

**Unipro Public Joint-Stock Company**

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

**31 December 2021**

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## Independent Auditor's Report

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

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### Opinion

In our opinion, the attached financial statements accurately reflect in all material aspects the financial position of Unipro Public Joint-Stock Company (hereinafter referred to as the "Company") as of 31 December 2021, along with the Company's 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 2021;
- Profit and Loss Statement for the year ended as of the said date;
- Statement of Changes in Equity for the year ended as of the said date;
- Cash Flow Statement for the year ended as of the said date;

notes to the Balance Sheet and Profit and Loss Statement, including the significant accounting policies

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### Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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

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## 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Audit procedures performed to address the key issue of the audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Valuation of the doubtful debt provision</b></p> <p>See <i>Clause 2.7 “Accounts Receivable and Payable” and Clause 3.11 “Accounts Receivable” of the Notes to the Balance Sheet and Profit and Loss Statement</i></p> <p>As of 31 December 2021, the amount of the Company's accounts receivable, including advances paid, was RUB 8,610,326,000 (RUB 16,593,222,000 net of the provision for doubtful debts amounting to RUB 7,982,896,000). Therefore, in the structure of the Company's accounts receivable the debt assessed by the management as doubtful takes up a significant portion (as of 31 December 2021, the provision covered 48% of the accounts receivable).</p> <p>The Company's management creates the doubtful debt provision 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 as of the reporting date. The degree of accuracy of management's estimates will be confirmed or refuted by future developments that are basically uncertain.</p> <p>We have given special care to assessing the doubtful debt provision since the assessment process implies the use of material judgments by the management, and the amount of such provision is considerable.</p> | <p>Our audit procedures in respect of the management's assessment of the doubtful debt provision included the following:</p> <ul style="list-style-type: none"><li>• 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;</li><li>• 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;</li><li>• sample testing of the overdue but uncovered accounts receivable to assess the conclusions drawn by management in respect of the lack of need to accrue the doubtful debt provision subject to the prospects and deadlines of repaying such indebtedness;</li><li>• sample testing of documents underlying the assessment by the management of probabilities of debt repayment, such as payment orders confirming debt repayment in 2022;</li><li>• obtaining and analysing written statements of the management regarding the assessment of the doubtful debt provision performed.</li></ul> <p>In addition, we have assessed the adequacy of the information disclosed in Note 3.11 to the Balance Sheet and Profit and Loss Statement.</p> |

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| Key issue of the audit | Audit procedures performed to address the key issue of the audit                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                        | <p>The current estimates of the Company's management in respect of the doubtful debt provision in preparing the financial statements for the year ended on 31 December 2021 may be subject to changes caused by future developments.</p> <p>Having performed the above procedures, we have not identified any facts evidencing the need to introduce material adjustments to the doubtful debt provision in the attached accounting statements.</p> |

## Other information – materiality and scope of the audit

### Materiality

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 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.

|                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Materiality at the level of the Company's accounting statements in general</b> | RUB 1,042 million                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Determination method</b>                                                       | 5% of the profit before tax                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Justification of the base indicator to determine the materiality level</b>     | 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. |

#### **Audit scope determination**

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.

#### **Other Information**

The management is responsible for other information. Such other information contains the Company's Annual Report for 2021 and Emission Securities Issuer's Report for 12 months of 2021 (but does not include the financial 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 the Company's Annual Report for 2021 and the Emission Securities Issuer's Report for 12 months of 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 financial statements**

The management is responsible for the preparation and fair presentation of these financial 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 financial statements that are free from material misstatements, whether due to fraud or error.

When preparing the financial 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 financial 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.

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

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### **Auditor's responsibility for the audit of accounting statements**

Our objective is to obtain a reasonable assurance of the fact that the financial statements do not contain material misstatements, whether due to fraud or error, as well as to release an auditor's report containing our opinion. A reasonable assurance is a high level of assurance, which, however, does not guarantee that the audit conducted in accordance with the ISAs will always reveal instances of material misstatements, if any. 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 financial statements.

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

- 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 also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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 these issues in our auditor's report, except when public disclosure of information on such issues is prohibited by a relevant law or regulation or when in exceptional instances we come to the opinion that information concerning a certain issue shall not be disclosed in our report since it may reasonably be expected that the negative consequences of such disclosure will surpass the public benefit thereof.

Manager of the engagement the results of which were used to release this Independent Auditor's Report (lead auditor) is G.R. Khabirova.

*PricewaterhouseCoopers Audit Joint-Stock Company*

4 March 2022  
Moscow, Russian Federation  
*/Signature/*

[Stamp:  
PricewaterhouseCoopers Audit  
Joint-Stock Company  
Moscow  
OGRN 1027700148431  
pwc]

G.R. Khabirova is authorized by the General Director to sign on behalf of PricewaterhouseCoopers Audit Joint Stock Company (primary registration number of entry (ORNZ) – 12006020338), lead auditor (ORNZ – 21906099066)

**Balance Sheet**  
**as of 31 December 2021**

**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 audit

YES ☒ NO ☐

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 as per OKUD  
(Russian National  
Classifier of Management  
Documentation)  
Date (day, month, year)  
as per OKPO (Russian  
National Classifier of  
Businesses and  
Organisations)  
INN  
as per OKVED 2  
(Russian National  
Classifier of Economic  
Activities)  
as per OKOPF (Russian  
National Classifier of  
Forms of Incorporation) /  
OKFS (Russian National  
Classifier of Forms of  
Ownership)  
as per OKEI (Russian  
National Classifier of  
Measurement Units)

| Codes            |
|------------------|
| 0710001          |
| 31 December 2021 |
| 76828204         |
| 8602067092       |
| 35.11.1          |
| 12247/34         |
| 384              |

INN  
OGRN (Primary State  
Registration Number) /  
OGRNIP (Primary State  
Registration Number of  
Individual Entrepreneur)

|               |
|---------------|
| 7705051102    |
| 1027700148431 |

| Notes          | Indicator                                                  | Line Code | As of 31 December 2021 | As of 31 December 2020 | As of 31 December 2019 |
|----------------|------------------------------------------------------------|-----------|------------------------|------------------------|------------------------|
| 1              | 2                                                          | 3         | 4                      | 5                      | 6                      |
|                | <b>ASSETS</b>                                              |           |                        |                        |                        |
|                | <b>1. NON-CURRENT ASSETS</b>                               |           |                        |                        |                        |
| Note 3.2       | Intangible assets                                          | 1110      | 526,606                | 242,995                | 95,550                 |
| Note 3.3       | Fixed assets                                               | 1150      | 126,587,991            | 125,012,418            | 121,030,130            |
|                | including:                                                 |           |                        |                        |                        |
| Note 3.5       | Construction-in-progress                                   | 1151      | 12,697,226             | 57,780,525             | 51,807,636             |
| Note 3.6       | Long-term financial investments                            | 1170      | 835,103                | 678,653                | 705,803                |
|                | Deferred tax assets                                        | 1180      | 896,646                | 1,053,695              | 808,690                |
| Notes 3.7, 3.8 | Other non-current assets                                   | 1190      | 6,378,191              | 5,140,695              | 4,166,336              |
|                | Total, Section I                                           | 1100      | <b>135,224,537</b>     | <b>132,128,456</b>     | <b>126,806,509</b>     |
|                | <b>II. CURRENT ASSETS</b>                                  |           |                        |                        |                        |
| Note 3.9       | Inventories                                                | 1210      | 5,341,050              | 6,083,588              | 7,863,609              |
|                | including:                                                 |           |                        |                        |                        |
| Note 3.9       | Raw materials, supplies, and other similar assets          | 1211      | 5,341,050              | 6,083,588              | 7,863,609              |
|                | Input value added tax                                      | 1220      | 7,569                  | 2,141                  | 2,494                  |
| Note 3.11      | Accounts receivable                                        | 1230      | 8,610,326              | 7,874,095              | 7,593,686              |
|                | including:                                                 |           |                        |                        |                        |
| Note 3.11      | Long-term debt                                             | 1231      | 427,649                | 619,898                | 615,496                |
| Note 3.11      | Short-term debt                                            | 1232      | 8,182,677              | 7,254,197              | 6,978,190              |
|                | including:                                                 |           |                        |                        |                        |
| Note 3.11      | Buyers and customers                                       | 1233      | 6,297,434              | 6,206,111              | 5,705,268              |
| Note 3.11      | Advances paid                                              | 1234      | 347,662                | 115,402                | 149,797                |
| Note 3.11      | Short-term financial investments (except cash equivalents) | 1240      | 959,475                | 791,843                | 934,621                |
| Note 3.13      | Cash and cash equivalents                                  | 1250      | 10,389                 | 100,558                | 3,024,763              |
| Note 3.10      | Other current assets                                       | 1260      | 104,464                | 127,965                | 111,760                |
|                | Total, Section II                                          | 1200      | <b>15,033,273</b>      | <b>14,980,190</b>      | <b>19,530,933</b>      |
|                | <b>BALANCE</b>                                             | 1600      | <b>150,257,810</b>     | <b>147,108,646</b>     | <b>146,337,442</b>     |

| Notes                | Indicator                            | Line Code | As of 31 December 2021 | As of 31 December 2020 | As of 31 December 2019 |
|----------------------|--------------------------------------|-----------|------------------------|------------------------|------------------------|
| 1                    | 2                                    | 3         | 4                      | 5                      | 6                      |
|                      | <b>LIABILITIES</b>                   |           |                        |                        |                        |
|                      | <b>III. CAPITAL AND RESERVES</b>     |           |                        |                        |                        |
| Note 3.15            | Authorised capital                   | 1310      | 25,219,482             | 25,219,482             | 25,219,482             |
|                      | Revaluation of non-current assets    | 1340      | 446,362                | 446,381                | 448,549                |
| Note 2.10, Note 3.15 | Add-on capital (without revaluation) | 1350      | 40,969,311             | 40,969,311             | 40,969,311             |
| Note 3.15            | Surplus reserve                      | 1360      | 1,260,974              | 1,260,974              | 1,260,974              |
|                      | Retained earnings (uncovered loss)   | 1370      | 58,291,704             | 61,698,966             | 60,585,180             |
|                      | Total, Section III                   | 1300      | <b>126,187,833</b>     | <b>129,595,114</b>     | <b>128,483,496</b>     |
|                      | <b>IV. LONG-TERM LIABILITIES</b>     |           |                        |                        |                        |
|                      | Deferred tax liabilities             | 1420      | 9,862,382              | 7,001,851              | 7,121,297              |
| Note 3.25            | Other liabilities                    | 1450      | 1,224,592              | 1,543,153              | 961,482                |
|                      | Total, Section IV                    | 1400      | <b>11,086,974</b>      | <b>8,545,004</b>       | <b>8,082,779</b>       |
|                      | <b>V. CURRENT LIABILITIES</b>        |           |                        |                        |                        |
| Note 3.14, Note 3.22 | Short-term loan liabilities          | 1510      | 3,463,741              | 478,700                | 2,506,167              |
| Note 3.14            | Payables                             | 1520      | 7,951,593              | 6,767,008              | 5,452,730              |
|                      | including:                           |           |                        |                        |                        |
| Note 3.14            | Payables to suppliers                | 1521      | 5,206,644              | 4,629,889              | 3,683,208              |
| Note 3.14            | Taxes and levies payable             | 1522      | 1,992,043              | 1,506,153              | 1,133,175              |
|                      | Deferred revenue                     | 1530      | 46                     | 65                     | 109                    |
| Note 3.26            | Estimated liabilities                | 1540      | 1,143,290              | 995,951                | 889,631                |
| Note 3.14            | Other current liabilities            | 1550      | 424,333                | 726,804                | 922,530                |
|                      | Total, Section V                     | 1500      | <b>12,983,003</b>      | <b>8,968,528</b>       | <b>9,771,167</b>       |
|                      | <b>BALANCE</b>                       | 1700      | <b>150,257,810</b>     | <b>147,108,646</b>     | <b>146,337,442</b>     |

|          |                    |               |                  |                    |              |
|----------|--------------------|---------------|------------------|--------------------|--------------|
| Director | <u>/Signature/</u> | M.G. Shirokov | Chief Accountant | <u>/Signature/</u> | A.N. Koblova |
|          | Signature          | Printed Name  |                  | Signature          | Printed Name |

04 March 2022

**Profit and Loss Statement  
for 2021**

**Company: UNIPRO PJSC**

**Taxpayer Identification Number**

**Type of economic activity**

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

**Form of incorporation / form of ownership:**

Public Joint Stock Company / Joint private and foreign ownership

**Unit of measurement: RUB thous.**

Form as per OKUD  
(Russian National Classifier  
of Management  
Documentation)

Date (day, month, year)

as per OKPO (Russian  
National Classifier of  
Businesses and  
Organisations)

INN

as per OKVED 2 (Russian  
National Classifier of  
Economic Activities)

as per OKOPF (Russian  
National Classifier of Forms  
of Incorporation) / OKFS  
(Russian National Classifier  
of Forms of Ownership)

as per OKEI (Russian  
National Classifier of  
Measurement Units)

