

**PJSC MOSENERGO**

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

**31 March 2022**

**Moscow | 2022**

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**PJSC Mosenergo**  
**Condensed interim consolidated statement of financial position**  
**as of 31 March 2022 (unaudited)**  
**(in millions of Russian Rubles)**

	Notes	31 March 2022	31 December 2021 (restated)	31 December 2020 (restated)
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	6	247 434	241 770	270 320
Right-of-use assets		5 605	5 598	4 787
Investment property		831	1 226	1 449
Intangible assets		1 271	1 110	872
Investments in associates		23 239	23 173	23 617
Accounts receivable and prepayments	7	1 618	610	1 435
Financial assets	8	11 791	11 733	11 518
<b>Total non-current assets</b>		<b>291 789</b>	<b>285 220</b>	<b>313 998</b>
<b>Current assets</b>				
Inventories	9	13 939	14 587	16 100
Accounts receivable and prepayments	7	42 158	29 917	32 909
Income tax receivable		307	297	297
Cash and cash equivalents	10	128	68	7 679
Financial assets	8	44 809	48 062	36 008
		<b>101 341</b>	<b>92 931</b>	<b>92 993</b>
Non-current assets held for sale		-	907	-
<b>Total current assets</b>		<b>101 341</b>	<b>93 838</b>	<b>92 993</b>
<b>Total assets</b>		<b>393 130</b>	<b>379 058</b>	<b>406 991</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	11	166 124	166 124	166 124
Share premium	11	48 661	48 661	48 661
Revaluation reserve	11	138 226	138 366	152 290
Accumulated loss and other reserves		(23 967)	(37 187)	(37 284)
<b>Total equity</b>		<b>329 044</b>	<b>315 964</b>	<b>329 791</b>
<b>Non-current liabilities</b>				
Borrowings	12	-	-	15 100
Provision for post-employment benefits		364	355	425
Accounts payable and other liabilities	13	65	856	834
Lease liabilities		5 391	5 553	4 899
Deferred tax liabilities	14	28 043	28 479	35 454
<b>Total non-current liabilities</b>		<b>33 863</b>	<b>35 243</b>	<b>56 712</b>
<b>Current liabilities</b>				
Borrowings	12	7 525	7 510	11
Accounts payable and other liabilities	13	14 312	14 032	15 181
Income tax payable		1 181	602	956
Other taxes payable	15	4 304	2 852	2 471
Lease liabilities		791	739	403
Provisions		2 110	2 116	1 466
<b>Total current liabilities</b>		<b>30 223</b>	<b>27 851</b>	<b>20 488</b>
<b>Total liabilities</b>		<b>64 086</b>	<b>63 094</b>	<b>77 200</b>
<b>Total equity and liabilities</b>		<b>393 130</b>	<b>379 058</b>	<b>406 991</b>

A.A. Butko  
 Managing director

*A.A. Butko* 2022

E.Y. Noyenkova  
 Chief Accountant

*E.Y. Noyenkova* 2022

The accompanying notes on the pages 7 to 23 are an integral part of these condensed interim consolidated financial statements.

**PJSC Mosenergo**  
**Condensed interim consolidated statement of comprehensive income**  
**for the three months ended 31 March 2022 (unaudited)**  
**(in millions of Russian Rubles)**

	Notes	Three months ended 31 March	
		2022	2021
Revenue	16	75 173	78 032
Operating expenses	17	(61 979)	(65 637)
Reversal of impairment loss (impairment loss) on financial assets	17	2 088	(897)
<b>Operating profit</b>		<b>15 282</b>	<b>11 498</b>
Finance income	18	1 433	668
Finance expense	18	(572)	(327)
Share of profit (loss) of associates		66	(25)
<b>Profit before income tax</b>		<b>16 209</b>	<b>11 814</b>
Income tax expense	14	(3 129)	(2 374)
<b>Profit for the period</b>		<b>13 080</b>	<b>9 440</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified subsequently to profit or loss, net of tax:			
Gain arising from change in fair value of financial assets measured at fair value through other comprehensive income			
		-	182
<b>Total other comprehensive income that will not be reclassified to profit or loss</b>			
		-	182
<b>Other comprehensive income for the period</b>			
		-	182
<b>Comprehensive income for the period</b>			
		<b>13 080</b>	<b>9 622</b>
<b>Profit for the period attributable to:</b>			
Owners of PJSC Mosenergo		13 080	9 440
<b>Comprehensive income for the period attributable to:</b>			
Owners of PJSC Mosenergo		13 080	9 622
<b>Basic and diluted earnings per share attributable to the owners of PJSC Mosenergo (in Russian Rubles)</b>			
	19	<b>0,329</b>	<b>0,237</b>

A.A. Butko  
 Managing director

*12 May* 2022

E.Y. Novenkova  
 Chief Accountant

*12 May* 2022

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**PJSC Mosenergo**  
**Condensed interim consolidated statement of cash flows**  
**for the three months ended 31 March 2022 (unaudited)**  
**(in millions of Russian Rubles)**

