Supplier Database Management. Supplier Reliability Check and Pre-Qualification" intended for the assessment of the risks of cooperating with Suppliers during the procurement of goods, works, and services for the Company's needs. In accordance with the said regulation, at the assessment stage, counterparties and suppliers of the Company are evaluated subject, in particular, to the following criteria:

1. Capability to perform operations in reality;
2. Sufficiency of material, production and labour resources to perform the contract;
3. Regularity of business activities;
4. Settlement of transactions with real goods, etc.

Value Added Tax

The value added tax on the sold goods, products, works and services is accrued as of the date of actual shipping (delivery) of goods, products, works, services.

A comparison of the indicators used for the calculation of the VAT amount payable in 2020 and 2019 is presented in the table below.

RUB thous.

Indicators	2020	2019
VAT for the sale of goods, works, services with account of adjustments in submitted tax returns, including:	16,283,296	17,307,789
VAT payable to the budget by the Company as a tax agent	45,076	31,732
VAT for deduction from the budget with account of the revised tax returns submitted, including:	11,036,749	11,974,247
on tax agents	43,193	31,785
on advances paid to suppliers	196,977	303,532
Total VAT payable with account of the revised tax returns:	5,246,547	5,333,542

The decline of the VAT amount by RUB 86,995,000 in 2020 against 2019 results from the decline of the VAT amounts claimed for offset against advances issued to suppliers.

Property tax

The Company calculates the property tax in full compliance with the rules established by the current tax laws. Thereat, the Company uses the benefits permitted by the laws.

In 2020, the Company recognised property tax expenses in the amount of RUB 726,168,000 (as compared to RUB 771,036,006,000 in 2019).

Income tax

The income tax amount calculated on the basis of accounting profit (contingent expense on the income tax) in 2020 was RUB 3,709,120,000 (as compared to RUB 4,636,260,000 in 2019).

Line 2421 'including current income tax' of the Profit and Loss Statement shows the income tax amount of RUB 3,868,806,000 (as compared to RUB 5,002,785,000 in 2019) calculated on the basis of tax accounting data and presented in the corporate income tax return for 2020.

When calculating the income tax payable to the regional budget, the Company applied the reduced tax rates:

1. For standalone business unit Surgutskaya GRES-2 Branch, the Company applied the reduced rate of 15% pursuant to the regional laws (Clause 5, Article 2 of Law of KhMAD–Yugra No. 87-oz dated 30 September 2011). In 2020, the amount of the effect on the income tax was RUB 133,241,000, while in 2019 this value was RUB 172,390,000.
2. For standalone business unit Yaivinskaya GRES Branch, the Company applied the reduced rate that was set at 15.75% with due regard to the reduction indicator due to capital investments during the tax period, (Clauses 1, 2, Article 15.1 of Law of Perm Region No. 1685-296 dated 30 August 2001). The total effect was RUB 37,196,000, while in 2019 this value was RUB 48,424,000.

The general rate of the tax payable to the regional budget by the Company in the reporting period was 16.16% (as compared to 16.15% in 2019).

Permanent and Temporary Differences

Pursuant to the amendments introduced by Order No. 236n of the Ministry of Finance of Russia dated 20 November 2018, from 01 January 2020 the Company started to apply a new revision of PBU 18/02 "Accounting for Corporate Income Tax Settlements"; therefore, on 01 January 2020 postings for re-classification of differences previously recognised as permanents to temporary differences were made, and the result of such reclassification was posted to the retained profit accounts in the total amount of RUB 1,071,594,000 by the following main groups:

RUB thous.

Risk	Amount
Fixed Assets	1,531,264
Reserves	(312,343)
Estimated Liabilities	(132,937)
Accounting for lease	(3,373)
Other	(11,017)
Total	1,071,594

The retrospective change of the balance sheet lines due to the application of a new revision of PBU 18/02 "Accounting for Corporate Profit Tax Settlements" is shown in Section 2.15.

In the reporting year, the Company accrued permanent tax income reduced by the amount of permanent tax expenses in the amount of RUB163,265,000 (in 2019, permanent tax assets (income) reduced by the amount of permanent tax liabilities (expenses) accounted for RUB 92,819,000).

In 2020, the amount of the permanent tax income recognised due to the application of reduced rates of the income tax payable to the regional budget amounted to RUB 170,437,000 (in 2019, this value was equal to RUB 220,814,000).