Codes

0710002

31 December  
2021

76828204

8602067092

35.11.1

12247/34

384

| Notes     | Indicator                                                 | Line Code | for 2021     | for 2020     |
|-----------|-----------------------------------------------------------|-----------|--------------|--------------|
| 1         | 2                                                         | 3         | 4            | 5            |
| Note 3.16 | Revenue                                                   | 2110      | 94,110,042   | 80,286,268   |
| Note 3.17 | Cost of sales                                             | 2120      | (72,430,039) | (60,507,529) |
|           | Gross profit (loss)                                       | 2100      | 21,680,003   | 19,778,739   |
|           | Profit (Loss) from sales                                  | 2200      | 21,680,003   | 19,778,739   |
|           | Income from participatory interest in other organisations | 2310      | 89,798       | 170,486      |
|           | Interest receivable                                       | 2320      | 137,151      | 195,209      |
|           | Interest payable                                          | 2330      | (24,704)     | (47,931)     |
| Note 3.18 | Other income                                              | 2340      | 246,484      | 416,935      |
| Note 3.18 | Other expenses                                            | 2350      | (1,279,091)  | (1,967,839)  |
|           | Profit (loss) before tax                                  | 2300      | 20,849,641   | 18,545,599   |
| Note 3.19 | Income tax                                                | 2410      | (4,193,731)  | (3,517,875)  |
| Note 3.19 | including current income tax                              | 2411      | (1,176,152)  | (3,868,806)  |
| Note 3.19 | deferred income tax                                       | 2412      | (3,017,579)  | 350,931      |
| Note 3.19 | Other                                                     | 2460      | (135,220)    | 12,368       |
|           | Net profit (loss)                                         | 2400      | 16,520,690   | 15,040,092   |

| Notes     | Indicator                                                                              | Line Code | for 2021   | for 2020   |
|-----------|----------------------------------------------------------------------------------------|-----------|------------|------------|
| 1         | 2                                                                                      | 3         | 4          | 5          |
|           | <b>FOR REFERENCE</b>                                                                   |           |            |            |
|           | Profit / loss from other transactions not included in net profit (loss) for the period | 2520      | ( 19)      | (2,168)    |
|           | Total profit / loss for the period                                                     | 2500      | 16,520,671 | 15,037,924 |
| Note 3.21 | Base profit (loss) per share, RUB                                                      | 2900      | 0.26       | 0.24       |

Director

/Signature/  
Signature

M.G. Shirokov  
Printed Name

Chief Accountant

/Signature/  
Signature

A.N. Koblova  
Printed Name

04 March 2022

# Statement of Changes in Equity for 2021

**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.

Form as per OKUD (Russian National Classifier of Management Documentation)

Date (day, month, year)  
as per OKPO (Russian National Classifier of Businesses and Organisations)

INN  
as per OKVED 2 (Russian National Classifier of Economic Activities)  
as per OKOPF (Russian National Classifier of Forms of Incorporation) / OKFS (Russian National Classifier of Forms of Ownership)  
as per OKEI (Russian National Classifier of Measurement Units)

| Codes            |
|------------------|
| 0710004          |
| 31 December 2021 |
| 76828204         |
| 8602067092       |
| 35.11.1          |
| 12247/34         |
| 384              |

## 1. Capital flow

| Notes     | Indicator                                            | Line Code   | Authorised capital | Treasury shares | Add-on capital    | Surplus reserve  | Retained earnings (uncovered loss) | Total               |
|-----------|------------------------------------------------------|-------------|--------------------|-----------------|-------------------|------------------|------------------------------------|---------------------|
| 1         | 2                                                    | 3           | 4                  | 5               | 6                 | 7                | 8                                  | 9                   |
|           | <b>Equity as at 31 December 2019 for 2020</b>        | <b>3100</b> | <b>25,219,482</b>  | -               | <b>41,417,860</b> | <b>1,260,974</b> | <b>60,585,180</b>                  | <b>128,483,496</b>  |
|           | <b>Capital increase, total:</b>                      | <b>3210</b> | -                  | -               | -                 | -                | <b>15,111,634</b>                  | <b>15,111,634</b>   |
|           | including:                                           |             |                    |                 |                   |                  |                                    |                     |
|           | net profit                                           | 3211        | X                  | X               | X                 | X                | 15,040,092                         | 15,040,092          |
|           | income directly attributable to the capital increase | 3213        | X                  | X               | -                 | X                | 71,542                             | 71,542              |
|           | <b>Capital reduction, total:</b>                     | <b>3220</b> | -                  | -               | -                 | -                | <b>(14,000,016)</b>                | <b>(14,000,016)</b> |
|           | including:                                           |             |                    |                 |                   |                  |                                    |                     |
|           | expenses directly attributable to capital reduction  | 3223        | X                  | X               | -                 | X                | (16)                               | (16)                |
|           | dividends                                            | 3227        | X                  | X               | X                 | X                | (14,000,000)                       | (14,000,000)        |
|           | Changes in add-on capital                            | 3230        | X                  | X               | (2,168)           | X                | 2,168                              |                     |
|           | Changes in surplus reserve                           | 3240        | X                  | X               | X                 | -                | -                                  | X                   |
|           | <b>Capital as of 31 December 2020 for 2021</b>       | <b>3200</b> | <b>25,219,482</b>  | -               | <b>41,415,692</b> | <b>1,260,974</b> | <b>61,698,966</b>                  | <b>129,595,114</b>  |
|           | <b>Capital increase, total:</b>                      | <b>3310</b> | -                  | -               | -                 | -                | <b>16,592,719</b>                  | <b>16,592,719</b>   |
|           | including:                                           |             |                    |                 |                   |                  |                                    |                     |
|           | net profit                                           | 3311        | X                  | X               | X                 | X                | 16,520,690                         | 16,520,690          |
|           | income directly attributable to the capital increase | 3313        | X                  | X               | -                 | X                | 72,029                             | 72,029              |
|           | <b>Capital reduction, total:</b>                     | <b>3320</b> | -                  | -               | -                 | -                | <b>(20,000,000)</b>                | <b>(20,000,000)</b> |
|           | including:                                           |             |                    |                 |                   |                  |                                    |                     |
|           | expenses directly attributable to capital reduction  | 3323        | X                  | X               | -                 | X                | -                                  | -                   |
| Note 3.21 | dividends                                            | 3327        | X                  | X               | X                 | X                | (20,000,000)                       | (20,000,000)        |
|           | Changes in add-on capital                            | 3330        | X                  | X               | (19)              | X                | 19                                 | -                   |
|           | Changes in surplus reserve                           | 3340        | X                  | X               | X                 | -                | -                                  | X                   |
|           | <b>Capital as of 31 December 2021</b>                | <b>3300</b> | <b>25,219,482</b>  | -               | <b>41,415,673</b> | <b>1,260,974</b> | <b>58,291,704</b>                  | <b>126,187,833</b>  |

## 3. Net assets

| Note | Indicator  | Line Code | As of 31 December 2021 | As of 31 December 2020 | As of 31 December 2019 |
|------|------------|-----------|------------------------|------------------------|------------------------|
| 1    | 2          | 3         | 4                      | 5                      | 6                      |
|      | Net assets | 3600      | 126,187,879            | 129,595,179            | 128,483,605            |

Director

/Signature/  
Signature

M.G. Shirokov  
Printed Name

Chief Accountant

/Signature/  
Signature

A.N. Koblova  
Printed Name

04 March 2022

# Cash Flow Statement for 2021

**Company: UNIPRO PJSC**

**Taxpayer Identification Number**

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

**Form of incorporation / form of ownership:**

Public Joint Stock Company / Joint private and foreign ownership

**Unit of measurement:** RUB thous.

Form as per OKUD (Russian National Classifier of Management Documentation)

Date (day, month, year)  
as per OKPO (Russian National Classifier of Businesses and Organisations)

INN  
as per OKVED 2 (Russian National Classifier of Economic Activities)  
as per OKOPF (Russian National Classifier of Forms of Incorporation) / OKFS (Russian National Classifier of Forms of Ownership)  
as per OKEI (Russian National Classifier of Measurement Units)

| Codes                  |
|------------------------|
| 0710005                |
| 31<br>December<br>2021 |
| 76828204               |
| 8602067092             |
| 35.11.1                |
| 12247/34               |
| 384                    |

| Notes     | Indicator                                                                                                                      | Line Code | for 2021     | for 2020     |
|-----------|--------------------------------------------------------------------------------------------------------------------------------|-----------|--------------|--------------|
| 1         | 2                                                                                                                              | 3         | 4            | 5            |
|           | <b>Cash flows from operating activities</b>                                                                                    |           |              |              |
|           | Receipts, total                                                                                                                | 4110      | 93,700,737   | 80,457,716   |
|           | including:                                                                                                                     |           |              |              |
|           | from sales of products, goods, works and services                                                                              | 4111      | 93,653,837   | 79,559,213   |
| Note 3.13 | other receipts                                                                                                                 | 4119      | 46,900       | 898,503      |
|           | Payments, total                                                                                                                | 4120      | (67,384,424) | (59,504,893) |
|           | including:                                                                                                                     |           |              |              |
|           | To suppliers (contractors) for raw materials, supplies, works, services                                                        | 4121      | (56,003,591) | (46,206,241) |
|           | in connection with salary payment to employees                                                                                 | 4122      | (6,402,216)  | (6,150,525)  |
|           | interest on debt liabilities                                                                                                   | 4123      | (20,435)     | (54,098)     |
|           | corporate tax                                                                                                                  | 4124      | (2,035,245)  | (3,807,252)  |
| Note 3.13 | other payments                                                                                                                 | 4129      | (2,922,937)  | (3,286,777)  |
|           | Balance of cash flows from operating activities                                                                                | 4100      | 26,316,313   | 20,952,823   |
|           | <b>Cash flows from investing activities</b>                                                                                    |           |              |              |
|           | Receipts, total                                                                                                                | 4210      | 229,868      | 379,887      |
|           | including:                                                                                                                     |           |              |              |
|           | from recovery of issued loans, from sale of debt securities (monetary claims against third parties)                            | 4213      | -            | -            |
|           | from dividends, interest on debt financial investments and similar proceeds from shareholdings                                 | 4214      | 229,868      | 360,351      |
|           | from closing of deposits                                                                                                       | 4215      | -            | 19,536       |
|           | Payments, total                                                                                                                | 4220      | (9,641,633)  | (8,438,366)  |
|           | including:                                                                                                                     |           |              |              |
|           | in connection with acquisition, creation, upgrading, reconstruction and preparation for use of non-current assets              | 4221      | (9,641,633)  | (8,423,366)  |
|           | in connection with the acquisition of other companies' shares (participatory interests)                                        | 4222      | -            | (15,000)     |
|           | in connection with acquisition of debt securities (monetary claims against third parties), extension of loans to third parties | 4223      | -            | 0            |
|           | Balance of cash flows from investing activities                                                                                | 4200      | (9,411,765)  | (8,058,479)  |
|           | <b>Cash flows from financing activities</b>                                                                                    |           |              |              |
|           | Receipts, total                                                                                                                | 4310      | 14,675,714   | 2,572,829    |
|           | including:                                                                                                                     |           |              |              |
|           | receipt of credits and loans                                                                                                   | 4311      | 14,675,714   | 2,390,462    |
|           | other receipts                                                                                                                 | 4319      | -            | 182,367      |
|           | Payments, total                                                                                                                | 4320      | (31,662,955) | (18,412,201) |

|           |                                                                                                     |      |                 |                    |
|-----------|-----------------------------------------------------------------------------------------------------|------|-----------------|--------------------|
|           | including:                                                                                          |      |                 |                    |
|           | payment of dividends and other payments for distribution of profit to the owners (members)          | 4322 | (19,968,012)    | (14,000,439)       |
|           | due to the redemption (buy-back) of bills and other debt securities, repayment of credits and loans | 4323 | (11,694,943)    | (4,411,762)        |
|           | other payments                                                                                      | 4329 | -               | -                  |
|           | Balance of cash flows from financing activities                                                     | 4300 | (16,987,241)    | (15,839,372)       |
|           | <b>Balance of cash flows for the reporting period</b>                                               | 4400 | <b>(82,693)</b> | <b>(2,945,028)</b> |
|           | <b>Balance of cash and cash equivalents as of the beginning of the reporting period</b>             | 4450 | <b>100,558</b>  | <b>3,024,763</b>   |
| Note 3.13 | <b>Balance of cash and cash equivalents as of the end of the reporting period</b>                   | 4500 | <b>10,389</b>   | <b>100,558</b>     |
|           | Effect of changes in the foreign exchange rate to the rouble                                        | 4490 | (7,476)         | (20,823)           |

|          |                    |               |                  |                    |              |
|----------|--------------------|---------------|------------------|--------------------|--------------|
| Director | <u>/Signature/</u> | M.G. Shirokov | Chief Accountant | <u>/Signature/</u> | A.N. Koblova |
|          | Signature          | Printed Name  |                  | Signature          | Printed Name |

04 March 2022

## Unipro Public Joint-Stock Company

### NOTES TO THE BALANCE SHEET AND PROFIT AND LOSS STATEMENT FOR 2021

#### 1 General Information

##### 1.1 Company profile

Unipro Public Joint-Stock Company (former OGK-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: 10 Presnenskaya Embankment, block B, floor 23, Moscow, 123112

The Company's staff headcount as of 31 December 2021 was 4,355 employees (as of 31 December 2020: 4,556 employees).

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

As of 31 December 2021, the Company had 7 regional standalone business units (6 branches and 1 representative office):

| Item 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        | Berezovskaya 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 2021) as of 31 December 2021:

| No. | Full name                          | Position (the positions are provided as of the date of nomination to the Board of Directors)                                          |
|-----|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Prof. Dr. Klaus-Dieter Maubach     | 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                                                        |

| No. | Full name                   | Position (the positions are provided as of the date of nomination to the Board of Directors)                   |
|-----|-----------------------------|----------------------------------------------------------------------------------------------------------------|
| 4   | David Bryson                | Chief Operating Officer / Asset Management, Uniper SE                                                          |
| 5   | Oleg Vyacheslavovich Vyugin | Professor of School of Finance, Faculty of Economic Sciences, Higher School of Economics, Independent Director |
| 6   | Dr. Sascha Fehleemann       | Senior Vice President, Corporate and Legal, 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                                       |
| 9   | Maxim Gennadyevich Shirokov | General Director of Unipro PJSC                                                                                |

Members of the Management Board of the Company as of 31 December 2021:

| 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 01 January 2016, following a demerger of a new international company - Uniper SE - 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 12 March 2021 (publication of the Fortum Oyj financial statements and overview of operations and financial activities for 2020), the share of voting rights in Uniper SE held by Fortum Oyj (Espoo, Finland) as of 31 December 2021 was 77,96% (as of 30 September 2020: 75.01%).