	Notes	Three months ended 31 March	
		2022	2021
<b>Cash flows from operating activities</b>			
Profit before income tax		16 209	11 814
<b>Adjustments to profit before income tax</b>			
Amortisation and depreciation	17	5 973	6 134
(Reversal of impairment loss) impairment loss on financial assets	17	(2 088)	897
Reversal of impairment loss on non-financial assets	17	(850)	-
Change in provisions	17	-	74
Share of (profit) loss of associates		(66)	25
(Gain) loss on disposal of property, plant and equipment and other assets	17	(450)	237
Finance income	18	(1 433)	(668)
Finance expense	18	572	327
Total effect of adjustments		1 634	7 026
Cash flows from operating activities before working capital changes		17 843	18 840
<b>Working capital changes</b>			
Change in accounts receivable and prepayments		(13 016)	(11 420)
Change in inventories		157	(68)
Change in accounts payable and other liabilities		1 324	(37)
Change in other taxes payable		1 004	549
Change in provision for post-employment benefits		9	12
Total effect of working capital changes		(10 522)	(10 964)
Income tax paid		(2 996)	(2 888)
Interest paid		(333)	(302)
<b>Net cash from operating activities</b>		<b>3 992</b>	<b>4 686</b>
<b>Cash flows from investing activities</b>			
Acquisitions of property, plant and equipment and intangible assets		(10 479)	(8 840)
Proceeds from sale of property, plant and equipment		1 447	-
Loans issued		(71)	(68)
Repayment of loans issued		4 619	1 817
Interest received		680	730
<b>Net cash used in investing activities</b>		<b>(3 804)</b>	<b>(6 361)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(128)	(96)
<b>Net cash used in financing activities</b>		<b>(128)</b>	<b>(96)</b>
<b>Increase (decrease) in cash and cash equivalents</b>		<b>60</b>	<b>(1 771)</b>
Cash and cash equivalents at the beginning of the period	10	68	7 679
<b>Cash and cash equivalents at the end of the period</b>	10	<b>128</b>	<b>5 908</b>

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*12 May* 2022

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**PJSC Mosenergo**  
**Condensed interim consolidated statement of changes in equity**  
**for the three months ended 31 March 2022 (unaudited)**  
**(in millions of Russian Rubles)**

	Equity attributable to the owners of the PJSC Mosenergo						
	Notes	Share capital	Share premium	Treasury shares	Revaluation reserve	Accumulated loss and other reserves	Total Equity
<b>Balance as of 1 January 2021</b>		166 124	48 661	-	152 290	(37 284)	329 791
Profit for the period		-	-	-	-	9 440	9 440
Other comprehensive income (loss):							
Gain arising from change in fair value of financial assets measured at fair value through other comprehensive income		-	-	-	-	182	182
Transfers from revaluation surplus on property, plant and equipment to accumulated loss and other reserves		-	-	-	(102)	102	-
<b>Comprehensive income (loss) for the period</b>		-	-	-	(102)	9 724	9 622
<b>Balance as of 31 March 2021</b>		166 124	48 661	-	152 188	(27 560)	339 413
<b>Balance as of 1 January 2022</b>		166 124	48 661	-	138 366	(37 187)	315 964
Profit for the period		-	-	-	-	13 080	13 080
Transfers from revaluation surplus on property, plant and equipment to accumulated loss and other reserves		-	-	-	(140)	140	-
<b>Comprehensive income (loss) for the period</b>		-	-	-	(140)	13 220	13 080
<b>Balance as of 31 March 2022</b>		166 124	48 661	-	138 226	(23 967)	329 044

A.A. Butko  
 Managing director

*12 May* 2022

E.Y. Novenkova  
 Chief Accountant

*12 May* 2022

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## **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 31 March 2022 amounted to 12 311 MW and 43 772 GCal/h (for the three months ended 31 December 2021: 12 825 MW and 43 820 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:

<b>Name organisation</b>	<b>Nature of business</b>	<b>Percentage of ownership</b>	
		<b>31 March 2022</b>	<b>31 December 2021</b>
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 31 March 2022 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 consolidated financial statements PJSC Gazprom owns 100% of LLC Gazprom Energoholding. As of 31 March 2022 LLC Gazprom Energoholding owns 53.85% shares of PJSC Mosenergo (as 31 December 2021: 53,85%). Therefore, PJSC Gazprom is the party with ultimate control.

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.

In the first quarter of 2022 the United States of America, the European Union and some other countries have imposed additional sanctions against Russia. These circumstances led to the depreciation of the Russian ruble, increased volatility in financial markets, and also significantly increased the level of economic uncertainty in the conditions of doing business in Russia. The scale and duration of these events remain uncertain and could affect the financial position and results of operations of the Group. The Group's management believes that they are taking all necessary measures to support the sustainability and development of the Group's business in the current environment.