The amount of the permanent tax expense less permanent tax income recognised due to the application of reduced rates of the income tax payable to the regional budget amounted to RUB 7,172,000 (in 2019, the permanent tax asset (income) was recognised in the amount of RUB 127,995,000).

The resulting permanent and temporary differences resulted in the recognition of permanent tax expenses, permanent tax income, and deferred tax assets and deferred tax liabilities in the accounting records and statements based on the income tax rate – 20%.

Breakdown of permanent differences:

RUB thous.

Profit (+) / loss (-) item on the books	2020	2019
Profit/losses of prior years	14,318	(17,587)
Recovery of estimated liabilities	-	64,238
Profit/loss from valuation of shares at the market value	-	3,383
Other income	185,973	58,161
Expenses on the write-off of fixed assets and other property	(905)	(38,556)
Accrual of estimated liabilities	22,565	(268,854)
Payroll costs and other expenses for the benefit of the employees	(84,943)	(95,225)
Charity	(93,331)	(71,869)
Expenses for compulsory and voluntary property and liability insurance	(4,772)	(5,301)
Expenses for sports and mass cultural events	(11,702)	(37,538)
Expenses for holding meetings of shareholders, legal services, and other similar expenses	181	(1,256)
Non-refundable VAT	(4,812)	(5,349)
Adjustment in tax accounting with respect to the sale of depreciable property	(266)	-
Other expenses	(58,167)	(191,794)
Provision for doubtful debts	-	(32,429)
Adjustment of permanent tax expenses in connection with the retrospective reflection of the application of a new revision of PBU 18/02 "Accounting for Income Tax Settlements" from 01 January 2020.		(583,335)
Total	(35,861)	(56,641)

Income tax calculation:

RUB thous.

Item	2020		2019	
	Difference	Tax effect	Difference	Tax effect
Contingent income tax expense	18,545,599/3,709,120		23,181,299/4,636,260	
Permanent tax expenses				
For expenses not recognised for tax purposes (expenses beyond the established recognition limits for tax purposes, etc.)	236,725	47,345	1,233,949	246,790
Adjustment of permanent tax expenses in connection with the retrospective reflection of the application of a new revision of PBU 18/02 "Accounting for Income Tax Settlements" from 01 January 2020.			(583,335)	(116,667)
Total permanent tax expenses	236,725	47,345	650,614	130,123
Permanent tax income (PTI)				
For income not recognised for tax purposes, including:	(200,864)	(210,610)	(593,973)	(339,608)
Permanent tax income on savings from application of reduced rate of the tax payable to the constituent entity's budget	x	(170,437)	x	(220,814)
Total permanent tax income	x	(210,610)	x	(339,608)

Item	2020		2019	
	Difference	Tax effect	Difference	Tax effect
Deferred tax assets (DTA)				
Accrual of deferred tax assets				
For fixed assets, including differences in the total depreciation of fixed assets in accounting and tax records	91,332	18,266	179,689	35,938
Adjustment of permanent tax expenses in connection with the retrospective reflection of the application of a new revision of PBU 18/02 "Accounting for Income Tax Settlements" from 01 January 2020.			738,405	147,681
Lease liability	440,994	88,199	-	-
Estimated Liabilities	236,256	47,251	-	-
For other reasons, including:	2,156,017	431,203	170,540	34,108
Deferred expenses	4,477	895	170,540	34,108
Provision for doubtful debts	1,655,743	331,149	-	-
Swap liabilities	164,048	32,810	-	-
Repayment of deferred tax assets				
Differences in the total depreciation of fixed assets in accounting and tax records	(249,984)	(49,997)	(204,393)	(40,879)
For tax loss of prior years	(981)	(196)	(1,029)	(206)
For other reasons, including:	(1,415,909)	(283,182)	(241,090)	(48,218)
Deferred expenses	(6,274)	(1,255)	(241,090)	(48,218)
Provision for doubtful debts	(1,082,356)	(216,471)	-	-
Swap liabilities	(161,381)	(32,276)	-	-
Total changes in deferred tax assets for income tax purposes	1,257,725	251,545	642,122	128,424
Deferred tax liabilities				
Accrual of deferred tax assets				
For fixed assets, including differences in the total depreciation of fixed assets in accounting and tax records	(2,867,967)	(573,593)	(2,339,686)	(467,937)
Lease liability	(479,360)	(95,872)	-	-
Adjustment of permanent tax expenses in connection with the retrospective reflection of the application of a new revision of PBU 18/02 "Accounting for Income Tax Settlements" from 01 January 2020.			(155,070)	(31,014)
For other reasons, including:	(204,398)	(40,880)	(108,637)	(21,727)
for non-current assets	(72,137)	(14,427)	(89,825)	(17,965)
Repayment of deferred tax liabilities				
For fixed assets, including differences in the total depreciation of fixed assets in accounting and tax records	4,026,037	805,207	4,838,102	967,620
On other grounds	22,619	4,524	3,223	644
Total changes in deferred tax liabilities for income tax purposes	496,928	99,386	2,237,932	447,586
Total other changes	(139,900)	(27,980)	-	-
Total current income tax	3,868,806		5,002,785	
Taxable income	20,196,219		26,117,993	

