

PJSC «Rosseti Centre»

**Interim Condensed Consolidated Financial Statements for the three and
nine months ended 30 September 2022
(unaudited)**

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PJSC «Rosseti Centre»
Interim Condensed Consolidated Statement of profit or loss and other comprehensive income
for three and nine months ended 30 September 2022
In thousands of Russian rubles, unless otherwise stated

	Notes	For the three months ended 30 September (unaudited)		For the nine months ended 30 September (unaudited)	
		2022	2021	2022	2021
Revenue	6	26,187,862	25,452,968	80,801,157	77,595,788
Operating expenses	8	(24,531,968)	(23,384,661)	(72,660,352)	(70,005,977)
Reversal/(accrual) of allowance for expected credit losses		(254,733)	(84,280)	31,386	(5,995)
Other income	7	359,046	306,543	1,078,639	1,138,594
Other expenses	7	(10,744)	(2,066)	(19,110)	(20,937)
Result from operating activities		1,749,463	2,288,504	9,231,720	8,701,473
Finance income	9	141,953	39,503	454,945	136,925
Finance costs	9	(1,091,450)	(902,561)	(3,808,069)	(2,421,820)
Total financial costs		(949,497)	(863,058)	(3,353,124)	(2,284,895)
Profit before income tax		799,966	1,425,446	5,878,596	6,416,578
Income tax expense	10	(321,115)	(602,475)	(1,929,143)	(1,915,492)
Profit for the period		478,851	822,971	3,949,453	4,501,086
Other comprehensive income/(cost)					
<i>Items that will never be reclassified subsequently to profit or loss</i>					
Changes in the fair value of equity investments accounted for at fair value through other comprehensive income		(29,627)	(4,689)	(113,951)	(6,632)
Remeasurements of the defined benefit liability		513,510	59,839	211,296	431,456
Income tax	10	(51,286)	(5,775)	(11,929)	(46,980)
Total items that will not be reclassified subsequently to profit or loss		432,597	49,375	85,416	377,844
Other comprehensive income for the period, net of income tax		432,597	49,375	85,416	377,844
Total comprehensive income for the period		911,448	872,346	4,034,869	4,878,930
Profit attributable to:					
Equity holders of the Company		472,280	789,501	3,904,136	4,412,438
Non-controlling interests		6,571	33,470	45,317	88,648
Total comprehensive income attributable to:					
Equity holders of the Company		904,877	838,876	3,989,552	4,790,282
Non-controlling interest		6,571	33,470	45,317	88,648
Earnings per share					
Basic and diluted earnings per ordinary share (in RUB)	20	0.011	0.019	0.092	0.105

These interim condensed consolidated financial statements (unaudited) were approved by management on 24 November 2022 and were signed on this behalf by:

General Director

 I.V. Makovskiy

Chief Accountant

L.A. Sklyarova



The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements (unaudited)

PJSC "Rosseti Centre"
Interim Condensed Consolidated Statements of Financial Position
for the nine months ended 30 September 2022
In thousands of Russian rubles, unless otherwise stated

	Notes	30 September 2022 (unaudited)	31 December 2021 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	99,580,043	100,269,568
Intangible assets	12	2,329,019	2,345,248
Right-of-use assets	13	6,318,980	6,207,131
Trade and other receivables	15	1,990,276	1,999,730
Assets related to employee benefits plans		515,922	524,376
Other non-current financial assets	14	80,096	194,019
Advances given and other non-current assets	16	56,527	4,077
Total non-current assets		110,870,863	111,544,149
Current assets			
Inventories		4,320,050	3,531,119
Income tax prepayments		355,814	22,038
Trade and other receivables	15	11,246,015	11,871,775
Cash and cash equivalents	17	5,375,928	1,881,546
Advances given and other current assets	16	1,884,682	1,499,084
Total current assets		23,182,489	18,805,562
Total assets		134,053,352	130,349,711
EQUITY AND LIABILITIES			
Equity			
Share capital	19	4,221,794	4,221,794
Reserves		(713,590)	(799,006)
Retained earnings		49,386,405	46,743,299
Total equity attributable to equity holders of the Company		52,894,609	50,166,087
Non-controlling interest		425,038	1,055,410
Total equity		53,319,647	51,221,497
Non-current liabilities			
Long-term borrowed funds	21	23,820,755	39,271,378
Long-term trade and other payables	22	270,863	328,812
Long-term advances received	24	2,179,752	2,062,791
Employee benefits		2,875,378	2,981,218
Deferred tax liabilities		4,263,671	3,685,504
Total non-current liabilities		33,410,419	48,329,703
Current liabilities			
Short-term borrowed funds and current part of long-term borrowed funds	21	25,717,023	9,735,896
Trade and other payables	22	9,327,666	12,863,392
Tax debts other than income tax	23	4,802,001	2,820,793
Advances received	24	4,557,627	2,742,140
Provisions	25	2,911,373	2,327,790
Current income tax liabilities		7,596	308,500
Total current liabilities		47,323,286	30,798,511
Total liabilities		80,733,705	79,128,214
Total equity and liabilities		134,053,352	130,349,711

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements (unaudited)

PJSC "Rosseti Centre"
Interim Condensed Consolidated Statements of Cash Flows
for the nine months ended 30 September 2022
In thousands of Russian rubles, unless otherwise stated

	Notes	For the nine months ended 30 September (unaudited)	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		5,878,596	6,416,578
<i>Adjustments for:</i>			
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	8,11, 12,13	9,518,622	9,283,759
Finance costs	9	3,808,069	2,421,820
Finance income	9	(454,945)	(136,925)
(Profit)/loss on disposal of property, plant and equipment		(14,931)	8,902
(Reversal)/accrual of allowance for expected credit losses		(31,386)	5,995
Bad debt write-off		5,734	6,536
Accrual of provisions	8	1,398,346	75,803
Acquisition of subsidiaries	18	-	(60,110)
Other non-cash transactions		(259,753)	(8,893)
Total impact of adjustments		13,969,756	11,596,887
Change in assets related to employee benefits plans		8,454	(14,721)
Change in employee benefit liabilities		(70,945)	(27,426)
Change in long-term trade and other receivables		101,605	(126,980)
Change in long-term advances given and other non-current assets		(52,450)	(9,556)
Change in long-term trade and other payables		(72,298)	(23,581)
Change in long-term advances received		116,961	781,112
Cash flows from operating activities before changes in working capital and provisions		19,879,679	18,592,313
<i>Changes in working capital and provisions:</i>			
Change in trade and other receivables		591,915	757,326
Change in advances given and other assets		(386,734)	(246,149)
Change in inventories		(785,359)	(305,004)
Change in trade and other payables		102,804	(259,730)
Change in advances received		1,814,633	574,527
Change in provisions		(814,763)	(331,856)
Cash flows from operating activities before income taxes and interest paid		20,402,175	18,781,427
Income tax paid		(2,005,943)	(2,221,829)
Interest paid under lease agreement		(440,692)	(259,587)
Interest paid		(2,863,038)	(1,857,633)
Net cash flows received from operating activities		15,092,502	14,442,378
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment and intangible assets		(9,473,678)	(10,564,529)
Proceeds from the sale of property, plant and equipment and intangible assets		37,738	9,980
Acquisition of subsidiaries, net of cash received	18	(364,260)	(1,024,373)
Interest received		344,599	98,463
Dividends received		111	15,406
Net cash flows used in investing activities		(9,455,490)	(11,465,053)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowed funds	21	3,852,629	15,214,445
Repayment of borrowed funds	21	(3,635,239)	(16,179,771)
Acquisition of non-controlling interests in subsidiaries	18	(500,000)	-
Dividends paid to equity holders of the Company	19	(1,407,296)	(1,391,893)
Dividends paid to non-controlling interests		(16,154)	(22,200)
Repayment of lease liabilities		(436,570)	(201,036)
Net cash flows used in financing activities		(2,142,630)	(2,580,455)
Net increase in cash and cash equivalents		3,494,382	396,870
Cash and cash equivalents at the beginning of period		1,881,546	1,406,311
Cash and cash equivalents at the end of period	17	5,375,928	1,803,181

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements (unaudited)

PJSC «Rosseti Centre»
Interim Condensed Consolidated Statement of Changes in Equity
for the nine months ended 30 September 2022
In thousands of Russian rubles, unless otherwise stated

Notes	Attributable to equity holders of the Company				Total	Non-controlling interest	Total equity
	Share capital	Reserves	Retained earnings	Total			
	4,221,794	(799,006)	46,743,299	50,166,087	1,055,410	51,221,497	
Balance at 1 January 2022	-	-	3,904,136	3,904,136	45,317	3,949,453	
Profit for the period	-	97,345	-	97,345	-	97,345	
Other comprehensive income	-	(11,929)	-	(11,929)	-	(11,929)	
Related income tax	-	85,416	3,904,136	3,989,552	45,317	4,034,869	
Total comprehensive income for the period							
Contributions and payments							
Dividends	-	-	(1,427,448)	(1,427,448)	(16,154)	(1,443,602)	
Change in non-controlling interests in subsidiaries	-	-	159,535	159,535	(659,535)	(500,000)	
Other	-	-	6,883	6,883	-	6,883	
Total contributions and payments			(1,261,030)	(1,261,030)	(675,689)	(1,936,719)	
Balance at 30 September 2022 (unaudited)	4,221,794	(713,590)	49,386,405	52,894,609	425,038	53,319,647	