Currently, it is not possible to reliably estimate the duration and extent of the impact of the consequences of the pandemic on the Group's financial position and results of operations in subsequent reporting periods. 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 2021, 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 2021.

### **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 2023. In particular, the Group has not early adopted the amendments:

- 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.



## PJSC Mosenergo

### Notes to the condensed interim consolidated financial statements

31 March 2022 (unaudited)

(in millions of Russian Rubles)

- 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.

### 3.2 Adjustments of comparative information

#### *Consolidated statement of financial position*

In order to comply with the accounting policies of the parent company PJSC Gazprom, the figures in the columns “31 December 2020” and “31 December 2021” of the consolidated statement of financial position as of 31 December 2021 have been adjusted by separating right-of-use assets into a separate item “Right-of-use assets” in the amount of RUB 5 598 million as of 31 December 2021 and in the amount of RUB 4 787 million as of 31 December 2020.

Impact on the consolidated statement of financial position as at 31 December 2021 and 31 December 2020:

	31 December 2021			31 December 2020		
	Amount before adjustments	Adjust- ments	Amount after adjustments	Amount before adjustments	Adjust- ments	Amount after adjustments
Property, plant and equipment	247 368	(5 598)	241 770	275 107	(4 787)	270 320
Right-of-use assets	-	5 598	5 598	-	4 787	4 787
<b>Total non-current assets</b>	<b>285 220</b>	<b>-</b>	<b>285 220</b>	<b>313 998</b>	<b>-</b>	<b>313 998</b>
<b>Total current assets</b>	<b>93 838</b>	<b>-</b>	<b>93 838</b>	<b>92 993</b>	<b>-</b>	<b>92 993</b>
<b>Total assets</b>	<b>379 058</b>	<b>-</b>	<b>379 058</b>	<b>406 991</b>	<b>-</b>	<b>406 991</b>

## 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 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**  
**31 March 2022 (unaudited)**  
**(in millions of Russian Rubles)**

**4.1 Financial results of segments**

The segment information for the three months ended 31 March 2022 and 31 March 2021 is as follows:

	Notes	Electric energy	Heat energy	All other segments	Total	Intra-group transactions	Total
<b>Three months ended 31 March 2022</b>							
<b>Revenue</b>		<b>36 789</b>	<b>37 789</b>	<b>764</b>	<b>75 342</b>	<b>(169)</b>	<b>75 173</b>
Revenue from external customers	16	36 789	37 789	595	75 173	-	75 173
Intra-group revenue		-	-	169	169	(169)	-
<b>Segment financial result</b>		<b>11 100</b>	<b>3 602</b>	<b>(1 013)</b>	<b>13 689</b>	<b>-</b>	<b>13 689</b>
Amortisation and depreciation (Impairment loss) reversal of impairment loss on financial assets	17	(2 473)	(3 364)	(136)	(5 973)	-	(5 973)
	17	1 780	1 126	(818)	2 088	-	2 088
<b>Three months ended 31 March 2021</b>							
<b>Revenue</b>		<b>36 556</b>	<b>40 830</b>	<b>941</b>	<b>78 327</b>	<b>(295)</b>	<b>78 032</b>
Revenue from external customers	16	36 556	40 830	646	78 032	-	78 032
Intra-group revenue		-	-	295	295	(295)	-
<b>Segment financial result</b>		<b>9 844</b>	<b>2 939</b>	<b>(1 154)</b>	<b>11 629</b>	<b>-</b>	<b>11 629</b>
Amortisation and depreciation (Impairment loss) reversal of impairment loss on financial assets	17	(2 301)	(3 468)	(365)	(6 134)	-	(6 134)
	17	17	2	(916)	(897)	-	(897)

Reconciliation of the segment financial result to the profit before profit (loss) tax in the consolidated statement of comprehensive income for the three months ended 31 March 2022 and 31 March 2021 is provided as follows:

	Notes	Three months ended 31 March	
		2022	2021
Segment result for reportable segments		14 702	12 783
Segment result for other segments		(1 013)	(1 154)
<b>Segment financial result</b>		<b>13 689</b>	<b>11 629</b>
Change in provisions	17	-	(74)
Reversal of write-downs of inventories	17	1	-
Net finance income (expense)	18	861	341
Share of profit (loss) of associates		65	(25)
Other items		1 593	(57)
<b>Profit before income tax</b>		<b>16 209</b>	<b>11 814</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 months ended 31 March 2022 and amounting to RUB 28 513 million (for the three months ended 31 March 2021 the total revenue of the same two customers exceeded 10% of the Group's revenue and amounted to RUB 28 822 million).

The revenue presented within the heat energy segment includes the customer with the revenue exceeding 10% of the Group's revenue for the three months ended 31 March 2022 and amounting to RUB 35 917 million (for the three months ended 31 March 2021 the revenue of the same customer exceeded 10% of the Group's revenue and amounted to RUB 38 764 million).