Breakdown of the amount of adjustment of permanent tax expenses (PTE) in connection with the retrospective reflection of the application of a new revision of PBU 18/02 "Accounting for Income Tax Settlements" from 01 January 2020 by kinds of differences:

RUB thous.

Line names	Total differences	PTE
Accounting for lease	16,865	(3,373)
Fixed Assets	333,976	66,795
Estimated Liabilities	127,514	25,503
Reserves	48,616	9,723
Other	56,364	11,273
Total	583,335	116,667

The 'Other' line of the profit and loss statement shows the following amounts:

RUB thous.

Item	2020	2019
Amount of deferred tax liabilities written off	20,059	2,390
Amount of deferred tax assets written off	(6,540)	(3,293)
Income tax amount to be additionally paid (-)/returned (+) based on the revised returns for the previous tax periods	-	-
Penalties and fines for violation of tax laws, administrative laws, and road traffic regulations	(1,151)	(24,549)
Total Line 2460 'Other' of the Profit and Loss Statement	12,368	(25,452)

3.19 Security of Liabilities

RUB thous.

Indicator	31.12.2020	31.12.2019	31.12.2018
Received – total, including:	3,564,289	2,781,192	4,944,989
Bank guarantees	3,001,949	2,172,734	4,424,583
Pledged assets	562,340	608,458	520,406

As of 31 December 2020, the most significant guarantees are those granted by the Company's counterparties to secure the performance of their obligations for the advance payments received under contracts, namely:

1. Bank guarantee amounting to RUB 782,366,000 issued by Bank VTB PJSC. The guarantee is to secure supply of equipment and performance of a work package for modernisation of the turbine units in the power units of Surgutskaya-2 GRES under the contract with Power Machines – ZTL, LMZ, Elektrosila, Energomashexport;
2. Bank guarantee amounting to RUB 739,021,000 issued by HSBC Bank LLC. The guarantee secures the proper overhaul quality of the boiler cell at Power Unit No. 3 of Berezovskaya GRES Branch under the contract with Institute Orgenergostroy JSC.
3. Bank guarantee amounting to RUB 615,637,000 issued by Raiffeisenbank JSC. The guarantee secures the proper overhaul quality of the boiler cell at Power Unit No. 3 of Berezovskaya GRES Branch under the contract with Institute Orgenergostroy JSC.
4. Bank guarantee amounting to RUB 576,465,000 issued by Bank VTB PJSC. The guarantee secures the delivery of equipment under the contract with Machine-Building Factory of Podolsk JSC to manage the accident that occurred in Power Unit No. 3 of Berezovskaya GRES Branch on 01 February 2016, as well as surveying services and supervision over dismantling, installation, and adjustment of the equipment to be delivered.

3.20 Earnings per share

The Company discloses the information about earnings per share in compliance with the 'Guidelines on the Disclosure of the Information about Earnings per Share' approved by Order of the Ministry of Finance of the Russian Federation No. 29n dated 21 March 2000.

The basic earnings per share reflect the portion of the earnings in the reporting period that may be potentially distributed among shareholders owning ordinary shares. It is calculated as a ratio between the basic earnings in the reporting period and the weighted average number of ordinary shares outstanding within the reporting year. The basic earnings is equal to the net profit in the reporting year (line 2400 of the profit and loss statement).

