

PJSC «Rosseti Centre»

**Consolidated Financial Statements prepared in accordance with International
Financial Reporting Standards for the year ended 31 December 2025**

Contents	Page
Consolidated financial statements	
Independent auditor's report	3
Consolidated statement of profit or loss and other comprehensive income	9
Consolidated statement of financial position	10
Consolidated statement of cash flows	11
Consolidated statement of changes in equity	12
Notes to the consolidated financial statements	14
1 Background	14
2 Basis of preparation of consolidated financial statements	15
3 Essential information about accounting policies	18
4 Measurement of fair value	30
5 Acquisition and disposal of subsidiaries, ownership interests	31
6 Information about segments	34
7 Revenue	40
8 Other income and other expenses	40
9 Operating expenses	41
10 Personnel costs	41
11 Finance income and costs	42
12 Income tax	42
13 Property, plant and equipment	45
14 Intangible assets	50
15 Right-of-use assets	52
16 Other financial assets	54
17 Deferred tax assets and liabilities	54
18 Inventories	57
19 Trade and other receivables	57
20 Advances issued and other assets	58
21 Cash and cash equivalents	58
22 Issued capital	58
23 Earnings per share	59
24 Borrowed funds	60
25 Changes in liabilities arising from financial activities	62
26 Employee benefits	64
27 Trade and other payables	66
28 Tax debts other than income tax	67
29 Advances received	67
30 Provisions	67
31 Financial risk and capital management	67
32 Capital commitments	74
33 Contingencies	74
34 Related party transactions	75

Independent auditor's report

To the Shareholders and the Board of Directors of
Public Joint stock company "Rosseti Centre"

Opinion

We have audited the consolidated financial statements of Public Joint stock company "Rosseti Centre" and its subsidiaries (the Group), which comprise the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025, the consolidated statement of financial position as at 31 December 2025, consolidated statement of cash flows for the year then ended and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, comprising significant accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with ethical requirements adopted in the Russian Federation, such as those in the Code of Professional Ethics for Auditors and the Independence Rules for Auditors and Audit Organizations, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), including independence requirements, which are relevant to the audit of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



**NEW CHALLENGES
NEW SOLUTIONS**

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter

How our audit addressed the key audit matter

Recognition and measurement of revenue from electricity transmission services

Recognition and measurement of revenue from electricity transmission services was one of the most significant matters for our audit due to certain specifics of the electricity market mechanisms that gave rise to disagreements among electricity supply, utilities, and other type of companies in relation to the volume and cost of the transmitted electricity. The amount of revenue challenged by counterparties is material to the Group's consolidated financial statements. Management's assessment of the probability of settling disputes in the Group's favor is highly subjective. Revenue is recognized when disagreements are resolved in favor of the Group based on assumptions.

Information on revenue from electricity transmission services is disclosed in Note 7 to the consolidated financial statements.

We considered the accounting policy with regard to the recognition of revenue from electricity transmission services. We obtained understanding of the revenue from electricity transmission services recognition process and internal controls over the recognition of this revenue.

We analyzed conditions of new significant contracts with customers and changes in existing significant contracts.

Our procedures, among others, included sampling tests of the calculation of the corresponding revenue amounts based on the existing electricity transmission contracts; we received, on a sample basis, confirmations of revenue and balances of receivables from counterparties; analyzed the results of litigations concerning disputable amounts of services provided, and considered existing procedures for confirmation of the volume of electricity transmitted.

We considered the information related to recognized revenue disclosed in the consolidated financial statements.

Allowance for expected credit losses on trade receivables

The allowance for expected credit losses on trade receivables was one of the most significant matters for our audit due to the material balances of trade receivables as at 31 December 2025, as well as due to the fact that management's assessment of the possible recoverability of these receivables is based on assumptions, in particular, on the predicted solvency of the Group's customers.

Information on the allowance for expected credit losses on trade receivables is disclosed in Notes 19 and 31 (a) to the consolidated financial statements.

We analyzed the Group's accounting policy on trade receivables with respect to the allowance for expected credit losses on trade receivables, and considered the assessment procedures performed by the Group's management. Our procedures, among others, included the analysis of cash collection of trade receivables, the analysis of delayed performance of obligations, the analysis of customers' solvency, and receivables structure by age and maturity.

We considered the information regarding allowance for expected credit losses on trade receivables disclosed in the consolidated financial statements.



Key audit matter

How our audit addressed the key audit matter

Recognition, measurement and disclosure of provisions and contingent liabilities

Recognition, measurement and disclosure of provisions and contingent liabilities in respect of litigations and claims from counterparties (including territorial electric grid and utilities companies) was among the most significant matters for our audit as it requires significant judgments of management with respect to material amounts of balances of settlements with counterparties that are challenged in litigations or under the pretrial settlement.

Information on provisions and contingent liabilities is disclosed in Notes 30 and 33 to the consolidated financial statements.

Impairment of non-current assets

As at 31 December 2025, the Group's management performed impairment tests of certain cash-generating units with property, plant and equipment, intangibles and right-of-use assets for which indicators of impairment or indicators of reversal of the impairment losses previously recognized were identified in accordance with IAS 36 *Impairment of Assets*. As a result of the testing performed, a net impairment loss was recorded.

We consider this as one of the most significant matters for our audit of the Group's consolidated financial statements due to materiality of respective non-current assets balances and high degree of subjectivity of assumptions used by the Group's management in the impairment tests. Auditing management's assessment of recoverable amounts was complex given the judgement and estimation uncertainty involved. Key assumptions included discount rate determined, projected electricity transmission volumes and tariffs, as well as forecasting the growth rate of projected future cash flows beyond the forecast period and operating costs. The key assumptions are forward looking, and subject to the inherent unpredictability of future economic and market conditions.

The Group disclosed information about the impairment tests performed, the impairment loss recorded and the reversal of previously recognized impairment losses in Note 13 to the consolidated financial statements.

Our audit procedures, among others, included the analysis of decisions made by courts of different instances, consideration of management's judgments with regard to its assessment of the possibility of the economic resources outflow due to dispute settlement, and examination of the compliance of prepared documentation with provisions of existing contracts and legislation.

We considered the information regarding provisions and contingent liabilities disclosed in the consolidated financial statements.

We considered management's analysis for identification of impairment indicators or indicators of reversal of the impairment losses previously recognized. We focused our procedures on the cash generating units with significant carrying values, and those with the lowest difference between the recoverable amount and the carrying amount, as well as cash-generating units where indicators of a potential reversal of previously recognised impairment losses were identified by management.

As part of our audit procedures, among other procedures, we assessed the assumptions and methodologies applied by the Group, in particular, those relating to the projected total revenue from electricity transmission, tariffs solutions, operating costs, long-term tariffs growth rate and discount rate. We tested the input data used to calculate the recoverable amounts and tested the arithmetic accuracy of the calculation data.

With the assistance of our valuation specialists, we analyzed changes in key assumptions from prior periods and compared the assumptions with external market data where applicable.

We tested management's sensitivity analysis of the results of the impairment tests to changes in the discount to assess whether reasonable changes in this assumption could cause the carrying amount to exceed the recoverable amount for the tested cash generating units or increase related reversal of previously recognized impairment losses.

We also compared management's forecasts of prior periods to the actual results.

We considered the disclosures regarding impairment tests as well as related impairment loss and reversal of previously recognized impairment losses in the consolidated financial statements.



**NEW CHALLENGES
NEW SOLUTIONS**

Other information included in the Annual report

Other information consists of the information included in the Annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of management and the Audit Committee of the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of the Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



**NEW CHALLENGES
NEW SOLUTIONS**

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units of the group as a basis for forming our opinion on the consolidated financial statements of the group. We are responsible for the direction, supervision and review of audit work performed for group audit purposes. We remain fully responsible for our audit opinion.

We communicate with the Audit Committee of the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



**NEW CHALLENGES
NEW SOLUTIONS**

From the matters communicated with the Audit Committee of the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Khramova Ekaterina Vladimirovna.