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**31 March 2022 (unaudited)**  
**(in millions of Russian Rubles)**

**5 Related parties**

In these condensed interim 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.

**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:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2022</b>	<b>2021</b>
<b>Transactions with related parties</b>		
<b>Revenue</b>	<b>39 202</b>	<b>41 744</b>
Heat energy	36 162	39 051
Electricity and capacity	2 543	2 178
Other revenue	497	515
<b>Operating expenses</b>	<b>(36 574)</b>	<b>(41 547)</b>
Fuel	(34 806)	(39 542)
Repair, maintenance and service	(784)	(862)
Electricity and capacity	(415)	(412)
Heat energy transmission	(199)	(236)
Software and maintenance	(94)	(100)
Transportation services	(91)	(89)
Cleaning services	(90)	(94)
Other operating expenses	(95)	(212)
<b>Finance income</b>	<b>1 332</b>	<b>507</b>
Interest income on loans issued	1 320	420
Effect of discounting financial instruments	12	71
Interest income on bank deposits and cash balances on current accounts	-	16
<b>Finance expense</b>	<b>(491)</b>	<b>(239)</b>
Interest expense on borrowings	(236)	(159)
Lease interest expense	(57)	(65)
Effect of discounting financial instruments	(198)	(15)
<b>Purchase of non-current and current assets</b>	<b>2 267</b>	<b>526</b>
Purchase of property, plant and equipment	2 191	491
Purchase of other assets	76	35
	<b>31 March</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
<b>Balances outstanding with related parties</b>		
Long-term financial assets	10 480	10 423
Short-term financial assets	44 809	48 046
Long-term accounts receivable and prepayments	1 621	534
Short-term accounts receivable and prepayments	31 883	18 610
Allowance for impairment loss on short-term receivables	(37)	(40)
Cash and cash equivalents	128	18
<b>Total assets</b>	<b>88 884</b>	<b>77 591</b>
Short-term borrowings	(7 525)	(7 510)
Long-term accounts payable and other liabilities	(64)	(857)
Short-term accounts payable and other liabilities	(7 261)	(6 570)
Long-term lease liabilities	(2 397)	(2 490)
Short-term lease liabilities	(395)	(364)
<b>Total liabilities</b>	<b>(17 642)</b>	<b>(17 791)</b>

**PJSC Mosenergo**  
**Notes to the condensed interim consolidated financial statements**  
**31 March 2022 (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:

	<b>Three months ended 31 March</b>	
	<b>2022</b>	<b>2021</b>
<b>Transactions with related parties</b>		
<b>Revenue</b>	<b>9 394</b>	<b>8 264</b>
Electricity and capacity	8 891	7 680
Heat energy	488	516
Other revenue	15	68
<b>Operating expenses</b>	<b>(2 525)</b>	<b>(1 008)</b>
Electricity market administration fees	(445)	(433)
Water supply	(339)	(345)
Fuel	(1 583)	(129)
Security and fire safety	(133)	(134)
Fines, penalties and compensation for breach of contract terms	28	127
Other operating expenses	(53)	(94)
<b>Finance income</b>	<b>1</b>	<b>53</b>
Interest income on bank deposits and cash balances on current accounts	1	53
<b>Finance expense</b>	<b>(63)</b>	<b>(59)</b>
Lease interest expense	(63)	(59)
<b>Other transactions</b>		
Reversal of impairment loss on financial assets	2 329	50
Reversal of impairment loss on non-financial assets	848	-
	<b>31 March 2022</b>	<b>31 December 2021</b>
<b>Balances outstanding with related parties</b>		
Long-term accounts receivable and prepayments	92	106
Short-term accounts receivable and prepayments	14 239	17 714
Allowance for impairment loss on short-term receivables	(10 067)	(12 403)
Cash and cash equivalents	-	50
<b>Total assets</b>	<b>4 264</b>	<b>5 467</b>
Short-term accounts payable and other liabilities	(1 455)	(1 518)
Long-term lease liabilities	(2 712)	(2 709)
Short-term lease liabilities	(98)	(69)
<b>Total liabilities</b>	<b>(4 265)</b>	<b>(4 296)</b>

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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.

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

	<b>Three months ended 31 March</b>	
<i>Transactions with related parties</i>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>	<b>22 932</b>	<b>23 376</b>
Sale of electricity and capacity	22 932	23 376
<b>Expenses</b>	<b>(4 102)</b>	<b>(4 150)</b>
Purchase of electricity and capacity	(4 102)	(4 150)
	<b>31 March 2022</b>	<b>31 December 2021</b>
<b>Balances outstanding with related parties</b>		
Short-term accounts receivable and prepayments	3 168	3 572
<b>Total assets</b>	<b>3 168</b>	<b>3 572</b>
Short-term accounts payable and other liabilities	(606)	(676)
<b>Total liabilities</b>	<b>(606)</b>	<b>(676)</b>