## 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.

In 2021, ongoing political tensions mounted as a result of the continued development of the situation in Ukraine, which adversely impacted the commodity and financial markets and increased volatility, especially in exchange rates. Since December 2021, the situation has been deteriorating, and from February 2022 it entered a critical phase associated with the start of a special operation to demilitarize and denazify Ukraine, carried out by the Russian Armed Forces. The imposed sanctions and restrictions are aimed to destruct the entire economic activity of the country and cease the business activity in general. In the context of the application of strict counter-sanctions, the mass exit of foreign companies from joint ventures with the Russian Federation and tough information confrontation, it is impossible to predict the development of events.

In 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. Some of the above measures were subsequently defused, but as of 31 December 2021, the infection rate remained high, the proportion of those vaccinated was relatively low, and there was a risk that the Russian authorities would introduce additional restrictions in subsequent periods, including those associated with the emergence of new viral strains.

In 2021, the Russian economy showed positive dynamics of recovery from the pandemic. This was also facilitated by the recovery of the global economy and the price boost in the world commodity markets. However, higher prices in some markets in Russia and around the world are also driving up inflation in Russia.

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

The Company management takes all necessary measures to ensure sustainable operation of the Company and support its partners 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 a 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 were prepared in compliance with the applicable Russian Accounting Standards established by the Federal Law "On Accounting", Regulations on Accounting and Accounting Statements in the Russian Federation, federal accounting standards and other legal regulations approved 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.)

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

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

## **2.3 Lease assets and liabilities**

The Company has been applying FSBU (Federal Accounting Standard) 25/2018 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 measured 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 recognized 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 recognized in the accounting records at net realization price to be determined in the manner established by the Company.

Inventories, the net realization price 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 net realization price. A provision was made for the amount of the difference between the carrying value of such inventories and their net realization price (by the amount of inventories) and attributed to the Company's 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,

- 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 re-valued on a quarterly basis at mark-to-market value as of the end of the reporting period and the re-valued 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 Accounts payable and receivable**

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 doubtful debt provision. This provision represents a conservative estimation by the Company's Management of the portion of debts that is likely not to be settled. The doubtful debt provision 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 2021 were as follows: RUB 74.2926 for USD 1; RUB 84.0695 for EUR 1 (exchange rates as of 31 December 2020: RUB 73.8757 for USD 1; RUB 90.6824 for EUR 1; exchange rates as of 31 December 2019: RUB 61.9057 for USD 1; RUB 69.3406 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 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 par 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 2021, 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" PBU 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;
- Other estimated liabilities meeting the criteria specified in PBU 8/2010.

Long-term estimated liabilities:

- Estimated liability for the disposal of fixed assets and rehabilitation.
- Other estimated liabilities meeting the criteria specified in PBU 8/2010.

Upon termination of fulfilment of the terms established by Clause 5 of PBU 8/2010 for estimated liability recognition, the unused amount is 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.);
- Other.

### **2.15 Historical records**

When preparing the balance sheet and profit and loss statement, the indicators of previous periods were not adjusted.

### **2.16 Changes in accounting policy**

Starting from the statements for 2021, the Company applies FSBU 5/2019 "Inventories". The consequences of a change in accounting policy due to the start of application of FSBU 5/2019 are recorded prospectively.

At the same time, the balances of materials acquired by the Company for the purpose of creating non-current assets were, prior to the application of the standard, recorded in the non-current assets in accordance with the Company's accounting policy.

The amount of allowance for impairment of inventories from 2021 is recorded in line 2120 "Cost of sales" of the profit and loss statement; comparable data for 2020 was not adjusted due to the immateriality of the amount of the accrued reserve in 2020.

Starting from the statements for 2022, the Company applies the following standards:

- FSBU 26/2020 "Capital investments" approved by Order of the Ministry of Finance of Russia No. 204n dated 17 September 2020;
- FSBU 6/2020 "Fixed assets" approved by Order of the Ministry of Finance of Russia No. 204N dated 17 September 2020;
- FSBU 27/2021 "Documents and workflow in accounting", Order of the Ministry of Finance of Russia No. 62n dated 16 April 2021.

The size of impact of the first application of these standards on the financial statements is currently being specified.

## **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 Intangible assets**

#### **Amortization of intangible assets**

Depreciation of intangible assets is charged on a straight-line basis, based on the useful life periods as follows.

- software rights – 6 years
- utility model rights – 5 years
- patent for invention – 10 years

In the reporting year, the useful life periods and the method of intangible assets amortization calculation did not change compared to the previous reporting period.

### Impairment of intangible assets

As of 31 December 2021, no impairment test for intangible assets has been carried out due to the absence of signs of impairment of intangible assets with a finite useful life, as well as the absence of intangible assets with an indefinite useful life with the Company in 2020-2021.

Breakdown of balance sheet line 1110 "Intangible assets"

| Item                                            | RUB thous.       |                  |                  |
|-------------------------------------------------|------------------|------------------|------------------|
|                                                 | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| <b>Intangible assets (total), including:</b>    | <b>526,606</b>   | <b>242,995</b>   | <b>95,550</b>    |
| Intangible assets (residual value) in operation | 477,642          | 125,754          | 80,574           |
| Investments in acquisition intangible assets    | 48,964           | 117,241          | 14,976           |

Availability and movement of intangible assets in operation

| Indicator                    | Year | RUB thous.                      |          |                      |          |                           |
|------------------------------|------|---------------------------------|----------|----------------------|----------|---------------------------|
|                              |      | As of the beginning of the year | Increase | Depreciation accrued | Decrease | As of the end of the year |
| Intangible assets, including | 2021 | 125,754                         | 430,413  | (78,525)             | -        | 477,642                   |
|                              | 2020 | 80,574                          | 90,674   | (45,494)             | -        | 125,754                   |
| Information systems          | 2021 | 125,606                         | 429,503  | (78,253)             | -        | 476,856                   |
|                              | 2020 | 80,405                          | 90,674   | (45,473)             | -        | 125,606                   |

| Indicator                  | Year | RUB thous.                      |          |                      |          |                           |
|----------------------------|------|---------------------------------|----------|----------------------|----------|---------------------------|
|                            |      | As of the beginning of the year | Increase | Depreciation accrued | Decrease | As of the end of the year |
| Licenses by activity types | 2021 | -                               | 910      | (195)                | -        | 715                       |
|                            | 2020 | -                               | -        | -                    | -        | -                         |
| Other intangible assets    | 2021 | 148                             | -        | (77)                 | -        | 71                        |
|                            | 2020 | 169                             | -        | (21)                 | -        | 148                       |

The major increase in the item "Intangible assets" occurred due to the implementation by the Company of the Microsoft Dynamics 365 information system.

### 3.3 Fixed assets

Breakdown of balance sheet line 1150 "Fixed assets"

| Item                                                                                      | RUB thous.         |                    |                    |
|-------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|
|                                                                                           | 31 December 2021   | 31 December 2020   | 31 December 2019   |
| Fixed assets (residual value)                                                             | 113,890,765        | 67,231,893         | 69,222,494         |
| Capital investments in progress, including:                                               | 12,697,226         | 57,780,525         | 51,807,636         |
| Capital investments in fixed assets and new construction/ acquisition of new fixed assets | 9,311,366          | 51,461,203         | 42,983,854         |
| Advances to suppliers/ contractors on capital investments (net of VAT)                    | 718,531            | 1,335,530          | 1,136,427          |
| Equipment to be installed and other assets to be used for capital investments             | 2,667,329          | 4,983,792          | 7,687,355          |
| <b>Total for Balance Sheet line 1150</b>                                                  | <b>126,587,991</b> | <b>125,012,418</b> | <b>121,030,130</b> |

Availability of and changes in fixed assets at historic value

| RUB thous.                      |             |                                 |                   |                  |                           |
|---------------------------------|-------------|---------------------------------|-------------------|------------------|---------------------------|
| Indicator                       | Year        | As of the beginning of the year | Increase          | Decrease         | As of the end of the year |
| <b>Fixed assets, including:</b> | <b>2021</b> | <b>130,986,236</b>              | <b>53,706,682</b> | <b>(491,500)</b> | <b>184,201,418</b>        |
|                                 | <b>2020</b> | <b>127,440,928</b>              | <b>3,835,438</b>  | <b>(290,130)</b> | <b>130,986,236</b>        |
| Buildings                       | 2021        | 28,546,657                      | 6,448,838         | (1,190)          | 34,994,305                |
|                                 | 2020        | 28,485,909                      | 69,937            | (9,189)          | 28,546,657                |
| Structures and transmitters     | 2021        | 17,886,018                      | 4,638,315         | 78,755           | 22,445,578                |
|                                 | 2020        | 17,437,966                      | 450,640           | (2,588)          | 17,886,018                |
| Machinery and equipment         | 2021        | 83,368,277                      | 42,569,016        | (350,193)        | 125,587,100               |
|                                 | 2020        | 80,338,254                      | 3,286,432         | (256,409)        | 83,368,277                |
| Other fixed assets              | 2021        | 605,881                         | 50,513            | (18,107)         | 638,287                   |
|                                 | 2020        | 599,396                         | 28,429            | (21,944)         | 605,881                   |
| Land plots                      | 2021        | 69,874                          | -                 | -                | 69,874                    |
|                                 | 2020        | 69,874                          | -                 | -                | 69,874                    |
| ELDFAR                          | 2021        | 509,529                         | -                 | (43,255)         | 466,274                   |
|                                 | 2020        | 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 |
| <b>Fixed assets, including:</b> | <b>2021</b> | <b>(63,754,343)</b>             | <b>445,338</b>                             | <b>(7,001,648)</b>   | <b>(70,310,653)</b>       |
|                                 | <b>2020</b> | <b>(58,218,434)</b>             | <b>149,087</b>                             | <b>(5,684,996)</b>   | <b>(63,754,343)</b>       |
| Buildings                       | 2021        | (6,739,864)                     | 263                                        | (775,856)            | (7,515,457)               |
|                                 | 2020        | (6,061,317)                     | 3,613                                      | (682,160)            | (6,739,864)               |
| Structures and transmitters     | 2021        | (7,496,757)                     | 78,755                                     | (680,216)            | (8,098,218)               |
|                                 | 2020        | (6,952,743)                     | 1,756                                      | (545,770)            | (7,496,757)               |
| Machinery and equipment         | 2021        | (48,907,026)                    | 342,350                                    | (5,481,388)          | (54,046,064)              |
|                                 | 2020        | (44,688,071)                    | 125,405                                    | (4,344,360)          | (48,907,026)              |
| Other fixed assets              | 2021        | (456,142)                       | 16,761                                     | (45,809)             | (485,190)                 |
|                                 | 2020        | (425,702)                       | 18,313                                     | (48,753)             | (456,142)                 |
| ELDFAR                          | 2021        | (154,554)                       | 7,209                                      | (18,379)             | (165,724)                 |
|                                 | 2020        | (90,601)                        | -                                          | (63,953)             | (154,554)                 |

Change in the value of existing fixed assets

| RUB thous.                                                                                               |            |           |             |
|----------------------------------------------------------------------------------------------------------|------------|-----------|-------------|
| Indicator                                                                                                | 2021       | 2020      | 2019        |
| Increase in the value of fixed assets due to extension, retrofitting, reconstruction – total, including: | 37,727,102 | 1,642,104 | 786,676     |
| Buildings                                                                                                | 6,446,247  | 59,689    | 24,700      |
| Structures and transmitters                                                                              | 4,437,180  | 350,202   | 211,952     |
| Machinery and equipment                                                                                  | 26,842,283 | 1,232,213 | 549,745     |
| Other fixed assets                                                                                       | 1,392      | -         | 279         |
| Decrease in the value of fixed assets due to partial disposal – total, including:                        | (90,105)   | (171,167) | (4,031,882) |
| Machinery and equipment                                                                                  | (49,377)   | (163,997) | (4,022,171) |
| Other fixed assets                                                                                       | (40,728)   | (7,170)   | -           |

Breakdown of advances paid to counterparties for future supplies:

RUB thous.

| Company                                            | 31 December 2021 |                | 31 December 2020 |                  | 31 December 2019 |                  |
|----------------------------------------------------|------------------|----------------|------------------|------------------|------------------|------------------|
|                                                    | Total            | Net of VAT     | Total            | Net of VAT       | Total            | Net of VAT       |
| PJSC Power Machines                                | 712,068          | 593,390        | 783,366          | 652,805          | 782,705          | 652,254          |
| PJSC Federal Grid Company of Unified Energy System | 36,509           | 30,424         | -                | -                | -                | -                |
| Siemens Gas Turbine Technologies LLC               | 32,913           | 27,428         | 87,379           | 73,335           | 36,797           | 31,184           |
| Kamenergoremont LLC                                | 18,763           | 15,635         | -                | -                | -                | -                |
| Environment Rus LLC                                | 15,854           | 13,212         | -                | -                | -                | -                |
| Tekhnотerra LLC                                    | 12,563           | 10,469         | -                | -                | -                | -                |
| Arus LLC                                           | 10,000           | 8,333          | -                | -                | -                | -                |
| JSC "Institute "Orgenergostroy"                    | -                | -              | 235,152          | 196,236          | 465,936          | 391,579          |
| Efer Service LLC                                   | -                | -              | 12,621           | 10,518           | 15,548           | 12,957           |
| Ennova JSC                                         | -                | -              | 15,719           | 13,217           | 14,554           | 12,334           |
| GE Rus LLC                                         | -                | -              | 295,034          | 245,862          | -                | -                |
| Zarubezhenergoproekt JSC                           | -                | -              | -                | -                | 1,316            | 1,115            |
| Katen LLC                                          | -                | -              | 71,877           | 59,898           | -                | -                |
| Quartz Group LLC                                   | -                | -              | 61,167           | 50,986           | -                | -                |
| Other                                              | 29,158           | 19,640         | 47,658           | 32,673           | 48,161           | 35,004           |
| <b>Total</b>                                       | <b>867,828</b>   | <b>718,531</b> | <b>1,609,973</b> | <b>1,335,530</b> | <b>1,365,017</b> | <b>1,136,427</b> |

### 3.4 Accident at Berezovskaya GRES

On 01 February 2016, a fire occurred in the boiler house of Power Unit 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 did not generate any electric power during the repair operations. The unit was repaired and put into operation, and from 01 May 2021 Unipro PJSC receives payment for capacity. The total cost of fixed assets put into operation following the repair and recovery works amounted to RUB 47,819,302,000.