Khramova Ekaterina Vladimirovna,
acting on behalf of B1 – Audit Limited Liability Company
on the basis of power of attorney dated 19 January 2026,
partner in charge of the audit resulting in this independent auditor's report
(main registration number 22006024953)

16 March 2026

Details of the auditor

Name: B1 – Audit Limited Liability Company
Record made in the State Register of Legal Entities on 5 December 2002, State Registration Number 1027739707203.
Address: 75 Sadovnicheskaya Embankment, Moscow, 115035, Russia.
B1 – Audit Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo".
B1 – Audit Limited Liability Company is included in the control copy of the register of auditors and audit organizations,
main registration number 12006020327.

Details of the audited entity

Name: Public Joint stock company "Rosseti Centre"
Record made in the State Register of Legal Entities on 17 December 2004, State Registration Number 1046900099498.
Address: 15 Malaya Ordynka street, Moscow, 119017, Russia.

PJSC «Rosseti Centre»
Consolidated statement of profit or loss and other comprehensive income
for the year ended 31 December 2025
(in thousands of Russian rubles, unless otherwise stated)

	Notes	Year ended 31 December	
		2025	2024
Revenue	7	152,956,712	138,151,147
Operating expenses	9	(129,012,074)	(122,686,305)
Recovery of allowance for expected credit losses	31	474,280	678,103
Net accrual of impairment loss on property, plant and equipment, intangible assets and right-of-use assets	13,14,15	(4,219,956)	(861,528)
Other income	8	2,872,709	2,466,687
Other expenses	8	(262,805)	(142,087)
Operating profit		22,808,866	17,606,017
Finance income	11	1,410,429	1,947,497
Finance costs	11	(7,577,200)	(7,270,344)
Total financial costs		(6,166,771)	(5,322,847)
Share in profit of associates		-	78,140
Profit before income tax		16,642,095	12,361,310
Income tax expense	12	(5,039,706)	(5,800,683)
Profit for the period		11,602,389	6,560,627
Other comprehensive income/(expense)			
<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	16	(22,680)	(13,559)
Revaluation of defined benefit pension program liabilities	26	(404,298)	565,954
Income tax on other comprehensive income/(expense)	12,17	66,950	(35,644)
Total items that will not be reclassified subsequently to profit or loss		(360,028)	516,751
Other comprehensive income/(expense) for the period, net of income tax		(360,028)	516,751
Total comprehensive income for the period		11,242,361	7,077,378
Profit/(loss) attributable to:			
Equity holders of the Company		11,603,606	6,537,471
Non-controlling interests		(1,217)	23,156
Total comprehensive income/(expense) attributable to:			
Equity holders of the Company		11,243,578	7,054,222
Non-controlling interests		(1,217)	23,156
Earnings per share			
Basic and diluted earnings per ordinary share (in RUB)	23	0.28	0.16

These consolidated financial statements were approved by management on 16 March 2026 and were signed by authorized persons:



Chief Accountant

L.A. Sklyarova

The accompanying notes are an integral part of these Consolidated Financial Statements

PJSC «Rosseti Centre»
Consolidated Statement of Financial Position
for the year ended 31 December 2025
(in thousands of Russian rubles, unless otherwise stated)

Notes	31 December 2025	31 December 2024
ASSETS		
Non-current assets		
Property, plant and equipment	13 132,823,020	121,769,257
Intangible assets	14 3,052,632	2,623,924
Right-of-use assets	15 7,409,234	8,484,497
Trade and other receivables	19 546,236	1,025,523
Assets related to employee benefits plans	26 649,831	563,426
Other non-current financial assets	16 110,008	132,688
Deferred tax assets	17 75 509	-
Advances issued and other non-current assets	20 9,764	2,053
Total non-current assets	144,676,234	134,601,368
Current assets		
Inventories	18 5,543,426	4,934,329
Prepayment of current income tax	251,393	211,716
Trade and other receivables	19 12,156,862	11,001,141
Cash and cash equivalents	21 7,672,356	5,088,988
Advances issued and other current assets	20 3,699,146	3,040,889
Total current assets	29,323,183	24,277,063
Total assets	173,999,417	158,878,431
EQUITY AND LIABILITIES		
Equity		
Issued capital	22 4,221,794	4,221,794
Reserves	(202,181)	157,847
Retained earnings	69,218,349	60,439,076
Total equity attributable to equity holders of the Company	73,237,962	64,818,717
Non-controlling interest	-	(582)
Total equity	73,237,962	64,818,135
Non-current liabilities		
Long-term borrowed funds	24 29,403,487	38,191,541
Long-term trade and other payables	27 9,918	22,750
Long-term advances received	29 3,554,596	2,863,665
Employee benefits	26 3,154,438	2,471,395
Deferred tax liabilities	17 8,638,016	7,029,459
Total non-current liabilities	44,760,455	50,578,810
Current liabilities		
Short-term borrowed funds and current part of long-term borrowed funds	24 14,743,423	6,074,152
Trade and other payables	27 25,003,031	22,741,077
Tax debts other than income tax	28 2,993,455	2,385,999
Advances received	29 11,272,638	9,559,653
Provisions	30 1,608,691	2,319,926
Current income tax liabilities	379,762	400,679
Total current liabilities	56,001,000	43,481,486
Total liabilities	100,761,455	94,060,296
Total equity and liabilities	173,999,417	158,878,431

The accompanying notes are an integral part of these Consolidated Financial Statements

PJSC «Rosseti Centre»
Consolidated Statement of Cash Flows for the year ended 31 December 2025
(in thousands of Russian rubles, unless otherwise stated)

	Notes	Year ended 31 December	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		11,602,389	6,560,627
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment, right-of-use assets, amortization of intangible assets	13,14,15	13,385,308	12,615,166
Impairment of property, plant and equipment, intangible assets and right-of-use assets	13,14,15	4,219,956	861,528
Finance costs	11	7,577,200	7,270,344
Finance income	11	(1,410,429)	(1,947,497)
(Gain)/loss on disposal of property, plant and equipment for sales operations		6,185	(33,722)
Loss on disposal of property, plant and equipment		262,805	142,087
Recovery of allowance for expected credit losses		(474,280)	(678,103)
Accounts payable write-off		(63,022)	(28,837)
(Recovery)/accrual of provisions	30	(192,040)	300,846
Result from the acquisition of subsidiaries	5	-	(28,679)
Share in profit of associates and joint ventures	5	-	(78,140)
Adjustment of intangible assets carrying value		-	1,084,541
Other non-cash transactions		83,929	526,618
Income tax expense	12	5,039,706	5,800,683
Total impact of adjustments		28,435,318	25,806,835
Change in assets related to employee benefits plans		(86,405)	(9,190)
Change in employee benefit liabilities		(74,948)	(127,015)
Change in long-term trade and other receivables		479,287	297,800
Change in long-term advances issued and other non-current assets		(7,711)	2,731
Change in long-term trade and other payables		(12,832)	(38,105)
Change in long-term advances received		690,931	(1,177,250)
Cash flows from operating activities before changes in working capital and provisions		41,026,029	31,316,433
<i>Changes in working capital and provisions:</i>			
Change in trade and other receivables		(1,269,343)	1,343,666
Change in advances issued and other assets		(656,200)	(473,297)
Change in inventories		(601,381)	(462,398)
Change in trade and other payables		794,282	2,754,415
Change in advances received		1,715,510	3,232,271
Change in provisions		(530,328)	(1,016,672)
Cash flows from operating activities before income taxes and interest paid		40,478,569	36,694,418
Income tax paid		(3,336,706)	(2,579,875)
Interest paid under lease contracts		(879,091)	(690,513)
Interest paid		(6,802,903)	(6,536,846)
Net cash flows from operating activities		29,459,869	26,887,184
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment and intangible assets		(26,227,866)	(24,290,056)
Proceeds from the sale of property, plant and equipment and intangible assets		824,489	18,241
Acquisition of subsidiaries, net of cash received	5	-	(1,212,319)
Proceeds from disposal of subsidiaries, net of cash held by them		1,763	-
Interest received		1,282,954	1,632,989
Dividends received		200	10,846
Net cash flows used in investing activities		(24,118,460)	(23,840,299)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowed funds	25	30,789,874	10,146,219
Repayment of borrowed funds	25	(29,325,683)	(12,057,403)
Acquisition of non-controlling interests in subsidiaries		-	(119,000)
Dividends paid to equity holders of the Company	25	(2,809,193)	(2,751,025)
Dividends paid to non-controlling interests	25	-	(1,470)
Repayment of lease liabilities	25	(1,413,039)	(985,047)
Net cash flows used in financing activities		(2,758,041)	(5,767,726)
Net increase/(decrease) in cash and cash equivalents		2,583,368	(2,720,841)
Cash and cash equivalents at the beginning of period		5,088,988	7,809,829
Cash and cash equivalents at the end of period	21	7,672,356	5,088,988