### 5.3 Transactions with other related parties

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

	<b>Three months ended 31 March</b>	
<i>Transactions with related parties</i>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>	<b>755</b>	<b>802</b>
Heat energy	755	802
<b>Other transactions</b>		
Impairment loss on financial assets	(312)	(957)
	<b>31 March 2022</b>	<b>31 December 2021</b>
<b>Balances outstanding with related parties</b>		
Long-term financial assets	2 389	3 003
Allowance for impairment loss on long-term financial assets	(2 389)	(3 003)
Short-term financial assets	-	15
Short-term accounts receivable and prepayments	3 873	2 947
Allowance for impairment loss on short-term receivables	(3 873)	(2 947)
<b>Total assets</b>	<b>-</b>	<b>15</b>

### 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.

	<b>Three months ended 31 March</b>	
<i>Transactions with related parties</i>	<b>2022</b>	<b>2021</b>
Wages and salaries	8	11
Social contributions	2	2
<b>Total</b>	<b>10</b>	<b>13</b>

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There are no outstanding balances as of 31 March 2022 and as of 31 December 2021 for transactions with key management.

Remuneration to managing organisation LLC Gazprom energoholding for the three months ended 31 March 2022 was in the amount of RUB 32 million (for the three months ended 31 March 2021: RUB 32 million).

Accounts payable for managing organisation as of 31 March 2022 is in the amount of RUB 65 million (as of 31 December 2021: RUB 69 million).

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

	<b>31 March 2022</b>	<b>31 December 2021</b>
Gazprom Group and its associates	10 253	15 872
<b>Total</b>	<b>10 253</b>	<b>15 872</b>

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**6 Property, plant and equipment**

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

	<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 2021</b>	<b>126 855</b>	<b>107 473</b>	<b>12 692</b>	<b>20 702</b>	<b>29 509</b>	<b>297 231</b>
Additions	-	1	-	32	5 662	5 695
Disposals	-	(162)	(2)	(136)	(56)	(356)
Transfers	242	632	2	484	(1 360)	-
Transfer from other accounts	65	-	-	-	-	65
<b>Balance as of 31 March 2021</b>	<b>127 162</b>	<b>107 944</b>	<b>12 692</b>	<b>21 082</b>	<b>33 755</b>	<b>302 635</b>
<b>Balance as of 1 January 2021</b>	<b>128 826</b>	<b>118 541</b>	<b>12 786</b>	<b>21 719</b>	<b>34 441</b>	<b>316 313</b>
Additions	2 149	2	-	1	8 958	11 110
Disposals	(8)	(89)	(2)	(113)	(48)	(260)
Transfers	49	391	94	31	(565)	-
Transfer from other accounts	326	13	3	48	-	390
<b>Balance as of 31 March 2022</b>	<b>131 342</b>	<b>118 858</b>	<b>12 881</b>	<b>21 686</b>	<b>42 786</b>	<b>327 553</b>
<b>Depreciation and impairment loss</b>						
<b>Balance as of 1 January 2021</b>	<b>(6 430)</b>	<b>(15 328)</b>	<b>(1 847)</b>	<b>(2 792)</b>	<b>(514)</b>	<b>(26 911)</b>
Depreciation charge	(1 530)	(3 521)	(275)	(580)	-	(5 906)
Transfers	(3)	(4)	-	(41)	48	-
Disposals	-	16	-	50	-	66
<b>Balance as of 31 March 2021</b>	<b>(7 963)</b>	<b>(18 837)</b>	<b>(2 122)</b>	<b>(3 363)</b>	<b>(466)</b>	<b>(32 751)</b>
<b>Balance as of 1 January 2021</b>	<b>(22 204)</b>	<b>(38 013)</b>	<b>(3 181)</b>	<b>(7 454)</b>	<b>(3 691)</b>	<b>(74 543)</b>
Depreciation charge	(1 665)	(2 712)	(872)	(478)	-	(5 727)
Transfers	(3)	(37)	(26)	(11)	77	-
Disposals	3	41	1	101	-	146
Transfer from other accounts	5	-	-	-	-	5
<b>Balance as of 31 March 2022</b>	<b>(23 864)</b>	<b>(40 721)</b>	<b>(4 078)</b>	<b>(7 842)</b>	<b>(3 614)</b>	<b>(80 119)</b>
<b>Net book value</b>						
Balance as of 1 January 2021	<b>120 425</b>	<b>92 145</b>	<b>10 845</b>	<b>17 910</b>	<b>28 995</b>	<b>270 320</b>
Balance as of 31 March 2021	<b>119 199</b>	<b>89 107</b>	<b>10 570</b>	<b>17 719</b>	<b>33 289</b>	<b>269 884</b>
Balance as of 1 January 2021	<b>106 622</b>	<b>80 528</b>	<b>9 605</b>	<b>14 265</b>	<b>30 750</b>	<b>241 770</b>
Balance as of 31 March 2022	<b>107 478</b>	<b>78 137</b>	<b>8 803</b>	<b>13 844</b>	<b>39 172</b>	<b>247 434</b>
<b>Net book value of property, plant and equipment had no revaluation taken place</b>						
Balance as of 1 January 2021	<b>50 642</b>	<b>69 070</b>	<b>8 888</b>	<b>12 958</b>	<b>28 669</b>	<b>170 227</b>
Balance as of 31 March 2021	<b>50 421</b>	<b>66 925</b>	<b>8 694</b>	<b>13 087</b>	<b>32 541</b>	<b>171 668</b>
Balance as of 1 January 2021	<b>48 378</b>	<b>65 936</b>	<b>8 152</b>	<b>11 482</b>	<b>30 587</b>	<b>164 535</b>
Balance as of 31 March 2022	<b>50 066</b>	<b>64 123</b>	<b>7 494</b>	<b>11 173</b>	<b>38 997</b>	<b>171 853</b>