### 3.5 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.

| Item                                                                                                       | Construction start year | 31 December 2021  | 31 December 2020  | 31 December 2019  |
|------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-------------------|-------------------|
| Fuel receiving station (Berezovskaya GRES)                                                                 | 2014                    | 5,354,978         | 5,437,591         | 5,375,304         |
| Modernization at Unit No. 1 at SuGRES-2, including equipment to be installed                               | 2019                    | 2,610,564         | 78,972            | 33,380            |
| Equipment to be installed at facilities under construction-in-progress at Berezovskaya GRES                | -                       | 1,718,418         | 2,493,306         | 4,585,881         |
| Boiler plant (Smolenskaya GRES), including equipment to be installed                                       | 2018                    | 175,959           | 149,318           | 135,377           |
| Dry ash removal system (Berezovskaya GRES)                                                                 | 2011                    | 101,360           | 101,360           | 101,360           |
| Other facilities, including equipment to be installed and other assets, to be used for capital investments |                         | 2,017,416         | 4,981,251         | 4,700,445         |
| Advances paid                                                                                              | -                       | 718,531           | 1,335,530         | 1,136,427         |
| Repair and recovery works at Power Unit No. 3 at Berezovskaya GRES                                         | 2016                    |                   | 43,203,197        | 35,739,462        |
| <b>Total</b>                                                                                               | <b>-</b>                | <b>12,697,226</b> | <b>57,780,525</b> | <b>51,807,636</b> |

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.

### 3.6 Long-term financial investments

| Indicator                                                         | Year | RUB thous.                      |                       |                        |                   |   |                                          |               |                       |
|-------------------------------------------------------------------|------|---------------------------------|-----------------------|------------------------|-------------------|---|------------------------------------------|---------------|-----------------------|
|                                                                   |      | As of the beginning of the year |                       | Changes for the period |                   |   |                                          | As of the end | of the period         |
|                                                                   |      | Initial cost                    | Cumulative adjustment | Increase               | Decrease (repaid) |   | Current market value (impairment losses) | Initial cost  | Cumulative adjustment |
| Long-term financial investments – total, including:               | 2021 | 1,743,273                       | (1,064,620)           | 1,118,272              | (959,475)         | - | (2,347)                                  | 1,902,070     | (1,066,967)           |
|                                                                   | 2020 | 1,780,680                       | (1,074,877)           | 754,436                | (791,843)         | - | 10,257                                   | 1,743,273     | (1,064,620)           |
| Investments in authorised capitals, including:                    | 2021 | 1,291,200                       | (1,064,620)           | 147,181                | -                 | - | (2,347)                                  | 1,438,381     | (1,066,967)           |
|                                                                   | 2020 | 1,291,200                       | (1,074,877)           | -                      | -                 | - | 10,257                                   | 1,291,200     | (1,064,620)           |
| Investments in authorised capitals of subsidiaries and affiliates | 2021 | 1,202,000                       | (1,011,009)           | 147,181                | -                 | - | -                                        | 1,349,181     | (1,011,009)           |
|                                                                   | 2020 | 1,202,000                       | (1,011,009)           | -                      | -                 | - | -                                        | 1,202,000     | (1,011,009)           |
| Investments in authorised capitals of other companies             | 2021 | 89,200                          | (53,611)              | -                      | -                 | - | (2,347)                                  | 89,200        | (55,958)              |
|                                                                   | 2020 | 89,200                          | (63,868)              | -                      | -                 | - | 10,257                                   | 89,200        | (53,611)              |
| Investments in other securities of companies (bonds, bills, etc.) | 2021 | 452,073                         | -                     | 971,091                | (959,475)         | - | -                                        | 463,689       | -                     |
|                                                                   | 2020 | 489,480                         | -                     | 754,436                | (791,843)         | - | -                                        | 452,073       | -                     |
| Investments in other securities of other companies (bills)        | 2021 | 452,073                         | -                     | 971,091                | (959,475)         | - | -                                        | 463,689       | -                     |
|                                                                   | 2020 | 489,480                         | -                     | 754,436                | (791,843)         | - | -                                        | 452,073       | -                     |

Breakdown of long-term financial investments:

| Item                                                   | 31 December 2021 | 31 December 2020 | 31 December 2019 |
|--------------------------------------------------------|------------------|------------------|------------------|
| Bills                                                  | 463,689          | 452,073          | 489,480          |
| Participatory interest in Uniper Neftegaz LLC          | 147,181          | -                | -                |
| Participatory interest in Unipro Engineering LLC       | 125,000          | 125,000          | 125,000          |
| Participatory interest in E.ON Connecting Energies LLC | 39,991           | 39,991           | 39,991           |
| Participatory interest in Siberia AIP LLC              | 26,000           | 26,000           | 26,000           |
| Shares of RusHydro PJSC                                | 33,242           | 35,589           | 25,332           |
| <b>Total</b>                                           | <b>835,103</b>   | <b>678,653</b>   | <b>705,803</b>   |

On 21 September 2021, the Management Board of Unipro PJSC made a decision to acquire Uniper Neftegaz LLC; 100% ownership; the amount of financial investments amounted to RUB 147,181,000. As of 31 December 2021, the participatory interest has been paid in full.

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

Breakdown of long-term bills:

| Investment type | Maturity | RUB thous.       |                  |                  |
|-----------------|----------|------------------|------------------|------------------|
|                 |          | Amount           |                  |                  |
|                 |          | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| Bank bills      | 2023     | 463,689          | -                | -                |
| Bank bills      | 2022     | -                | 452,073          | -                |
| Bank bills      | 2021     | -                | -                | 489,480          |
| <b>Total</b>    |          | <b>463,689</b>   | <b>452,073</b>   | <b>489,480</b>   |

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

### 3.7 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 December 2021 | 31 December 2020 | 31 December 2019 |
|------------------------|------------------|------------------|------------------|
| Capitalised repairs    | 5,401,742        | 3,869,831        | 3,437,147        |
| Rights to use an asset | 960,987          | 1,244,075        | 698,370          |
| Other expenses         | 15,462           | 26,789           | 30,819           |
| <b>Total</b>           | <b>6,378,191</b> | <b>5,140,695</b> | <b>4,166,336</b> |

### 3.8 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:

| Group description                               | Year | As of the beginning of the year | Recognised | Depreciation accrued | Decrease  | As of the end of the year |
|-------------------------------------------------|------|---------------------------------|------------|----------------------|-----------|---------------------------|
| <b>Right to use assets, including:</b>          | 2021 | 1,244,075                       | 588,609    | (182,750)            | (688,947) | 960,987                   |
|                                                 | 2020 | 698,370                         | 772,524    | (226,819)            | -         | 1,244,075                 |
| Lease of land plots                             | 2021 | 401,981                         | -          | (8,933)              | -         | 393,048                   |
|                                                 | 2020 | 410,914                         | -          | (8,933)              | -         | 401,981                   |
| Lease of equipment and non-residential premises | 2021 | 18,560                          | 5,740      | (2,326)              | -         | 21,974                    |
|                                                 | 2020 | 20,886                          | -          | (2,326)              | -         | 18,560                    |
| Lease of communication channels                 | 2021 | 51,010                          | 23,471     | (24,830)             | (12,988)  | 36,663                    |
|                                                 | 2020 | 77,300                          | -          | (26,290)             | -         | 51,010                    |
| Lease of office premises                        | 2021 | 772,524                         | 559,398    | (146,661)            | (675,959) | 509,302                   |
|                                                 | 2020 | 189,270                         | 772,524    | (189,270)            | -         | 772,524                   |

Equipment leased by the Company under contracts to which FSBU 25/2018 is applied includes:

- open-pit bench elevating conveyor
- heat supply networks in Ozerny settlement
- heating main in Yayva settlement

Lease liabilities:

| Group description | Year | As of the beginning of the year | Recognised | Interest accrued | Lease payments made | Decrease  | As of the end of the year |
|-------------------|------|---------------------------------|------------|------------------|---------------------|-----------|---------------------------|
| Lease liability   | 2021 | 1,185,344                       | 588,609    | 59,740           | (271,762)           | (632,350) | 929,581                   |
|                   | 2020 | 713,528                         | 772,524    | 40,239           | (340,947)           | -         | 1,185,344                 |

Significant amount of disposal of the right to use an asset in the amount of RUB 675,959,000 and payables for lease payments in the amount of RUB 632,350,000 is associated with a decrease in the area of leased office space.

Accounts payable for lease payments are reflected in the statements:

| Asset                                               | Line 1550 "Other short-term liabilities" | Line 1450 "Other long-term liabilities" |
|-----------------------------------------------------|------------------------------------------|-----------------------------------------|
| Right to use land                                   | 33,466                                   | 401,990                                 |
| Right to use communication channels                 | 22,708                                   | 17,823                                  |
| Right to use office                                 | 109,196                                  | 333,889                                 |
| Right to use equipment and non-residential premises | 2,583                                    | 7,925                                   |
| <b>Total accounts payable for lease payments:</b>   | <b>167,954</b>                           | <b>761,627</b>                          |

### 3.9 Inventories

Changes in inventories during the period:

| 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: | 2021 | 6,101,644                       | 41,216,592             | (41,885,423) | -                                                    | 5,432,813                   |
|                                 | 2020 | 7,897,270                       | 34,274,772             | (36,070,398) | -                                                    | 6,101,644                   |
| Fuel                            | 2021 | 1,348,251                       | 39,591,454             | (39,456,419) | (687)                                                | 1,482,599                   |
|                                 | 2020 | 1,407,992                       | 32,589,353             | (32,646,191) | (2,903)                                              | 1,348,251                   |
| Spare parts, components, etc.   | 2021 | 4,753,393                       | 1,625,138              | (2,429,004)  | 687                                                  | 3,950,214                   |
|                                 | 2020 | 6,489,278                       | 1,685,419              | (3,424,207)  | 2,903                                                | 4,753,393                   |

Changes in the provision for inventory impairment:

| Indicator                       | Year | As of the beginning | Changes for the period |          | As of the end of the |
|---------------------------------|------|---------------------|------------------------|----------|----------------------|
|                                 |      |                     | Written off            | Accrued  |                      |
| Inventories – total, including: | 2021 | (18,056)            | 18,078                 | (91,785) | (91,763)             |
|                                 | 2020 | (33,661)            | 33,671                 | (18,066) | (18,056)             |
| Fuel                            | 2021 | (293)               | 305                    | (1,980)  | (1,968)              |
|                                 | 2020 | (1,602)             | 1,607                  | (298)    | (293)                |
| Spare parts, materials, etc.    | 2021 | (17,763)            | 17,773                 | 89,805   | (89,795)             |
|                                 | 2020 | (32,059)            | 32,064                 | (17,768) | (17,763)             |

### 3.10 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:

| Group description    | RUB thous.       |                  |                  |
|----------------------|------------------|------------------|------------------|
|                      | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| Software products    | 76,418           | 50,958           | 59,406           |
| Other current assets | 28,046           | 77,007           | 52,354           |
| <b>Total</b>         | <b>104,464</b>   | <b>127,965</b>   | <b>111,760</b>   |

### 3.11 Accounts receivable

Accounts receivable in the balance sheet are shown less the doubtful debt provision.