The accompanying notes are an integral part of these Consolidated Financial Statements

PJSC «Rosseti Centre»
Consolidated Statement of Changes in Equity
For the year ended 31 December 2025
(in thousands of Russian rubles, unless otherwise stated)

	Notes	<u>Attributable to equity holders of the Company</u>			Non-controlling interest	Total equity	
		Share capital	Reserves	Retained earnings			Total
Balance at 1 January 2025		4,221,794	157,847	60,439,076	64,818,717	(582)	64,818,135
Profit/(loss) for the period		-	-	11,603,606	11,603,606	(1,217)	11,602,389
Other comprehensive income	16,26	-	(426,978)	-	(426,978)	-	(426,978)
Income tax on other comprehensive income	12,17	-	66,950	-	66,950	-	66,950
Total comprehensive income/(expense) for the period		-	(360,028)	11,603,606	11,243,578	(1,217)	11,242,361
Dividends declared	22	-	-	(2,858,610)	(2,858,610)	-	(2,858,610)
Write-off of unclaimed debt on previously declared dividends	22	-	-	36,076	36,076	-	36,076
Change in non-controlling interests in subsidiaries	5	-	-	(1,799)	(1,799)	1,799	-
Balance at 31 December 2025		4,221,794	(202,181)	69,218,349	73,237,962	-	73,237,962

The accompanying notes are an integral part of these Consolidated Financial Statements

*PJSC «Rosseti Centre»
Consolidated Statement of Changes in Equity
For the year ended 31 December 2025
(in thousands of Russian rubles, unless otherwise stated)*

	Notes	<u>Attributable to equity holders of the Company</u>				<u>Non-controlling interest</u>	<u>Total equity</u>
		<u>Share capital</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total</u>		
Balance at 1 January 2024		4,221,794	(358,904)	56,308,288	60,171,178	473,302	60,644,480
Profit for the period		-	-	6,537,471	6,537,471	23,156	6,560,627
Other comprehensive income	16,26	-	552,395	-	552,395	-	552,395
Income tax on other comprehensive income	12,17	-	(35,644)	-	(35,644)	-	(35,644)
Total comprehensive income for the period		-	516,751	6,537,471	7,054,222	23,156	7,077,378
Dividends declared	22	-	-	(2,795,250)	(2,795,250)	(1,470)	(2,796,720)
Write-off of unclaimed debt on previously declared dividends	22	-	-	13,605	13,605	-	13,605
Change in non-controlling interests in subsidiaries	5	-	-	374,962	374,962	(495,570)	(120,608)
Balance at 31 December 2024		4,221,794	157,847	60,439,076	64,818,717	(582)	64,818,135

The accompanying notes are an integral part of these Consolidated Financial Statements

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.

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.

Information about the Group's relationships with other related parties is presented in Note 34 «Related party transactions».

(b) Relations with state. The parent company

The Russian Government, through the Federal Agency for the Management of State Property, is the ultimate controlling party of the Company (hereinafter referred to as the main shareholder of the Company).

The parent company of the PJSC “Rosseti Centre” is the Public Joint Stock Company “Federal Grid Company – Rosseti”. The abbreviated corporate name of the Group's parent company is PJSC “Rosseti”.

The State influences the Group's activities through representation on the Board of Directors of the parent company, 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) include a significant number of companies related to the main shareholder of the parent 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.

1 Background (continued)

(c) The Group's 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. The legal, tax and regulatory system continues to evolve and is subject to frequent changes, as well as the possibility of different interpretations.

The ongoing geopolitical tensions, as well as sanctions imposed by a number of countries on certain sectors of the Russian economy, Russian organizations and citizens, have led to increased economic uncertainty, including reduced liquidity and greater volatility in capital markets, volatility in the exchange rate of the Russian ruble and the key interest rate, as well as a significant decrease in the availability of debt financing sources. It is difficult to assess the long-term consequences of the imposed and possible additional sanctions, as sanctions can have a significant negative impact on the Russian economy.

The Group takes all necessary measures to ensure the sustainability of its activities.

The presented consolidated financial statements reflect management's view of the impact of the business environment in the Russian Federation on the Group's operations and financial position. The future consequences of the current economic situation and the above measures are difficult to predict, and management's current expectations and estimates may differ from actual results.

2 Basis of preparation of consolidated financial statements

Statement of compliance

These consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). Each subsidiary of the Group individually maintains its own books of accounts and prepares its statutory financial statements in accordance with the Russian Accounting Standards ("RAS"). The Group's consolidated financial statements are based on the statutory records with adjustments and reclassifications recorded in the consolidated financial statements for the fair presentations in accordance with IFRS.

Basis of measurement

The consolidated financial statements are prepared on the historical cost basis, except for:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income.

Functional and presentation currency

The national currency of the Russian Federation is the Russian ruble (hereinafter referred to as "RUB"), which has been designated as the functional currency by the Group and selected as the presentation currency of the consolidated financial statements. All financial information presented in RUB has been rounded to the nearest thousand, unless otherwise stated.

Application of new and revised standards and interpretations

The Group has applied amendments and amendments to the standards that are mandatory and approved for application in the Russian Federation for annual periods beginning on or after 1 January 2025:

- Lack of Exchangeability. Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" (introduced in the Russian Federation by Order of the Ministry of Finance of the Russian Federation dated 4 June 2024 N 77n and effective for annual periods beginning on or after 1 January 2025).

The impact of the amendments to the standards did not have a significant impact on these consolidated financial statements.

2 Basis of preparation of consolidated financial statements (continued)

New standards and interpretations have been published that are mandatory for annual periods beginning on or after 1 January 2026, and the Group intends to adopt the standards and amendments for use after they are effective:

- Amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” – “Amendments to the Classification and Measurement of Financial Instruments” (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026);
- IFRS 19 “Non-Public Subsidiaries: Disclosures” (issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027);
- Annual Improvements to IFRS Accounting Standards – Volume 11 (issued on 18 July 2024 and effective for annual periods beginning on or after 1 January 2026):
 - Amendments to IAS 7 – “Cost Method”;
 - Amendments to IFRS 9 – “Derecognition of Lease Liabilities”;
 - Amendments to IFRS 10 – “Determination of a De Facto Agent”;
 - Amendments to the Guidance on the Implementation of IFRS 7 – “Disclosure of deferred differences between the fair value and the transaction price”;
 - Amendments to IFRS 7 – “Gain or Loss on Derecognition”;
 - Amendments to IFRS 1 – “Hedge Accounting by a First-time Adopter of IFRS”;
 - Amendments to the Guidance on the Implementation of IFRS 7 – “Introduction”;
 - Amendments to the Guidance on the Implementation of IFRS 7 – “Disclosure on credit risk”;
 - Amendments to IFRS 9 – “Transaction Price”;
- Amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” – “Contracts Referencing Naturedependent Electricity” (issued on 18 December 2024 and effective for annual periods beginning on or after 1 January 2026);
- Amendments to IFRS 19 “Non-Public Subsidiaries: Disclosures” (issued on 21 August 2025 and effective for annual periods beginning on or after 1 January 2027);

No significant impact on the Group's consolidated financial statements is expected.

The Group is in the process of assessing the impact of changes in the presentation and disclosure of information in the consolidated financial statements:

- IFRS 18 “Presentation and Disclosures in Financial Statements” (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). IFRS 18 replaces IAS 1.

Changes in presentation. Reclassification of comparative data

Some amounts in the comparative information for the previous period have been reclassified in order to ensure their comparability with the presentation of data in the current reporting period. All the reclassifications performed are insignificant.

