

**PJSC MOSENERGO**

**IFRS CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS  
(UNAUDITED)**

**30 September 2021**

**Moscow | 2021**

## Contents

Report on review of condensed interim consolidated financial statements .....	3
Condensed interim consolidated statement of financial position .....	5
Condensed interim consolidated statement of comprehensive income .....	6
Condensed interim consolidated statement of cash flows .....	7
Condensed interim consolidated statement of changes in equity .....	8

### Notes to the condensed interim consolidated financial statements:

1	General information.....	7
2	Basis of presentation.....	8
3	Summary of significant accounting policies and accounting estimates .....	9
4	Segment information .....	10
5	Related parties .....	12
6	Property, plant and equipment.....	17
7	Accounts receivable and prepayments.....	18
8	Other financial assets.....	18
9	Inventories .....	19
10	Cash and cash equivalents .....	19
11	Equity .....	20
12	Borrowings .....	20
13	Accounts payable and other liabilities.....	21
14	Income tax .....	21
15	Other taxes payable .....	22
16	Revenue .....	23
17	Operating expenses.....	23
18	Finance income and expense .....	24
19	Basic and diluted earnings per share, attributable to PJSC Mosenergo.....	24
20	Contingent and contractual obligations .....	25
21	Fair value of financial instruments .....	25

**PJSC Mosenergo**  
**Condensed interim consolidated statement of financial position**  
**as of 30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

	Notes	30 September 2021	31 December 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	271 828	275 107
Investment property		1 361	1 449
Intangible assets		1 098	872
Investments in associates		23 461	23 617
Accounts receivable and prepayments	7	550	1 435
Other financial assets	8	15 955	11 518
<b>Total non-current assets</b>		<b>314 253</b>	<b>313 998</b>
<b>Current assets</b>			
Inventories	9	14 955	16 100
Accounts receivable and prepayments	7	23 916	32 909
Income tax receivable		601	297
Cash and cash equivalents	10	10 788	7 679
Other financial assets	8	37 620	36 008
<b>Total current assets</b>		<b>87 880</b>	<b>92 993</b>
<b>Total assets</b>		<b>402 133</b>	<b>406 991</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	11	166 124	166 124
Share premium	11	48 661	48 661
Revaluation reserve	11	149 622	152 290
Accumulated loss and other reserves		(34 200)	(37 284)
<b>Total equity</b>		<b>330 207</b>	<b>329 791</b>
<b>Non-current liabilities</b>			
Borrowings	12	15 100	15 100
Provision for post-employment benefits		439	425
Accounts payable and other liabilities	13	852	834
Lease liabilities		4 984	4 899
Deferred tax liabilities	14	33 740	35 454
<b>Total non-current liabilities</b>		<b>55 115</b>	<b>56 712</b>
<b>Current liabilities</b>			
Borrowings	12	14	11
Accounts payable and other liabilities	13	12 871	15 181
Income tax payable		260	956
Other taxes payable	15	1 213	2 471
Lease liabilities		711	403
Provisions		1 742	1 466
<b>Total current liabilities</b>		<b>16 811</b>	<b>20 488</b>
<b>Total liabilities</b>		<b>71 926</b>	<b>77 200</b>
<b>Total equity and liabilities</b>		<b>402 133</b>	<b>406 991</b>

A.A. Butko  
 Managing director

*01 November* 2021

E.Y. Novenkova  
 Chief Accountant

*01 November* 2021

The accompanying notes on the pages 7 to 25 are an integral part of these condensed interim consolidated financial statements.

**PJSC Mosenergo**  
**Condensed interim consolidated statement of comprehensive income**  
**for the three and six months ended 30 September 2021(unaudited)**  
**(in millions of Russian Rubles)**

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2021	2020	2021	2020
Revenue	16	37 665	29 156	155 317	122 108
Operating expenses	17	(40 471)	(32 002)	(145 823)	(116 803)
(Impairment loss) reversal of impairment loss on financial assets	17	(274)	128	(1 480)	(1 244)
<b>Operating profit (loss)</b>		<b>(3 080)</b>	<b>(2 718)</b>	<b>8 014</b>	<b>4 061</b>
Finance income	18	899	1 085	2 293	3 568
Finance expense	18	(380)	(592)	(1 044)	(2 425)
Share of (loss) profit of associates		220	384	(156)	830
<b>Profit (loss) before income tax</b>		<b>(2 341)</b>	<b>(1 841)</b>	<b>9 107</b>	<b>6 031</b>
Income tax (expense) benefit	14	615	593	(1 766)	(687)
<b>Profit (loss) for the period</b>		<b>(1 726)</b>	<b>(1 248)</b>	<b>7 341</b>	<b>5 344</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified subsequently to profit or loss, net of tax:					
Gain (loss) arising from change in fair value of financial assets measured at fair value through other comprehensive income					
		-	(98)	208	688
<b>Total other comprehensive income (loss) that will not be reclassified to profit or loss</b>					
		-	(98)	208	688
<b>Other comprehensive income (loss) for the period</b>					
		-	(98)	208	688
<b>Comprehensive income (loss) for the period</b>					
		<b>(1 726)</b>	<b>(1 346)</b>	<b>7 549</b>	<b>6 032</b>
<b>Profit (loss) for the period attributable to:</b>					
Owners of PJSC Mosenergo					
		(1 726)	(1 248)	7 341	5 344
<b>Comprehensive income (loss) for the period attributable to:</b>					
Owners of PJSC Mosenergo					
		(1 726)	(1 346)	7 549	6 032
<b>Basic and diluted earnings (loss) per share attributable to the owners of PJSC Mosenergo (in Russian Rubles)</b>					
	19	<b>(0,043)</b>	<b>(0,031)</b>	<b>0,185</b>	<b>0,134</b>

A.A. Butko  
 Managing director

*01 November* 2021

E.Y. Novenkova  
 Chief Accountant

*01 November* 2021

The accompanying notes on the pages 7 to 25 are an integral part of these condensed interim consolidated financial statements.

**PJSC Mosenergo**  
**Condensed interim consolidated statement of cash flows**  
**for the nine months ended 30 September 2021 (unaudited)**  
(in millions of Russian Rubles)

	Notes	Nine months ended 30 September	
		2021	2020
<b>Cash flows from operating activities</b>			
Profit before income tax		9 107	6 031
<b>Adjustments to profit before income tax</b>			
Amortisation and depreciation	17	17 915	17 203
Impairment loss on financial assets	17	1 480	1 244
Reversal of impairment loss on non-financial assets	17	-	(91)
Change in provisions	17	280	(419)
Share of loss (profit) of associates		156	(830)
Loss on disposal of equity investments		-	3
Loss on disposal of property, plant and equipment and other assets	17	395	161
Finance income	18	(2 293)	(3 568)
Finance expense	18	1 044	2 425
Total effect of adjustments		18 977	16 128
Cash flows from operating activities before working capital changes		28 084	22 159
<b>Working capital changes</b>			
Change in accounts receivable and prepayments		2 703	10 444
Change in inventories		(355)	(574)
Change in accounts payable and other liabilities		1 355	532
Change in other taxes payable		(2 021)	(2 168)
Change in provision for post-employment benefits		15	6
Total effect of working capital changes		1 697	8 240
Income tax paid		(4 530)	(2 589)
Interest paid		(93)	(1 322)
<b>Net cash from operating activities</b>		<b>24 258</b>	<b>26 488</b>
<b>Cash flows from investing activities</b>			
Acquisitions of property, plant and equipment and intangible assets		(15 647)	(9 226)
Proceeds from sale of property, plant and equipment		93	68
Loans issued		(2 339)	(133)
Repayment of loans issued		2 407	1 364
Interest received		1 919	2 039
Dividends received		-	209
Placement of short-term deposits		(50)	(15 900)
Repayment of short-term deposits		-	8 900
<b>Net cash used in investing activities</b>		<b>(13 617)</b>	<b>(12 679)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		-	(3 929)
Repayment of lease liabilities		(460)	(265)
Dividends paid		(7 072)	(4 775)
<b>Net cash used in financing activities</b>		<b>(7 532)</b>	<b>(8 969)</b>
Effect of foreign exchange rate changes on cash and cash equivalents		-	128
<b>Increase in cash and cash equivalents</b>		<b>3 109</b>	<b>4 968</b>
Cash and cash equivalents at the beginning of the period	10	7 679	11 658
<b>Cash and cash equivalents at the end of the period</b>	10	<b>10 788</b>	<b>16 626</b>