Basic earnings per share:

	2020	2019
Basic earnings in the reporting year, RUB thousand	15,040,092	18,729,072
Weighted average number of ordinary shares outstanding within the reporting year, pcs	63,048,706,145 and 44,925,042,874/49,130,625,974	63,048,706,145 and 44,925,042,874/49,130,625,974
Basic earnings per share, RUB	0.24	0.30

The Company does not have any securities having a dilutive effect.

The General Meeting of Company Shareholders held on 10 June 2020 passed the resolution to pay dividends in the amount of RUB 7,000,000,000 on ordinary shares for financial year 2019 at the rate of RUB 0.11 per one ordinary share; In 2019, RUB 7,000,000,000 was approved to be paid as dividends based on the results of 2018.

An extraordinary General Shareholders' Meeting of the Company held on 07 December 2020 passed the resolution to pay dividends in the amount of RUB 7,000,000,000 based on the results of the nine months of 2020 on ordinary shares at the rate of RUB 0.11 per one ordinary share; In 2019, RUB 7,000,000,000 was paid as dividends.

3.21 Related Parties

The Company is affiliated with Uniper Group comprising Uniper SE and its subsidiaries. Uniper SE holds 83.73% of Company shares. Fortum Oyj, Espoo, Finland ("Fortum") is the major shareholder of Uniper SE. The Republic of Finland is the major shareholder of Fortum.

List of the Company's related parties as of 31 December 2020 with which the Company had transactions in 2020 and balances as of 31 December 2020:

No.	Related party	Relation justification
1	Uniper Global Commodities SE	Uniper Group
2	Uniper NefteGaz LLC	Uniper Group
3	Uniper Technologies GmbH	Uniper Group
4	Uniper SE	Parent company
5	E.ON Connecting Energies LLC	Affiliated company
6	Siberia AIP LLC	Subsidiary
7	Unipro Engineering LLC	Subsidiary
8	E.ON IT LLC	Uniper Group
9	Uniper Risk Consulting GmbH	Uniper Group
10	Fortum PJSC	Fortum Group
11	Bugulchanskaya GRES LLC	Fortum Group
12	Uralenergosbyt LLC	Fortum Group
13	Pervy Vetropark FRV LLC	Fortum Group
14	Vtoroy Vetropark FRV LLC	Fortum Group
15	Trety Vetropark FRV LLC	Fortum Group
16	Chetverty Vetropark FRV LLC	Fortum Group
17	Sedmoy Vetropark FRV LLC	Fortum Group

The list of related parties equally includes the members of the Board of Directors and the Management Board of the Company (the information is disclosed in Section I of the notes to the balance sheet and profit and loss statement).

Related-Party Transactions:

RUB thous.

Items	31.12.2020	31.12.2019	31.12.2018
Accounts receivable	34,460	40,514	14,763
Siberia AIP LLC	918	254	267
Unipro Engineering LLC	5	-	12,535
E.ON Connecting Energies LLC	633	590	627
Fortum PJSC	772	1,030	1,334
Uralenergosbyt LLC	32,132	38,640	-
Accounts payable	16,411	63,544	147,490
Unipro Engineering LLC	-	786	777
Unipro Engineering LLC, suppliers	-	-	91,439
Uniper Technologies GmbH	14,345	61,651	48,624
Uniper Risk Consulting GmbH	-	-	4,767
E.ON Connecting Energies LLC	4	17	11
Uniper SE	1,371	1,090	1,626
Fortum PJSC	470	-	246
Bugulchanskaya GRES LLC	25	-	-
Vtoroy Vetropark FRV LLC	68	-	-

Items	31.12.2020	31.12.2019	31.12.2018
Sedmoy Vetropark FRV LLC	19		-
Trety Vetropark FRV LLC	25		-
Chetverty Vetropark FRV LLC	64		-
Pervy Vetropark FRV LLC	20		-
Loans granted	-		119,226
Unipro Engineering LLC	-		119,226
Loans received	46,250	2,506,167	-
Uniper SE	46,250	2,506,167	-
Estimated liabilities – expenses under the contract	137,766	212,130	233,774
Uniper Technologies GmbH	137,766	212,130	233,774

RUB thous.