Use of estimates and professional judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make a number of professional judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Assumptions and estimates made on their basis are continually evaluated to determine the necessity to change them. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected by these changes.

2 Basis of preparation of consolidated financial statements (continued)

Professional judgements that have the most significant effect on the amounts recognized in these consolidated financial statements and estimates and assumptions that may require significant adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Impairment of fixed assets and right-of-use assets

At each reporting date, management of the Group determines whether there is any indication of impairment of fixed assets and assets in the form of a right of use, intangible assets. Such indicators include changes in business plans, tariffs and other factors that may lead to unfavorable conditions for the Group's activities. In making value-in-use calculations, the Group evaluates the expected cash flows from cash-generating units and calculates a discount rate to calculate the present value of these cash flows. A cash-generating unit (hereinafter referred to as a "CGU") is the smallest identifiable group of assets that provides cash flows that are largely independent of cash flows from other assets or groups of assets. The main criterion for determining the CGU is the indivisibility of the tariff and the impossibility of further detailing accounting and planning.

Determination of the lease term under contracts with an option to extend or an option to terminate the lease – The Group as a lessee

The Group defines a lease term as a non-prematurely terminated lease period, together with periods for which an option to extend the lease is available if there is sufficient confidence that it will be exercised, or periods for which an option to terminate the lease is available if there is sufficient confidence that it will not be exercised.

In making a judgment to assess whether the Group has sufficient confidence in the exercise of an option to extend or terminate the lease in determining the lease term, the Group considers the following factors:

- whether the leased object is a specialized;
- the location of the object;
- the Group and the lessor have a practical opportunity to choose an alternative counterparty (choose an alternative asset);
- costs associated with the termination of the lease and the conclusion of a new (replacement) contract;
- availability of significant improvements to leased properties.

Impairment of accounts receivable

Allowance for expected credit losses of accounts receivable is based on management assumptions of debt recovery made for each debtor individually. For the goal of allowance for expected credit losses the Group consistently takes into account all reasonable and verified information about past events, current and forecasted events, which is available without undue effort and is relevant to the assessment of receivables. The experience gained in the past is adjusted on the basis of the date currently available to reflect current conditions that did not have an impact on previous periods and in order to exclude the impact of past conditions that no longer exist.

Liabilities for the non-state pension provision

The costs of the defined benefit pension plan and the related costs of the pension program are determined using actuarial calculations. Actuarial estimates provide for the use of assumptions regarding demographic and financial data. Since this program is long-term, there is considerable uncertainty about such estimates.

Deferred tax assets recognition

At each reporting date management assesses the amount of deferred tax assets and determines the amount to be reflected to the extent in which it is likely to be used as tax allowances. When determining future taxable profit and related tax allowances management uses estimates and assumptions based on prior periods' taxable profit and expectations related to the future profit that are reasonable under the circumstances.

3 Essential information about accounting policies

The accounting policies described below have been applied consistently in all reporting periods presented in these consolidated financial statements.

Amendments to the current standards, which entered into force for annual reporting periods beginning on or after 1 January 2025, did not have a significant impact on these consolidated financial statements of the Group.

(a) Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to risks connected to variable returns from its involvement with the entity or has the right to those returns and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

ii. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognized amount of any non-controlling interests in the acquire; plus
- The fair value of the pre-existing equity interest in the acquire if the business combination is achieved in stages; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

Transaction costs that the Group incurs in connection with a business combination, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognized at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss for the period.

The acquisition of a group of assets and liabilities that do not meet the definition of “business acquisition” in accordance with IFRS 3 “Business Combinations” is reflected on the basis of the corresponding fair values of all identifiable assets and liabilities at the date of purchase. The difference between the transferred compensation and the value of the identifiable assets and liabilities is reflected directly in equity.

iii. Non-controlling interests

Non-controlling interests are the portion of the results of operations and equity of subsidiaries attributable to equity interests that the Company does not own directly or indirectly. Non-controlling interests represent a separate component of the Group's equity.

3 Essential information about accounting policies (continued)

Non-controlling interest is calculated as of the acquisition date individually for each transaction:

- at fair value; or
- as a share in the net assets of a subsidiary owned by non-controlling owners (in proportion to the value of net assets).

The Group recognizes both an equity transaction and directly within equity:

- the difference between the consideration transferred for the acquisition of non-controlling interest and its carrying amount;
- the difference between the consideration received for the sale of non-controlling interest and its carrying amount.

The share of non-controlling owners in the profit (loss) and total comprehensive income of the subsidiary for the reporting period is calculated based on the profit (loss) of the period, the amount of other comprehensive income and the share of non-controlling owners in the subsidiary's equity. If the financial result of the subsidiary's activities during the reporting period is a loss, then the total comprehensive income is fully distributed between the owners of the parent company and non-controlling interests, even if this results in a negative balance of non-controlling interests.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Monetary assets and liabilities of the Group's entities denominated at the reporting date in foreign currencies have been translated into rubles at the exchange rate at the reporting date. Foreign currency transactions are accounted for at the exchange rate at the transaction date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

(c) Financial instruments

v. Financial assets

The Group classifies financial assets into the following measurement categories: subsequently measured at amortized cost, measured at fair value through other comprehensive income and measured at fair value through profit or loss. The classification depends on the financial asset management business model and the cash flow characteristics of the contracts.

Financial assets are classified as measured at amortized cost if the following conditions are met: the asset is held in the framework of a business model, the purpose of which is to hold assets to receive cash flows stipulated by the contract, and the terms of the contract determine receipt of cash flows on specified dates, which are exclusively payments to the account principal amount of the debt and interest on the outstanding part of the principal amount of debt.

3 Essential information about accounting policies (continued)

The Group includes the following financial assets in the category of financial assets measured at amortized cost:

- trade and other receivables that meet the definition of financial assets if the Group has no intention to sell immediately or in the near future;
- bank deposits not meeting the definition of cash equivalents;
- bills and bonds not held for trading;
- loans issued;
- cash and cash equivalents.

An allowance for expected credit losses (hereinafter - ECL) is made for financial assets classified as measured at amortised cost.

Upon derecognition of financial assets measured at amortized cost and fair value with any change therein recognised in profit or loss, the Group presents in the consolidated statement of profit or loss and other comprehensive income (through profit or loss) financial result from disposal equal to the difference between the fair value of consideration received and the carrying amount of the asset.

In the category of financial assets at fair value through other comprehensive income, the Group includes equity instruments other companies:

- not classified as measured at fair value with any change therein recognised in profit or loss; and
- do not provide Group control, joint control or significant influence over the company-object of investment.

At derecognition of equity instruments of other companies classified in the discretion of the Group as at fair value through other comprehensive income previously recognized components of other comprehensive income are transferred from the provision of fair value change to retained earnings.

In the category of financial assets measured at fair value through profit or loss, the Group includes:

- assets held for trading (acquired by the Group primarily for the purpose of selling in the near future and making a profit as a result of favorable fluctuations in market prices);
- assets that are derivative financial instruments;
- other financial assets that are not included by the Group in any of the above categories.

ii. Impairment of financial assets

Impairment provisions are assessed either on the basis of 12-month expected credit loss, which are the result of possible defaults within 12 months after the reporting date, or expected credit loss for the entire life period, which are the result of all possible cases of non-fulfillment of obligations during the expected term of the financial instrument.

For trade receivables or contractual assets arising from transactions that are within the scope of IFRS 15 Revenue from Contracts with Customers (including those that contain a significant financing component) and lease receivables, the Group uses a simplified approach to measuring allowances for expected credit losses - an estimate in an amount equal to the expected credit losses for the entire term.

Impairment allowances for other financial assets classified as measured at amortized cost are measured on the basis of 12-month asset allocation if there has not been a significant increase in credit risk since recognition. The estimated allowance for expected credit losses for a financial instrument is assessed at each reporting date in an amount equal to expected credit losses for the entire period if the credit risk for this financial instrument has increased significantly since initial recognition, taking into account all reasonable and confirmed information, including predictive.