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

The class "Other" includes land, motor vehicles, computer equipment, office supplies and other equipment. Property, plant and equipment of the Group are not burdened with collateral obligations.

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**7 Accounts receivable and prepayments**

	<b>31 March 2022</b>	<b>31 December 2021</b>
Trade receivables	1	1
Accounts receivable from sale of property, plant and equipment	97	-
Other receivables	1 018	86
<b>Total financial assets</b>	<b>1 116</b>	<b>87</b>
Advances to suppliers and prepaid expenses	450	469
Other receivables	52	54
<b>Total non-financial assets</b>	<b>502</b>	<b>523</b>
<b>Total non-current accounts receivable and prepayments</b>	<b>1 618</b>	<b>610</b>
Trade receivables	38 863	25 564
Accounts receivable from sale of property, plant and equipment	694	807
Other receivables	788	506
<b>Total financial assets</b>	<b>40 345</b>	<b>26 877</b>
Advances to suppliers and prepaid expenses	293	1 747
Tax prepayments other than income tax	1 016	988
VAT recoverable	220	142
Other receivables	284	163
<b>Total non-financial assets</b>	<b>1 813</b>	<b>3 040</b>
<b>Total current accounts receivable and prepayments</b>	<b>42 158</b>	<b>29 917</b>

Trade receivables are presented net of allowance for impairment as of 31 March 2022 in the amount of RUB 15 401 million (as of 31 December 2021: RUB 17 105 million).

Receivables from sale of property, plant and equipment are presented net of allowance for impairment as of 31 March 2022 in the amount of RUB 37 million (as of 31 December 2021: RUB 70million).

Other financial receivables are presented net of allowance for impairment as of 31 March 2022 in the amount of RUB 36 million (as of 31 December 2021: RUB 32 million).

Other non-financial receivables are presented net of allowance for impairment as of 31 March 2022 in the amount of RUB 476 million (as of 31 December 2021: RUB 530 million).

Advances to suppliers and prepaid expenses are presented net of allowance for impairment as of 31 March 2022 in the amount of RUB 0 million (as of 31 December 2021: RUB 955 million).

These provisions are related to short-term receivables and prepayments.

**8 Financial assets**

	<b>31 March 2022</b>	<b>31 December 2021</b>
Loans issued	12 869	13 425
Impairment loss on loans issued	(2 389)	(3 003)
Equity instruments measured at FVTOCI	1 311	1 311
<b>Total non-current assets</b>	<b>11 791</b>	<b>11 733</b>
Loans issued	44 809	48 062
<b>Total current assets</b>	<b>44 809</b>	<b>48 062</b>

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

	<b>31 March 2022</b>	<b>31 December 2021</b>
LLC GAZEKS-M management		
Share in equity	28,4%	28,4%
Fair value	1 311	1 311

On 29 June 2021 PJSC Mosenergo transferred its share in full PJSC OGGK-2 to LLC Gazprom Energoholding, as a partial payment for the acquired right under a monetary obligation to the debtor



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(PJSC OGC-2) that arose under the purchase and sale agreement of the Adler power plant concluded between LLC Gazprom Energoholding and PJSC OGC-2 on 16 November 2020.

The received monetary obligation to the debtor (PJSC OGC-2) with a significant financing component, outstanding at the reporting date in the amount of RUB 6 802 million, was recorded in the consolidated statement of financial position as “Financial assets” within “Loans issued”.

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 process including participate does not in managerial process;
- The Group does not enter into significant transactions with LLC GAZEKS-Management, there was no interchange of managing personnel between the PJSC Mosenergo and there is no sharing of technical information between the companies.

## 9 Inventories

	<b>31 March 2022</b>	<b>31 December 2021</b>
Fuel	6 728	7 835
Spare parts	5 176	4 912
Materials and supplies	1 741	1 585
Other inventories	294	255
<b>Total</b>	<b>13 939</b>	<b>14 587</b>

As of 31 March 2022 the amount of the write-down of inventories to net realisable value amounted to RUB 279 million (31 December 2021: RUB 407 million).