Indicators	2020	2019
Revenue (net of VAT)	392,710	302,684
Siberia AIP LLC	765	885
Unipro Engineering LLC	811	11,454
E.ON Connecting Energies LLC	5,725	7,091
Fortum PJSC	7,408	6,731
Uniper Global Commodities SE	-	263
Ural Energy Retail Company LLC	378,001	276,000
E.ON IT LLC	-	260
Services, goods received (net of VAT)	143,294	217,969
Unipro Engineering LLC	-	133,476
Uniper Technologies GmbH	130,108	74,589
Uniper Risk Consulting GmbH	5414	4,238
E.ON Connecting Energies LLC	111	274
Uniper SE	5,648	4,564
Fortum PJSC	1,531	828
Bugulchanskaya Solar Power Plant LLC	61	
Vtoroy Vetropark FRV LLC	213	
Sedmoy Vetropark FRV LLC	16	
Trety Vetropark FRV LLC	73	
Chetverty Vetropark FRV LLC	53	
Pervy Vetropark FRV LLC	66	
%% on loans receivable	-	84,250
Unipro Engineering LLC	-	3,000
Uniper SE	-	81,250
%% on loans payable	46,250	6,167
Uniper SE	46,250	6,167

The payment terms of related-party transactions must be proved by contractual relations that are subject to prior authorisation by the relevant management bodies of the Company.

In December 2019, the Company raised a loan. The lender is Uniper SE, the loan amount is RUB 2,500,000,000; the interest rate is 7.4% per annum; maturity date: 31 March 2020. In June 2020, the loan was fully repaid.

In 2020, dividends paid to Uniper SE amounted to RUB 11,136,413,000. In 2019, dividends paid to Uniper SE amounted to RUB 11,136,413,000.

Value Indicators for Transactions in Progress at the End of the Reporting Period

There are no unfinished operations as of the reporting date.

Bad Debt Provision and Write-off of Receivables

During the periods recorded in this report, the Company neither formed bad debt provisions for related-party transactions, nor wrote off receivables or any other debts of related parties.

Remuneration to Key Managers

The key managers named as such by the Company are the members of the Board of Directors and the Management Board.

In 2020, the Company paid a total of RUB 462,187,000 as remuneration to the members of the Board of Directors and the Management Board (as compared to RUB 287,896,000 in 2019). The remuneration to the members of the Board of Directors includes the remuneration for the participation in the meetings of the Board of Directors.

Compulsory pension insurance contributions for the members of the Company's Management Board and Board of Directors in 2020 amounted to RUB 71,687,000 (as compared to RUB 45,010,000 in 2019).

No severance payments were made to the members of the Management Board in 2020 and 2019.

The members of the Board of Directors and the Management Board are listed in Section 'General Information' of the notes to the balance sheet and profit and loss statement.

3.22 Events after the Reporting Date

There are no events after the reporting date.

3.23 Management of Financial Risks

Risk management is a task of current relevance for the Company that strives to manage risks effectively in order to ensure a stable and predictable financial situation, observe the business growth strategy, and implement the mission.

The integrated risk management system was established to identify risks in due time and to take the relevant risk management steps. The Company reviews the planning, controlling, and reporting processes on an ongoing basis to ensure the efficiency thereof.

The key elements of the risk management system are the Company's strategy, internal regulations, controlling, planning, internal control system, and internal audit, as well as risk and opportunity reports and operation of the Risk and Finance Committee of Unipro PJSC.

Currency Risk

Profit and cash flows from the continuing activities of the Company are mainly independent from the RUB exchange rate in relation to foreign currency rates. Electric and thermal power generated by the Company is sold within the Russian Federation and paid in Russian rubles. Current expenses are primarily paid in Russian rubles as well.

However, the Company has liabilities connected to conclusion of service contracts for maintenance of new combined-cycle plants (CCGT) and other contracts, the amount of liabilities under which exceeds EUR 10 mn net of VAT, denominated in foreign currency.

The following table sets forth the Company's risks in respect of foreign exchange rates as of the reporting period:

RUB thous.

Description	Cash and cash equivalents	Financial investments	Receivables	Payables	Net balance position
As of 31.12.2020					
USD	-	-	-	(2,488)	(2,488)
EUR	4,550	-	-	(17,354)	(12,804)
Total	4,550	-	-	(19,842)	(15,292)
As of 31 December 2019					
USD	6	-	-	(1,963)	(1,957)
EUR	-	-	-	(66,626)	(66,626)
Total	6	-	-	(68,589)	(68,583)

Risk	Cash and cash equivalents	Financial investments	Receivables	Payables	Net balance position
As of 31 December 2018					
USD	3,180	-	-	(2,951)	229
EUR	747	-	-	(48,623)	(47,876)
Total	3,927	-	-	(51,574)	(47,647)

The exchange rate risk level is determined by net balance position. The net balance position is calculated line-by-line for items denominated in foreign currencies as follows:

Cash and cash equivalents + Financial investments + Receivables - Payables The following table sets forth the change in the profit/(loss) and additional paid-in capital resulting from possible changes in exchange rates used at the end of the reporting period with reference to Russian roubles, providing other variables remain unchanged:

RUB thous.