Notes	Attributable to equity holders of the Company				Total	Non-controlling interest	Total equity
	Share capital	Reserves	Retained earnings	Total			
	4,221,794	(1,212,174)	43,900,420	46,910,040	955,903	47,865,943	
Balance at 1 January 2021	-	-	4,412,438	4,412,438	88,648	4,501,086	
Profit for the period	-	424,824	-	424,824	-	424,824	
Other comprehensive income	-	(46,980)	-	(46,980)	-	(46,980)	
Related income tax	-	377,844	4,412,438	4,790,282	88,648	4,878,930	
Total comprehensive income for the period							
Contributions and payments							
Dividends	-	-	(1,414,339)	(1,414,339)	(22,200)	(1,436,539)	
Other	-	-	6,307	6,307	-	6,307	
Total contributions and payments			(1,408,032)	(1,408,032)	(22,200)	(1,430,232)	
Balance at 30 September 2021 (unaudited)	4,221,794	(834,330)	46,904,826	50,292,290	1,022,351	51,314,641	

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements (unaudited)

1 Background

(a) The Group and its operation

The primary activities of Public Joint-Stock Company “Rosseti Centre” (hereinafter referred to as the PJSC “Rosseti Centre” or the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”) are provision of services for transmission and distribution of electricity for power grids, as well as the provision of services for technological connection of consumers to the network, as well as the sale of electricity to the end consumer in a number of regions of the Russian Federation.

The parent company is PJSC “Rosseti”.

The Company was set up on 17 December 2004 based on Resolution no. 154p of 9 December 2004 and pursuant to the Board of Directors’ decision (board of directors’ meeting minutes no. 178 of 1 October 2004) and Management Board decision (Management Board meeting minute no. 1102 of 15 November 2004) of Open Joint-Stock Company RAO “United Energy Systems of Russia” (hereinafter - “RAO UES”). From 07 July 2015, OJSC “IDGC of Centre” is renamed as PJSC “IDGC of Centre” based on the Decision of the Annual General Meeting of Shareholders of OJSC “IDGC of Centre” dated 25 June 2015 (minutes No. 01/15 of 26 June 2015), in order to bring it in line with the legal requirements. From 03 August 2021 PJSC “IDGC of Centre” has been renamed PJSC “Rosseti Centre” based on the decision of the Annual General Meeting of Shareholders of PJSC “IDGC of Centre” held on 31 May 2021 (minutes No. 01/21 of 31 May 2021). The corresponding changes were made to the Company's Charter.

The Company’s registered office is Malaya Ordynka St., 15, Moscow, 119017, Russia.

The Company’s de facto address is Malaya Ordynka St., 15, Moscow, 119017, Russia.

(b) Relations with state

The Russian Government, through the Federal Agency for the Management of State Property, is the ultimate controlling party of the Company. The policies of the Government of the Russian Federation in the economic, social and other areas may have a significant impact on the Group.

As at 30 September 2022, the share of the Russian Federation in the authorized capital of the parent company of PJSC “Rosseti” was 88.04%, including 88.89% of the voting ordinary shares and 7.01% of the preference shares (as at 31 December 2021, the share of the Russian Federation in the authorized capital of the parent company of PJSC “Rosseti” was 88.04%, including 88.89% of the voting ordinary shares and 7.01% of the preference shares).

PJSC “Rosseti”, in its turn, owns 50.23% of the Company’s shares.

The State has a direct influence on the Group's activities through the regulation of tariffs in the electric power industry, approval and control over the implementation of the investment program. The Group's counterparties (consumers of services, suppliers and contractors, others) include a significant number of companies associated with the main shareholder of the parent company).

1 Background (continued)

(c) Russian business environment

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

Economic reforms and the development of legal, tax and administrative infrastructure that would meet the requirements of a market economy are continuing in Russia.

In 2020, the World Health Organization declared the COVID-19 epidemic a global pandemic. The Russian authorities have taken a number of measures aimed at curbing the spread and mitigating the consequences of the epidemic. Some measures were canceled or relaxed in 2022. The consequences of the epidemic have significantly limited economic activity in Russia and have already had and may still have a negative impact on the Russian and global economy for an indefinite period of time.

In February 2022, geopolitical tensions escalated. The European Union, the United States and a number of other countries have imposed new sanctions on a number of Russian state and commercial organizations, individuals and certain sectors of the economy, as well as restrictions on certain types of operations. In March 2022, temporary restrictive economic measures were introduced in the Russian Federation. The stability of the Russian economy in the future will largely depend on the effectiveness of the measures taken by the government in the field of economics, financial and monetary policy in order to offset the effects of the above factors.

Management continues to monitor and evaluate the impact of these events on the Group's operations. The future consequences of the current economic situation are difficult to predict, and management's current expectations and estimates may differ from actual results. Basis of preparation of consolidated financial statements

2 Basis of preparation of consolidated financial statements

(a) Statement of compliance

These interim condensed consolidated financial statements for the nine months ended 30 September 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting. Selected notes are included to explain events and transactions that are material to the understanding of changes in the Group's financial position and operations since the date of the last annual consolidated financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

(b) Use of estimates and professional judgments

The key judgments made by management in the preparation of these interim condensed consolidated financial statements regarding the Group's accounting policies and significant sources of estimation uncertainty are consistent with those made in the preparation of the consolidated financial statements for the year ended 31 December 2021 and as at that date.

(c) Application of new and revised standards and interpretations

The Group has applied all new amendments to the standards that came into force on 1 January 2022. The impact of the adoption of the new amendments was not significant in relation to these interim condensed consolidated financial statements.

2 Basis of preparation of consolidated financial statements (continued)

New standards, amendments and clarifications that have been issued but have not yet entered into force at the date of issue of the Group's consolidated financial statements are listed below. The Group intends to adopt the applicable standards and clarifications for use after entry into force, no significant impact on the consolidated financial statements of the Group is expected.

- IFRS 17 “Insurance Contracts” (issued in May 2017 and effective for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 12 “Income Taxes” – deferred tax on assets and liabilities arising from a single transaction (issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS (IAS) 1 “Presentation of Financial Statements”, which provides guidance and examples on the application of the concept of materiality to the disclosure of information on accounting policies – effective from 1 January 2023.
- Amendments to IFRS 10 and IAS 28 concerning the sale or deposit of assets between an investor and his associate or joint venture were adopted by the IASB in September 2014, in December 2015 application was postponed until the end of the study on the equity method of accounting.
- Amendments to IFRS (IAS) 1 “Presentation of Financial Statements” – “Classification of liabilities as short-term or long-term”. The amendment becomes effective from January 1, 2024 (taking into account the draft additional amendments issued in November 2021).

3 Significant accounting policies

The key accounting policies and accounting methods used by the Group are consistent with those described in the audited consolidated financial statements for the year ended 31 December 2021.

4 Measurement of fair value

A number of the Group’s accounting policies and disclosures require the measurement of fair value for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the Group uses observable market data as much as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

The moment of time at which transfers to certain levels are recognized and for transfers from certain levels, the Group considers the date of occurrence of the event or change in circumstances that caused the transfer.

5 Information about segments

The Management Board of PJSC “Rosseti Centre” is the supreme body that makes decisions on operating activities.

The primary activities of the Group are provision of services for transmission and distribution of electricity for power grids, as well as the provision of services for technological connection of consumers to the network, as well as the sale of electricity to the end consumer in a number of regions of the Russian Federation. From 2016 and at the date of signing of the interim condensed consolidated financial statements, the division of the Company Tverenergo performs the electricity guarantee supplier function in the territory of Tver Region.

The internal management system is based on segments (branches formed on a territorial basis) related to transmission and distribution of electricity, technological connection to electric grids and electricity sales to the end user in a number of regions of the Russian Federation.

EBITDA is used to reflect the results of each reporting segment: profit or loss before interest expense, taxation, depreciation, and net accrual/(recovery) of an impairment loss on property, plant and equipment and right-of-use assets (taking into account current accounting and reporting standards in the Russian Federation). Management believes that the EBITDA calculated in this way is the most indicative indicator for evaluating the performance of the Group's operating segments.

The following reportable segments were identified:

- branch Belgorodenergo, branch Bryanskenergo, branch Voronezhenergo, branch Kostromaenergo, branch Kurskenergo, branch Lipetskenergo, branch Orelenergo, branch Smolenskenergo, branch Tambovenrgo, branch Tverenergo, branch Yarenergo
- Other TSS (specialized electric grid subsidiaries)
- Others

The “Others” category includes operations of the executive office and non-core subsidiaries. These operations do not meet the quantitative criteria for allocating them to reportable segments.

Segment indicators are based on management information, which is prepared on the basis of the Russian accounting standards financial statements and may differ those presented in the financial statements prepared in accordance with IFRS. The reconciliation of the indicators in the evaluation to the Management Board and similar indicators in these interim condensed consolidated financial statements includes those reclassifications and adjustments that are necessary for reporting in accordance with IFRS.