A.A. Butko  
Managing director

*01 November* 2021

E.Y. Novenkova  
Chief Accountant

*01 November* 2021

The accompanying notes on the pages 7 to 25 are an integral part of these condensed interim consolidated financial statements.

**PJSC Mosenergo**  
**Condensed interim consolidated statement of changes in equity**  
**for the nine months ended 30 September 2021(unaudited)**  
(in millions of Russian Rubles)

	Equity attributable to the owners of the PJSC Mosenergo					
	Notes	Share capital	Share premium	Revaluation reserve	Accumulated loss and other reserves	Total
<b>Balance as of 1 January 2020</b>		<b>166 124</b>	<b>48 661</b>	<b>153 210</b>	<b>(41 545)</b>	<b>326 450</b>
Profit for the period		-	-	-	5 344	5 344
Other comprehensive income (loss):						
Gain arising from change in fair value of financial assets measured at fair value through other comprehensive income		-	-	-	688	688
Transfers from revaluation surplus on property, plant and equipment to accumulated loss and other reserves		-	-	(86)	86	-
<b>Comprehensive income (loss) for the period</b>		<b>-</b>	<b>-</b>	<b>(86)</b>	<b>6 118</b>	<b>6 032</b>
<b>Transactions with the owners of PJSC Mosenergo</b>						
Dividends declared	11	-	-	-	(4 800)	(4 800)
<b>Balance as of 30 September 2020</b>		<b>166 124</b>	<b>48 661</b>	<b>153 124</b>	<b>(40 227)</b>	<b>327 682</b>
<b>Balance as of 1 January 2021</b>		<b>166 124</b>	<b>48 661</b>	<b>152 290</b>	<b>(37 284)</b>	<b>329 791</b>
Profit for the period		-	-	-	7 341	7 341
Gain arising from change in fair value of financial assets measured at fair value through other comprehensive income		-	-	-	208	208
Transfers from revaluation surplus on property, plant and equipment to accumulated loss and other reserves		-	-	(2 668)	2 668	-
<b>Comprehensive income (loss) for the period</b>		<b>-</b>	<b>-</b>	<b>(2 668)</b>	<b>10 217</b>	<b>7 549</b>
<b>Transactions with the owners of PJSC Mosenergo</b>						
Dividends declared	11	-	-	-	(7 133)	(7 133)
<b>Balance as of 30 September 2021</b>		<b>166 124</b>	<b>48 661</b>	<b>149 622</b>	<b>(34 200)</b>	<b>330 207</b>

A.A. Butko  
Managing director

*of November* 2021

E.Y. Novenkova  
Chief Accountant

*of November* 2021

The accompanying notes on the pages 7 to 25 are an integral part of these condensed interim consolidated financial statements.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

---

## **1 General information**

### **1.1 Organisation and operations**

Public Joint-Stock Company of Power Supply and Electrification Mosenergo (hereafter referred to as the “PJSC Mosenergo” or the “Company”) was registered and conducts its activities in the Russian Federation.

The primary activities of the Company and its subsidiaries (together referred to as the “Group” or the “Mosenergo Group”) are the production of the generation of heat and electric power, capacity and heat distribution services in Moscow and the Moscow region.

The operation of the Group for the generation of electricity and heat is provided by 15 power plants, the average annual installed electric and heat capacity of which for the three months ended 30 September 2021 amounted to 12 825 MW and 43 820 GCal/h (for the three months ended 30 September 2020: 12 825 MW and 43 281 GCal/h), respectively.

The Company is registered at the location in the Inspectorate of the Federal Tax Service No. 29 in Moscow, and also as the largest taxpayer in the Interregional Inspectorate of the Federal Tax Service for the largest taxpayers No. 6. PJSC Mosenergo registered office is located at 101/3, Prospekt Vernadskogo, Moscow, 119526, the Russian Federation.

PJSC Mosenergo and its following subsidiaries form the Mosenergo Group:

Name organisation	Nature of business	Percentage of ownership	
		30 September 2021	31 December 2020
LLC Centralny remontno-mekhanicheskiy zavod	Repair and reconstruction services	100,00%	100,00%
LLC Mosenergoproject	Electrical engineering	100,00%	100,00%
LLC Remontproject	Electrical engineering	99,00%	99,00%

As at 30 September 2021 there are no significant restrictions on the ability to access the assets of subsidiaries or use them to settle the liabilities of subsidiaries.

### **1.2 Relations with the Government and influence on the Group activities**

At the date of condensed interim consolidated financial statements the Russian Federation owned (both directly and indirectly) over 50% in PJSC Gazprom, through its 100% subsidiary LLC Gazprom energoholding (immediate parent company), which holds 53,85% of PJSC Mosenergo as of 30 September 2021. Thus, PJSC Gazprom is the parent company of the Group and the Russian Federation is the ultimate controlling party of the Group.

The number of consumers of electric and heat generation produced by the Group includes a great number of enterprises controlled by the state or directly related to it. The list of the Group’s major fuel suppliers includes subsidiaries of PJSC Gazprom. The state also controls a number of suppliers of the Group.

The Government of the Russian Federation directly affects the Group’s operations through regulations of wholesale electricity (capacity) market and retail heat market by the Federal Antimonopoly Service (the “FAS”) and the executive authorities in the utility rate regulation.

JSC System Operator of the Unified Energy System (SO UES), which is controlled by the Russian Federation through the Federal Agency for State Property Management, regulates operations of generating assets of the Group.

Government policies in the economic, social and other fields can have a significant influence on the Group.

### **1.3 Business environment**

The economy of the Russian Federation displays certain characteristics of an emerging market. Tax, currency and customs legislation of the Russian Federation continues to develop, is subject to frequent changes and allows for different interpretations. Fluctuations in oil prices, continuing political tensions in the region, as well as international sanctions against some Russian organisations and citizens have had and can continue to affect the economy of the Russian Federation. The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads. These events can have a significant impact on the Group's operations and financial position in the future, the consequences of which are difficult to predict. The future economic situation and regulatory environment may differ from the current expectations of the management.

*On the impact of the COVID-19 pandemic.* The coronavirus pandemic (COVID-19), which occurred in the first quarter of 2020, has had a significant negative impact on the world economy. Restrictive measures taken to curb the spread of coronavirus infection have reduced the economic activity of electricity market participants. The scale and duration of these events remain uncertain and may affect the Group's financial position and results of operations.