Breakdown of long-term and short-term accounts receivable:

| Counterparty name                                                                                         | Debt amount       |                   |                   | Provision amount |                  |                  |
|-----------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
|                                                                                                           | 31 December 2021  | 31 December 2020  | 31 December 2019  | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| Long-term accounts receivable, including:                                                                 | 1,109,695         | 1,300,289         | 615,496           | 682,046          | 680,391          | -                |
| Buyers and customers, including:                                                                          | 864,474           | 1,057,991         | 377,600           | 678,874          | 680,391          | -                |
| Teplo Shatory JSC                                                                                         | 678,874           | -                 | -                 | 678,874          | -                | -                |
| Siemens Gas Turbine Technologies LLC                                                                      | 185,600           | 377,600           | 377,600           | -                | -                | -                |
| Chechenenergo Joint-Stock Company                                                                         | -                 | 418,522           | -                 | -                | 418,522          | -                |
| Short-term accounts receivable, including:                                                                | 15,483,527        | 13,875,981        | 13,804,522        | 7,300,850        | 6,621,784        | 6,826,332        |
| Buyers and customers, including the major ones:                                                           | 12,793,218        | 12,811,582        | 12,517,681        | 6,495,784        | 6,605,471        | 6,812,413        |
| Dagestan Energy Retail Company PJSC                                                                       | 3,177,546         | 3,177,546         | 3,020,107         | 3,177,546        | 3,177,546        | 3 017 875        |
| Center of Financial Settlements JSC                                                                       | 2,270,159         | 1,970,137         | 1,442,212         | 64,724           | 18,802           | 32,018           |
| Mosenergosbyt JSC                                                                                         | 600,100           | 783,922           | 508,165           | -                | -                | -                |
| Kolskaya Energy Retail Company PJSC                                                                       | 490,469           | 490,468           | 490,468           | 490,469          | 490,468          | 490,468          |
| Nurenergo OJSC                                                                                            | 411,713           | 411,713           | 411,713           | 411,713          | 411,713          | 411,713          |
| Advances, including the major ones:                                                                       | 347,666           | 115,501           | 149,801           | 4                | 99               | 4                |
| CITY CENTER INVESTMENT B.V. (City Center Investment B.V.) Representative Office in the Russian Federation | 29,473            | 10,969            | 58,520            | -                | -                | -                |
| Other, including:                                                                                         | 2,342,643         | 948,898           | 1,137,040         | 805,062          | 16,214           | 13,915           |
| for taxes and levies                                                                                      | 989,082           | 263,437           | 314,982           | -                | -                | -                |
| settlements with the registrar for payment of dividends                                                   | 190,306           | 92,200            | 211,946           | -                | -                | -                |
| <b>Total</b>                                                                                              | <b>16,593,222</b> | <b>15,176,270</b> | <b>14,420,018</b> | <b>7,982,896</b> | <b>7,302,175</b> | <b>6,826,332</b> |

Changes in the long-term debt in 2021 are associated with:

– termination of debt restructuring agreements for electricity supply, which mostly occurred before 01 January 2020, for a total amount of RUB 680,391,000 with the following companies:

- Rosseti North Caucasus Public Joint-Stock Company
- Kalmenergosbyt Joint-Stock Company
- Karachayevo-Cherkesskenenergo Joint-Stock Company

- Kabardino-Balkarskoye Power Engineering and Electrification Joint-Stock Company;
- Tyvaenergosbyt Joint-Stock Company
- Chechenenergo Joint-Stock Company

The amounts of accounts receivable were transferred from the long-term debt to the short-term accounts receivable.

- by conclusion of a debt restructuring agreement for heat energy and heat carrier supply for the counterparty Teplo Shatury JSC in the amount of RUB 678,874,000. This amount was transferred from the short-term accounts receivable to the long-term accounts receivable.

The doubtful debt provision for other short-term receivables in the amount of RUB 805,062,000 includes the doubtful debt provision accrued on the amounts of sanctions for violation of the agreement terms and compensation for damages which have been awarded by the court in favour of the Company in the amount of RUB 794,566,000. The probability of debt repayment by the Company is assessed as low.

#### Change in accounts receivable

| RUB thous.                            |             |                                 |                    |                      |                                 |                           |
|---------------------------------------|-------------|---------------------------------|--------------------|----------------------|---------------------------------|---------------------------|
| Indicators                            | Year        | As of the beginning of the year | Increase           | Decrease             | Written off as of fiscal result | As of the end of the year |
| Long-term accounts receivable, total  | 2021        | 1,300,289                       | 1,720,112          | (1,910,706)          | -                               | 1,109,695                 |
|                                       | 2020        | 615,496                         | 889,528            | (204,735)            | -                               | 1,300,289                 |
| including:                            |             |                                 |                    |                      |                                 |                           |
| Buyers and customers                  | 2021        | 1,057,991                       | 1,587,362          | (1,780,880)          | -                               | 864,473                   |
|                                       | 2020        | 377,600                         | 815,992            | (135,601)            | -                               | 1,057,991                 |
| loans                                 | 2021        | 242,298                         | 132,750            | (129,826)            | -                               | 245,222                   |
|                                       | 2020        | 237,896                         | 73,536             | (69,134)             | -                               | 242,298                   |
| Short-term accounts receivable, total | 2021        | 13,875,981                      | 163,563,226        | (161,939,919)        | (15,761)                        | 15,483,527                |
|                                       | 2020        | 13,804,522                      | 140,800,174        | (140,728,002)        | (713)                           | 13,875,981                |
| including:                            |             |                                 |                    |                      |                                 |                           |
| Buyers and customers                  | 2021        | 12,811,582                      | 113,171,088        | (113,173,866)        | (15,586)                        | 12,793,218                |
|                                       | 2020        | 12,517,681                      | 97,233,045         | (96,939,127)         | (17)                            | 12,811,582                |
| advances                              | 2021        | 115,501                         | 33,152,245         | (32,920,080)         | -                               | 347,666                   |
|                                       | 2020        | 149,801                         | 23,627,043         | (23,661,343)         | -                               | 115,501                   |
| other                                 | 2021        | 948,898                         | 17,239,893         | (15,845,973)         | (175)                           | 2,342,643                 |
|                                       | 2020        | 1,137,040                       | 19,940,086         | (20,127,532)         | (696)                           | 948,898                   |
| <b>Total</b>                          | <b>2021</b> | <b>15,176,270</b>               | <b>165,283,338</b> | <b>(163,850,626)</b> | <b>(15,761)</b>                 | <b>16,593,222</b>         |
|                                       | <b>2020</b> | <b>14,420,018</b>               | <b>141,689,702</b> | <b>(140,932,737)</b> | <b>(713)</b>                    | <b>15,176,270</b>         |

#### Changes in doubtful debt provision

| RUB thous.                            |             |                                 |                  |                |                           |
|---------------------------------------|-------------|---------------------------------|------------------|----------------|---------------------------|
| Indicators                            | Year        | As of the beginning of the year | Accrued          | Use            | As of the end of the year |
| Long-term accounts receivable, total  | 2021        | (680,391)                       | (1,655)          | -              | (682,046)                 |
|                                       | 2020        | -                               | (680,391)        | -              | (680,391)                 |
| Including: buyers and customers       | 2021        | (680,391)                       | -                | 1,518          | (678,874)                 |
|                                       | 2020        | -                               | (680,391)        | -              | (680,391)                 |
| Short-term accounts receivable, total | 2021        | (6,621,784)                     | (905,481)        | 226,415        | (7,300,850)               |
|                                       | 2020        | (6,826,332)                     | (2,603)          | 207,151        | (6,621,784)               |
| Including: buyers and customers       | 2021        | (6,605,471)                     | (116,633)        | 226,320        | (6,495,784)               |
|                                       | 2020        | (6,812,413)                     | -                | 206,942        | (6,605,471)               |
| advances                              | 2021        | (99)                            | -                | 95             | (4)                       |
|                                       | 2020        | (4)                             | (95)             | -              | (99)                      |
| other                                 | 2021        | (16,214)                        | (788,848)        | -              | (805,062)                 |
|                                       | 2020        | (13,915)                        | (2,508)          | 209            | (16,214)                  |
| <b>Total</b>                          | <b>2021</b> | <b>(7,302,175)</b>              | <b>(907,136)</b> | <b>226,415</b> | <b>(7,982,896)</b>        |
|                                       | <b>2020</b> | <b>(6,826,332)</b>              | <b>(682,994)</b> | <b>207,151</b> | <b>(7,302,175)</b>        |

### 3.12 Short-term financial investments

Breakdown of short-term financial investments:

| Investment type               | Maturity | Amount           |                  |                  |
|-------------------------------|----------|------------------|------------------|------------------|
|                               |          | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| Bank bills                    | 2022     | 959,475          | -                | -                |
| Bank bills                    | 2021     | -                | 791,843          | -                |
| Bank bills                    | 2020     | -                | -                | 934,246          |
| Bills of Ulyanovskenergo OJSC | 2020     | -                | -                | 172              |
| Bills of Ulyanovskenergo OJSC | 2019     | -                | -                | 203              |
| <b>Total</b>                  |          | <b>959,475</b>   | <b>791,843</b>   | <b>934,621</b>   |

Changes in short-term financial investments

| Investment type | Year        | As of the beginning of the year | Increase       | Repaid           | As of the end of the year |
|-----------------|-------------|---------------------------------|----------------|------------------|---------------------------|
| Bills           | 2021        | 791,843                         | 959,475        | 791,843          | 959,475                   |
|                 | 2020        | 934,621                         | 791,843        | (934,621)        | 791,843                   |
| <b>Total</b>    | <b>2021</b> | <b>791,843</b>                  | <b>959,475</b> | <b>(791,843)</b> | <b>959,475</b>            |
|                 | <b>2020</b> | <b>934,621</b>                  | <b>791,843</b> | <b>(934,621)</b> | <b>791,843</b>            |

Total short-term financial investments as of 31 December 2021, 31 December 2020 and 31 December 2019 include the financial investment impairment provision in the amount of RUB 72,419,000.

No loans were granted in 2021.

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

### 3.13 Cash and cash equivalents

Structure of cash and cash equivalents:

| Indicator                                                          | 31 December 2021 | 31 December 2020 | 31 December 2019 |
|--------------------------------------------------------------------|------------------|------------------|------------------|
| Cash on settlement accounts                                        | 6,152            | 7,150            | 34,145           |
| Cash on foreign currency accounts                                  | 3,532            | 4,549            | 6                |
| Cash on special bank accounts                                      | 611              | 500              | 500              |
| Monetary documents                                                 | -                | 328              | -                |
| Cash on hand                                                       | 94               | 31               | 112              |
| <b>Total cash</b>                                                  | <b>10,389</b>    | <b>12,558</b>    | <b>34,763</b>    |
| Short-term bank deposits (maturing within three months) in roubles | -                | 88,000           | 2,990,000        |
| <b>Total cash equivalents</b>                                      | <b>-</b>         | <b>88,000</b>    | <b>2,990,000</b> |
| <b>Total cash and cash equivalents (line 1250)</b>                 | <b>10,389</b>    | <b>100,558</b>   | <b>3,024,763</b> |

There are no bank deposits as of 31 December 2021.

Breakdown of bank deposits as of 31 December 2020:

| Name of the credit institution | Investment type | Rate, % | Amount        | Repayment date  |
|--------------------------------|-----------------|---------|---------------|-----------------|
| Gazprombank (JSC)              | Deposit         | 2.00    | 88,000        | 11 January 2021 |
| <b>Total</b>                   |                 |         | <b>88,000</b> |                 |

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 January 2020 |
| Gazprombank (JSC)              | Deposit         | 5.5     | 590,000   | 09 January 2020 |
| AO UniCredit Bank              | Deposit         | 5.65    | 500,000   | 09 January 2020 |
| Bank VTB (PJSC)                | Deposit         | 5.65    | 900,000   | 09 January 2020 |
| <b>Total</b>                   |                 |         | 2,990,000 |                 |

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

|                                               |        |         |         | RUB thous. |
|-----------------------------------------------|--------|---------|---------|------------|
| Receipts                                      | 2021   | 2020    | 2019    |            |
| Other receipts                                | 46,900 | 85,276  | 204,482 |            |
| Settlements under claim assignment agreements | -      | -       | 155,504 |            |
| VAT (aggregated)                              | -      | 417,351 | -       |            |
| Settlements on swap transactions              | -      | 395,876 | -       |            |
| <b>Total</b>                                  | 46,900 | 898,503 | 359,986 |            |

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

|                                        |             |             |             | RUB thous. |
|----------------------------------------|-------------|-------------|-------------|------------|
| Payment description                    | 2021        | 2020        | 2019        |            |
| Settlements on taxes and levies        | (796,068)   | (738,430)   | (1,499,704) |            |
| Social insurance and security payments | (1,662,367) | (1,521,927) | (1,386,444) |            |
| Other payments                         | (655,635)   | (540,817)   | (901,957)   |            |
| VAT (aggregated)                       | 822,121     | -           | (685,260)   |            |
| Property insurance payments            | (423,002)   | (424,791)   | (389,099)   |            |
| Settlements on swap transactions       | (115,232)   | -           | (274,357)   |            |
| Water use settlements                  | (92,754)    | (60,812)    | (291,451)   |            |
| <b>Total</b>                           | (2,922,937) | (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                             | Line<br>Cash Flow<br>Statement | Increase |         |
|                                           |                                | 2021     | 2020    |
| Subsidiaries                              |                                |          |         |
| Unipro Engineering LLC                    | 4111                           | 828      | 810     |
| Unipro Engineering LLC                    | 4311                           | 92,000   | -       |
| Uniper NefteGaz Limited Liability Company | 4311                           | 105,000  | -       |
| Unipro Engineering LLC                    | 4214                           | 2,648    | 60,936  |
| Affiliates                                |                                |          |         |
| E.ON Connecting Energies LLC              | 4111                           | 3,538    | 5,723   |
| E.ON Connecting Energies LLC              | 4214                           | 85,064   | 108,146 |
| Fortum Group                              |                                |          |         |
| Fortum PJSC                               | 4111                           | 4,894    | 11,449  |
| Uralenergoby LLC                          | 4111                           | 186,144  | 383,425 |

| Related party                | Line<br>Cash Flow<br>Statement | Increase     |              |
|------------------------------|--------------------------------|--------------|--------------|
|                              |                                | 2021         | 2020         |
| Parent company               |                                |              |              |
| Uniper SE                    | 4223                           | -            | -            |
| Uniper SE                    | 4322                           | (15,909,161) | (11,136,413) |
| Uniper SE                    | 4323                           | -            | (2,500,000)  |
| Subsidiaries                 |                                |              |              |
| Unipro Engineering LLC       | 4121                           | -            | -            |
| Siberia AIP LLC              | 4222                           | -            | (15,000)     |
| Affiliates                   |                                |              |              |
| E.ON Connecting Energies LLC | 4121                           | -            | (123)        |