5 Information about segments (continued)

(a) Information about reportable segments

For the three months ended 30 September 2022:

	Belgorod		Bryansk		Voronezh		Kostroma		Kursk		Lipetsk		Orel		Smolensk		Tambov		Tver		Yaroslavl		Others		Total	
	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy		energy
Revenue from external customers	3,641,166	1,024,606	4,172,760	1,308,990	2,058,463	2,463,907	1,228,400	1,914,172	1,556,067	2,625,148	2,480,402	1,555,166	158,615	26,187,862	412,018	28,751	-	-	-	-	2,095	604,528	1,963	1,049,512		
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Segment revenue including	3,641,166	1,436,624	4,201,511	1,308,990	2,058,463	2,463,907	1,228,400	1,914,329	1,556,067	2,625,148	2,482,497	2,159,694	160,578	27,237,374												
<i>Electricity transmission services</i>	3,243,150	1,363,085	3,962,677	1,266,984	1,958,084	2,376,313	1,201,412	1,845,492	1,506,744	2,456,839	2,398,784	2,022,329	-	25,601,893												
<i>Sale of electricity and capacity</i>	269,837	14,497	97,231	12,296	45,120	28,475	14,298	6,514	14,102	13,907	21,323	49,616	-	587,216												
<i>Other revenue</i>	128,179	59,042	141,603	29,710	55,259	59,119	12,690	62,323	35,221	118,006	62,390	87,749	160,578	930,259												
EBITDA	1,212,505	280,287	740,108	233,429	252,053	644,222	179,647	269,812	(83,280)	315,551	111,325	694,654	522,104	5,372,417												

For the nine months ended 30 September 2022:

	Belgorod		Bryansk		Voronezh		Kostroma		Kursk		Lipetsk		Orel		Smolensk		Tambov		Tver		Yaroslavl		Others		Total
	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	
Revenue from external customers	10,709,117	3,133,846	12,627,481	4,242,429	6,312,465	7,516,076	3,775,795	6,063,921	4,796,300	8,481,524	7,922,853	4,774,676	444,674	80,801,157	-	-	-	-	-	-	6,410	1,801,777	5,220	3,237,533	
Inter-segment revenue	-	1,337,652	86,317	-	-	-	-	157	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment revenue including	10,709,117	4,471,498	12,713,798	4,242,429	6,312,465	7,516,076	3,775,795	6,064,078	4,796,300	8,481,524	7,929,263	6,576,453	449,894	84,038,690											
<i>Electricity transmission services</i>	9,808,803	4,259,329	12,202,712	4,108,339	5,909,622	7,334,814	3,709,641	5,932,542	4,574,974	7,893,764	7,674,691	6,182,606	-	79,591,837											
<i>Sale of electricity and capacity</i>	533,382	48,514	229,619	50,493	216,768	55,113	33,282	23,496	134,317	59,200	91,525	138,813	-	1,614,522											
<i>Other revenue</i>	366,932	163,655	281,467	83,597	186,075	126,149	32,872	108,040	87,009	426,736	163,047	255,034	449,894	2,405,595											
EBITDA	3,428,985	1,071,897	3,024,847	1,237,927	1,275,677	2,029,597	662,077	1,131,742	550,744	1,075,352	1,450,189	2,105,787	833,957	19,878,778											

5 Information about segments (continued)

For the three months ended 30 September 2021:

	Belgorod energo	Bryansk energo	Voronezh energo	Kostroma energo	Kursk energo	Lipetsk energo	Orel energo	Smolensk energo	Tambov energo	Tver energo	Yar energo	Other TSS	Others	Total
Revenue from external customers	3,519,587	946,139	4,012,401	1,347,034	1,970,299	2,350,431	1,151,526	1,855,190	1,500,043	2,549,788	2,480,382	1,623,067	147,010	25,452,897
Inter-segment revenue	-	374,801	10,465	-	-	-	-	-	209	-	1,985	574,677	1,119	963,256
Segment revenue including	3,519,587	1,320,940	4,022,866	1,347,034	1,970,299	2,350,431	1,151,526	1,855,190	1,500,252	2,549,788	2,482,367	2,197,744	148,129	26,416,153
<i>Electricity transmission</i>	3,271,105	1,289,417	3,901,657	1,297,619	1,898,852	2,305,861	1,121,731	1,790,648	1,437,597	2,389,419	2,399,258	2,100,665	-	25,203,829
<i>Technological connection services</i>	72,475	3,933	34,074	8,505	52,174	6,486	9,743	7,681	43,744	20,054	15,601	50,212	-	324,682
<i>Sale of electricity and capacity</i>	-	-	-	-	-	-	-	-	-	117,944	-	-	-	117,944
<i>Other revenue</i>	176,007	27,590	87,135	40,910	19,273	38,084	20,052	56,861	18,911	22,371	67,508	46,867	148,129	769,698
EBITDA	1,090,253	248,006	929,580	323,063	356,522	482,792	164,018	326,044	59,396	164,811	496,051	678,872	(94,435)	5,224,973

For the nine months ended 30 September 2021:

	Belgorod energo	Bryansk energo	Voronezh energo	Kostroma energo	Kursk energo	Lipetsk energo	Orel energo	Smolensk energo	Tambov energo	Tver energo	Yar energo	Other TSS	Others	Total
Revenue from external customers	10,265,129	2,876,044	12,118,236	4,232,514	5,843,326	6,972,975	3,624,214	5,886,100	4,464,495	8,347,867	7,815,260	4,731,210	418,347	77,595,717
Inter-segment revenue	-	1,238,385	31,308	-	-	-	-	-	628	-	6,057	1,705,969	3,762	2,986,109
Segment revenue including	10,265,129	4,114,429	12,149,544	4,232,514	5,843,326	6,972,975	3,624,214	5,886,100	4,465,123	8,347,867	7,821,317	6,437,179	422,109	80,581,826
<i>Electricity transmission</i>	9,668,307	4,025,461	11,698,223	4,079,006	5,723,464	6,870,461	3,542,710	5,762,239	4,383,758	7,861,422	7,555,173	6,195,136	-	77,365,360
<i>Technological connection services</i>	116,960	31,355	122,225	45,645	65,828	20,187	41,751	27,580	48,665	33,204	140,391	112,253	-	806,044
<i>Sale of electricity and capacity</i>	-	-	-	-	-	-	-	-	-	406,571	-	-	-	406,571
<i>Other revenue</i>	479,862	57,613	329,096	107,863	54,034	82,327	39,753	96,281	32,700	46,670	125,753	129,790	422,109	2,003,851
EBITDA	3,077,590	806,866	2,869,176	1,196,844	990,586	1,518,050	533,583	1,244,363	378,430	959,199	1,959,632	1,821,617	112,331	17,468,267

5 Information about segments (continued)

As at 30 September 2022:

	Belgorod	Bryansk	Voronezh	Kostroma	Kursk	Lipetsk	Orel	Smolensk	Tambov	Tver	Yar	Other	Total	
	energo	energo	energo	energo	energo	energo	energo	energo	energo	energo	energo	TSS		
Segment assets	25,459,405	5,733,999	19,209,706	8,510,746	9,120,290	13,663,714	4,693,238	8,252,661	5,833,014	9,410,705	15,353,720	15,361,729	13,936,948	154,539,875
Including property, plant and equipment and construction in progress	23,368,158	4,802,924	16,470,632	7,020,094	7,375,997	9,828,181	3,808,734	7,000,156	3,670,371	6,352,723	9,813,355	11,149,260	1,396,876	112,057,461

As at 31 December 2021:

	Belgorod	Bryansk	Voronezh	Kostroma	Kursk	Lipetsk	Orel	Smolensk	Tambov	Tver	Yar	Other	Total	
	energo	energo	energo	energo	energo	energo	energo	energo	energo	energo	energo	TSS		
Segment assets	24,597,808	5,642,227	17,692,704	8,152,093	8,615,640	19,929,647	4,541,905	8,242,960	6,487,110	12,655,371	16,759,037	14,387,675	8,528,535	156,232,712
Including property, plant and equipment and construction in progress	22,650,335	4,659,704	14,978,109	6,690,033	7,081,640	16,537,299	3,794,388	6,839,613	4,619,006	10,203,053	11,168,372	11,019,061	151,468	120,392,081

5 Information about segments (continued)

(b) The reconciliation of reportable segments EBITDA:

Reconciliation of reportable segments by EBITDA:

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
EBITDA of reportable segments	5,372,417	5,224,973	19,878,778	17,468,267
Discounting receivables	46,871	2,912	92,306	10,076
Discounting of financial liabilities	(60,234)	(56,727)	(176,110)	(165,863)
Adjustment for lease	(5,032)	192,678	185,826	487,731
Recognition of pension and other long-term liabilities to employees	(36,637)	(44,019)	(105,456)	(116,573)
Adjustment on assets related to employee benefit liabilities	(15,058)	6,455	(8,454)	14,721
Re-measurement of financial assets at fair value through other comprehensive income (transfer of revaluation to equity)	29,627	4,689	113,951	6,632
Adjustment of the value of property, plant and equipment	(1,451)	1,866	(60,263)	(16,595)
Acquisition of subsidiaries	-	-	-	60,110
Other adjustments	(406,095)	35,856	(1,087,092)	54,418
EBITDA	4,924,408	5,368,683	18,833,486	17,802,924
Depreciation and amortization	(3,156,144)	(3,146,698)	(9,518,622)	(9,283,759)
Interest expenses on financial liabilities	(822,741)	(700,111)	(2,995,576)	(1,843,000)
Interest expenses on lease liabilities	(145,557)	(96,428)	(440,692)	(259,587)
Income tax expense	(321,115)	(602,475)	(1,929,143)	(1,915,492)
Profit for the period per consolidated statement of profit or loss and other comprehensive income	478,851	822,971	3,949,453	4,501,086

6 Revenue

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Electricity transmission	24,622,792	24,259,054	76,556,773	74,435,890
Technological connection services	586,255	324,574	1,613,391	805,770
Sale of electricity and capacity	118,006	117,944	426,736	406,571
Other revenue	813,498	737,532	2,058,516	1,917,391
Total revenue from contracts with customers	26,140,551	25,439,104	80,655,416	77,565,622
Lease revenue	47,311	13,864	145,741	30,166
	26,187,862	25,452,968	80,801,157	77,595,788

Other revenue includes mainly technical and maintenance services, diagnostics and testing, construction services, consulting and organizational and technical services.