The Group's management believes that it is taking all necessary measures to support the sustainability and development of the Group's business in the current environment. In the process of spreading the pandemic, the company took prompt preventive measures to prevent the spread of coronavirus infection at the Group's facilities, because of which it was possible to exclude the impact of the spread of the virus on the stability of the group's technological and functional processes. Currently, the Group's management is taking measures to optimize fixed costs and reallocate expenses for the company's investment program.

The future economic situation in the Russian Federation depends on external factors and measures taken by the Government of the Russian Federation. Its impact on the Group's operations may differ from management's current expectations.

### **1.4 Seasonality**

Demand for heat and electric energy produced and sold by the Group is subject to weather conditions and depends on the time of year. The main volume of income from the sale of heat energy falls on the period from October to March. Similarly, although not so explicitly, the main of electricity sales are in the same period. The seasonality of the production of heat and electricity has a corresponding effect on fuel consumption and energy purchases. The seasonality does not impact recognition of income or expenses in the Group.

## **2 Basis of presentation**

### **2.1 Basis for the preparation of financial information**

This condensed interim consolidated financial information is prepared in accordance with IAS 34 Interim Financial Reporting. The condensed interim consolidated financial information should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards (together referred to as the "IFRS").

### **3 Summary of significant accounting policies and accounting estimates**

The significant accounting policies followed by the Group and the critical accounting estimates in applying accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2020.

#### **3.1 Amendments to existing Standards that are not yet effective and have not been early adopted by the Group**

Certain amendments have been issued that are mandatory for the annual periods beginning on or after 1 January 2021. In particular, the Group has not early adopted the amendments:

- The amendments to IFRS 16 Leases (issued in March 2021 and effective for annual reporting periods beginning on or after 1 April 2021). The amendments extend the previously effective COVID-19 related rent concessions, which were issued in May 2020 and were effective for annual reporting periods beginning on or after 1 June 2020, and permit lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The amendments do not affect lessors.
- The amendments to IAS 1 Presentation of Financial Statements (issued in January 2020 and effective for annual reporting periods beginning on or after 1 January 2023). Amendments clarify the criteria for classifying obligations as short-term or long-term.
- The amendments to IFRS 9 Financial Instruments (issued in May 2020 and effective for annual reporting periods beginning on or after 1 January 2022). The amendments clarify which fees included when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- The amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets (issued in May 2020 and effective for annual reporting periods beginning on or after 1 January 2022). The amendments specify which costs are included in determining the cost of fulfilling a contract for assessing whether the contract is onerous.
- The amendments to IAS 16 Property, Plant and Equipment (issued in May 2020 and effective for annual reporting periods beginning on or after 1 January 2022). The amendments prohibit deducting from the cost of property, plant and equipment amounts received from selling items produced while the asset is preparing for its intended use. Instead, such sales proceeds and related cost are recognised in profit or loss.
- Amendments to IFRS 1 First-time adoption of international financial reporting standards (issued as part of the Annual improvements to International financial reporting standards 2018-2020 and applied for annual periods beginning on or after 1 January 2022) simplify the application of IFRS 1 by a subsidiary after the parent organisation with respect to the determination of cumulative exchange differences.
- Amendments to IFRS 3 (issued in May 2020 and applicable for annual periods beginning on or after 1 January 2022) update the reference to the 2018 financial reporting Framework to determine what constitutes an asset or liability in a business combination, and add a new exception for liabilities and contingent liabilities.
- The amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (issued in February 2021 and effective for annual reporting periods beginning on or after 1 January 2023). The amendments clarify how distinguish changes in accounting estimates from changes in accounting policies.
- The amendments to IAS 12 Income Taxes (issued in May 2021 and effective for annual reporting periods beginning on or after 1 January 2023). The amendments clarify that the recognition exemption does not apply to transactions in which equal deductible and taxable temporary differences arise on initial recognition.

The Group is currently assessing the impact of the amendments on its financial position and results of operations.

#### **4 Segment information**

The Board of Directors and Managing Director (hereafter referred to as the “Management”) is the Chief operating decision-maker, which reviews the Group’s internal management report in order to assess performance of the Group and allocate resources.

The operating segments are aggregated into two primary reportable segments - electric and heat energy, which generate revenue from manufacturing and sale of electric and heat energy respectively. The other segments consist of services and products sold by the Group such as rental services, feed water sales and maintenance services.

All reportable segments are located in the Russian Federation.

When evaluating the performance of segments and allocating resources, management analyses the information below, prepared in accordance with IFRS. Differences in items between those reported in the segment information and those reported in the Group’s condensed interim consolidated financial statements are due to the unallocated items of income and expense (such as financial income and expense, share of income (loss) of associates, profit tax) that cannot be directly allocated to identifiable reportable segments as these are managed on an overall group basis.

Considering that the management responsible for decision-making does not review assets and liabilities by each reportable segment coupled with lack of technical capabilities to present such information, the Group does not disclose assets and liabilities by segments.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**4.1 Financial results of segments**

The segment information for the three and nine months ended 30 September 2021 and 30 September 2020 is as follows:

	Notes	Electric energy	Heat energy	All other segments	Total	Intra-group transactions	Total
<b><u>Nine months ended 30 September 2021</u></b>							
<b>Revenue</b>		<b>91 435</b>	<b>61 948</b>	<b>2 833</b>	<b>156 216</b>	<b>(899)</b>	<b>155 317</b>
Revenue from external customers	16	91 435	61 948	1 934	155 317	-	155 317
Intra-group revenue		-	-	899	899	(899)	-
<b>Segment financial result</b>		<b>11 522</b>	<b>(1 473)</b>	<b>(1 794)</b>	<b>8 255</b>	<b>-</b>	<b>8 255</b>
Amortisation and depreciation	17	(9 389)	(7 539)	(987)	(17 915)	-	(17 915)
(Impairment loss) reversal of impairment loss on financial assets	17	(308)	3	(1 175)	(1 480)	-	(1 480)
<b><u>Nine months ended 30 September 2020</u></b>							
<b>Revenue</b>		<b>73 118</b>	<b>47 371</b>	<b>2 345</b>	<b>122 834</b>	<b>(726)</b>	<b>122 108</b>
Revenue from external customers	16	73 118	47 363	1 627	122 108	-	122 108
Intra-group revenue		-	8	718	726	(726)	-
<b>Segment financial result</b>		<b>10 011</b>	<b>(4 864)</b>	<b>(1 521)</b>	<b>3 626</b>	<b>-</b>	<b>3 626</b>
Amortisation and depreciation	17	(8 887)	(7 132)	(1 184)	(17 203)	-	(17 203)
(Impairment loss) reversal of impairment loss on financial assets	17	177	(908)	(513)	(1 244)	-	(1 244)
<b><u>Three months ended 30 September 2021</u></b>							
<b>Revenue</b>		<b>28 825</b>	<b>8 114</b>	<b>1 005</b>	<b>37 944</b>	<b>(279)</b>	<b>37 665</b>
Revenue from external customers	16	28 825	8 114	726	37 665	-	37 665
Intra-group revenue		-	-	279	279	(279)	-
<b>Segment financial result</b>		<b>(468)</b>	<b>(2 403)</b>	<b>(49)</b>	<b>(2 920)</b>	<b>-</b>	<b>(2 920)</b>
Amortisation and depreciation	17	(3 770)	(1 788)	(278)	(5 836)	-	(5 836)
(Impairment loss) reversal of impairment loss on financial assets	17	(363)	5	84	(274)	-	(274)
<b><u>Three months ended 30 September 2020</u></b>							
<b>Revenue</b>		<b>22 742</b>	<b>5 859</b>	<b>861</b>	<b>29 462</b>	<b>(306)</b>	<b>29 156</b>
Revenue from external customers	16	22 742	5 859	555	29 156	-	29 156
Intra-group revenue		-	-	306	306	(306)	-
<b>Segment financial result</b>		<b>277</b>	<b>(2 534)</b>	<b>(902)</b>	<b>(3 159)</b>	<b>-</b>	<b>(3 159)</b>
Amortisation and depreciation	17	(3 774)	(1 660)	(393)	(5 827)	-	(5 827)
Reversal of impairment loss (impairment loss) on financial assets	17	765	(94)	(543)	128	-	128