### 3.14 Short-term accounts payable

Breakdown of accounts payable:

|                                                       |      |                                           |                        |                          |               |                                     | RUB thous.                        |
|-------------------------------------------------------|------|-------------------------------------------|------------------------|--------------------------|---------------|-------------------------------------|-----------------------------------|
| Indicator                                             | Year | As of the<br>beginnin<br>g of the<br>year | Changes for the period |                          |               |                                     | As of the<br>end of the<br>period |
|                                                       |      |                                           | Receipts               |                          | Decrease      |                                     |                                   |
|                                                       |      |                                           | Increase               | Interest,<br>fines, etc. | Repayment     | Written-off<br>as profit or<br>loss |                                   |
| Short-term<br>accounts payable<br>– total, including: | 2021 | 7,245,708                                 | 145,225,260            | 24,995                   | (141,080,463) | (166)                               | 11,415,334                        |
|                                                       | 2020 | 7,958,897                                 | 109,093,825            | 48,562                   | (109,855,517) | (59)                                | 7,245,708                         |
| Suppliers and<br>contractors                          | 2021 | 4,629,889                                 | 79,842,985             | 291                      | (79,266,388)  | (133)                               | 5,206,644                         |
|                                                       | 2020 | 3,683,208                                 | 65,998,065             | 631                      | (65,052,015)  | -                                   | 4,629,889                         |
| Advances<br>received                                  | 2021 | 21,250                                    | 241,415                | -                        | (248,542)     | -                                   | 14,123                            |
|                                                       | 2020 | 11,008                                    | 106,445                | -                        | (96,203)      | -                                   | 21,250                            |
| Tax<br>settlements                                    | 2021 | 1,506,153                                 | 21,204,455             | -                        | (20,718,555)  | -                                   | 1,992,043                         |
|                                                       | 2020 | 1,133,175                                 | 17,920,495             | -                        | (17,547,517)  | -                                   | 1,506,153                         |
| Credits and<br>loans                                  | 2021 | 478,700                                   | 14,675,714             | 24,704                   | (11,715,377)  | -                                   | 3,463,741                         |
|                                                       | 2020 | 2,506,167                                 | 2,390,462              | 47,931                   | (4,465,860)   | -                                   | 478,700                           |
| other                                                 | 2021 | 609,716                                   | 29,260,691             | -                        | (29,131,591)  | (33)                                | 738,783                           |
|                                                       | 2020 | 625,340                                   | 22,678,357             | -                        | (22,693,922)  | (59)                                | 609,716                           |
| Total                                                 | 2021 | 7,245,708                                 | 145,225,260            | 24,995                   | (141,080,463) | (166)                               | 11,415,334                        |
|                                                       | 2020 | 7,958,897                                 | 109,093,825            | 48,562                   | (109,855,517) | (59)                                | 7,245,708                         |

The borrowed funds were raised in 2020 - 2021.

| RUB thous.                                                              |             |              |
|-------------------------------------------------------------------------|-------------|--------------|
| Item                                                                    | Short-term  |              |
|                                                                         | 2020        | 2021         |
| Balance of debt under credits / loans as of the beginning of the period | 2,506,167   | 478,700      |
| Credits / loans received during the reporting period                    | 2,390,462   | 14,675,714   |
| Interest accrued for the reporting period                               | 47,931      | 24,704       |
| Repaid for principal debt                                               | (4,411,762) | (11,694,943) |
| Repaid for interest accrued                                             | (54,098)    | (20,435)     |
| Balance as at the end of the period                                     | 478,700     | 3,463,741    |

In accordance with the Company's accounting policy, the amount of accrued interest was recorded in other expenses.

Furthermore, Line 1550 "Other short-term liabilities" shows:

- VAT recovered upon the payment of advances to contractors and the receipt of tax invoices for the amount of the advance paid. Refunded VAT amounts to RUB 146,344,000 as of 31 December 2021 (RUB 251,226,000 as of 31 December 2020; RUB 240,411,000 as of 31 December 2019).
- 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 110,035,000 as of 31 December 2021 (RUB 233,278,000 as of 31 December 2020; RUB 341,172,000 as of 31 December 2019).
- Short-term debt on lease recognised as of 31 December 2021 amounts to RUB 167,954,000 (RUB 242,300,000 as of 31 December 2020; RUB 340,947,000 as of 31 December 2019). Changes are disclosed in Clause 3.8 hereof.

### 3.15 Capital and Reserves

The Company's authorised capital is fully paid as of 31 December 2021, 31 December 2020, and 31 December 2019 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 Company's reserve capital as of 31 December 2021 amounts to RUB 1,260,974,000 (RUB 1,260,974,000 as of 31 December 2020, and 1,260,974,000 as of 31 December 2019) accounting 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 2021, 31 December 2020, and 31 December 2019).

### 3.16 Income from core activities

Breakdown of income from core activities:

| Type of activity                    | RUB thous.        |                   |
|-------------------------------------|-------------------|-------------------|
|                                     | 2021              | 2020              |
| Sale of electric power and capacity | 92,193,772        | 78,564,853        |
| Sale of heat                        | 1,515,923         | 1,370,663         |
| Sale of other works, services       | 400,347           | 350,752           |
| <b>Total</b>                        | <b>94,110,042</b> | <b>80,286,268</b> |

### 3.17 Expenses on core activities

Breakdown of the cost:

| Expense type                                  | RUB thous.        |                   |
|-----------------------------------------------|-------------------|-------------------|
|                                               | 2021              | 2020              |
| Tangible costs, including:                    | 52,047,500        | 42,766,792        |
| Production works and services                 | 1,739,533         | 1,424,995         |
| Depreciation                                  | 8,219,210         | 6,584,721         |
| Payroll costs                                 | 5,887,871         | 5,498,282         |
| Social security contributions                 | 1,573,609         | 1,477,094         |
| Other costs, including:                       | 4,701,849         | 4,180,640         |
| Expenses on WMEP services                     | 1,559,067         | 1,436,008         |
| Taxes, levies, and other mandatory fees       | 1,121,196         | 958,044           |
| Other                                         | 688,221           | 543,841           |
| Security expenses                             | 568,583           | 529,043           |
| Insurance expenses                            | 477,700           | 489,053           |
| Cleaning and other similar expenses           | 163,842           | 150,093           |
| Expenses on software purchase and maintenance | 114,920           | 66,056            |
| Lease payments                                | (8,320)           | 8,502             |
| <b>Total</b>                                  | <b>72,430,039</b> | <b>60,507,529</b> |

### 3.18 Other income and expenses

|                                                                                                                            | RUB thous.  |             |
|----------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Item                                                                                                                       | 2021        | 2020        |
| <b>Other income (+) / expenses (-), including:</b>                                                                         | (1,032,607) | (1,550,904) |
| <b>Other income</b>                                                                                                        | 246,484     | 416,935     |
| <b>Other expenses</b>                                                                                                      | (1,279,091) | (1,967,839) |
| <i>including by items of other income and expenses</i>                                                                     |             |             |
| Estimated liabilities                                                                                                      | 95,399      | (5,299)     |
| Income and expenses on contractual penalties, compensation for losses under contracts and / or based on the court decision | 55,618      | 2,488       |

| Item                                                                                                                    | 2021      | 2020      |
|-------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Income and expenses resulting from force majeure                                                                        | 43,388    | 1,602     |
| Income and expenses on sale of inventories, metal scrap                                                                 | 30,090    | (33,756)  |
| Income from recovery of other provisions                                                                                | 10,609    | 35,340    |
| Other income                                                                                                            | 5,212     | 38,532    |
| Income and expenses on sale of fixed assets                                                                             | 4,434     | 5,724     |
| Profits and losses from the previous years                                                                              | 1,734     | 14,319    |
| Asset write-off expenses                                                                                                | (483,803) | (910,736) |
| Income and expenses on doubtful debt provision                                                                          | (228,338) | (591,573) |
| Positive and negative foreign exchange differences                                                                      | (123,150) | 302,702   |
| Other expenses                                                                                                          | (117,496) | (139,203) |
| Expenses on holding the General Meeting of Shareholders, meetings of the Board of Directors, and other similar expenses | (112,034) | (88,628)  |
| Expenses on charity, sponsorship                                                                                        | (98,981)  | (71,077)  |
| Payments to employees, retirees and other similar expenses                                                              | (32,035)  | (32,312)  |
| Expenses on mass cultural events                                                                                        | (19,632)  | (13,870)  |
| Payments to the trade union                                                                                             | (15,735)  | (14,733)  |
| Expenses on bank services / fees on bank guarantees                                                                     | (15,403)  | (16,084)  |
| Expenses on gratuitous transfer of property and property rights                                                         | (13,427)  | (26,248)  |
| Contributions to non-profit associations                                                                                | (13,662)  | (17,792)  |
| Income and expenses on valuation of shares at fair market value                                                         | (2,347)   | 10,258    |
| Expenses on VAT not refunded from the budget                                                                            | (3,048)   | (6,497)   |
| Recognition of property following inventory audit                                                                       | -         | 5,970     |
| Expenses on sale of debt securities                                                                                     | -         | (31)      |

#### ***Positive and negative foreign exchange differences***

| Item                                                     | 2021      | 2020      |
|----------------------------------------------------------|-----------|-----------|
| Positive exchange differences                            | 575,040   | 563,631   |
| Negative exchange differences                            | (698,190) | (260,929) |
| Total positive and negative foreign exchange differences | (123,150) | 302,702   |

### 3.19 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 2021 amounted to RUB 9,580,170,000, which was RUB 1,894,085,000 less as compared to 2020 (RUB 11,474,248,000).

In 2021, 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:

- Capability to perform operations in practice;
- Sufficiency of material, production and labour resources to perform the contract;
- Regularity of business activities;
- Performance of operations involving 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, and services.

A comparison of the indicators used for the calculation of the VAT amount payable in 2021 and 2020 is presented in the table below.

| <b>Indicators</b>                                                                                           | <b>RUB thous.</b> |                  |
|-------------------------------------------------------------------------------------------------------------|-------------------|------------------|
|                                                                                                             | <b>2021</b>       | <b>2020</b>      |
| VAT for the sale of goods, works, services with account of adjustments in submitted tax returns, including: | 19,422,045        | 16,283,296       |
| VAT payable to the budget by the Company as a tax agent                                                     | 47,797            | 45,076           |
| VAT for deduction from the budget with account of the revised tax returns submitted, including:             | 13,572,566        | 11,036,749       |
| on tax agents                                                                                               | 47,792            | 43,193           |
| on advances paid to suppliers                                                                               | 424,423           | 196,977          |
| <b>Total VAT payable with account of the revised tax returns:</b>                                           | <b>5,849,479</b>  | <b>5,246,547</b> |

Increase in the VAT amount in 2021 by RUB 602,931,000 as compared to 2020 was due to an increase in the revenue, mainly associated with commissioning of power unit No. 3 of Berezovskaya GRES, offset by the corresponding amount of VAT amounts claimed for deduction on goods (works, services) of a production nature.

### ***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 2021, the Company recognised property tax expenses in the amount of RUB 822,725,000 (as compared to RUB 726,168,000 in 2020).

### ***Income tax***

The income tax amount calculated on the basis of accounting profit (contingent expense on the income tax) in 2021 was RUB 4,169,928,000 (as compared to RUB 3,709,120,000 in 2020).

Line 2411 "including current income tax" of the Profit and Loss Statement shows the income tax amount of RUB 1,176,152,000 (as compared to RUB 3,868,806,000 in 2020) calculated on the basis of tax accounting data and presented in the corporate income tax return for 2021. Reduction of the income tax amount by RUB 2,692,654,000 in 2021 was due to the application of depreciation premium.

In 2021, when calculating the income tax in the part payable to regional budgets, the Company did not apply reduced rates.

### ***Permanent and temporary differences***

In accordance with the amendments made by Order of the Ministry of Finance of Russia No. 236n dated 20 November 2018, starting from 01 January 2020, the Company applies the new edition of PBU 18/02 "Accounting for corporate income tax settlements".

In the reporting year, the Company recognised permanent tax expenses reduced by the amount of permanent tax income in the amount of RUB 23,803,000 (in 2020, permanent tax assets (income) reduced

by the amount of permanent tax liabilities (expenses) accounted for RUB 163,265,000).