As of 31 March 2022 and as of 31 December 2021 the Group does not have pledged inventories.

## 10 Cash and cash equivalents

	<b>31 March 2022</b>	<b>31 December 2021</b>
Cash on hand and bank balances	128	18
Deposits with original maturity of three months or less	-	50
<b>Total cash and cash equivalents</b>	<b>128</b>	<b>68</b>

As of 31 March 2022 and 31 December 2021, the Group had no restricted cash.

## 11 Equity

### 11.1 Share capital and share premium

As of 31 March 2022 and 31 December 2021 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 31 March 2022 and 31 December 2021 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.

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**11.2 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. The amount of unclaimed dividends for the result of financial year 2017 is RUB 30 million.

**11.3 Revaluation reserve**

As of 31 March 2022 in the line item "Revaluation reserve" were disclosed revaluation reserve for property, plant and equipment in the amount of RUB 138 226 million (as of 31 December 2021: RUB 135 366 million).

**12 Borrowings**

	<b>31 March 2022</b>	<b>31 December 2021</b>
Current portion of long-term bank borrowings	7 525	7 510
<b>Total short-term borrowings</b>	<b>7 525</b>	<b>7 510</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>31 March 2022</b>	<b>31 December 2021</b>
Bank GPB (JSC)	RUB	20,00%	2022	7 525	7 510
<b>Total</b>				<b>7 525</b>	<b>7 510</b>

The interest rate on the loan directly depends on the size of the key rate set by the Bank of Russia (%).

As of 31 March 2022 and 31 December 2021, the Group met financial covenant of loan agreements.

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**13 Accounts payable and other liabilities**

	<b>31 March 2022</b>	<b>31 December 2021</b>
Accounts payable for acquired property, plant and equipment	8	800
<b>Total financial liabilities</b>	<b>8</b>	<b>800</b>
Liabilities from contracts with customers	57	56
<b>Total non-financial liabilities</b>	<b>57</b>	<b>56</b>
<b>Total non-current accounts payable and other liabilities</b>	<b>65</b>	<b>856</b>
Trade payables	8 330	8 265
Dividends payable	98	100
Accounts payable for acquired property, plant and equipment	3 155	3 275
Other payables	523	523
<b>Total financial liabilities</b>	<b>12 106</b>	<b>12 163</b>
Liabilities from contracts with customers	617	692
Other payables	1 589	1 177
<b>Total non-financial liabilities</b>	<b>2 206</b>	<b>1 869</b>
<b>Total current accounts payable and other liabilities</b>	<b>14 312</b>	<b>14 032</b>

**14 Income tax**

**14.1 Components of income tax**

	<b>2022</b>	<b>2021</b>
<b>Three months ended 31 March</b>		
Current income tax for the period	(3 565)	(2 846)
Adjustments to current income tax for the previous periods	-	(1)
<b>Current income tax expense</b>	<b>(3 565)</b>	<b>(2 847)</b>
Recognition and reversal of temporary differences	436	473
<b>Deferred income tax profit</b>	<b>436</b>	<b>473</b>
<b>Income tax expense</b>	<b>(3 129)</b>	<b>(2 374)</b>

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

Tax effects of taxable and deductible temporary differences for the three months ended 31 March 2022 and 31 March 2021 are as follows:

	<b>Opening balance</b>	<b>Recog- nised in P/L<sup>1)</sup></b>	<b>Closing balance</b>
<b>Three months ended 31 March 2022</b>			
Property, plant and equipment	(30 374)	369	(30 005)
Right-of-use assets	(1 101)	(1)	(1 102)
Investment property	(190)	59	(131)
Financial assets	847	(133)	714
Accounts receivable and prepayments	572	5	577
Non-current assets held for sale	(176)	176	-
Accounts payable and other liabilities	120	(126)	(6)
Lease liabilities	1 224	87	1 311
Provision for post-employment benefits	71	2	73
Tax losses carried forward	169	33	202
Provisions	262	-	262
Other	97	(35)	62
<b>Total</b>	<b>(28 479)</b>	<b>436</b>	<b>(28 043)</b>
<b>Three months ended 31 March 2021</b>			
Property, plant and equipment	(36 902)	387	(36 514)
Right-of-use assets	(937)	(129)	(1 067)
Investment property	(226)	15	(211)
Financial assets	520	-	474
Accounts receivable and prepayments	430	214	644
Accounts payable and other liabilities	101	(168)	(67)
Lease liabilities	1 038	127	1 165
Provision for post-employment benefits	84	3	87
Tax losses carried forward	163	18	181
Provisions	204	12	216
Borrowings	4	(4)	-
Other	67	(2)	65
<b>Total</b>	<b>(35 454)</b>	<b>473</b>	<b>(35 027)</b>

<sup>1)</sup>P/L – profit or loss.