Reconciliation of the segment financial result to the profit before profit (loss) tax in the condensed interim consolidated statement of comprehensive income for the three and nine months ended 30 September 2021 and 30 September 2020 is provided as follows:

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2021	2020	2021	2020
Segment result for reportable segments		(2 871)	(2 257)	10 049	5 147
Segment result for other segments		(49)	(902)	(1 794)	(1 521)
<b>Segment financial result</b>		<b>(2 920)</b>	<b>(3 159)</b>	<b>8 255</b>	<b>3 626</b>
Change in provisions	17	(109)	443	(280)	419
Net finance income (expense)	18	519	493	1 249	1 143
Share of (loss) profit of associates		220	384	(156)	830
Other items		(51)	(2)	39	13
<b>Profit (loss) before income tax</b>		<b>(2 341)</b>	<b>(1 841)</b>	<b>9 107</b>	<b>6 031</b>

#### **4.2 Core customers**

The revenue presented within the electric energy segment includes two customers with the total revenue exceeding 10% of the Group's revenue for the three and nine months ended 30 September 2021 and amounting to RUB 21 895 million and RUB 69 724 million, respectively (for the three and nine months ended 30 September 2020 the total revenue of the same two customers exceeded 10% of the Group's revenue and amounted to RUB 16 853 million and RUB 54 282 million, respectively).

The revenue presented within the heat energy segment includes the customer with the revenue exceeding 10% of the Group's revenue for the three and nine months ended 30 September 2021 and amounting to RUB 7 786 million and RUB 58 977 million, respectively (for the three and nine months ended 30 September 2020 the revenue of the same customer exceeded 10% of the Group's revenue and amounted to RUB 5 517 million and RUB 44 662 million, respectively).

#### **5 Related parties**

In these consolidated financial statements, parties are considered to be related parties, one of which has the ability to control or exercise significant influence on the operating and financial decisions of the other, as defined in IAS 24 Related Party Disclosures.

Transactions with related parties were carried out on terms and conditions similar to transactions with third parties in relation to the Group. Gas and capacity prices are based on tariffs set by the Federal Antimonopoly Service and competitive selections on the wholesale electricity (capacity) market. Loans and borrowings are provided on market conditions. Bank deposits are placed on market conditions.

PJSC Gazprom is an ultimate parent company of PJSC Mosenergo. The Russian Federation is the ultimate controlling party of the Group.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**5.1 Transactions with Gazprom Group and its associates**

The significant Group's transactions and balances outstanding with Gazprom Group and its associates are detailed below:

	Three months ended		Nine months ended	
	30 September		30 September	
<i>Transactions with related parties</i>	2021	2020	2021	2020
<b>Revenue</b>	<b>10 520</b>	<b>6 933</b>	<b>67 219</b>	<b>49 466</b>
Heat energy	7 836	5 646	59 409	45 248
Electricity and capacity	2 104	854	6 296	2 996
Other revenue	580	433	1 514	1 222
<b>Operating expenses</b>	<b>(11 819)</b>	<b>(5 661)</b>	<b>(62 869)</b>	<b>(43 682)</b>
Fuel	(9 611)	(3 666)	(56 949)	(38 578)
Repair, maintenance and service	(1 600)	(1 064)	(3 607)	(2 780)
Electricity and capacity	(104)	(60)	(692)	(512)
Heat energy transmission	(23)	(15)	(308)	(259)
Software and maintenance	(86)	(88)	(272)	(263)
Transportation services	(87)	(84)	(264)	(252)
Cleaning services	(67)	(84)	(232)	(236)
Other operating expenses	(241)	(600)	(545)	(802)
<b>Finance income</b>	<b>676</b>	<b>735</b>	<b>1 688</b>	<b>2 545</b>
Interest income on loans issued	520	645	1 358	1 930
Effect of discounting financial instruments	82	84	240	239
Interest income on bank deposits and cash balances on current accounts	74	6	90	142
Income from participation in other organisations	-	-	-	234
<b>Finance expense</b>	<b>(302)</b>	<b>(314)</b>	<b>(776)</b>	<b>(1 094)</b>
Interest expense on borrowings	(240)	(246)	(585)	(904)
Lease interest expense	(62)	(68)	(191)	(190)
<b>Purchase of non-current and current assets</b>	<b>3 851</b>	<b>2 797</b>	<b>6 687</b>	<b>5 839</b>
Purchase of property, plant and equipment	1 323	2 319	4 110	4 603
Purchase of other assets	2 528	478	2 577	1 236

	30 September 2021	31 December 2020
<i>Balances outstanding with related parties</i>		
Long-term financial assets	14 644	10 207
Short-term financial assets	30 269	28 927
Long-term accounts receivable and prepayments	496	474
Short-term accounts receivable and prepayments	14 686	22 300
Allowance for impairment loss on short-term receivables	(60)	(65)
Cash and cash equivalents	4 821	6 990
<b>Total assets</b>	<b>64 856</b>	<b>68 833</b>
Long-term borrowings	(15 100)	(15 100)
Short-term borrowings	(14)	(11)
Long-term accounts payable and other liabilities	(852)	(833)
Short-term accounts payable and other liabilities	(6 959)	(8 202)
Long-term lease liabilities	(2 460)	(2 692)
Short-term lease liabilities	(367)	(313)
<b>Total liabilities</b>	<b>(25 752)</b>	<b>(27 151)</b>

For the nine months ended 30 September 2021 dividends declared to the parent company amounted to RUB 3 841 million (for the nine months ended 30 September 2020: RUB 2 568 million).

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**5.2 Transactions with other state-controlled entities**

Information below excludes transactions and outstanding balances with Gazprom Group and its associates as disclosed in Note 5.1.