As indicators of significant deterioration in credit risk the Group considers the actual or anticipated difficulties of the Issuer or of a debtor's asset, the actual or expected breach of contract, the expected renegotiation of the contract due to financial difficulties of the debtor at a disadvantage for the Group the terms on which it would disagree in other circumstances.

3 Essential information about accounting policies (continued)

On the basis of the usual practice of credit risk management the Group defines default as the failure of the counterparty (Issuer) to perform its obligations (including repayment of funds under the contract) due to significant deterioration in the financial position.

The credit impairment loss for financial assets is reflected by recognition of a valuation allowance for its impairment. In respect of a financial asset measured at amortized cost, the amount of the impairment loss is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows, discounted at the original effective interest rate.

If in subsequent periods, the credit risk on financial assets decreases due to an event occurring after the recognition of this loss, the previously recognized impairment loss is reversed by reduction of the corresponding valuation allowance.

iii. Financial liabilities.

The Group classifies financial liabilities into the following measurement categories: financial liabilities measured at fair value, changes in which are recognized in profit or loss; financial liabilities measured at amortized cost.

In the category of financial liabilities measured at amortized cost, the Group includes the following financial liabilities:

- Borrowed funds
- Trade and other payables

Borrowed funds are initially recognized at fair value, taking into account transaction costs directly related to raising these funds. Fair value is determined taking into account prevailing market interest rates for similar instruments if they differ materially from transaction prices. In subsequent periods, borrowings are carried at amortized cost using the effective interest method. The entire difference between the fair value of funds received (net of transaction costs) and the amount to be paid off is recognized in profit or loss as interest expense over the entire life of the obligation to repay the borrowed funds.

Borrowing costs are expensed in the reporting period in which they were incurred if they were not related to the acquisition or construction of qualifying assets. Borrowing costs related to the acquisition or construction of assets, the preparation of which takes considerable time (qualifying assets), are capitalized as part of the value of the asset. Capitalization is carried out when the Group:

- incur the costs of qualifying assets,
- incur the costs of loans and
- conducts activities related to the preparation of assets for use or sale.

The capitalization of borrowing costs continues until the date the assets are ready for use or sale. The Group capitalizes borrowing costs that could have been avoided if it had not borne the costs of qualifying assets. Borrowing costs are capitalized based on the average cost of financing the Group (weighted average interest expenses related to the costs incurred for qualifying assets), excluding loans that were received directly for the purpose of acquiring a qualifying asset. Actual borrowing costs of targeted loans, reduced by the amount of investment income from temporary investment loans, are capitalized.

Accounts payable are accrued from the moment the counterparty fulfills its obligations under the contract. Accounts payable are recognized at fair value and subsequently measured at amortized cost using the effective interest method.

(d) Property, plant and equipment

vi. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The deemed cost of property, plant and equipment as at 1 January 2007, the date of transition to IFRS, was determined by using its fair value (deemed cost) at that date.

3 Essential information about accounting policies (continued)

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed (built) assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located and capitalized interest on loans and borrowings. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognized net in the item "Other income", "Other expenses", within the profit or loss for the period.

ii. Subsequent costs

The cost of replacing part (major component) of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the consolidated statement of profit or loss and other comprehensive income as incurred.

iii. Depreciation

Each component of an item of property, plant and equipment is amortised from the time it is ready for use on a straight-line basis over its expected useful life, since this method most accurately reflects the nature of the expected consumption of the future economic benefits embodied in the asset. Land plots are not amortized.

The useful lives expressed in years by type of property, plant and equipment, are presented below:

- | | |
|--|-------------|
| – buildings | 7-50 years; |
| – transmission grids | 5-40 years; |
| – equipment for electricity transmission | 5-40 years; |
| – other assets | 1-50 years. |

iv. Impairment

At each reporting date management determines whether there is any indication that property, plant and equipment is impaired.

An impairment loss is recognized when the carrying amount of an asset or its associated cash-generating unit exceeds its estimated (recoverable) amount. The recoverable amount of an asset or cash-generating unit is the higher of the asset's value in use and its fair value less costs to sell.

For the purposes of an impairment test, assets that cannot be individually tested are grouped into the smallest group that generates cash inflows from continuing use of the related assets, and these inflows are largely independent of cash inflows generated by other assets or groups of assets (the "cash-generating unit").

The Group's general (corporate) assets do not generate independent cash flows and are used by more than one cash-generating unit. The value of a corporate asset is allocated to the units on a reasonable and consistent basis, and its impairment test is performed as part of the testing of the unit to which the corporate asset was allocated.

Impairment losses are recognized in profit or loss. For other assets, an impairment loss recognized in a previous period is reviewed at each reporting date to identify indications that the amount of this loss should be reduced or that it should no longer be recognized.

Amounts written off for impairment losses are reversed if the measurement factors used in calculating the corresponding recoverable amount change. An impairment loss is reversed only to the extent that it is possible to restore the value of the assets to the carrying amount at which they would have been carried (net of accumulated depreciation) if no impairment loss had been recognized.

3 Essential information about accounting policies (continued)

(e) Intangible assets

Intangible assets include primarily capitalized computer software and licenses. The purchased software and licenses are capitalized on the basis of the costs incurred to acquire them and bring them to use.

Research costs are expensed as incurred. Development costs are recognized as intangible assets only when the Group can demonstrate the following: the technical feasibility of creating an intangible asset so that it is available for use or sale; its intention to create an intangible asset and use or sell it; how the intangible asset will generate future economic benefits; the availability of resources to complete development, and the ability to reliably estimate the costs incurred during development. Other development costs are expensed as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. The carrying amount of development costs is subject to an annual impairment test.

After initial recognition, intangible assets are carried at cost less accumulated depreciation and accumulated impairment losses. Amortization of intangible assets is calculated on a straight-line basis over their useful lives. At each reporting date, management assesses whether there is any indication that intangible assets are impaired. In the event of an impairment, the carrying amount of intangible assets is written down to the higher of the value in use and the fair value of the asset less costs to sell.

Goodwill (“negative goodwill”) arises from the acquisition of subsidiaries, associates and joint ventures. For the valuation of goodwill at initial recognition, see Note 3 (a) (iii) Goodwill is recorded net of impairment losses. With respect to associates, the amount of goodwill related to them is reflected in the carrying amount of the corresponding investment in an associate, and when recognizing an impairment of such investments, it is not allocated to any assets forming the carrying amount of investments in associates, including goodwill.

(f) Lease

At the time of the conclusion of the contract, the Group assesses whether the contract as a whole or its individual components is a lease agreement. A contract as a whole, or its individual components, is a lease if the contract transfers the right to control the use of an identified asset for a specified period in exchange for a refund.

Right-of-use assets are initially measured at cost and amortized to the earlier of the following dates: the end of the useful life of the right-of-use asset or the end of the lease term. The initial cost of a right-of-use asset includes the initial measurement of the lease liability, lease payments made before or at the lease commencement date, and initial direct costs. After recognition, right-of-use assets are carried at cost less accumulated depreciation and accumulated impairment losses. Right-of-use assets are presented as a separate item in the consolidated statement of financial position.

The lease liability is initially measured at the present value of lease payments that have not been made at the lease commencement date and is subsequently measured at amortized cost, with interest expense recognized as finance expense in the consolidated statement of profit or loss and other comprehensive income. Lease liabilities are presented in the consolidated statement of financial position as long-term and short-term borrowings.

The Group recognizes lease payments on short-term leases as an expense on a straight-line basis over the lease term.

For an individual lease agreement, the Group may decide to qualify the agreement as a lease in which the underlying asset has a low value and recognize the lease payments under such agreement as an expense on a straight-line basis over the lease term.

For lease agreements for land plots under power grid facilities with an indefinite term, or with a contract term of no more than 1 year with the possibility of annual renewal, the Group determines the term of the contract, using as a basic criterion the useful life of the fixed assets located on the leased land plots.

For leases of transmission facilities with indefinite or with a term contract of not more than 1 year with possibility of annual renewal, the Group determines the duration of the contract, using as basic criterion the useful life of the objects of fixed assets with similar technical characteristics.