7 Other income and other expenses

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Income from identified non-contracted electricity consumption	47,920	49,951	137,346	206,917
Income in the form of fines and penalties on commercial contracts	66,326	163,850	397,140	493,556
Accounts payable write-off	1,906	7,624	21,973	25,257
Acquisition of subsidiaries	-	-	-	60,110
Insurance indemnity	45,856	25,249	87,724	82,938
Other income	197,038	59,869	434,456	269,816
	359,046	306,543	1,078,639	1,138,594

Other expenses include loss on disposal of property, plant and equipment for three and nine months ended 30 September 2022 in the amount of RUB 10,744 thousand and RUB 19,110 thousand (for three and nine months ended 30 September 2021: RUB 2,066 thousand and RUB 20,937 thousand).

8 Operating expenses

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Personnel costs	5,865,913	5,764,423	17,425,077	17,040,271
Depreciation and amortization	3,156,144	3,146,698	9,518,622	9,283,759
<i>Material expenses, including:</i>				
Electricity for compensation of losses	3,761,215	3,641,370	13,164,809	12,477,263
Electricity for sale	101,524	104,220	369,395	355,516
Purchased electricity and heat power for own needs	41,518	39,923	321,351	325,286
Other material costs	1,257,344	1,097,169	2,731,781	2,445,747
<i>Production work and services, including:</i>				
Electricity transmission services	6,532,963	7,284,608	21,015,684	21,811,187
Repair and maintenance services	301,929	218,028	587,225	516,653
Other works and industrial services	547,868	426,158	1,401,200	1,138,303
Taxes and levies other than income tax	559,296	553,266	1,694,073	1,656,812
Short-term rent	20,958	3,363	45,363	64,959
Insurance	33,609	34,179	101,069	101,126
<i>Other third-party services, including:</i>				
Communication services	103,940	73,898	286,557	228,202
Security services	108,947	84,381	295,458	251,187
Consulting, legal and audit services	12,973	9,602	41,104	27,437
Software costs and services	76,042	92,025	218,918	226,711
Transportation services	4,947	20,952	11,260	50,685
Other services	148,597	216,410	591,097	581,687
Provisions	1,428,283	31,597	1,398,346	75,803
Expenses recognized in connection with the settlement for electricity transmission, electricity for sale, purchased electricity to compensate for losses and non-contracted consumption	86,630	155,594	238,766	406,265
Other expenses	381,328	386,797	1,203,197	941,118
	24,531,968	23,384,661	72,660,352	70,005,977

9 Finance income and costs

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Finance income				
Interest income on bank deposits and balances on bank accounts	95,082	36,591	347,925	97,665
Interest income on assets related to employee defined benefits plans	-	-	14,603	20,802
Dividends receivable	-	-	111	8,382
Other finance income	46,871	2,912	92,306	10,076
	141,953	39,503	454,945	136,925
Finance costs				
Interest expenses on financial liabilities measured at amortized cost	(822,741)	(700,111)	(2,995,576)	(1,843,000)
Interest expenses on lease liabilities	(145,557)	(96,428)	(440,692)	(259,587)
Interest expenses on long-term employee benefit liabilities	(56,425)	(46,561)	(176,401)	(143,999)
Amortization of discount on financial liabilities	(60,234)	(56,727)	(176,110)	(165,863)
Other finance costs	(6,493)	(2,734)	(19,290)	(9,371)
	(1,091,450)	(902,561)	(3,808,069)	(2,421,820)

10 Income tax

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Current income tax				
Accrual of current tax	(448,892)	(254,416)	(1,442,028)	(1,327,789)
Adjustment of the tax for the previous periods	62,091	(24,523)	68,141	14,205
Total	(386,801)	(278,939)	(1,373,887)	(1,313,584)
Deferred income tax	65,686	(323,536)	(555,256)	(601,908)
Income tax expense	(321,115)	(602,475)	(1,929,143)	(1,915,492)

The income tax rate established by Russian legislation is 20%.

Income tax expenses are reflected based on the management's best estimate at the reporting date of the weighted average expected income tax rate for the full fiscal year.

10 Income tax (continued)

The profit before taxation is correlated to income tax expenses as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Profit before income tax	799,966	1,425,446	5,878,596	6,416,578
Income tax calculated at the applicable tax rate	(159,993)	(285,090)	(1,175,719)	(1,283,316)
Tax effect of items not deductible/not taxable for taxation purposes	(223,213)	(292,862)	(821,565)	(646,381)
Adjustments for prior years	62,091	(24,523)	68,141	14,205
	(321,115)	(602,475)	(1,929,143)	(1,915,492)

Income tax recognized in other comprehensive income:

	For the three months ended 30 September 2022			For the three months ended 30 September 2021		
	Before tax	Tax	Net of tax	Before tax	Tax	Net of tax
Financial assets at fair value through other comprehensive income	(29,627)	5,925	(23,702)	(4,689)	937	(3,752)
Remeasurements of the defined benefit liability	513,510	(57,211)	456,299	59,839	(6,712)	53,127
	483,883	(51,286)	432,597	55,150	(5,775)	49,375

	For the nine months ended 30 September 2022			For the nine months ended 30 September 2021		
	Before tax	Tax	Net of tax	Before tax	Tax	Net of tax
Financial assets at fair value through other comprehensive income	(113,951)	22,790	(91,161)	(6,632)	1,326	(5,306)
Remeasurements of the defined benefit liability	211,296	(34,719)	176,577	431,456	(48,306)	383,150
	97,345	(11,929)	85,416	424,824	(46,980)	377,844

11 Property, plant and equipment

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Other	Construction in progress	Total
<i>Cost/deemed cost</i>						
At 1 January 2021	47,131,304	78,252,593	44,683,833	30,976,746	5,565,987	206,610,463
Additions	4,248	9,501	4,302	-	8,778,199	8,796,250
Acquisition of subsidiaries	733,888	148,452	139,140	61,709	8,212	1,091,401
Transfer	1,172,732	2,400,438	1,329,348	3,099,810	(8,002,328)	-
Disposals	(19,654)	(10,135)	(11,267)	(99,135)	(2,027)	(142,218)
At 30 September 2021	49,022,518	80,800,849	46,145,356	34,039,130	6,348,043	216,355,896
<i>Accumulated depreciation and impairment</i>						
At 1 January 2021	(19,064,802)	(48,009,731)	(23,504,909)	(19,753,592)	(172,234)	(110,505,268)
Transfer to property, plant and equipment (transfer of impairment losses)	(2,403)	(21,128)	(3,902)	(1,874)	29,307	-
Depreciation charge	(1,812,695)	(3,282,726)	(1,793,491)	(1,826,790)	-	(8,715,702)
Disposals	6,586	5,844	9,417	100,631	117	122,595
At 30 September 2021	(20,873,314)	(51,307,741)	(25,292,885)	(21,481,625)	(142,810)	(119,098,375)
<i>Net book value</i>						
At 1 January 2021	28,066,502	30,242,862	21,178,924	11,223,154	5,393,753	96,105,195
At 30 September 2021	28,149,204	29,493,108	20,852,471	12,557,505	6,205,233	97,257,521

11 Property, plant and equipment (continued)

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Other	Construction progress	Total
<i>Cost/deemed cost</i>						
At 1 January 2022	50,656,129	82,460,141	47,546,801	37,564,865	5,150,754	223,378,690
Additions	33,476	16,738	5,575	-	7,906,019	7,961,808
Acquisition of subsidiaries	50,622	35,803	41,573	43,657	2,004	173,659
Transfer	1,228,656	1,539,939	1,171,904	2,636,843	(6,577,342)	-
Disposals	(43,951)	(9,522)	(15,323)	(85,300)	(506)	(154,602)
At 30 September 2022	51,924,932	84,043,099	48,750,530	40,160,065	6,480,929	231,359,555
<i>Accumulated depreciation and impairment</i>						
At 1 January 2022	(21,819,056)	(52,803,685)	(26,187,286)	(22,168,017)	(131,078)	(123,109,122)
Transfer to property, plant and equipment (transfer of impairment losses)	(10,224)	(8,282)	(507)	(2,620)	21,633	-
Depreciation charge	(1,813,058)	(3,131,216)	(1,817,725)	(2,026,855)	-	(8,788,854)
Disposals	10,329	6,392	7,043	92,244	2,456	118,464
At 30 September 2022	(23,632,009)	(55,936,791)	(27,998,475)	(24,105,248)	(106,989)	(131,779,512)
<i>Net book value</i>						
At 1 January 2022	28,837,073	29,656,456	21,359,515	15,396,848	5,019,676	100,269,568
At 30 September 2022	28,292,923	28,106,308	20,752,055	16,054,817	6,373,940	99,580,043

11 Property, plant and equipment (continued)

As at 30 September 2022 advance payments for property, plant and equipment include in construction in progress in the amount of RUB 171,932 thousand (as at 31 December 2021: RUB 82,584 thousand), also materials for the construction of property, plant and equipment in the amount RUB of 1,680,863 thousand (as at 31 December 2021: RUB 1,187,127 thousand).