Risk	As of 31.12.2020		As of 31 December 2019	
	Impact on profit/(loss)	Impact on add-on capital	Impact on profit/(loss)	Impact on add-on capital
USD strengthening by 10%	(249)	-	(196)	-
USD weakening by 10%	249	-	196	-
EUR strengthening by 10%	(1,280)	-	(6,663)	-
EUR weakening by 10%	1,280	-	6,663	-
Total	(249)	-	(196)	-

The risk was only calculated for balances of current assets and liabilities denominated in foreign currencies, payable in foreign currencies.

Interest Rate Risk

The Company has no significant dependence on interest rate fluctuations, as the Company has no significant financial assets or liabilities.

The Company monitors interest rates in respect of its assets and liabilities. Sections 3.11, 3.12 and 3.21 set forth interest rates effective as of the reporting date.

Other Price Risk

The Company is exposed to a slight risk of share price change posted as part of financial investments of the Company. If the share prices as of 31 December 2020 were less by 10% (2019 — by 10%), with all other variables remaining unchanged, the profit before tax for the year would decrease by RUB 3,559,000 (2019 – RUB 2,533,000).

Credit Risk

Resulting from the deterioration of the counterparties' financial standing, the credit risk is becoming one of the most significant financial risks.

Actions taken by the Company to reduce any adverse impact of credit risks on its activities:

- Selection of reliable counterparties;
- Inclusion of the requirement for external (bank) guarantees in agreements with counterparties, wherever possible;
- Applying the system of credit rating of counterparties and setting limits for operations therewith based on the rating;
- Diversification of suppliers;
- Restricting advance payments.

Financial assets, in respect of which the Company has potential credit risk (the risk that one of the parties would not be able to settle the liability on a financial instrument, which fact would result in losses for the other party), are primarily represented by the following items:

RUB thous.

Item	31.12.2020	31.12.2019	31.12.2018
Financial investments	1,243,916	1,424,101	1,664,707
- Bills	1,243,916	1,424,101	1,545,481
- Loans granted	-	-	119,226
Accounts receivable	6,875,358	6,513,411	6,431,836
- Receivables on sold goods, products, works, services	6,206,111	5,705,268	5,753,468
- Other receivables (except advances paid and taxes)	669,247	808,143	678,368
Cash and cash equivalents	100,558	3,024,763	4,668,234
- Cash funds on settlement and foreign currency accounts	12,558	34,763	82,234
- Bank deposits originally maturing within less than three months	88,000	2,990,000	4,586,000
Total maximum credit risk	8,219,831	10,962,275	12,764,777

Though payment of receivables is affected by economic factors, the management of the Company thinks that there is no significant risk of losses exceeding the estimated provision formed.

The management of the Company carries out analysis of delays in payment of receivables from the core activities and tracks overdue receivables balances.

Concentration of Credit Risk

The Company is not exposed to credit risk concentration.

Company's bank deposits as of 31 December 2020 are placed with one bank (as compared to 3 banks as of 31 December 2019 and 4 banks as of 31 December 2018), which fact does not lead to significant concentration of credit risk for the Company due to the insignificant amount of the deposit (see Subsection 3.12 'Cash and Cash Equivalents' of the Notes to the Balance Sheet and the Profit and Loss Statement).

Liquidity Risk

Liquidity risk is the risk that an entity will face difficulties in fulfillment of obligations. The Company is not exposed to significant risk due to the daily need to use available cash funds. The management of the Company monitors cash flows of the Company on a monthly basis.

The Company supports a stable financing base consisting mostly of equity in deposits, credit facilities and cash flows from operations. The Company's liquidity portfolio includes cash and cash equivalents, as well as short-term financial investments. Cash equivalents and short-term financial investments can be monetised quickly enough to meet unforeseen requirement for liquidity.