3 Essential information about accounting policies (continued)

(g) Advances issued

Advances issued are classified as non-current if they are connected with the acquisition of an asset which will be classified as non-current upon initial recognition. Advances issued for the acquisition of an asset are included in its carrying amount upon the acquisition of control over the asset, and when it is probable that the Group will obtain economic benefit from its usage.

(h) Inventories

Inventories are measured at the lower of the cost or net realizable value. The cost of inventories is determined on the weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business of the Group, less the estimated costs of completion and selling expenses.

Inventories intended for the provision of work on the prevention and elimination of accidents (emergencies) at power grid facilities (emergency reserve) are reflected in the article "Inventories".

(i) Cash and cash equivalents

Cash includes cash in hand, funds in bank accounts, and cash in transit. Cash equivalents include highly liquid financial assets intended to settle liabilities related to the Group's current operating activities with a maturity at the time of initial recognition not exceeding three months.

(j) Value-added tax

Output value-added tax (VAT) related to sales is payable to the tax authorities on the earlier of (a) collection of receivables from customers or (b) delivery of goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. Advances issued and other assets include (on a net basis) the amounts of VAT accrued on advances received and advances issued, as well as VAT recoverable and VAT prepayments. Amounts of VAT to be paid to the tax authorities are presented separately as part of current liabilities. Where allowance for expected credit losses has been made for receivables, the allowance loss is recorded for the gross amount of the debtor, including VAT.

(k) Employee benefits

vii. Defined contributions plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate (independent) entity and will have no further (neither legal nor due to established practice) obligation to pay further amounts. Obligations for contributions to defined contribution pension plans, including the Social Fund of Russia (until 1 January 2024 the Pension Fund of the Russian Federation), are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

viii. Defined benefit plans

The defined benefit program is a program for the payment of employee benefits at the end of an employment relationship with them, different from the defined benefit program. The liability recognized in the consolidated statement of financial position in respect of defined benefit pension schemes is the discounted liability at the reporting date.

The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. These calculations are performed by a qualified actuary using the method of the predicted conditional unit of accumulation of future payments.

3 Essential information about accounting policies (continued)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income.

The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income/expense.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains or losses on the settlement of a defined benefit plan when the settlement occurs.

ix. Other non-current employee benefits

The amount of the Group's liability for long-term employee benefits other than defined benefit payments is the amount of future benefits that employees have earned the right to in the current and past periods. These future rewards are discounted to determine their present value. The discount rate represents the market yield at the reporting date on government bonds that have maturity dates approximately equal to the maturity of the Group's respective obligations and are denominated in the same currency in which these rewards are expected to be paid. Obligations are assessed using the method of the predicted conditional unit. Revaluations are recognized in profit or loss for the period in which they occur.

x. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably and it is highly probable that there will be an outflow of economic benefits.

(1) Income tax expense

Income tax expense is comprised of current and deferred tax. It is recognized in profit or loss for the period, except to the extent that it relates to a business combination, or items recognized in other comprehensive income or directly in equity.

Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable with respect to previous years.

Deferred tax

Deferred tax is recognized with respect to temporary differences between the carrying amounts of assets and liabilities for consolidated financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- taxable temporary differences arising on the initial recognition of goodwill;
- temporary differences that arise upon initial recognition of assets or liabilities as a result of a transaction that is not a business combination and, at the time of its completion, does not affect either accounting or taxable profit or tax loss, and does not result in equal taxable and deductible temporary differences;
- temporary differences that relate to investments in subsidiaries and associates, to the extent that the Group is able to control the timing of the reversal of these temporary differences and it is probable that these temporary differences will not reverse in the foreseeable future;

3 Essential information about accounting policies (continued)

- deductible temporary differences that relate to investments in subsidiaries and associates, branches, and interests in joint ventures, to the extent that it is not probable that taxable profits will be available against which the related temporary differences can be offset, and it is not probable that these temporary differences will reverse in the future. for the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rate that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes, penalties and late-payment interest may be due. The Group accrues tax liabilities for open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions, and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the related deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

(m) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or practice-based obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(n) Capital

Share capital

Ordinary shares classified as equity.

Issue income

Share premium is defined as the amount of funds accumulated from the start of the Group's operations as a result of the placement of shares, less the nominal value of the outstanding shares.

Own repurchased shares:

In the event that a Group company purchases shares of the Company (its own repurchased shares), the amount paid, including any additional costs directly related to the acquisition (net of income tax), is deducted from equity attributable to the Company's shareholders until the shares are cancelled, reissued or sold. Where such shares are subsequently reissued or sold, the amounts received, net of directly related transaction costs and related tax charges, are included in equity attributable to the Company's shareholders.

3 Essential information about accounting policies (continued)

Capital reserves include:

- revaluation reserve for financial assets,
- revaluation reserve for net defined benefit liability,
- the reserve associated with the transfer to the reporting currency.

Provision for revaluation of financial assets.

The procedure for measuring financial assets measured at fair value through other comprehensive income, as well as the procedure for derecognition of these financial assets, is described in section (c) of this Note.

Revaluation reserve for the net defined benefit liability.

Actuarial gains and losses recorded as part of the revaluation reserve for the net defined benefit liability are calculated by a qualified independent actuary in accordance with the requirements of IFRS (IAS) 19 “Employee Benefits” (see also section (j) of this Note).

The reserve associated with the translation to the reporting currency.

The financial result and financial position of a Group associate whose functional currency differs from the presentation currency are translated to the presentation currency using the following procedures: assets and liabilities are translated at the closing exchange rate at the date of the statement of financial position; income and expenses are translated at the exchange rates at the dates of the related transactions; all exchange differences resulting from the transfer are recognized in other comprehensive income and presented in equity as part of the reserve associated with the *translation* to the presentation currency; transactions affecting equity are recalculated at the exchange rates at the dates of the transaction; items (components) of equity are not recalculated, that is, each item of equity The capital is recalculated once – at the exchange rates on the dates of the relevant transactions.

Retained earnings. Dividends.

Retained earnings (uncovered loss) reflect net profit (loss) on an accrual basis since the beginning of the Group's activities, not distributed among its shareholders and not otherwise used.

Dividends are recognized as a liability and excluded from equity at the reporting date only if they are declared (approved by shareholders) at or before the reporting date. Dividends are subject to disclosure if they are declared after the reporting date but before the consolidated financial statements are signed.

(o) Revenue from Contracts with Customers

The Group recognizes revenue when (or as) the performance obligation is fulfilled by transferring the promised good or service (i.e. an asset) to customer. An asset is transferred then (or as it is) a performance obligation is fulfilled.

When (or as) a performance obligation is fulfilled, the Group recognizes revenue in the amount that the Group expects to receive in exchange for transferring the promised assets to the buyer, excluding VAT.

Electricity transmission

Revenue from electricity transmission is recognized during the period (billing month) and is estimated using the results method (cost of transferred volumes of electricity).

Tariffs for electricity transmission services are approved by the executive authority of the subjects of the Russian Federation in the field of state regulation of tariffs.

Sales of electricity and capacity

Revenue from the sale of electricity is recognized during the period (billing month) and is estimated using the results method (cost of transferred volumes of electricity).

3 Essential information about accounting policies (continued)

The sale of electricity in the retail electricity and capacity markets to consumers is carried out at regulated prices (tariffs) established by the executive authority of the subjects of the Russian Federation in the field of state regulation of tariffs.

Technological connection services

Revenue from the provision of technological connection services is a non-refundable fee for connecting consumers to electric networks. The Group transfers control over the service at a certain point in time (after the consumer is connected to the power grid or, for certain categories of consumers, when the Group provides the opportunity for the consumer to connect to the power grid) and, therefore, fulfills the obligation to perform at a certain point in time.

Payment for technological connection for an individual project, the standardized tariff rates, the rates for an unit of maximum capacity and the form of payment for technological connection are approved by the regional energy commission (the department of prices and tariffs of the corresponding region) and do not depend on the proceeds from the provision of electricity transmission services. Payment for technological connection to the unified national electric network is approved by the Federal Antimonopoly Service.