For the nine months ended 30 September 2022 capitalized interest amount is RUB 166,751 thousand (for the nine months ended 30 September 2021: RUB 125,362 thousand), the capitalization rate used to determine the amount of borrowing costs to be capitalized was 8.28% - 16.20% during the year (for the nine months ended 30 September 2021: 5.52% - 7.56%).

Depreciation charges were capitalized in the value of capital construction in the amount of RUB 11,613 thousand for the nine months ended 30 September 2022 (for the nine months ended 30 September 2021: RUB 20,835 thousand).

As at 30 September 2022 fixed assets in the amount of RUB 203,679 at the collateral value under loan agreements are used as collateral in the Group's subsidiaries (as at 31 December 2021: RUB 203,679 thousand).

As at 30 September 2022 the initial cost of fully amortized property plant and equipment was RUB 38,174,409 thousand (as at 31 December 2021: RUB 32,877,395 thousand).

12 Intangible assets

	Software	R&D	Other intangible assets	Total
<i>Initial costs</i>				
At 1 January 2021	2,654,443	38,454	1,333,360	4,026,257
Additions	208,862	15,972	2,575	227,409
Acquisition of subsidiaries	2,435	-	-	2,435
Disposals	-	-	(3,210)	(3,210)
At 30 September 2021	2,865,740	54,426	1,332,725	4,252,891
<i>Accumulated amortization and impairment</i>				
At 1 January 2021	(1,307,093)	-	(387,206)	(1,694,299)
Amortization charge	(302,354)	-	(52,537)	(354,891)
Disposals	-	-	3,133	3,133
At 30 September 2021	(1,609,447)	-	(436,610)	(2,046,057)
<i>Net book value</i>				
At 1 January 2021	1,347,350	38,454	946,154	2,331,958
At 30 September 2021	1,256,293	54,426	896,115	2,206,834
<i>Initial costs</i>				
At 1 January 2022	3,099,656	28,794	1,383,864	4,512,314
Additions	131,629	14,831	93	146,553
Acquisition of subsidiaries	391	-	181,778	182,169
At 30 September 2022	3,231,676	43,625	1,565,735	4,841,036
<i>Accumulated amortization and impairment</i>				
At 1 January 2022	(1,711,866)	-	(455,200)	(2,167,066)
Amortization charge	(285,879)	-	(59,072)	(344,951)
At 30 September 2022	(1,997,745)	-	(514,272)	(2,512,017)
<i>Net book value</i>				
At 1 January 2022	1,387,790	28,794	928,664	2,345,248
At 30 September 2022	1,233,931	43,625	1,051,463	2,329,019

Amortization of intangible assets included in operating expenses in consolidated interim condensed statement of profit or loss and other comprehensive income for the nine months ended 30 September 2022 is RUB 344,951 thousand (for the nine months ended 30 September 2021: RUB 354,891 thousand).

Capitalized interest is absent for the nine months ended 30 September 2022 and for the nine months ended 30 September 2021.

Other intangible assets include objects of intellectual property, R&D results, objects of Service Concession Arrangement and goodwill for the acquisition of a subsidiary in 2022.

12 Intangible assets (continued)

Intangible assets in the subgroup “Other intangible assets”, the Group included the right to charge users of electricity transmission services under the “Concession agreement regarding the financing, creation and operation of electric energy transmission and distribution facilities in the Tambov Region”. This agreement provides for the construction by the Group of facilities for the transmission and distribution of electricity in the Tambov region and the provision of services for the transmission, distribution of electricity and technological connection using the facilities of the concession agreement. The ownership of the constructed facilities belongs to the Tambov region, and the Group receives the right possession and use of objects for use in the specified activity. The concession agreement was concluded in 2015 for 20 years. A concession agreement may be amended or terminated by agreement of the parties in the manner and in the cases provided for by law, upon the expiration of the validity period, as well as on the basis of a court decision. The objects of the concession agreement shall be included in the planning document for the privatization of property for a period corresponding to the expiration of the concession agreement. Moreover, the Group has a preemptive right to repurchase these objects.

During the period of the Concession Agreement, the administration of the Tambov Region may provide the Group with subsidies both in terms of paying remuneration for construction and in compensating for lost revenue from electricity transmission.

The residual value of the intangible assets of the concession agreement as at 30 September 2022 in the amount of RUB 727,467 thousand is reflected in the line “Intangible assets” of the consolidated statement of financial position (in the amount of RUB 768,614 thousand as at 31 December 2021). For the nine months ended 30 September 2022 depreciation was accrued on the objects of the concession agreement in the amount of RUB 41,147 thousand (for the nine months ended 30 September 2021: RUB 41,147 thousand).

13 Right-of-use assets

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Other	Total
<i>Initial cost</i>					
At 1 January 2021	2,726,743	191,516	186,151	137,844	3,242,254
Additions	23,442	3	233	950,844	974,522
Changes in lease terms	(84,218)	(11,982)	(14,022)	(159)	(110,381)
Disposal or termination of lease agreements	(88,815)	(556)	(1,844)	(79)	(91,294)
At 30 September 2021	2,577,152	178,981	170,518	1,088,450	4,015,101
<i>Accumulated depreciation and impairment</i>					
At 1 January 2021	(226,117)	(59,814)	(41,717)	(17,248)	(344,896)
Depreciation charge	(130,833)	(18,828)	(23,808)	(60,532)	(234,001)
Changes in lease terms	64,275	14,688	15,810	241	95,014
Disposal or termination of lease agreements	20,189	113	297	32	20,631
At 30 September 2021	(272,486)	(63,841)	(49,418)	(77,507)	(463,252)
<i>Net book value</i>					
At 1 January 2021	2,500,626	131,702	144,434	120,596	2,897,358
At 30 September 2021	2,304,666	115,140	121,100	1,010,943	3,551,849

13 Right-of-use assets (continued)

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Other	Total
<i>Initial cost</i>					
At 1 January 2022	4,031,009	733,808	755,253	1,238,558	6,758,628
Additions	60,789	74,367	34,934	110,706	280,796
Change in lease terms	(28,851)	(94,442)	30,068	58,753	(34,472)
Disposal or termination of lease agreements	(7,687)	(648)	(3,232)	(167,395)	(178,962)
At 30 September 2022	4,055,260	713,085	817,023	1,240,622	6,825,990
<i>Accumulated depreciation and impairment</i>					
At 1 January 2022	(321,151)	(63,512)	(55,656)	(111,178)	(551,497)
Depreciation charge	(223,793)	(62,605)	(67,950)	(42,082)	(396,430)
Change in lease terms	238,656	56,981	48,818	89,521	433,976
Disposal or termination of lease agreements	743	648	1,006	4,544	6,941
At 30 September 2022	(305,545)	(68,488)	(73,782)	(59,195)	(507,010)
<i>Net book value</i>					
At 1 January 2022	3,709,858	670,296	699,597	1,127,380	6,207,131
At 30 September 2022	3,749,715	644,597	743,241	1,181,427	6,318,980

14 Other financial assets

	30 September 2022	31 December 2021
Non-current		
Financial assets at fair value through other comprehensive income	80,096	194,019
	80,096	194,019

Non-current financial assets include shares of Russian companies with a fair value calculated on the basis of published market quotations equal to RUB 80,096 thousand as at 30 September 2022 (as at 31 December 2021: RUB 194,019 thousand).