The significant Group's transactions and balances outstanding with other state-controlled entities are detailed below:

	Three months ended		Nine months ended	
	30 September		30 September	
<i>Transactions with related parties</i>	2021	2020	2021	2020
<b>Revenue</b>	<b>6 769</b>	<b>5 181</b>	<b>20 860</b>	<b>18 388</b>
Electricity and capacity	6 623	5 058	19 905	17 514
Heat energy	80	62	746	675
Other revenue	66	61	209	199
<b>Operating expenses</b>	<b>(1 381)</b>	<b>(822)</b>	<b>(3 705)</b>	<b>(2 433)</b>
Electricity market administration fees	(455)	(422)	(1 313)	(1 199)
Water supply	(391)	(344)	(1 070)	(854)
Fuel	(397)	(8)	(854)	(70)
Security and fire safety	(84)	(211)	(349)	(384)
Fines, penalties and compensation for breach of contract terms	9	193	134	201
Other operating expenses	(63)	(30)	(253)	(127)
<b>Finance income</b>	<b>37</b>	<b>49</b>	<b>139</b>	<b>225</b>
Interest income on bank deposits and cash balances on current accounts	37	49	139	225
<b>Finance expense</b>	<b>(60)</b>	<b>(59)</b>	<b>(176)</b>	<b>(179)</b>
Lease interest expense	(60)	(59)	(176)	(179)
<b>Other transactions</b>				
(Impairment loss) reversal of impairment loss on financial assets	(142)	218	(139)	29
			<b>30 September 2021</b>	<b>31 December 2020</b>
<b>Balances outstanding with related parties</b>				
Long-term accounts receivable and prepayments			34	481
Allowance for impairment loss on long-term receivables			-	(164)
Short-term accounts receivable and prepayments			16 321	16 116
Allowance for impairment loss on short-term receivables			(12 336)	(12 441)
Cash and cash equivalents			3 496	553
<b>Total assets</b>			<b>7 515</b>	<b>4 545</b>
Short-term accounts payable and other liabilities			(1 433)	(1 416)
Long-term lease liabilities			(2 068)	(2 079)
Short-term lease liabilities			(67)	(68)
<b>Total liabilities</b>			<b>(3 568)</b>	<b>(3 563)</b>

For the nine months ended 30 September 2021 dividends declared to the other state-controlled entities amounted to RUB 1 886 million (for the nine months ended 30 September 2020: RUB 1 269 million).

Some of the transactions on the wholesale electricity and capacity market OREM are conducted through commission agreements with JSC FSC. Current financial system of JSC FSC does not provide the final counterparty with automated information about transactions and outstanding balances with the ultimate consumers. State-controlled entities and Gazprom Group and its associates may also act as counterparties.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

The Group's transactions and balances outstanding with JSC FSC are detailed below:

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
<i>Transactions with related parties</i>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>	<b>18 347</b>	<b>13 573</b>	<b>56 978</b>	<b>42 740</b>
Sale of electricity and capacity	18 347	13 573	56 978	42 740
<b>Expenses</b>	<b>(3 675)</b>	<b>(2 046)</b>	<b>(11 232)</b>	<b>(6 389)</b>
Purchase of electricity and capacity	(3 675)	(2 046)	(11 232)	(6 389)

	<b>30 September</b>	<b>31 December</b>
<i>Balances outstanding with related parties</i>	<b>2021</b>	<b>2020</b>
Short-term accounts receivable and prepayments	2 742	2 782
Allowance for impairment loss on short-term receivables	(1)	(1)
<b>Total assets</b>	<b>2 741</b>	<b>2 781</b>
Short-term accounts payable and other liabilities	(639)	(461)
<b>Total liabilities</b>	<b>(639)</b>	<b>(461)</b>

### 5.3 Transactions with other related parties

Other related parties are represented by associates. The significant Group's transactions and balances outstanding with associates are detailed below:

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
<i>Transactions with related parties</i>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>	<b>153</b>	<b>118</b>	<b>1 195</b>	<b>957</b>
Heat energy	153	118	1 195	957
<b>Other transactions</b>				
Impairment loss on financial assets	(193)	(124)	(1 420)	(1 121)

	<b>30 September</b>	<b>31 December</b>
<i>Balances outstanding with related parties</i>	<b>2021</b>	<b>2020</b>
Long-term financial assets	2 239	2 239
Allowance for impairment loss on long-term financial assets	(2 239)	(2 239)
Short-term financial assets	12	6
Short-term accounts receivable and prepayments	4 283	2 862
Allowance for impairment loss on short-term receivables	(4 283)	(2 862)
<b>Total assets</b>	<b>12</b>	<b>6</b>

**PJSC Mosenergo****Notes to the condensed interim consolidated financial statements****30 September 2021 (unaudited)****(in millions of Russian Rubles)****5.4 Transactions with key management and managing organisation**

Short-term remuneration for the services of key management personnel includes remuneration to members of the Board of Directors for fulfilling their duties in these positions and participation in meetings of the Board of Directors and consisted of a monthly salary, premium, accrued on these taxes and other obligatory payments into the corresponding budgets, health insurance costs.

<i>Transactions with related parties</i>	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Wages and salaries	40	41	56	58
Social taxes and contributions	8	8	11	11
<b>Total</b>	<b>48</b>	<b>49</b>	<b>67</b>	<b>69</b>

There are no outstanding balances as of 30 September 2021 and as of 31 December 2020 for transactions with key management.

Remuneration to managing organisation LLC Gazprom energoholding for the three and nine months ended 30 September 2021 was in the amount of RUB 32 million and RUB 97 million respectively (for the three and nine months ended 30 September 2020: RUB 33 million and RUB 98 million respectively).

Accounts payable for managing organisation as of 30 September 2021 is in the amount of RUB 69 million (as of 31 December 2020: RUB 69 million).

**5.5 Unrecognised contractual obligations for the construction of property, plant and equipment**

	<b>30 September</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
Gazprom Group and its associates	11 814	12 202
<b>Total</b>	<b>11 814</b>	<b>12 202</b>

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**6 Property, plant and equipment**

Changes in the carrying amount of property, plant and equipment are presented below:

	<b>ROUA</b>	<b>B&amp;C</b>	<b>M&amp;E</b>	<b>TN</b>	<b>Other</b>	<b>CIP</b>	<b>Total</b>
<b>Revalued amount</b>							
<b>Balance as of 1 January 2020</b>	<b>5 955</b>	<b>124 690</b>	<b>99 579</b>	<b>12 674</b>	<b>18 534</b>	<b>26 298</b>	<b>287 730</b>
Additions	880	-	5	2	2	8 908	9 797
Effect of leases modification	(1 010)	-	-	-	-	-	(1 010)
Disposals	(1)	(163)	(80)	(3)	(13)	(240)	(500)
Transfers	-	444	1 109	1	82	(1 636)	-
Transfer from other accounts	-	33	-	-	2	-	35
<b>Balance as of 30 September 2020</b>	<b>5 824</b>	<b>125 004</b>	<b>100 613</b>	<b>12 674</b>	<b>18 607</b>	<b>33 330</b>	<b>296 052</b>
<b>Balance as of 1 January 2021</b>	<b>5 812</b>	<b>126 855</b>	<b>107 473</b>	<b>12 692</b>	<b>20 702</b>	<b>29 509</b>	<b>303 043</b>
Additions	863	-	2 893	-	35	11 204	14 995
Effect of leases modification	31	-	-	-	-	-	31
Disposals	(45)	(120)	(321)	(4)	(187)	(205)	(882)
Transfers	-	416	2 073	29	966	(3 484)	-
Transfer from other accounts	-	65	-	-	-	-	65
<b>Balance as of 30 September 2021</b>	<b>6 661</b>	<b>127 216</b>	<b>112 118</b>	<b>12 717</b>	<b>21 516</b>	<b>37 024</b>	<b>317 252</b>
<b>Depreciation and impairment loss</b>							
<b>Balance as of 1 January 2020</b>	<b>(503)</b>	<b>-</b>	<b>(1 982)</b>	<b>(633)</b>	<b>-</b>	<b>-</b>	<b>(3 118)</b>
Depreciation charge	(395)	(4 464)	(9 348)	(852)	(1 923)	-	(16 982)
Transfers	-	-	(99)	-	-	99	-
Disposals	1	6	34	-	1	3	45
<b>Balance as of 30 September 2020</b>	<b>(897)</b>	<b>(4 458)</b>	<b>(11 395)</b>	<b>(1 485)</b>	<b>(1 922)</b>	<b>102</b>	<b>(20 055)</b>
<b>Balance as of 1 January 2021</b>	<b>(1 025)</b>	<b>(6 430)</b>	<b>(15 328)</b>	<b>(1 847)</b>	<b>(2 792)</b>	<b>(514)</b>	<b>(27 936)</b>
Depreciation charge	(436)	(4 654)	(9 944)	(832)	(1 781)	-	(17 647)
Transfers	-	(3)	(86)	-	(108)	197	-
Disposals	7	15	69	-	67	1	159
<b>Balance as of 30 September 2021</b>	<b>(1 454)</b>	<b>(11 072)</b>	<b>(25 289)</b>	<b>(2 679)</b>	<b>(4 614)</b>	<b>(316)</b>	<b>(45 424)</b>
<b>Net book value</b>							
Balance as of 1 January 2020	<b>5 452</b>	<b>124 690</b>	<b>97 597</b>	<b>12 041</b>	<b>18 534</b>	<b>26 298</b>	<b>284 612</b>
Balance as of 30 September 2020	<b>4 927</b>	<b>120 546</b>	<b>89 218</b>	<b>11 189</b>	<b>16 685</b>	<b>33 432</b>	<b>275 997</b>
Balance as of 1 January 2021	<b>4 787</b>	<b>120 425</b>	<b>92 145</b>	<b>10 845</b>	<b>17 910</b>	<b>28 995</b>	<b>275 107</b>
Balance as of 30 September 2021	<b>5 207</b>	<b>116 144</b>	<b>86 829</b>	<b>10 038</b>	<b>16 902</b>	<b>36 708</b>	<b>271 828</b>
<b>Net book value of property, plant and equipment had no revaluation taken place</b>							
Balance as of 1 January 2020	<b>5 452</b>	<b>50 262</b>	<b>70 006</b>	<b>9 681</b>	<b>11 756</b>	<b>26 146</b>	<b>173 303</b>
Balance as of 30 September 2020	<b>4 927</b>	<b>44 342</b>	<b>64 226</b>	<b>9 085</b>	<b>11 042</b>	<b>33 210</b>	<b>166 832</b>
Balance as of 1 January 2021	<b>4 787</b>	<b>50 642</b>	<b>69 070</b>	<b>8 888</b>	<b>12 958</b>	<b>28 669</b>	<b>175 014</b>
Balance as of 30 September 2021	<b>5 207</b>	<b>49 517</b>	<b>66 476</b>	<b>8 324</b>	<b>12 978</b>	<b>35 761</b>	<b>178 263</b>

Abbreviations used in the headings of the table above are as follows: ROUA – right-of-use assets, B&C - buildings and constructions, M&E - machinery and equipment, TN - transmission networks, CIP - construction in progress.

As of 30 September 2021 property, plant and equipment included right-of-use assets with carrying amount of RUB 5 207 million, related mainly to land and office buildings (as of 31 December 2020: RUB 4 787 million).

The class “Other” includes land, motor vehicles, computer equipment, office supplies and other equipment.

Other right-of-use assets include land.

The total cash flow under lease agreements for the nine months ended 30 September 2021 was in the amount of RUB 872 million, of which RUB 412 million accounted for interest expenses and RUB 460 million to repay the principal amount of the debt (for the nine months ended 30 September 2020: RUB 647 million, of which RUB 382 million accounted for interest expenses and RUB 265 million to repay the principal amount of the debt).

Property, plant and equipment of the Group are not burdened with collateral obligations.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**7 Accounts receivable and prepayments**

	<b>30 September 2021</b>	<b>31 December 2020</b>
Trade receivables	22	263
Accounts receivable from sale of property, plant and equipment	-	3
Other receivables	32	131
<b>Total financial assets</b>	<b>54</b>	<b>397</b>
Advances to suppliers and prepaid expenses	442	982
Other receivables	54	56
<b>Total non-financial assets</b>	<b>496</b>	<b>1 038</b>
<b>Total non-current accounts receivable and prepayments</b>	<b>550</b>	<b>1 435</b>
Trade receivables	20 675	29 475
Accounts receivable from sale of property, plant and equipment	834	1 091
Other receivables	270	204
<b>Total financial assets</b>	<b>21 779</b>	<b>30 770</b>
Advances to suppliers and prepaid expenses	888	939
Tax prepayments other than income tax	957	945
VAT recoverable	164	142
Other receivables	128	113
<b>Total non-financial assets</b>	<b>2 137</b>	<b>2 139</b>
<b>Total current accounts receivable and prepayments</b>	<b>23 916</b>	<b>32 909</b>

Trade receivables are presented net of allowance for impairment as of 30 September 2021 in the amount of RUB 17 420 million (as of 31 December 2020: RUB 16 279 million).

Receivables from sale of property, plant and equipment are presented net of allowance for impairment as of 30 September 2021 in the amount of RUB 54 million (as of 31 December 2020: RUB 65 million).

Other financial receivables are presented net of allowance for impairment as of 30 September 2021 in the amount of RUB 33 million (as of 31 December 2020: RUB 33 million).

Other non-financial receivables are presented net of allowance for impairment as of 30 September 2021 in the amount of RUB 506 million (as of 31 December 2020: RUB 535 million).

Advances to suppliers and prepaid expenses are presented net of allowance for impairment as of 30 September 2021 in the amount of RUB 953 million (as of 31 December 2020: RUB 955 million).

These provisions are mainly related to short-term receivables and prepayments, except for the provision for trade receivables in the amount of RUB nil million, which was formed for long-term trade receivables at 30 June 2021 (as at 31 December 2020: RUB 164 million).

**8 Other financial assets**

	<b>30 September 2021</b>	<b>31 December 2020</b>
Loans issued	16 883	9 298
Impairment loss on loans issued	(2 239)	(2 239)
Equity instruments measured at FVTOCI	1 311	4 459
<b>Total non-current assets</b>	<b>15 955</b>	<b>11 518</b>
Loans issued	30 282	28 933
Deposits	7 338	7 075
<b>Total current assets</b>	<b>37 620</b>	<b>36 008</b>

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

Financial assets measured at fair value through other comprehensive income include the following:

	<b>30 September 2021</b>	<b>31 December 2020</b>
LLC GAZEKS-Management		
Share in equity	28,42%	33,33%
Fair value	1 311	1 311
PJSC OGK-2		
Share in equity	-	3,89%
Fair value	-	3 148

On 29 June 2021 PJSC Mosenergo transferred its share in full PJSC OGK-2 to LLC Gazprom Energoholding, as a partial payment for the acquired right under a monetary obligation to the debtor (PJSC OGK-2) that arose under the purchase and sale agreement of the Adler power plant concluded between LLC Gazprom Energoholding and PJSC OGK-2 on 16 November 2020.

The received monetary obligation to the debtor (PJSC OGK-2) with a significant financing component, outstanding at the reporting date in the amount of RUB 9 075 million, was recorded in the condensed interim consolidated statement of financial position as “Other financial assets” within “Loans issued”.

On 13 January 2020 PJSC Mosenergo transferred a part of the share of the share capital of LLC GAZEKS Management in the amount of 4.92% to LLC Gazprom Mezhregiongaz.

With regard to equity investments in LLC GAZEKS-Management, the management estimated that the Group does not have a significant influence on this company based on the following factors:

The Group does not have any representative in the Board of Directors and does not have a right to appoint them;

The Group does not participate in policy-making decisions including participate in managerial decisions;

The Group does not enter into significant transactions, there is no interchange of managing personnel between the PJSC Mosenergo and LLC GAZEKS-Management and there is no sharing of technical information between the companies.