The Company's Treasury monitors daily liquidity position and regularly carries out stress-testing for liquidity in various scenarios covering standard and more favourable market conditions.

The table below shows liabilities at 31 December 2020 by their remaining maturity specified in the contracts concluded by the Company. Amounts disclosed in the maturity table represent the cash flows including the total amount of liabilities on received loans and warranties issued by the Company.

When the amount payable is not fixed, the amount set forth in the table is determined by reference to the conditions existing at the reporting date. Payments in foreign currencies are recalculated using the foreign-currency rate to the Russian ruble as of the reporting date.

The maturity analysis of Company's liabilities at 31 December 2020 is set forth in the following table:

RUB thous.

Risk	< 1 year	1-3 years	> 3 years	Total
Liabilities including:	7,488,008	618,487	924,666	9,031,161
Loans received	478,700	-	-	478,700
Accounts payable to suppliers and contractors	4,629,889	-	—	4,629,889
Other payables	2,137,119	-	-	2,137,119
Liabilities on lease rights	242,300	484,601	458,443	1,185,344
Other long-term liabilities	-	133,886	466,223	600,109

The maturity analysis of liabilities at 31 December 2019 is set forth in the following table:

RUB thous.

Description	< 1 year	1-3 years	> 3 years	Total
Liabilities including:	7,958,897	434,785	868,638	9,262,320
Loans received	2,506,167	-	-	2,506,167
Accounts payable to suppliers and contractors	3,683,208	-	-	3,683,208
Other payables	1,769,522	-	-	1,769,522
Liabilities on lease rights	-	267,564	445,964	713,528
Other long-term liabilities	-	167,221	421,680	588,901

The maturity analysis of Company's liabilities at 31 December 2018 is set forth in the following table:

RUB thous.

Description	< 1 year	1-3 years	> 3 years	Total
Liabilities including:	6,313,361	128,018	401,059	6,842,438
Loans received	-	-	-	-
Accounts payable to suppliers and contractors	4,075,751	-	-	4,075,751
Other payables	2,237,610	-	-	2,237,610
Other long-term liabilities	-	128,018	401,059	529,077

Information regarding Forward Financial Instruments

The Company has developed and implemented the currency risk hedging strategy according to which the non-exceedance of the foreign currency operating limit established in the amount of EUR 10,000,000 is ensured by way of hedging currency risks under the contracts and additional agreements thereto in the amounts of highly probable predicted payments for the current and next year in one of the following ways: 1) purchase of foreign currency at the market rate and placement of that foreign currency on the deposit accounts with banks, and/or 2) settlement of FX forwards and/or FX swaps for no more than one year.

Profit and loss from closing transactions are recognised in the Reports on a net basis in line 'Other Income' or 'Other Expenses' as part of foreign exchange difference.

The fair value of cash-flow hedging instruments (foreign currency swaps) as of 31 December 2020 is RUB (8,913,000) (as of 31 December 2019: RUB (10,212,000)).

3.24 Estimated and Contingent Liabilities

Estimated Liabilities

As of 31 December 2020, the Company entered RUB 995,951,000 worth of estimated liabilities on the books as part of short-term liabilities (as compared to RUB 889,631,000 as of 31 December 2019 and RUB 758,178,000 as of 31 December 2018), including:

1. Estimated liabilities for annual and quarterly bonuses payable to employees, as well as special bonus plans amounted to RUB 625,069,000 as of 31 December 2020 (as of 31 December 2019 – RUB 610,812,000, as of 31 December 2018 – RUB 491,065,000).
2. Estimated liabilities for vacation allowances amounted to RUB 360,274,000 as of 31 December 2020 (as of 31 December 2019 – RUB 277,141,000, as of 31 December 2018 – RUB 259,020,000).
3. Estimated liabilities for litigation in progress, the results of which are assessed as unfavourable by the Company with the likelihood ratio “above the average”, amounted to RUB 10,608,000 as of 31 December 2020 (as of 31 December 2019 – RUB 1,678,000, as of 31 December 2018 – RUB 8,093,000).

The Company recognises the estimated liabilities on disposal of fixed assets in line 1450 ‘Other Long-Term Liabilities’. As of 31 December 2020, the liability created by the Company amounted to RUB 600,109,000 (as of 31 December 2019 — RUB 570,451,000, as of 31 December 2018 — RUB 529,077,000). The Company accrues amortisation of discount on created ELDFAR assets on a monthly basis.