15 Trade and other receivables

	<u>30 September 2022</u>	<u>31 December 2021</u>
Non-current trade and other account receivables		
Trade receivables	1,941,342	1,756,272
Allowance for expected credit losses on trade receivables	(78,274)	(9,016)
Other receivables	127,208	252,474
Total financial assets	<u>1,990,276</u>	<u>1,999,730</u>
Current trade and other account receivables		
Trade receivables	14,202,692	19,486,901
Allowance for expected credit losses on trade receivables	(4,402,998)	(8,797,026)
Other receivables	3,244,009	3,299,820
Allowance for expected credit losses on other receivables	(1,797,688)	(2,117,920)
Total financial assets	<u>11,246,015</u>	<u>11,871,775</u>

Long-term and short-term other receivables include restructured receivables under the contract of assignment of the right of claim in the total non-discounted amount of RUB 70,551 thousand as of 30 September 2022 (as of 31 December 2021: RUB 94,068 thousand). The terms of the agreement assume repayment of the remaining part of the receivables in 2022-2024 and the application of the interest rate 12.44 % per annum. As of 30 September 2022, long-term trade receivables include the debt of a number of consumers of electricity transmission services, discounted at a rate of 10.5 % per annum (as of 31 December 2021 - at a rate of 9.5 % per annum).

Balances with related parties are disclosed in Note 29.

16 Advances given and other assets

	<u>30 September 2022</u>	<u>31 December 2021</u>
Non-current		
Advances given	56,527	4,077
	<u>56,527</u>	<u>4,077</u>
Current		
Advances given	712,162	637,991
Advances given impairment allowance	(14,602)	(14,446)
VAT recoverable	13,371	21,434
VAT on advances to customers and clients and advances given for the purchase of property, plant and equipment	1,137,721	801,289
Prepaid taxes, other than income tax and VAT	36,030	52,816
	<u>1,884,682</u>	<u>1,499,084</u>

Balance with related parties is disclosed in Note 29.

17 Cash and cash equivalents

	<u>30 September 2022</u>	<u>31 December 2021</u>
Cash in bank accounts and cash on hand	1,128,323	1,617,933
Cash equivalents	4,247,605	263,613
	<u>5,375,928</u>	<u>1,881,546</u>

All balance of cash and cash equivalents are denominated in rubles as at 30 September 2022 and 31 December 2021.

Cash equivalents as at 30 September 2022 and 31 December 2021 include short-term investments in bank deposits and promissory notes. They are placed at interest rates of 7.30 % - 8.25 % per annum as of 30 September 2022 (6.37 % - 8.15% per annum as of 31 December 2021).

18 Acquisition and disposal of subsidiaries, ownership interests

In the framework of the implementation of the development Strategy of the electric grid complex of the Russian Federation approved by the decree of the Government of the Russian Federation of 03 April 2013 No. 511-R, with the aim of reducing the number of existing territorial grid organizations, the Group acquired:

- 04 February 2022 100% of the ordinary registered non-documentary shares of an electric grid company (hereinafter referred to as the acquired company 1) for cash as a result of concluding the contract of sale.
- 29 June 2022 100% of the ordinary registered non-documentary shares of an electric grid company (hereinafter referred to as the acquired company 2) for cash as a result of concluding the contract of sale.
- 14 July 2022 30.0008% of the ordinary registered non-documentary shares of one of the Group's subsidiaries (hereinafter referred to as the acquisition of ownership interests) for cash as a result of concluding the contract of sale.

Goodwill in the amount of RUB 112,978 thousand in the part of company 1 and in the amount of RUB 68,800 thousand in the part of company 2 arising from the acquisition is the result of additional economic effects from the unification of the electric grid property of the acquired companies under the unified operational management of PJSC Rosseti Centre.

Since the acquisition date, the revenue of the acquired company 1, consolidated into the Group's financial statements amounted to RUB 107,098 thousand, profit before tax amounted to RUB 12,717 thousand, the revenue of the acquired company 2 amounted to RUB 9,264 thousand, profit before tax amounted to RUB 8,195 thousand. If the merger had occurred at the beginning of the year, the Group's revenue from continuing operations would have amounted to RUB 80,828,587 thousand, and the Group's profit from continuing operations before tax would have amounted to RUB 5,888,191 thousand.

Acquired company 1

On 21 January 2022 the Group concluded an agreement for the purchase and sale of 100% of ordinary registered non-documentary shares of the acquired company 1. The purchase price is defined as RUB 255,917 thousand and paid in cash.

The Group recorded the acquisition of control over the acquired company 1 using the purchase method in accordance with the requirements of IFRS 3 "Business Combination".

The results of operations, assets and liabilities of the acquired company are consolidated by the Group from 04 February 2022.

18 Acquisition and disposal of subsidiaries, ownership interests (continued)

The main activities of the acquired company are the transmission of electricity and technological connection to the power grid in one of the regions of the Russian Federation.

The assessment of the identifiable net assets of the acquired company 1 was not completed as of the date of signing of the interim condensed consolidated financial statements of the Group. Thus, the fair value of the identifiable net assets can be subsequently adjusted with the appropriate adjustment of the result of the acquisition.

The table below shows the notional initial cost of the identifiable net assets of the acquired company 1 received at the acquisition date:

	Deemed value, thousand rubles
Non-current assets	
Property, plant and equipment	130,490
Deferred tax assets	484
Financial investments	28
Total non-current assets	131,002
Current assets	
Inventories	9,830
Accounts receivable	26,421
Cash and cash equivalents	9,326
Other current assets	385
Total current assets	45,962
Total assets	176,964
Non-current liabilities	
Deferred tax liabilities	10,446
Total non-current liabilities	10,446
Current liabilities	
Accounts payable	23,211
Provisions	368
Total current liabilities	23,579
Total liabilities	34,025
Total identifiable net assets at deemed value	142,939
Consideration transferred	255,917
Goodwill	112,978

Since the value of the consideration transferred exceeds the notional cost of the identifiable net assets of the acquired company 1, the Group recorded goodwill as part of other intangible assets in the amount of RUB 112,978 thousand in the consolidated statement of financial position.

The cash inflow when acquiring a company 1 is shown in the following table:

Net cash received on the acquisition of a subsidiary	9,326
Consideration transferred	<u>(255,917)</u>
Net cash flow	(246,591)

18 Acquisition and disposal of subsidiaries, ownership interests (continued)

Acquired company 2

On 27 May 2022 the Group concluded an agreement for the purchase and sale of 100% of ordinary registered non-documentary shares of the acquired company 2. The purchase price is defined as RUB 136,274 thousand and paid in cash.

The Group recorded the acquisition of control over the acquired company 2 using the purchase method in accordance with the requirements of IFRS 3 “Business Combination”.

The results of operations, assets and liabilities of the acquired company 2 are consolidated by the Group from 29 June 2022.

The main activities of the acquired company are the transmission of electricity and technological connection to the power grid in one of the regions of the Russian Federation.

The assessment of the identifiable net assets of the acquired company 2 was not completed as of the date of signing of the interim condensed consolidated financial statements of the Group. Thus, the fair value of the identifiable net assets can be subsequently adjusted with the appropriate adjustment of the result of the acquisition.

The table below shows the notional initial cost of the identifiable net assets of the acquired company 2 received at the acquisition date:

	Deemed value, thousand rubles
Non-current assets	
Property, plant and equipment	43,169
Intangible assets	391
Total non-current assets	43,560
Current assets	
Inventories	5,385
Accounts receivable	15,329
Cash and cash equivalents	18,605
Prepayment of income tax	603
Total current assets	39,922
Total assets	83,482
Non-current liabilities	
Deferred tax liabilities	1,021
Total non-current liabilities	1,021
Current liabilities	
Accounts payable	14,987
Total current liabilities	14,987
Total liabilities	16,008
Total identifiable net assets at deemed value	67,474
Consideration transferred	136,274
Goodwill	68,800

Since the value of the consideration transferred exceeds the notional cost of the identifiable net assets of the acquired company 2, the Group recorded goodwill as part of other intangible assets in the amount of RUB 68,800 thousand in the consolidated statement of financial position.

The cash inflow when acquiring a company 2 is shown in the following table:

Net cash received on the acquisition of a subsidiary	18,605
Consideration transferred	(136,274)
Net cash flow	(117,669)

18 Acquisition and disposal of subsidiaries, ownership interests (continued)

Acquisition of shares of ownership

On 21 June 2022 the Group concluded a contract for the purchase and sale of 30.0008% of ordinary registered undocumented shares of one of its subsidiaries.

The purchase price was determined by an independent appraiser as RUB 500,000 thousand and paid in cash. Upon completion of the transaction, the Group's effective ownership interest in this company was 100%.

The results of operations, assets and liabilities of the company are consolidated by the Group from 30 December 2019.

The cost of the non-controlling interest at the date of acquisition of 30.0008% of the shares was:

	Value, thousand rubles
Non-controlling interest at the date of acquisition of the company into the Group	542,501
Comprehensive income attributable to non-controlling interests accrued from the date of acquisition of the company into the Group	138,034
Dividends paid to holders of non-controlling interests since the date of acquisition of the company into the Group	21,000
Total non-controlling interest at the date of acquisition of 30.0008% of the company's shares	659,535
Consideration transferred	500,000
Increase in equity due to owners of the Group	159,535

Since the value of the consideration transferred exceeds the value of the non-controlling interest at the date of the transaction, the Group recognized the increase in equity attributable to the owners of the Company in retained earnings in the amount of RUB 159,535 thousand in the interim condensed consolidated statement of changes in equity.