## 9 Inventories

	<b>30 September 2021</b>	<b>31 December 2020</b>
Fuel	7 300	7 645
Spare parts	5 716	6 622
Materials and supplies	1 697	1 608
Other inventories	242	225
<b>Total</b>	<b>14 955</b>	<b>16 100</b>

As of 30 September 2021 the amount of the write-down of inventories to net realisable value amounted to RUB 246 million (31 December 2020: RUB 254 million).

As of 30 September 2021 and as of 31 December 2020 the Group does not have pledged inventories.

## 10 Cash and cash equivalents

	<b>30 September 2021</b>	<b>31 December 2020</b>
Cash on hand and bank balances	86	223
Deposits with original maturity of three months or less	10 702	7 456
<b>Total cash and cash equivalents</b>	<b>10 788</b>	<b>7 679</b>

As of 30 June 2021 and 31 December 2020, the Group had no arrested cash amounts.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

---

## 11 Equity

### 11.1 Share capital and share premium

As of 30 September 2021 and 31 December 2020 the declared share capital comprised 39 749 359 700 ordinary shares of RUB 1 par value each. All issued ordinary shares are fully paid.

As of 30 September 2021 and 31 December 2020 the Group has no authorized shares, additionally authorized for placement, but not placed.

Share premium amounted to RUB 48 661 million includes excess of the cash proceeds from the issue of share capital over its par value amounted to RUB 49 220 million net of the transaction costs amounted to RUB 7 million, and a negative result from the subsequent sale of treasure shares amounted to RUB 552 million.

### 11.2 Treasury shares

Treasury shares as of 30 September 2021 and 31 December 2020 are realised completely.

### 11.3 Dividends

On 23 June 2021 the Annual General Shareholders' Meeting of the PJSC Mosenergo made the decision to pay dividends for the results of Group's activity for 2020. The amount of declared dividends on the issuer shares was RUB 0,17945 per share, total amount of dividends is RUB 7 133 million.

On 24 June 2020 the Annual General Shareholders' Meeting of the PJSC Mosenergo made the decision to pay dividends for the results of Group's activity for 2019. The amount of declared dividends on the issuer shares was RUB 0,12075 per share, total amount of dividends is RUB 4 800 million.

### 11.4 Revaluation reserve

As of 30 September 2021 in the line item "Revaluation reserve" there were disclosed revaluation reserve for property, plant and equipment in the amount of RUB 149 622 million (as of 31 December 2020: RUB 152 290 million).

## 12 Borrowings

	<b>September 2021</b>	<b>31 December 2020</b>
Bank borrowings	15 100	15 100
<b>Total long-term borrowings</b>	<b>15 100</b>	<b>15 100</b>
Current portion of long-term bank borrowings	14	11
<b>Total short-term borrowings</b>	<b>14</b>	<b>11</b>

The terms and conditions of outstanding liabilities at the reporting date are as follows:

	<b>Currency</b>	<b>Interest rate</b>	<b>Year of maturity</b>	<b>30 September 2021</b>	<b>31 December 2020</b>
Bank GBP (JSC)	RUB	6,75%	2022	15 114	15 111
<b>Total</b>				<b>15 114</b>	<b>15 111</b>

As of 30 September 2021 and 31 December 2020, the Group met financial covenant of loan agreements.

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**13 Accounts payable and other liabilities**

	<b>30 September 2021</b>	<b>31 December 2020</b>
Accounts payable for acquired property, plant and equipment	796	834
<b>Total financial liabilities</b>	<b>796</b>	<b>834</b>
Liabilities from contracts with customers	56	-
<b>Total non-financial liabilities</b>	<b>56</b>	<b>-</b>
<b>Total non-current accounts payable and other liabilities</b>	<b>852</b>	<b>834</b>
Trade payables	7 587	6 460
Dividends payable	131	96
Accounts payable for acquired property, plant and equipment	2 847	6 224
Other payables	523	523
<b>Total financial liabilities</b>	<b>11 088</b>	<b>13 303</b>
Liabilities from contracts with customers	704	775
Other payables	1 079	1 103
<b>Total non-financial liabilities</b>	<b>1 783</b>	<b>1 878</b>
<b>Total current accounts payable and other liabilities</b>	<b>12 871</b>	<b>15 181</b>

**14 Income tax**

**14.1 Components of income tax**

The Group's income tax rate is 20%.

	<b>2021</b>	<b>2020</b>
<b><u>Nine months ended 30 September</u></b>		
Current income tax for period	(3 530)	(2 083)
Adjustments to current income tax of previous periods	(1)	8
Change in provision on income tax	(1)	-
<b>Current income tax expense</b>	<b>(3 532)</b>	<b>(2 075)</b>
Recognition and reversal of temporary differences	1 766	1 388
<b>Deferred income tax profit</b>	<b>1 766</b>	<b>1 388</b>
<b>Income tax expense</b>	<b>(1 766)</b>	<b>(687)</b>
<b><u>Three months ended 30 September</u></b>		
Current income tax for period	10	(25)
Adjustments to current income tax of previous periods	-	8
<b>Current income tax (expense) benefit</b>	<b>10</b>	<b>(17)</b>
Recognition and reversal of temporary differences	605	610
<b>Deferred income tax profit</b>	<b>605</b>	<b>610</b>
<b>Income tax benefit</b>	<b>615</b>	<b>593</b>

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**14.2 Tax effects of taxable and deductible temporary differences**

Tax effects of taxable and deductible temporary differences for the nine months ended 30 September 2021 and 30 September 2020 are as follows:

	<b>Opening balance</b>	<b>Effect of new standards</b>	<b>Recog- nised in P/L<sup>1)</sup></b>	<b>Recog- nised in OCI<sup>2)</sup></b>	<b>Closing balance</b>
<b>Nine months ended 30 September 2021</b>					
Property, plant and equipment	(37 839)	-	1 004	-	(36 835)
Investment property	(226)	-	11	-	(215)
Other financial assets	520	-	240	(52)	708
Accounts receivable and prepayments	430	-	(76)	-	354
Accounts payable and other liabilities	101	-	425	-	526
Lease liabilities	1 038	-	75	-	1 113
Provision for post-employment benefits	84	-	4	-	88
Tax losses carried forward	163	-	44	-	207
Provisions	204	-	40	-	244
Borrowings	4	-	(4)	-	-
Other	67	-	3	-	70
<b>Total</b>	<b>(35 454)</b>	<b>-</b>	<b>1 766</b>	<b>(52)</b>	<b>(33 740)</b>
<b>Nine months ended 30 September 2020</b>					
Property, plant and equipment	(40 361)	-	1 781	-	(38 580)
Investment property	(215)	-	(3)	-	(218)
Other financial assets	401	-	84	(176)	309
Accounts receivable and prepayments	535	-	(266)	-	269
Non-current assets held for sale	18	-	(5)	-	13
Accounts payable and other liabilities	71	-	(271)	-	(200)
Lease liabilities	1 137	-	(79)	-	1 058
Provision for post-employment benefits	82	-	1	-	83
Tax losses carried forward	146	-	17	-	163
Provisions	678	-	8	-	686
Borrowings	(19)	-	23	-	4
Other	(2)	-	98	-	96
<b>Total</b>	<b>(37 529)</b>	<b>-</b>	<b>1 388</b>	<b>(176)</b>	<b>(36 317)</b>

<sup>1)</sup>P/L – profit or loss, <sup>2)</sup>OCI – other comprehensive income.