- Besides, amounts of estimated liabilities on long-term bonus plans are recognised as part of line 1450 ‘Other Long-Term Liabilities’ in the amount of RUB 0,000 as of 31 December 2020 (RUB 18,450,000 as of 31 December 2019; RUB 0,000 as of 31 December 2018).
- Long-term debt on lease recognised as of 31 December 2020 amounts to RUB 943,044,000 (RUB 713,528,000 as of 31 December 2019). Changes are disclosed in Clause 3.7 hereof.

RUB thous.

Indicator	Year	Opening balance	Recognised	Repaid	Written off as excess	Closing balance
Estimated liabilities — total, including:	2020	1,819,704	2,197,862	(2,163,184)	(25,044)	1,829,338
	2019	1,606,665	2,553,233	(2,224,162)	(116,032)	1,819,704
long-term:	2020	588,901	197,513	(184,267)	(2,038)	600,109
	2019	529,077	59,824	-	-	588,901
ELDFAR	2020	570,451	44,609	(14,951)	-	600,109
	2019	529,077	41,374	-	-	570,451
Estimated liabilities on long-term bonus plans	2020	18,450	152,904	(169,316)	(2,038)	-
	2019	-	18,450	-	-	18,450
short-term:	2020	889,631	1,957,078	(1,827,752)	(23,006)	995,951
	2019	758,178	1,812,250	(1,564,765)	(116,032)	889,631
Estimated liabilities on legal proceedings	2020	1,678	10,608	-	(1,678)	10,608
	2019	8,093	41,317	-	(47,732)	1,678
Estimated liabilities on unspent vacations	2020	277,141	879,180	(792,279)	(3,768)	360,274
	2019	259,020	776,710	(741,137)	(17,452)	277,141
Estimated liabilities on year-end bonuses	2020	438,604	614,384	(534,164)	(2,584)	516,240
	2019	400,181	500,220	(435,770)	(26,027)	438,604
Estimated liabilities on quarterly bonuses	2020	98,104	443,665	(417,964)	(14,976)	108,829
	2019	90,884	419,899	(387,858)	(24,821)	98,104
Short-term bonus plans	2020	74,104	9,241	83,345	-	-
	2019	-	74,104	-	-	74,104
Estimated liabilities on concluded contracts as part of other short-term liabilities	2020	341,172	43,271	(151,165)		233,278
	2019	319,410	681,159	(659,397)		341,172
Other estimated liabilities	2020	341,172	43,271	(151,165)	-	233,278
	2019	319,410	681,159	(659,397)	-	341,172

Contingent Tax Liabilities

The tax laws of the Russian Federation, whether current or enacted as at the end of the reporting period, allow for different interpretations of certain facts of the Company's business life. Thus, tax authorities may challenge the Management's position on taxes and documents that justify this position. Tax control in the Russian Federation becomes tightened. Therefore, there is an increased risk of the audit by tax authorities of the tax effect of transactions that do not have a clear financial and economic purpose or transactions with counterparties that do not comply with tax legislation. Tax inspections may cover the three calendar years preceding the year, in which a decision was made to conduct the inspection. In certain situations, earlier periods may be inspected as well.

The Russian transfer pricing laws are, in general, in line with international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD), however they have some specifics. The transfer pricing laws provide for the possibility of charging additional tax liabilities under controlled transactions (transactions with related parties and certain types of transactions with non-related parties), if the transaction price is not in line with the market price. The management has implemented an internal control system to meet the requirements of the transfer pricing laws in force.

Tax liabilities arising from controlled transactions are determined on the basis of actual prices for such transactions. It is likely that these prices may be challenged, as the practice of applying the transfer pricing rules further develops. The effect of such a scenario cannot be estimated with sufficient reliability; however, it may be material from the standpoint of the Company's financial standing and/or business activity.

At present, the management believes that its standpoint on taxes and the Company's interpretation of the laws may be validated; however, there is a risk that the Company will incur extra expenses, if the management's standpoint on taxes and the Company's interpretation of the laws is challenged by tax authorities. The effect of such a scenario cannot be estimated with sufficient reliability; however, it may be material from the standpoint of the Company's financial standing and performance.

General Director of Unipro PJSC

/Signature/

M. G. Shirokov

Chief Accountant of Unipro PJSC

/Signature/

A. N. Koblova

03 March 2021