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.       |                 |
|-------------------------------------------------------------------------------------------|------------------|-----------------|
| <b>Profit (+) / loss (-) item on the books</b>                                            | <b>2021</b>      | <b>2020</b>     |
| Profit/losses of the previous years                                                       | 20,687           | 14,318          |
| Other income                                                                              | 203,351          | 185,973         |
| Expenses on the write-off of fixed assets and other property                              | (70,251)         | (905)           |
| Accrual of estimated liabilities                                                          | -                | 22,565          |
| Payroll costs and other expenses for the benefit of the employees                         | (139,820)        | (84,943)        |
| Charity                                                                                   | (98,981)         | (93,331)        |
| Expenses for compulsory and voluntary property and liability insurance                    | (6,231)          | (4,772)         |
| Expenses for sports and mass cultural events                                              | (17,667)         | (11,702)        |
| Expenses for holding meetings of shareholders, legal services, and other similar expenses | (6,284)          | 181             |
| Non-refundable VAT                                                                        | (2,545)          | (4,812)         |
| Adjustment in tax accounting with respect to the sale of depreciable property             | -                | (266)           |
| Other expenses                                                                            | (1,275)          | (58,167)        |
| <b>Total</b>                                                                              | <b>(119,016)</b> | <b>(35,861)</b> |

Income tax calculation:

|                                                                                                                          | RUB thous.        |                   |                   |                   |
|--------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Item</b>                                                                                                              | <b>2021</b>       |                   | <b>2020</b>       |                   |
|                                                                                                                          | <b>Difference</b> | <b>Tax effect</b> | <b>Difference</b> | <b>Tax effect</b> |
| <b>Contingent income tax expense</b>                                                                                     | 20,849,641        | 4,169,928         | 18,545,599        | 3,709,120         |
| <b>Permanent tax expenses (PTE)</b>                                                                                      |                   |                   |                   |                   |
| For expenses not recognised for tax purposes (expenses beyond the established recognition limits for tax purposes, etc.) | 343,054           | 68,611            | 236,725           | 47,345            |
| <b>Total PTE</b>                                                                                                         | <b>343,054</b>    | <b>68,611</b>     | <b>236,725</b>    | <b>47,345</b>     |
| <b>Permanent tax income (PTI)</b>                                                                                        |                   |                   |                   |                   |
| For income not recognised for tax purposes, including:                                                                   | (224,038)         | (44,808)          | (200,864)         | (40,173)          |
| <b>PTI on savings from application of reduced rate of the tax payable to the constituent entity's budget</b>             | -                 | -                 | -                 | (170,437)         |
| <b>Total PTI</b>                                                                                                         | <b>(224,038)</b>  | <b>(44,808)</b>   | <b>(200,864)</b>  | <b>(210,610)</b>  |
| <b>Deferred tax assets (DTA)</b>                                                                                         |                   |                   |                   |                   |
| <b>DTA accrual (+) / DTA repayment (-)</b>                                                                               |                   |                   |                   |                   |
| For fixed assets, including differences in the total depreciation of fixed assets in accounting and tax records          | (863,374)         | (172,675)         | (158,652)         | (31,731)          |
| Lease settlements in accordance with FSBU 25/2018                                                                        | (1,196,469)       | (239,294)         | 440,994           | 88,199            |
| Estimated liabilities                                                                                                    | (164,822)         | (32,964)          | 236,256           | 47,251            |
| For tax loss of the previous years                                                                                       | (941)             | (188)             | (981)             | (196)             |
| For other reasons, including:                                                                                            | 1,440,362         | 288,072           | 740,108           | 148,021           |
| Deferred expenses                                                                                                        | 390,184           | 78,037            | (1,797)           | (360)             |
| Doubtful debt provision                                                                                                  | 997,956           | 199,591           | 573,387           | 114,678           |
| Insurance liabilities                                                                                                    | 65,125            | 13,025            | 2,667             | 534               |

| Item                                                                                                                                  | 2021                |                    | 2020              |                  |
|---------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|-------------------|------------------|
|                                                                                                                                       | Difference          | Tax effect         | Difference        | Tax effect       |
| <b>Total changes in deferred tax assets for income tax purposes</b>                                                                   | (785,244)           | (157,049)          | 1,257,725         | 251,545          |
| <b>Deferred tax liabilities (DTL)</b>                                                                                                 |                     |                    |                   |                  |
| <b>DTL accrual (-) / DTL repayment (+)</b>                                                                                            |                     |                    |                   |                  |
| For fixed assets, including differences in the depreciation of fixed assets in accounting and tax records, and depreciation allowance | (15,335,689)        | (3,067,138)        | (1,158,070)       | (231,614)        |
| Lease settlements in accordance with FSBU 25/2018                                                                                     | 950,310             | 190,062            | (479,360)         | (95,872)         |
| For other reasons, including:                                                                                                         | 82,725              | 16,545             | (181,779)         | (36,356)         |
| for non-current assets                                                                                                                | -                   | -                  | (72,137)          | (14,427)         |
| <b>Total changes in DTL for income tax purposes</b>                                                                                   | <b>(14,302,654)</b> | <b>(2,860,531)</b> | <b>496,928</b>    | <b>99,386</b>    |
| <b>Total other changes</b>                                                                                                            | -                   | -                  | <b>(139,900)</b>  | <b>(27,980)</b>  |
| <b>Total taxable profit / current income tax</b>                                                                                      | <b>5,880,759</b>    | <b>1,176,152</b>   | <b>20,196,219</b> | <b>3,868,806</b> |

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

| Item                                                                                                                 | RUB thous.       |               |
|----------------------------------------------------------------------------------------------------------------------|------------------|---------------|
|                                                                                                                      | 2021             | 2020          |
| Amount of deferred tax liabilities written off                                                                       | -                | 20,059        |
| Amount of deferred tax assets written off                                                                            | -                | (6,540)       |
| Income tax amount to be additionally paid (-)/returned (+) based on the revised returns for the previous tax periods | (133,242)        |               |
| Penalties and fines for violation of tax laws, administrative laws, and road traffic regulations                     | (1,978)          | (1,151)       |
| <b>Total Line 2460 “Other” of the Profit and Loss Statement</b>                                                      | <b>(135,220)</b> | <b>12,368</b> |

### 3.20 Security of liabilities

| Indicator                    | RUB thous.       |                  |                  |
|------------------------------|------------------|------------------|------------------|
|                              | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| Received – total, including: | 3,032,960        | 3,564,289        | 2,781,192        |
| Bank guarantees              | 2,387,698        | 3,001,949        | 2,172,734        |
| Pledged assets               | 645,262          | 562,340          | 608,458          |

As of 31 December 2021, 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:

- Bank guarantee amounting to RUB 706,283,000 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 PJSC Power Machines – ZTL, LMZ, Elektrosila, Energomashexport;
- Bank guarantee amounting to RUB 685,182,000 issued by Raiffeisenbank JSC. The guarantee is to secure the proper fulfilment of obligations under the Contract for overhaul of the boiler cell of Power Unit No. 3 of the Berezovskaya GRES Branch with Orgenergostroy Institute JSC after completion of construction and installation works, including during the warranty period;
- 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.
- Bank guarantee amounting to RUB 260,789,000 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 PJSC Power Machines – ZTL, LMZ, Elektrosila, Energomashexport;

### 3.21 Earnings per share

The Company discloses the information about earnings per share in compliance with the "Guidelines on Disclosure of 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:

|                                                                                       | 2021                                                    | 2020                                                    |
|---------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| Basic earnings in the reporting year, RUB thous.                                      | (16,520,691)                                            | 15,040,092                                              |
| Weighted average number of ordinary shares outstanding within the reporting year, pcs | 63,048,706,145 and<br>44,925,042,874/<br>49,130,625,974 | 63,048,706,145 and<br>44,925,042,874/<br>49,130,625,974 |
| Basic earnings per share, RUB                                                         | 0.26                                                    | 0.24                                                    |

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

The General Meeting of the Company Shareholders held on 10 June 2021 passed the resolution to pay dividends in the amount of RUB 8,000,000,000 on ordinary shares for financial year 2020 at the rate of RUB 0.126886 per one ordinary share. In 2020, RUB 7,000,000,000 was approved to be paid as dividends based on the results of 2019.

An extraordinary General Meeting of the Company Shareholders held on 06 December 2021 passed the resolution to pay dividends in the amount of RUB 12,000,000,000 based on the results of the nine months of 2021 on ordinary shares at the rate of RUB 0.190329044536 per one ordinary share; In 2020, RUB 7,000,000,000 was paid as dividends in the same period.

### 3.22 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 2021 with which the Company had transactions in 2021 and balances as of 31 December 2021:

| No. | Related party                  | Relation justification |
|-----|--------------------------------|------------------------|
| 1   | Uniper Global Commodities SE   | Uniper Group           |
| 2   | Uniper NefteGaz LLC            | Subsidiary             |
| 3   | Uniper Technologies GmbH       | Uniper Group           |
| 4   | Uniper SE                      | Parent company         |
| 5   | E.ON Connecting Energies LLC   | Affiliate              |
| 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 SES LLC         | Fortum Group           |
| 12  | Ural Energy Retail Company 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           |
| 18  | Pyatnadtsaty Vetropark FRV LLC | Fortum Group           |

|    |                                |              |
|----|--------------------------------|--------------|
| 19 | Odinnadtsaty Vetropark FRV LLC | Fortum Group |
| 20 | Vosmoy Vetropark FRV LLC       | Fortum Group |
| 21 | Fortum-New Generation 2 LLC    | Fortum Group |
| 22 | Uniper Holding GmbH            | Uniper 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:***

| Items                                                      | RUB thous.          |                     |                     |
|------------------------------------------------------------|---------------------|---------------------|---------------------|
|                                                            | 31 December<br>2021 | 31 December<br>2020 | 31 December<br>2019 |
| <b>Accounts receivable</b>                                 | <b>6,164</b>        | <b>34,460</b>       | <b>40,514</b>       |
| Siberia AIP LLC                                            | 525                 | 918                 | 254                 |
| Unipro Engineering LLC                                     | 5                   | 5                   | -                   |
| E.ON Connecting Energies LLC                               | 493                 | 633                 | 590                 |
| Fortum PJSC                                                | 190                 | 772                 | 1,030               |
| Ural Energy Retail Company LLC                             | 4,950               | 32,132              | 38,640              |
| Uniper Global Commodities SE                               | 1                   | -                   | -                   |
| <b>Payables</b>                                            | <b>7544</b>         | <b>16,411</b>       | <b>63,544</b>       |
| Unipro Engineering LLC                                     | -                   | -                   | 786                 |
| Unipro Engineering LLC, suppliers                          | -                   | -                   | -                   |
| Uniper Technologies GmbH                                   | -                   | 14,345              | 61,651              |
| Uniper Risk Consulting GmbH                                | 5044                | -                   | -                   |
| E.ON Connecting Energies LLC                               | 4                   | 4                   | 17                  |
| Uniper SE                                                  | 1324                | 1,371               | 1,090               |
| Fortum PJSC                                                | 707                 | 470                 | -                   |
| Bugulchanskaya SES LLC                                     | 27                  | 25                  | -                   |
| Vtoroy Vetropark FRV LLC                                   | 117                 | 68                  | -                   |
| Sedmoy Vetropark FRV LLC                                   | 54                  | 19                  | -                   |
| Trety Vetropark FRV LLC                                    | 16                  | 25                  | -                   |
| Chetverty Vetropark FRV LLC                                | 57                  | 64                  | -                   |
| Pervy Vetropark FRV LLC                                    | 37                  | 20                  | -                   |
| Pyatnadtsaty Vetropark FRV LLC                             | 40                  | -                   | -                   |
| Odinnadtsaty Vetropark FRV LLC                             | 55                  | -                   | -                   |
| Vosmoy Vetropark FRV LLC                                   | 21                  | -                   | -                   |
| Fortum-New Generation 2 LLC                                | 40                  | -                   | -                   |
| <b>Loans received</b>                                      | <b>197,000</b>      | <b>46,250</b>       | <b>2,506,167</b>    |
| Uniper SE                                                  | -                   | 46,250              | 2,506,167           |
| Unipro Engineering LLC                                     | 92,000              | -                   | -                   |
| Uniper NefteGaz Limited Liability Company                  | 105,000             | -                   | -                   |
| <b>Estimated liabilities – expenses under the contract</b> | <b>-</b>            | <b>137,766</b>      | <b>212,130</b>      |
| Uniper Technologies GmbH                                   | -                   | 137,766             | 212,130             |

| Indicators                                   | RUB thous.     |                |
|----------------------------------------------|----------------|----------------|
|                                              | 2021           | 2020           |
| <b>Revenue (net of VAT)</b>                  | <b>173,388</b> | <b>392,710</b> |
| Siberia AIP LLC                              | 884            | 765            |
| Unipro Engineering LLC                       | 828            | 811            |
| E.ON Connecting Energies LLC                 | 3,428          | 5,725          |
| Fortum PJSC                                  | 4,409          | 7,408          |
| Uniper Global Commodities SE                 | 311            | -              |
| Ural Energy Retail Company LLC               | 163,493        | 378,001        |
| Sedmoy Vetropark FRV LLC                     | 3              | -              |
| Pyatnadtsaty Vetropark FRV LLC               | 7              | -              |
| Odinnadtsaty Vetropark FRV LLC               | 17             | -              |
| Vosmoy Vetropark FRV LLC                     | 9              | -              |
| <b>Services, goods received (net of VAT)</b> | <b>218,246</b> | <b>143,294</b> |
| Uniper Technologies GmbH                     | 199,719        | 130,108        |
| Uniper Risk Consulting GmbH                  | 5,050          | 5,414          |
| E.ON Connecting Energies LLC                 | -              | 111            |
| Uniper SE                                    | 5,218          | 5,648          |
| Fortum PJSC                                  | 5,847          | 1,531          |
| Bugulchanskaya Solar Power Plant LLC         | 271            | 61             |
| Vtoroy Vetropark FRV LLC                     | 894            | 213            |
| Sedmoy Vetropark FRV LLC                     | 207            | 16             |
| Trety Vetropark FRV LLC                      | 169            | 73             |
| Chetverty Vetropark FRV LLC                  | 464            | 53             |
| Pervy Vetropark FRV LLC                      | 278            | 66             |
| Pyatnadtsaty Vetropark FRV LLC               | 33             | -              |
| Odinnadtsaty Vetropark FRV LLC               | 46             | -              |
| Vosmoy Vetropark FRV LLC                     | 17             | -              |
| Fortum-New Generation 2 LLC                  | 33             | -              |
| <b>%% on loans payable</b>                   | <b>-</b>       | <b>46,250</b>  |
| Uniper SE                                    | -              | 46,250         |

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 2021, the Company raised a loan. Lender: Unipro Engineering LLC; loan amount granted: RUB 92,000,000; maturity date: 31 December 2023.