19 Equity

(a) Equity

	Ordinary shares	
	30 September 2022	31 December 2021
Par value (in RUB)	0.10	0.10
On issue at 1 January, units	42,217,941,468	42,217,941,468
On issue at the end of the period, fully paid, units	42,217,941,468	42,217,941,468

(b) Dividends

The source of payment of dividends is the net profit of the Company, determined in accordance with the requirements established by the current legislation of the Russian Federation.

At the annual general meeting of shareholders held on 17 June 2022 dividends for 2021 were declared in the amount of RUB 1,427,448 thousand. The amount of dividends was RUB 0.0338114 per one ordinary share.

At the same time, for nine months of 2022, the Company restored unclaimed dividends for 2018 in the amount of RUB 7,419 thousand (for nine months of 2021: RUB 7,257 thousand - recovery of unclaimed dividends for 2017).

For the nine months ended 30 September 2022 the dividends paid to the owners of the company amounted to RUB 1,407,296 thousand (for the nine months ended 30 September 2021 – RUB 1,391,893 thousand).

20 Earnings per share

The calculation of earnings per share for the nine months ended 30 September 2022 and for the nine months ended 30 September 2021 is based on earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding. The Company has no dilutive financial instruments.

<i>In millions of shares</i>	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Ordinary shares at 1 January	42,218	42,218	42,218	42,218
Weighted average number of shares for the reporting period	42,218	42,218	42,218	42,218
Weighted average number of ordinary shares outstanding, for the reporting period (millions of shares)	42,218	42,218	42,218	42,218
Earnings/(loss) for the year attributable to holders of ordinary shares	472,280	789,501	3,904,136	4,412,438
Earnings(loss) per ordinary share (in RUB) – basic and diluted	0.011	0.019	0.092	0.105

21 Borrowed funds

	<u>30 September 2022</u>	<u>31 December 2021</u>
Non-current liabilities		
Secured loans and borrowings	29,899	120,068
Unsecured loans and borrowings	32,092,500	32,465,133
Unsecured bonds	10,215,797	10,055,702
Lease liabilities	6,199,141	6,366,371
Less: current portion of long-term loans and borrowings	(13,837,751)	(3,647,725)
Less: current portion of long-term bonds	(10,215,797)	(5,063,750)
Less: current portion of long-term lease liabilities	(663,034)	(1,024,421)
	<u>23,820,755</u>	<u>39,271,378</u>
Current liabilities		
Unsecured loans and borrowings	1 000 441	-
Current portion of long-term loans and borrowings	13,837,751	3,647,725
Current portion of long-term bonds	10,215,797	5,063,750
Current portion of long-term lease liabilities	663,034	1,024,421
	<u>25,717,023</u>	<u>9,735,896</u>
Including:		
Debts on interest payable on loans and borrowings	229,122	84,983
Debts on interest payable on bonds	218,900	63,750
	<u>448,022</u>	<u>148,733</u>

All balances of loans and borrowings are denominated in rubles as at 30 September 2022 and 31 December 2021.

For the nine months ended 30 September 2022 the Group attracted the following loans and bank loans:

	<u>Year of maturity</u>	<u>Nominal interest rate</u>	<u>Nominal value</u>
Unsecured bank loans	2022	12.3%	875,470
Unsecured bank loans	2023-2025	KR+0.55%-KR+2.8%	2,477,159
Unsecured loans	2029	9.40%	500,000
			<u>3,852,629</u>

For the nine months ended 30 September 2022 the Group repaid the following significant bank loans and loans:

	<u>Nominal value</u>
Bank loans	3,192,240
Bonds	442,999
	<u>3,635,239</u>

Information about operations and balances with related parties is disclosed in Note 29.

22 Trade and other payables

	<u>30 September 2022</u>	<u>31 December 2021</u>
Non-current accounts payable		
Trade payables	230,137	258,383
Other payables	40,726	70,429
	<u>270,863</u>	<u>328,812</u>
Current accounts payable		
Trade payables	6,295,126	9,620,579
Other payables and accrued expenses	1,358,718	1,245,931
Payables to employees	1,601,993	1,937,786
Dividends payable	71,829	59,096
	<u>9,327,666</u>	<u>12,863,392</u>

23 Tax liabilities other than income tax

	<u>30 September 2022</u>	<u>31 December 2021</u>
Value-added tax	2,243,976	1,578,833
Property tax	529,580	528,945
Social security contributions	1,837,171	516,507
Other taxes payable	191,274	196,508
	<u>4,802,001</u>	<u>2,820,793</u>

24 Advances from customers

Advances from customers (contractual obligations) as at 30 September 2022 and 31 December 2021 are reflected, including VAT.

	<u>30 September 2022</u>	<u>31 December 2021</u>
Non-current advances from customers		
Advances for services of technological connection to electric grids	2,091,746	1,975,234
Advances from customers	88,006	87,557
	<u>2,179,752</u>	<u>2,062,791</u>
Current advances from customers		
Advances for services of technological connection to electric grids	2,865,323	2,007,250
Advances from customers	1,692,304	734,890
	<u>4,557,627</u>	<u>2,742,140</u>

Balance with related parties is disclosed in Note 29.

25 Provisions

	For nine months ended 30 September	
	2022	2021
Balance on 1 January	2,327,790	1,995,276
Accrual (increase) for the period	1,664,732	171,130
Recovery (decrease) for the period	(266,387)	(93,699)
Use of provisions	(814,762)	(331,856)
Balance on 30 September	2,911,373	1,740,851

Provisions relate mainly to legal proceedings and claims against the Group on ordinary activities.

In the course of its operations, the Group is a party to legal proceedings. For pending litigation, where the Group is the defendant, with a low probability of resolution in favor of the Group, a litigation allowance has been created. Estimated maturity of estimated liabilities for pending litigation is less than 12 months, estimated liabilities for litigation are included in short-term liabilities.

The amount of disagreements on purchased electricity in order to compensate for losses amounted to RUB 3,419,129 thousand as at 30 September 2022 (as at 31 December 2021: RUB 3,827,327 thousand). The Group did not recognize provisions for estimated liabilities at the reporting date for disagreements on purchased electricity in order to compensate for losses, the probability of resolution of which is estimated, taking into account the presence of positive judicial practice in favor of the Group, as high. The amount of such disagreements amounted to RUB 1,964,857 thousand as at 30 September 2022 (as at 31 December 2021: RUB 1,960,490 thousand).

The amount of accounts receivable in disagreements on the volumes of electricity transmitted and on payment amounted to RUB 3,927,318 thousand as at 30 September 2022 (as at 31 December 2021: RUB 3,888,462 thousand). The Group did not recognize expected credit losses at the reporting date for disagreements on the volumes of electricity transmitted and on payment, the probability of resolution of which is estimated in favor of the Group as high based on similar positive judicial practice. The amount of such disagreements amounted to RUB 957,807 thousand as at 30 September 2022 (as at 31 December 2021: RUB 719,484 thousand). The Group believes that the carrying amount of accounts receivable in disagreements is not subject to significant adjustments due to the credit risk of counterparties in excess of the amount of the created reserve (Note 15).

26 Financial risk and capital management

In the normal course of its business the Group is exposed to a variety of financial risks, including but not limited to: market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group's financial risk and capital management objectives and policies, as well as the fair value determination process, are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2021.

The Group's management takes operational measures to ensure that the cash (liquidity) received from operating activities is sufficient to finance the investment program and to service the short-term and long-term borrowings available at the reporting date. The Group's management implements measures aimed at optimizing the structure of borrowed capital, ensuring the availability of available credit limits, a reserve of liquidity in the form of bank account balances and short-term financial investments, and monitoring the quality of accepted financial security (bank guarantees).

The carrying amount of accounts receivable, less the allowance for expected credit losses, represents the maximum amount exposed to credit risk. Although the collectability of receivables may be affected by economic and other factors, the Group believes that there is no significant risk of losses exceeding the provision created.

26 Financial risk and capital management (continued)

The movement in the allowance for expected credit losses was as follows:

	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
Balance at 1 January	10,923,962	12,390,051
Increase for the period	542,314	495,370
Acquisition of subsidiaries	74	26,813
Amounts of trade and other receivables written off using the allowance for impairment accrued earlier	(4,613,690)	(1,989,279)
Reversal of allowance for impairment for the period	(573,700)	(489,375)
Balance at 30 September	6,278,960	10,433,580

The amount of free limit on open but unused credit lines of the Group was RUB 74,150,262 thousand as at 30 September 2022 (31 December 2021: RUB 66,744,802 thousand). The Group has opportunity to attract additional financing within the corresponding limits, including for the purpose of execution of the short-term obligations.

The Group's management believes that the fair value of other financial assets and financial liabilities approximates their carrying value.

For the nine months ended 30 September 2022 there were no transfers between levels of the fair value hierarchy.

Reconciliation of the carrying amount of financial assets at fair value through other comprehensive income at the beginning and end of the reporting period is presented in the table below:

	Financial assets at fair value through other comprehensive income
At 1 January 2022	194,019
Change in fair value recognized in other comprehensive income	(113,951)
Acquisition of subsidiaries	28
At 30 September 2022	80,096

27 Capital commitments

As at 30 September 2022, the Group has outstanding commitments under contract for the purchase and construction of property, plant and equipment items for RUB 13,900,943 thousand inclusive of VAT (as at 31 December 2021: RUB 10,086,921 thousand inclusive of VAT).