The tax effect of the movement on these temporary differences is recorded at the rate of 20%, which was enacted by the relevant legislation in the Russian Federation.

**15 Other taxes payable**

	<b>30 September 2021</b>	<b>31 December 2020</b>
VAT payable	531	1 788
Property tax payable	409	427
Social contributions payable	196	245
Other taxes payable	77	11
<b>Total other taxes payable</b>	<b>1 213</b>	<b>2 471</b>

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

**16 Revenue**

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Electricity and capacity	28 825	22 742	91 435	73 118
Heat energy	8 114	5 859	61 948	47 363
Other revenue	726	555	1 934	1 627
<b>Total</b>	<b>37 665</b>	<b>29 156</b>	<b>155 317</b>	<b>122 108</b>

Other revenue was primarily received from rental services, feed water sales and maintenance services.

**17 Operating expenses**

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Fuel	22 600	17 267	92 881	72 403
Amortisation and depreciation	5 836	5 827	17 915	17 203
Electricity and capacity	3 920	2 145	12 219	6 971
Employee benefits	2 797	2 883	8 935	8 918
Repair, maintenance and service	2 297	1 804	5 211	4 138
Taxes other than income tax	487	284	1 457	1 234
Electricity market administration fees	459	427	1 327	1 215
Water supply	391	346	1 073	859
Other materials	319	326	947	896
Security and fire safety	224	300	771	802
Transportation services	135	145	402	415
Software and maintenance	162	114	395	348
Loss on disposal of property, plant and equipment and other assets	112	12	395	161
Heat energy transmission	24	16	334	279
Cleaning services	82	103	288	354
Change in provisions	109	(443)	280	(419)
Insurance expenses excluding medical insurance	54	53	161	160
Consulting, legal and audit services	36	49	104	150
Reversal of impairment loss on non-financial assets	-	(70)	-	(91)
Fines, penalties and compensation for breach of contract terms	(36)	(259)	(157)	(289)
Other operating expenses	463	673	885	1 096
<b>Total operating expenses</b>	<b>40 471</b>	<b>32 002</b>	<b>145 823</b>	<b>116 803</b>

Impairment loss (reversal of impairment loss) on assets and change in provisions are presented below.

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
(Impairment loss) reversal of impairment loss on trade receivables	(274)	128	(1 480)	(1 244)
<b>Total (impairment loss) reversal of impairment loss on financial assets</b>	<b>(274)</b>	<b>128</b>	<b>(1 480)</b>	<b>(1 244)</b>
Reversal of inventories	-	45	-	49
Impairment loss on other receivables	-	(17)	-	-
Reversal of impairment loss on non-financial assets	-	42	-	42
<b>Total reversal of impairment loss on non-financial assets</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>91</b>
Change in tax provision	(109)	443	(280)	419
<b>Total change in provisions</b>	<b>(109)</b>	<b>443</b>	<b>(280)</b>	<b>419</b>

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**30 September 2021 (unaudited)**  
**(in millions of Russian Rubles)**

Employee benefits include the following:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Wages and salaries	2 111	2 186	6 709	6 718
Social contribution	611	618	2 000	1 984
Voluntary medical insurance expenses	53	53	157	157
Others	22	26	69	59
<b>Total employee benefits</b>	<b>2 797</b>	<b>2 883</b>	<b>8 935</b>	<b>8 918</b>

For the nine months ended 30 September 2021 the average number of employees of the Group was 8 696 (for the nine months ended 30 September 2020: 8 785).

## 18 Finance income and expense

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Interest income on loans issued	559	660	1 454	1 984
Interest income on bank deposits and cash balances on current accounts	257	211	595	576
Effect of discounting financial instruments	83	83	244	247
Foreign exchange gain	-	131	-	521
Income from participation in other organisations	-	-	-	240
<b>Total finance income</b>	<b>899</b>	<b>1 085</b>	<b>2 293</b>	<b>3 568</b>
Interest expense on borrowings	(240)	(252)	(585)	(940)
Lease interest expense	(129)	(132)	(412)	(382)
Effect of discounting financial instruments	(5)	-	(29)	-
Interest expense on provision for post-employment benefits	(6)	(5)	(18)	(17)
Foreign exchange loss	-	(131)	-	(992)
Other interest expense	-	(72)	-	(94)
<b>Total finance expense</b>	<b>(380)</b>	<b>(592)</b>	<b>(1 044)</b>	<b>(2 425)</b>

## 19 Basic and diluted earnings per share, attributable to PJSC Mosenergo

Earnings per share attributable to owners of PJSC Mosenergo have been calculated by dividing the profit for the period, attributable to the owners of PJSC Mosenergo by the weighted average number of shares outstanding during the period, excluding the weighted average number of ordinary shares purchased by the Group and held as treasury shares (Note 11.2). The calculation of earnings per share is presented in the table below.

	2021	2020
<b><u>Nine months ended 30 September</u></b>		
Issued shares (million of pieces)	39 749	39 749
Weighted average number of ordinary shares (million of pieces)	39 749	39 749
Profit attributable to the owners of PJSC Mosenergo (in RUB million)	7 341	5 344
Profit per ordinary share (basic and diluted) (in RUB)	<b>0,185</b>	<b>0,134</b>
<b><u>Three months ended 30 September</u></b>		
Issued shares (million of pieces)	39 749	39 749
Weighted average number of ordinary shares (million of pieces)	<b>39 749</b>	<b>39 749</b>
Loss attributable to the owners of PJSC Mosenergo (in RUB million)	(1 726)	(1 248)
Loss per ordinary share (basic and diluted) (in RUB)	<b>(0,043)</b>	<b>(0,031)</b>

As of 30 September 2021 and 31 December 2020 there are no dilutive financial instruments outstanding in the Group.

## **20 Contingent and contractual obligations**

As of 30 September 2021 the Group was involved in a number of contracts for construction and purchase of property, plant and equipment for RUB 16 514 million (31 December 2020: RUB 16 957 million).

## **21 Fair value of financial instruments**

The fair value of financial assets and liabilities is determined as follows:

### *Financial instruments in Level 1*

The fair value of financial instruments traded in active markets is based on quoted market closing prices at the reporting date.

### *Financial instruments in Level 2*

The fair value of financial instruments that are not traded in an active market is determined by using various valuation techniques, primarily based on market or income approach, such as discounted cash flows valuation method. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

### *Financial instruments in Level 3*

If one or more of the significant inputs in the valuation model used to fair value an instrument is not based on observable market data, the instrument is included in Level 3. The fair value of financial instruments, such as short-term trade and other receivables and trade and other payables are classified as Level 3.

There was no change in the fair value measurement methods attributed to Level 1,2 and Level 3 for the nine months ended 30 September 2021 (31 December 2020: there was no change). There were no transfers between levels for the nine months ended 30 September 2021 (31 December 2020: there were no transfers).

As of 30 September 2021 and 31 December 2020 the Group had the following assets that are measured at fair value:

	Note	Level 1	Level 2	Level 3	Total
<b>Balance as of 30 September 2021</b>					
Financial assets at FVTOCI	8	-	-	1 311	<b>1 311</b>
<b>Balance as of 31 December 2020</b>					
Financial assets at FVTOCI	8	3 148	-	1 311	<b>4 459</b>

As of 30 September 2021 and 31 December 2020, the estimated fair value of financial assets and liabilities not recognised at fair value in the condensed interim consolidated statement of financial position is close to their carrying amount.