The Group applied judgment that technological connection is a separate performance obligation that is recognized when the related services are provided. The technological connection agreement does not contain any further obligations after the provision of the connection service. According to the established practice and laws governing the electricity market, technological connection and transmission of electricity are subject to separate negotiations with different consumers as different services with different commercial purposes without connection in pricing, intentions, recognition or types of services.

Other revenue

Revenue from the provision of other services (maintenance and repair services, consulting and organizational and technical services, communication and information technology services, other services) and other sales is recognized when the customer receives control of the asset.

Trade receivables

Accounts receivable represent the Group's right to compensation, which is unconditional (that is, the moment when such compensation becomes payable is due only to the passage of time).

Contractual obligations

An obligation under a contract is an obligation to transfer to the buyer the goods or services for which the Group has received compensation (or compensation for which is payable) from the buyer. If the buyer pays the consideration before the Group transfers the goods or services to the buyer, a contractual obligation is recognized at the time the payment is made or at the time when the payment becomes payable (whichever occurs earlier). Contractual obligations are recognized as revenue when the Group performs its obligations under the contract. The Group reflects obligations under contracts with customers under the item "Advances received" including value added tax (VAT).

Advances received mainly consists of deferred revenue under contracts of technological connection.

Advances received from buyers and customers are analyzed by the Group for the presence of a financial component. If there is a time interval of more than 1 year between the receipt of advances from buyers and customers and the transfer of promised goods and services for reasons other than the provision of financing to the counterparty (under technological connection agreements to electric networks), the interest expense is not recognized on the advances received. Such advances are carried at the fair value of the assets received by the Group from buyers and customers in advance.

3 Essential information about accounting policies (continued)

(p) Finance income and costs

Financial income includes interest income on invested funds, dividend income, profit on disposal of financial assets measured at fair value and measured at amortized cost, and the effect of discounting financial instruments. Interest income is recognized in profit or loss when incurred, and its amount is calculated using the effective interest rate method. Dividend income is recognized in profit or loss when the Group is entitled to receive the corresponding payment.

Financial expenses include interest expenses on borrowed funds, lease obligations, losses from the disposal of financial assets measured at fair value and measured at amortized cost, and the effect of discounting financial instruments. Borrowing costs that are not directly related to the acquisition, construction or production of a qualifying asset are recognized in profit or loss for the period using the effective interest method.

(q) Government grants

Government-provided grants are recognized at fair value if there is reasonable assurance that the grant will be received and all the conditions for obtaining such a grant will be met.

Government grants related to the acquisition of fixed assets are included in long-term liabilities as deferred income and charged to profit or loss over the estimated useful life of the related assets as such assets are amortized.

In the consolidated statement of cash flows, subsidies related to the acquisition of fixed assets are reflected as part of cash flows from financing activities.

Government grants allocated for the implementation of costs are recognized in profit or loss (as part of other income) during the period corresponding to the time of occurrence of the costs that they are supposed to compensate.

Government grants that are due to be received as compensation for expenses already incurred or for the purpose of providing immediate financial support without any future related costs are recognized in profit or loss for the period in which they are due.

Government grants that compensate the Group for electricity tariffs (loss of income) are recognized in the consolidated statement of profit or loss and other comprehensive income (as part of other income) in the same periods in which the related revenue was recognized.

(r) Social expenditure

When the Group's contributions to social programs are for the benefit of society as a whole and are not limited to payments to employees of the Group, they are recognized in profit or loss as they are made. The Group's expenses related to the financing of social programs, without committing to such financing in the future, are reflected in the consolidated statement of profit or loss and other comprehensive income as they arise.

(s) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(t) Concession Arrangement

The Group applies IFRS 15 to public-private concession arrangement for the provision of services, if: 1. The concession provider controls or regulates what services the operator must provide in relation to the infrastructure, to whom it must provide them and at what price; and 2. the supplier of the concession controls - on the basis of ownership, use rights for the purpose of extracting benefits or other grounds - any significant residual share in the infrastructure at the end of the agreement period.

3 Essential information about accounting policies (continued)

The Group doesn't recognize the infrastructure of the objects of the concession agreement as property, plant and equipment, because the contractual services agreement doesn't transfer to the Group the right to control the use of the infrastructure.

The Group keeps records of reimbursement for construction services and revenue from electricity transmission services, in accordance with IFRS 15.

The Group recognizes a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the concession provider or at its direction for performing construction services; the concession provider has a small choice to avoid payment, or does not have such a choice at all, usually because the agreement is enforceable.

The Group recognizes an intangible asset to the extent that it obtains the right to charge users of services.

The Group accounts for an intangible asset in accordance with IFRS (IAS) 38. The Group determines the amortization period for an intangible asset as the period of validity of the concession agreement.

The Group capitalizes borrowing costs in accordance with IFRS (IAS) 23 relating to the construction phase of the concession agreement into the intangible asset. Other borrowing costs related to the concession agreement are recognized by the Group as an expense in the period in which they are incurred.

(u) Energy service contracts

Within the framework of the energy service contract, the services are provided aimed at energy saving and improving the energy efficiency of the use of energy resources (including reducing the technological consumption (loss) of electricity during its transmission in electric networks) by identifying and reducing losses in electric networks. The services of an energy service company are paid by saving the cost of electricity for compensation losses.

The Group recognizes the costs of energy service contracts as part of the operating expenses of the period under other works and industrial services.

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.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a normal transaction between market participants at the valuation date. A fair value measurement assumes that a transaction for the purpose of selling an asset or transferring a liability is carried out in the market that is the primary market for the asset or liability; or, in the absence of a primary market, in the market that is most advantageous for the asset or liability.

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 discloses transfers between levels of the fair value hierarchy in the reporting period during which the change takes place. The point in time at which transfers to and from certain levels are recognized is the date on which the event or change in circumstances that caused the transfer occurs.

5 Acquisition and disposal of subsidiaries, ownership interests

(a) Disposal of subsidiaries in 2025

As at 22 September 2025, an entry was made in the unified state Register of legal entities on the liquidation of one of the subsidiaries by decision of its founders. The assets of the liquidated company have been transferred to the regional branch of PJSC ROSSETI Centre. As of the date of liquidation, the company's net assets amounted to RUB 39,879 thousand and were transferred to the founder in the form of cash.

As at 26 December 2025, an entry was made in the unified state Register of legal entities on the transfer of ownership interest of one of the subsidiaries by share purchase agreement dated 22 December 2025, concluded with a third party. As of the date of transfer of ownership, the company's net liabilities amounted to RUB 5,290 thousand. The selling price determined by the parties to the contract amounted to RUB 1,784 thousand. The Group recognized a profit from the transaction in the amount of RUB 7,074 thousand, which is reflected in other income.

(b) Acquisition of subsidiaries in 2024

Information on associated companies

Investment in an associated company at the beginning of the reporting period	660,636
Share in the profit of the associated company for the period up to 26 July 2024	78,140
Dividends	(68,303)
Investment in an associated company on 26 July 2024	670,473

Consolidated financial information on the associated company for the period from 01 January to 26 July 2024 and as at that date:

	thousand rubles
Non-current assets	1,026,233
Current assets	833,923
including cash and cash equivalents	237,230
Long-term obligations	(95,362)
Short-term liabilities	(444,260)
Total net assets	1,320,534
Revenue	960,956
Depreciation for the period	(42,795)
Net financial income	21,451
Income tax expense	(40,134)
Profit for the period	156,281
Total comprehensive income for the period	156,281
Total comprehensive income for the period in favor of the Group is 49.99997%	78,140

Acquisition of control

On 26 July 2024, the Group acquired ownership of 50.00003% of the ordinary registered undocumented shares of the associated company by sending a mandatory offer to the company's shareholders provided for in Article 84.2 of the Federal Law "On Joint Stock Companies". The purchase price of the acquired share of shares was determined as RUB 750,001 thousand and paid in cash. Thus, the effective ownership share of the Group in this company after the completion of the transaction was 100%.

The Company's results of operations, assets and liabilities are consolidated by the Group from 26 July 2024. The Group reflected the acquisition of control over the company using the purchase method in accordance with the requirements of IFRS 3 "Business Combination".