The tax effect of the movement in 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>31 March 2022</b>	<b>31 December 2021</b>
VAT payable	3 474	2 159
Property tax payable	505	451
Social contributions payable	233	230
Other taxes payable	92	12
<b>Total</b>	<b>4 304</b>	<b>2 852</b>

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**16 Revenue**

	<b>Three months ended 31 March</b>	
	<b>2022</b>	<b>2021</b>
Electricity and capacity	36 789	36 556
Heat energy	37 789	40 830
Other revenue	595	646
<b>Total</b>	<b>75 173</b>	<b>78 032</b>

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

**17 Operating expenses**

	<b>Three months ended 31 March</b>	
	<b>2022</b>	<b>2021</b>
Fuel	45 671	47 704
Amortisation and depreciation	5 973	6 134
Electricity and capacity	4 594	4 650
Employee benefits	3 211	3 013
Repair, maintenance and service	1 135	1 126
Taxes other than income tax	602	496
Electricity market administration fees	452	439
Other materials	349	357
Water supply	341	347
Security and fire safety	294	273
Heat energy transmission	218	256
Cleaning services	121	108
Software and maintenance	190	119
Transportation services	108	133
Insurance expenses excluding voluntary medical insurance	52	53
Consulting, legal and audit services	48	42
Change in provisions	-	74
Reversal of impairment loss on non-financial assets	(850)	-
(Gain) loss on disposal of property, plant and equipment and other assets	(450)	237
Fines, penalties and compensation for breach of contract terms	(81)	(129)
Other operating expenses	1	205
<b>Total operating expenses</b>	<b>61 979</b>	<b>65 637</b>

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

	<b>Three months ended 31 March</b>	
	<b>2022</b>	<b>2021</b>
Reversal of impairment loss (impairment loss) on trade receivables	1 474	(897)
Reversal of impairment loss on loans given	614	-
<b>Total reversal of impairment loss (impairment loss) on financial assets</b>	<b>2 088</b>	<b>(897)</b>
Reversal of write-downs of inventories	1	-
Reversal of impairment loss on other receivables	848	-
Reversal of impairment loss on non-financial assets	1	-
<b>Total reversal of impairment loss on non-financial assets</b>	<b>850</b>	<b>-</b>
Change in tax provision	-	(74)
<b>Total change in provisions</b>	<b>-</b>	<b>(74)</b>

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Employee benefits include the following:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2022</b>	<b>2021</b>
Wages and salaries	2 412	2 253
Social contribution	735	687
Voluntary medical insurance expenses	50	52
Others	14	21
<b>Total employee benefits</b>	<b>3 211</b>	<b>3 013</b>

For the three months ended 31 March 2022 the average number of employees of the Group was 8 483 (for the three months ended 31 March 2021: 8 779).

## **18 Finance income and expense**

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2022</b>	<b>2021</b>
Interest income on loans issued	1 418	446
Interest income on bank deposits and cash balances on current accounts	1	150
Effect of discounting financial instruments	14	72
<b>Total finance income</b>	<b>1 433</b>	<b>668</b>
Interest expense on borrowings	(236)	(159)
Lease interest expense	(132)	(144)
Effect of discounting financial instruments	(198)	(18)
Interest expense on provision for post-employment benefits	(6)	(6)
<b>Total finance expense</b>	<b>(572)</b>	<b>(327)</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 ordinary shares outstanding during the period. The calculation of earnings per share is presented in the table below.

	<b>2022</b>	<b>2021</b>
<b>Three months ended 31 March</b>		
Issued shares (million of pieces)	39 749	39 749
Profit attributable to the owners of PJSC Mosenergo (in RUB million)	13 080	9 440
Basic and diluted earnings per share attributable to the owners of PJSC Mosenergo (in Russian Rubles)	<b>0,329</b>	<b>0,237</b>

As of 31 March 2022 and 31 December 2021 there are no dilutive instruments.

## **20 Contingent and contractual obligations**

As of 31 March 2022 the Group was involved in a number of contracts for construction and purchase of property, plant and equipment for RUB 15 339 million, include VAT (31 December 2021: RUB 19 548 million, include VAT).

## **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 three months ended 31 March 2022 (31 December 2021: there was no change). There were no transfers between levels for the three months ended 31 March 2022 (31 December 2021: there were no transfers).

As of 31 March 2022 and 31 December 2021 the Group had the following assets that are measured at fair value:

	Note	Level 1	Level 2	Level 3	Total
<b>Balance as of 31 March 2022</b>					
Financial assets at FVTOCI	8	-	-	1 311	<b>1 311</b>
<b>Balance as of 31 December 2021</b>					
Financial assets at FVTOCI	8	-	-	1 311	<b>1 311</b>

As of 31 March 2022 and 31 December 2021, the estimated fair value of financial assets and liabilities not recognised at fair value in the consolidated statement of financial position is close to their carrying amount.

## **22 Events after the reporting period**

### **Borrowings**

On 28 April 2022 Mosenergo PJSC repaid the loan debt in full to GPB Bank (JSC) in the amount of RUB 7 500 million ahead of schedule.