In December 2021, the Company raised a loan. Lender: Uniper Neftegaz LLC; loan amount granted: RUB 105,000,000; maturity date: 31 December 2023.

In 2020, total dividends paid to Uniper SE accounted for RUB 11,136,413,000.

In 2021, total dividends paid to Uniper SE accounted for RUB 15,909,161,000.

### ***Doubtful debt provision and write-off of accounts receivable***

During the periods recorded in this report, the Company neither formed doubtful 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 2021, the Company paid a total of RUB 340,400,000 as remuneration to the members of the Board of Directors and the Management Board (as compared to RUB 462,187,000 in 2020). 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 2021 amounted to RUB 53,175,000 (as compared to RUB 71,687,000 in 2020).

No severance payments were made to the members of the Management Board in 2021 and 2020.

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.

### **3.23 Events after reporting date**

There are no events after the reporting date.

### **3.24 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 roubles. Current expenses are primarily paid in Russian roubles as well.

At the same time, the Company has entered into contracts where the amounts of liability are fixed in a foreign currency.

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

| RUB thous.                    |                           |                       |                     |                 |                      |
|-------------------------------|---------------------------|-----------------------|---------------------|-----------------|----------------------|
| Item                          | Cash and cash equivalents | Financial investments | Accounts receivable | Payables        | Net balance position |
| <b>As of 31 December 2021</b> |                           |                       |                     |                 |                      |
| USD                           | -                         | -                     | -                   | (2,402)         | (2,402)              |
| EUR                           | 3,532                     | -                     | -                   | (8,446)         | (4,914)              |
| <b>Total</b>                  | <b>3,532</b>              | <b>-</b>              | <b>-</b>            | <b>(10,848)</b> | <b>(7,316)</b>       |
| <b>As of 31 December 2020</b> |                           |                       |                     |                 |                      |
| USD                           | -                         | -                     | -                   | (2,488)         | (2,488)              |
| EUR                           | 4,550                     | -                     | -                   | (17,354)        | (12,804)             |
| <b>Total</b>                  | <b>4,550</b>              | <b>-</b>              | <b>-</b>            | <b>(19,842)</b> | <b>(15,292)</b>      |
| <b>As of 31 December 2019</b> |                           |                       |                     |                 |                      |
| USD                           | 6                         | -                     | -                   | (1,963)         | (1,957)              |
| EUR                           | -                         | -                     | -                   | (66,626)        | (66,626)             |
| <b>Total</b>                  | <b>6</b>                  | <b>-</b>              | <b>-</b>            | <b>(68,589)</b> | <b>(68,583)</b>      |

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.               |                         |                           |                         |                           |
|--------------------------|-------------------------|---------------------------|-------------------------|---------------------------|
| Item                     | As of 31 December 2021  |                           | As of 31 December 2020  |                           |
|                          | Impact on profit/(loss) | Impact on capital surplus | Impact on profit/(loss) | Impact on capital surplus |
| USD strengthening by 20% | (480)                   | -                         | (498)                   | -                         |
| USD weakening by 20%     | 480                     | -                         | 498                     | -                         |
| EUR strengthening by 20% | (983)                   | -                         | (2,561)                 | -                         |
| EUR weakening by 20%     | 983                     | -                         | 2,561                   | -                         |

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 3.13 and 3.22 set forth the 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 2021 were less by 30% (in 2020 — by 30%), with all other variables remaining unchanged, the profit before tax for the year would decrease by RUB 9,973,000 (RUB 10,677,000 as compared to 2020).

### **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:

| <b>RUB thous.</b>                                                 |                         |                         |                         |
|-------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|
| <b>Item</b>                                                       | <b>31 December 2021</b> | <b>31 December 2020</b> | <b>31 December 2019</b> |
| <b>Financial investments</b>                                      | 1,423,164               | 1,243,916               | 1,424,101               |
| - Bills                                                           | 1,423,164               | 1,243,916               | 1,424,101               |
| <b>Accounts receivable</b>                                        | 6,845,933               | 6,875,358               | 6,513,411               |
| - Receivables on sold goods, products, works, services            | 6,297,434               | 6,206,111               | 5,705,268               |
| - Other receivables (except advances paid and taxes)              | 548,499                 | 669,247                 | 808,143                 |
| <b>Cash and cash equivalents</b>                                  | 10,389                  | 100,558                 | 3,024,763               |
| - Cash funds on settlement and foreign currency accounts          | 10,389                  | 12,558                  | 34,763                  |
| - Bank deposits originally maturing within less than three months | -                       | 88,000                  | 2,990,000               |
| <b>Total maximum credit risk</b>                                  | 8,279,486               | 8,219,831               | 10,962,275              |

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.

### **Credit risk concentration**

The Company is not exposed to credit risk concentration.

As of 31 December 2021, the Company has no placed deposits (as of 31 December 2020, the deposits were placed in one bank; as of 31 December 2019, the deposits were placed in three banks), which fact does not lead to significant concentration of credit risk for the Company due to the insignificant amount of the deposit (see Subsection 3.13 "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 fulfilment 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 as of 31 December 2021 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 rouble as of the reporting date.

The maturity analysis of Company's liabilities as of 31 December 2021 is set forth in the following table:

| <b>RUB thous.</b>                             |                    |                    |                     |              |
|-----------------------------------------------|--------------------|--------------------|---------------------|--------------|
| <b>Item</b>                                   | <b>&lt; 1 year</b> | <b>1 - 3 years</b> | <b>&gt; 3 years</b> | <b>Total</b> |
| Liabilities including:                        | 11,583,288         | 335,908            | 859,632             | 12,778,828   |
| Loans received                                | 3,463,741          | -                  | -                   | 3,463,741    |
| Accounts payable to suppliers and contractors | 5,206,644          | -                  | -                   | 5,206,644    |
| Other payables                                | 2,744,949          | -                  | -                   | 2,744,949    |
| Liabilities on lease rights                   | 167,954            | 335,908            | 425,719             | 929,581      |
| Other long-term liabilities                   | -                  | -                  | 433,913             | 433,913      |

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

| <b>RUB thous.</b>                             |                    |                    |                     |              |
|-----------------------------------------------|--------------------|--------------------|---------------------|--------------|
| <b>Item</b>                                   | <b>&lt; 1 year</b> | <b>1 - 3 years</b> | <b>&gt; 3 years</b> | <b>Total</b> |
| 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 accounts payable                        | 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. |
|-----------------------------------------------|-----------|-------------|-----------|------------|
| Item                                          | < 1 year  | 1 - 3 years | > 3 years | Total      |
| <b>Liabilities</b>                            |           |             |           |            |
| 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 accounts payable                        | 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    |

#### **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 2021 amounts to RUB 207,000 (RUB (8,913,000) as of 31 December 2020)

### **3.25 Other long-term liabilities**

Breakdown of other long-term liabilities:

|                                                                                  |                  |                  | RUB thous.       |
|----------------------------------------------------------------------------------|------------------|------------------|------------------|
| Group description                                                                | 31 December 2021 | 31 December 2020 | 31 December 2019 |
| Long-term estimated liabilities                                                  | 462,965          | 600,109          | 588,901          |
| <i>Estimated liabilities for the disposal of fixed assets and rehabilitation</i> | 433,913          | 600,109          | 570,451          |
| <i>Estimated liabilities for long-term employee bonus plans</i>                  | 29,052           | -                | 18,450           |
| Long-term payables under lease (FOBU 25/2018)                                    | 761,627          | 943,044          | 372,581          |
| <b>Total</b>                                                                     | <b>1,224,592</b> | <b>1,543,153</b> | <b>961,482</b>   |

### **3.26 Estimated and contingent liabilities**

#### **Estimated liabilities**

As of 31 December 2021, the Company recognised RUB 1,143,290,000 worth of estimated liabilities as part of estimated liabilities (RUB 995,951,000 as of 31 December 2020; RUB 889,631,000 as of 31 December 2019), including:

- Estimated liabilities for annual and quarterly bonuses payable to employees, as well as special bonus plans amounted to RUB 677,291,000 as of 31 December 2021 (RUB 625,069,000 as of 31 December 2020; RUB 610,812,000 as of 31 December 2019).

- Estimated liabilities for vacation allowances amounted to RUB 347,019,000 as of 31 December 2021 (RUB 360,274,000 as of 31 December 2020; RUB 277,141,000 as of 31 December 2019).

The Company recognises the estimated liabilities on disposal of fixed assets and rehabilitation in line

- 1450 "Other long-term liabilities". As of 31 December 2021, the liability created by the Company amounted to RUB 433,913,000 (RUB 600,109,000 as of 31 December 2020; RUB 570,451,000 as of 31 December 2019).
- 1540 "Estimated liabilities" As of 31 December 2021, the liability created by the Company amounted to RUB 50,738,000 (none as of 31 December 2020; none as of 31 December 2019).

The Company accrues amortisation of discount on created ELDFAR assets on a monthly basis.

Furthermore, line 1450 "Other long-term liabilities" shows:

- estimated liabilities for long-term employee bonus plans as of 31 December 2021 amounting to RUB 29,052,000 (RUB 0,000 as of 31 December 2020; RUB 18,450,000 as of 31 December 2019).
- long-term debt on lease recognised as of 31 December 2021 amounts to RUB 761,627,000 (RUB 943,044,000 as of 31 December 2020). Changes are disclosed in Clause 3.8 hereof.

| RUB thous.                                     |             |                                         |                  |                    |                       |                                          |                                   |
|------------------------------------------------|-------------|-----------------------------------------|------------------|--------------------|-----------------------|------------------------------------------|-----------------------------------|
| Indicator                                      | Year        | Balance as of the beginning of the year | Recognised       | Repaid             | Written off as excess | Transferred from long-term to short-term | Balance as of the end of the year |
| <b>Estimated liabilities, total</b>            | <b>2021</b> | <b>1,829,338</b>                        | <b>2,506,135</b> | <b>(2,575,700)</b> | <b>(111,725)</b>      | <b>-</b>                                 | <b>1,716,290</b>                  |
| <b>including:</b>                              | <b>2020</b> | <b>1,819,704</b>                        | <b>2,197,862</b> | <b>(2,163,184)</b> | <b>(25,044)</b>       | <b>-</b>                                 | <b>1,829,338</b>                  |
| <b>long-term:</b>                              | <b>2021</b> | <b>600,109</b>                          | <b>63,850</b>    | <b>(10,006)</b>    | <b>(45,241)</b>       | <b>(145,747)</b>                         | <b>462,965</b>                    |
|                                                | <b>2020</b> | <b>588,901</b>                          | <b>197,513</b>   | <b>(184,267)</b>   | <b>(2,038)</b>        | <b>-</b>                                 | <b>600,109</b>                    |
| ELDFAR                                         | 2021        | 600,109                                 | 34,798           | (10,006)           | (45,241)              | (145,747)                                | 433,913                           |
|                                                | 2020        | 570,451                                 | 44,609           | (14,951)           | -                     | -                                        | 600,109                           |
| Estimated liabilities on long-term bonus plans | 2021        | -                                       | 29,052           | -                  | -                     | -                                        | 29,052                            |
|                                                | 2020        | 18,450                                  | 152,904          | (169,316)          | (2,038)               | -                                        | -                                 |
| <b>short-term:</b>                             | <b>2021</b> | <b>995,951</b>                          | <b>2,300,746</b> | <b>(2,238,388)</b> | <b>(60,766)</b>       | <b>145,747</b>                           | <b>1,143,290</b>                  |
|                                                | <b>2020</b> | <b>889,631</b>                          | <b>1,957,078</b> | <b>(1,827,752)</b> | <b>(23,006)</b>       | <b>-</b>                                 | <b>995,951</b>                    |
| Estimated liabilities for legal proceedings    | 2021        | 10,608                                  | -                | -                  | (10,608)              | -                                        | -                                 |
|                                                | 2020        | 1,678                                   | 10,608           | -                  | (1,678)               | -                                        | 10,608                            |
| Estimated liabilities for unused vacations     | 2021        | 360,274                                 | 881,017          | (866,668)          | (27,604)              | -                                        | 347,019                           |
|                                                | 2020        | 277,141                                 | 879,180          | (792,279)          | (3,768)               | -                                        | 360,274                           |
| Estimated liabilities for year-end bonuses     | 2021        | 516,240                                 | 592,089          | (519,391)          | (22,554)              | -                                        | 566,384                           |
|                                                | 2020        | 438,604                                 | 614,384          | (534,164)          | (2,584)               | -                                        | 516,240                           |
| Estimated liabilities for quarterly bonuses    | 2021        | 108,829                                 | 434,450          | (432,372)          | -                     | -                                        | 110,907                           |
|                                                | 2020        | 98,104                                  | 443,665          | (417,964)          | (14,976)              | -                                        | 108,829                           |
| Short-term bonus plans                         | 2021        | -                                       | -                | -                  | -                     | -                                        | -                                 |
|                                                | 2020        | 74,104                                  | 9,241            | (83,345)           | -                     | -                                        | -                                 |
| ELDFAR                                         | 2021        | -                                       | 611              | (95,620)           | -                     | 145,747                                  | 50,738                            |
|                                                | 2020        | -                                       | -                | -                  | -                     | -                                        | -                                 |
| Other estimated liabilities                    | 2021        | -                                       | 392,579          | (324,337)          | -                     | -                                        | 68,242                            |
|                                                | 2020        | -                                       | -                | -                  | -                     | -                                        | -                                 |

### ***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 will not exert a significant impact 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

04 March 2022