Future lease payments under lease agreements for which the Group has contractual obligations and the lease term has not yet begun at the reporting date amount to RUB 40,330 thousand, inclusive of VAT, as at 30 September 2022 (as at 31 December 2021: 128,033 thousand inclusive of VAT).

28 Contingencies

(a) Insurance

The Group has unified requirements in respect of the volume of insurance coverage, reliability of insurance companies and about procedures of insurance protection organization. The Group maintains insurance of assets, civil liability and other insurable risks. The main business assets of the Group have insurance coverage in case of damage or loss assets. However, there are risks of negative impact on the operations and the financial position of the Group in the case of damage caused to third parties, and also as a result of damage or loss of assets, insurance protection of which is non-existent or not fully implemented.

(b) Taxation contingencies

Russian tax and customs legislation is subject to varying interpretations regarding the operations and activities of the Group. Accordingly, management's interpretation of tax legislation and its formal documentation can be successfully challenged by the relevant regional or federal authorities. Tax administration in Russia is gradually increasing. In particular, the risk of checking the tax aspect of transactions without obvious economic sense or with counterparties that violate tax laws is increasing. Tax audits may cover the three calendar years preceding the year of the decision on the tax audit. Under certain conditions, earlier periods may also be subject to verification.

The Russian tax authorities have the right to add additional tax liabilities and penalties based on the rules established by the legislation on transfer pricing (hereinafter – TP), if the price/profitability in controlled transactions differs from the market level. The list of controlled transactions mainly includes transactions concluded between related parties.

Starting from 1 January 2019, control over transfer pricing for a significant part of domestic transactions has been lifted. However, the exemption from price controls may not apply to all transactions made in the domestic market. At the same time, in the case of additional charges, the mechanism of counter-adjustment of tax liabilities can be used if certain legal requirements are met. Intra-group transactions that have been out of the control of the TP since 2019 can nevertheless be checked by the territorial tax authorities for obtaining unjustified tax benefits, and the TP methods can be used to determine the amount of additional charges. The federal executive body authorized to control and supervise taxes and fees may check prices/profitability in controlled transactions and, in case of disagreement with the prices applied by the Group in these transactions, add additional tax liabilities if the Group is unable to justify the market nature of pricing in these transactions, by providing transfer pricing documentation that meets the legal requirements.

With the further development of the practice of applying the rules of taxation, the property tax, tax authorities and courts may challenge the criteria for classifying property as movable or immovable things applied by the Group. The Group's management does not exclude the risk of resource outflows, and the impact of such developments cannot be reliably assessed.

In the opinion of management, the relevant provisions of the legislation have been interpreted correctly, and the Group's position in terms of compliance with tax legislation can be justified and protected.

(c) Litigations

The Group is a party to a number of litigations (both as a plaintiff and as respondent) arising in the ordinary course of business. In the opinion of Management, there are currently no outstanding claims or other claims that could have a material impact on the Group's results of operations or financial position and would not be recognized or disclosed in the consolidated financial statements.

28 Contingencies (continued)

(d) Environmental matters

The Group has operated in the electric transmission industry in the Russian Federation for many years. The enforcement of environmental regulations in the Russian Federation continues to evolve responsibilities of authorized Government bodies to oversee are being reconsidered. Potential environmental liabilities arise from changes in interpretations of existing legislation lawsuits or changes in legislation can be assessed. In the opinion of management under the existing control system and under current legislation there are no probable liabilities that could have a material adverse effect on the financial position results of operations or cash flows of the Group.

29 Related party transactions

(a) Control relationships

Parties are usually considered related if they are under common control or one of the parties has the ability to control the other party or can have a significant influence on its decisions on financial and economic activities or exercise joint control over it. When considering the relationship with each of the possible related parties, the economic content of such relationships is taken into account, and not only their legal form.

The related parties of the Group for the nine months ended 30 September 2022 and 30 September 2021, as well as at 30 September 2022 and 31 December 2021, were the parent company, its subsidiaries, key management personnel, as well as companies related to the main shareholder of the parent company.

(b) Transactions with parent company, its subsidiaries and associates

	Amount of the transaction				Carrying amount	
	For the three months ended 30 September		For the nine months ended 30 September		30 September 2022	31 December 2021
	2022	2021	2022	2021		
Revenue, net other income						
Parent company						
Other income	195	195	585	585	-	-
Entities under common control of the parent company						
Electricity transmission revenue	374,889	519,242	1,121,559	1,374,202	159,640	158,176
Other revenue	219,985	157,853	619,167	598,188	437,102*	231,723*
Other income	152,359	2,978	267,527	127,202	-	-
Dividends receivable	-	-	111	383	-	-

29 Related party transactions (continued)

	Amount of the transaction				Carrying amount	
	For the three months ended 30 September		For the nine months ended 30 September		30 September 2022	31 December 2021
	2022	2021	2022	2021		
Operating expenses, finance costs						
Parent company						
Expenses for services related to the organization of the functioning and development of the EEC	-	55,547	98,209	154,542	-	42,752
Technical supervision services	10,562	10,562	31,687	31,687	-	-
Other expenses	3,417	3,417	10,253	10,253	-	-
Dividends	-	-	717,021	710,436	-	-
Entities under common control of the parent company						
Electricity transmission services	4,394,009	4,290,846	13,166,556	12,893,563	832,050	824,702
Interest expenses on financial liabilities recorded at amortized cost	38,373	19,415	92,265	35,299	-	-
Other expenses .	137,787	133,329	461,738	227,668	178,880	508,468
Other	-	-	-	-	878,000	878,000

* Accounts receivable for other revenue includes an allowance for expected credit losses created for the debt of companies under the general control of the parent company as at 30 September 2022 in the amount of RUB 331,700 thousand (as at 31 December 2021: in the amount of RUB 330,927 thousand).

	Carrying amount	
	30 September 2022	31 December 2021
Parent company		
Borrowed funds	4,021,596	3,845,486
Entities under common control of the parent company		
Advances given	23,130	56,086
Advances received	30,365	62,316
Borrowed funds	1,179,266	1,087,775

The debt to the parent company for the payment of dividends as at 30 September 2022 is absent (as at 31 December 2021: is absent).

(c) Transactions with companies related to the main shareholder of the parent company

As part of its current activities, the Group carries out transactions with other companies related to the main shareholder of the parent company. These operations are carried out at regulated tariffs, or at market prices. Attraction and placement of funds in financial organizations associated with the main shareholder of the parent company is carried out at market interest rates. Taxes are calculated and paid in accordance with Russian tax legislation.

29 Related party transactions (continued)

Revenue from companies related to the main shareholder of the parent company, including the municipal branch of government, amounted to 32% and 33% of the Group's total revenue for the three and nine months ended 30 September 2022 (for the three and nine months ended 30 September 2021: 30% and 30%), including 31% and 32% of the Group's electricity transmission revenue for the three and nine months ended 30 September 2022 (for the three and nine months ended 30 September 2021: 29% and 30%).

Electricity transmission costs and expenses for the purchase of electricity to compensate for technological losses, for companies related to the main shareholder of the parent company amounted to 77% and 73% of the total transmission costs and compensation for losses for the three and nine months ended 30 September 2022 (for the three and nine months ended 30 September 2021: 72% and 72%).

As at 30 September 2022 loans from banks related to the main shareholder of the parent company amounted to RUB 26,745,323 thousand (as at 31 December 2021: RUB 27,551,941 thousand).

Interest accrued on loans and borrowings from banks related to the main shareholder of the parent company for the three and nine months ended 30 September 2022 amounted to 82% and 87% of the total amount of accrued interest (for the three and nine months ended 30 September 2021: 82% and 75%).

As at 30 September 2022 the balance of cash and cash equivalents placed with banks associated with the main shareholder of the parent company amounted to RUB 1,385,053 thousand (as at 31 December 2021: RUB 452,516 thousand).

As at 30 September 2022 lease arrears for companies related to the main shareholder of the parent company amounted to RUB 5,813,024 thousand, including debt under leasing agreements (as at 31 December 2021 RUB 5,921,288 thousand, including debt under leasing agreements).

(d) Transaction with key management personnel

In order to prepare these interim condensed consolidated financial statements, the key management personnel are members of the Board of Directors, the management Board, General Directors of subsidiaries and other key management personnel.

Remuneration of key management personnel consists of the salary stipulated in the employment agreement, non-monetary benefits, as well as bonuses determined by the results for the period and other payments. Remuneration or compensation is not paid to members of the Board of Directors who are public servants.

The amounts of remuneration to key management personnel disclosed in the table below represent the current period expenses for key management personnel reflected in employee benefits.

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Short-term employee benefits	177,732	197,779	332,750	361,059
Severance payment	-	-	-	509
	177,732	197,779	332,750	361,568

As at 30 September 2022, the current value of the defined benefit obligation is shown in the interim condensed consolidated statement of financial position and includes liabilities for key management personnel in the amount RUB 47,121 thousand (as at 31 December 2021: RUB 43,914 thousand).

30 Events after the reporting date

15 November 2022 the Group repaid a bond loan with a nominal value of RUB 5,000,000 thousand.