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

The table below shows the fair value of the identifiable net assets of the acquired company received at the acquisition date:

	Fair value, thousand rubles
Non-current assets	
Property, plant and equipment	574,444
Intangible assets	718
Right-of-use assets	42,779
Deferred tax assets	408,292
Total non-current assets	1,026,233
Current assets	
Inventories	72,222
Accounts receivable	524,471
Cash and cash equivalents	237,230
Total current assets	833,923
Total assets	1,860,156
Non-current liabilities	
Long-term lease obligations	39,549
Deferred tax liabilities	55,813
Total non-current liabilities	95,362
Current liabilities	
Short-term lease obligations	6,668
Accounts payable	425,105
Provisions	12,487
Total current liabilities	444,260
Total liabilities	539,622
Total identifiable net assets at fair value	1,320,534
Identifiable net assets attributable to non-controlling interests	(1,608)
Value of an investment in an associated company	670,473
Consideration transferred	750,001
Goodwill	98,332

Since the value of the consideration transferred exceeds the value of the identifiable net assets of the acquired company, the Group recorded goodwill as part of other intangible assets in the amount of RUB 98,332 thousand in the consolidated statement of financial position.

The goodwill arising from the acquisition is a consequence of the expected additional economic effects from the consolidation of the electric grid assets after the acquisition of control of the company under the unified operational management of the Group.

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

Net cash received on the acquisition of a subsidiary	237,230
Consideration transferred	(750,001)
Net cash flow	(512,771)

Acquisition of subsidiaries

On 03 April 2024, the Group concluded an agreement for the purchase and sale of 100% of ordinary registered non-documentary shares of the acquired company. In accordance with the terms of the agreement, shares are considered to be transferred to the ownership of the Group from the moment the corresponding entry is entered into the register of owners of shares of the acquired company. The purchase price is defined as RUB 750,000 thousand and paid in cash.

The results of operations, assets and liabilities of the acquired company are consolidated by the Group from 25 April 2024.

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

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

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 table below shows the fair value of the identifiable net assets of the acquired company received at the acquisition date:

	Fair value, thousand rubles
Non-current assets	
Property, plant and equipment	769,450
Deferred tax assets	3,692
Total non-current assets	773,142
Current assets	
Inventories	33,529
Accounts receivable	122,036
Cash and cash equivalents	50,452
Total current assets	206,017
Total assets	979,159
Non-current liabilities	
Deferred tax liabilities	79,714
Total non-current liabilities	79,714
Current liabilities	
Borrowed funds	72
Accounts payable	111,326
Provisions	9,368
Total current liabilities	120,766
Total liabilities	200,480
Total identifiable net assets at fair value	778,679
Consideration transferred	750,000
Gain on bargain purchase	(28,679)

Since the fair value of the identifiable net assets of the acquired company exceeds the value of the consideration transferred, the Group recognized a gain on a bargain purchase (negative goodwill) in other income in the amount of RUB 28,679 thousand in the consolidated statement of profit or loss and other comprehensive income.

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

Net cash received on the acquisition of a subsidiary	50,452
Consideration transferred	(750,000)
Net cash flow	(699,548)

Since the acquisition date, the proceeds of the acquired company and the acquisition of control, consolidated into the Group's financial statements, amounted to RUB 385,971 thousand and RUB 133,502 thousand, respectively, and profit before tax amounted to RUB 219,391 thousand and RUB 99,443 thousand, respectively. If the acquisition had taken place at the beginning of the year, the Group's revenue would have amounted to RUB 138,423,760 thousand, and the Group's profit before tax would have amounted to RUB 12,553,691 thousand.

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

Acquisition of shares of ownership

On 17 October 2024 the Group entered into a purchase and sale agreement for a non-controlling interest in the amount of 49% of ordinary registered non–documentary shares of one of its subsidiaries (hereinafter referred to as the company). The purchase price is defined as RUB 119,000 thousand and paid in cash. Upon completion of the transaction, the Group's effective ownership interest in this company was 100%.

The cost of the non-controlling interest at the date of acquisition of 49% of the shares was:

	Value, thousand rubles
Non-controlling interest at the date of the company's establishment	3,207
Comprehensive income attributable to non-controlling interests accrued from the date of the company's establishment	546,539
Dividends paid to holders of non-controlling interests since the date of the company's establishment	(55,784)
Total non-controlling interest at the date of acquisition of 49% of the company's shares	493,962
Consideration transferred	119,000
Increase in equity due to owners of the Group	374,962

Since the value of the non-controlling interest at the date of the transaction exceeds the value of the consideration transferred, the Group recognized the increase in equity attributable to the owners of the Company in retained earnings in the amount of RUB 374,962 thousand in the consolidated statement of changes in equity.

6 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 in a number of regions of the Russian Federation.

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 in a number of regions of the Russian Federation.

The Management Board of PJSC “Rosseti Centre” evaluates the results of operations, assets and liabilities of operating segments on the basis of internal management reports prepared on the basis of data generated according to Russian accounting standards.

The reconciliation of the indicators in the evaluation to the Management Board and similar indicators in these consolidated financial statements includes those reclassifications and adjustments that are necessary for reporting in accordance with IFRS.

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, intangible assets and right-of-use assets. This procedure for determining EBITDA may differ from the procedure used by other companies. This procedure for determining EBITDA may differ from the procedure used by other companies. Management believes that the EBITDA calculated in this way is the most indicative indicator for evaluating the performance of the Group's operating segments.

In accordance with the requirements of IFRS 8 the following reportable segments were identified based on segment revenue, EBITDA and the total assets reported to the Management Board:

PJSC «Rosseti Centre»
Notes to the Consolidated Financial Statements for the year ended 31 December 2025
(in thousands of Russian rubles, unless otherwise stated)

- 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.

6 Information about segments (continued)

(a) Information about reportable segments

As at 31 December 2025 and for the year ended 31 December 2025:

	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	19,107,041	11,239,438	25,111,065	7,535,027	12,084,175	13,692,600	6,695,292	11,498,156	9,934,989	16,118,157	15,652,824	3,402,008	885,940	152,956,712
Inter-segment revenue	-	325,436	75,345	-	-	-	-	27	-	-	13,081	8,044,510	6,055	8,464,454
Segment revenue	19,107,041	11,564,874	25,186,410	7,535,027	12,084,175	13,692,600	6,695,292	11,498,183	9,934,989	16,118,157	15,665,905	11,446,518	891,995	161,421,166
Including														
Electricity transmission	17,019,237	10,850,120	22,763,560	6,802,122	10,640,255	12,569,567	6,435,226	10,828,713	9,338,256	14,697,633	14,269,783	10,004,306	-	146,218,778
Technological connection services	1,331,317	185,907	1,398,301	395,588	1,225,325	727,515	139,033	214,165	325,593	1,151,223	639,177	990,764	3,932	8,727,840
Other revenue	750,543	485,209	1,001,747	334,944	214,941	394,365	118,904	454,136	270,894	238,502	751,553	403,066	850,979	6,269,783
Rental income	5,944	43,638	22,802	2,373	3,654	1,153	2,129	1,169	246	30,799	5,392	48,382	37,084	204,765
The cost of technological connection to the networks	(63,421)	(21,947)	(43,117)	(44,177)	(27,292)	(56,898)	(25,137)	(40,780)	(19,270)	(99,693)	(90,027)	(70,701)	-	(602,460)
Finance income	810	134,241	128,420	8	2,987	40	5	122	128	69	214,846	192,634	939,489	1,613,799
Finance costs	(356,510)	(279,445)	(499,053)	(195,701)	(173,268)	(692,763)	(277,782)	(706,531)	(454,432)	(1,448,001)	(1,237,649)	(641,562)	(267,626)	(7,230,323)
Depreciation and amortization	2,592,843	790,575	1,887,609	795,582	460,382	1,926,530	496,361	962,662	614,893	1,078,179	1,657,823	1,251,382	139,931	14,654,752
EBITDA	6,027,531	1,353,594	7,355,119	2,126,564	2,781,079	3,784,673	1,296,210	2,408,125	3,648,566	2,165,289	4,259,861	4,439,374	1,696,349	43,342,334
Segment assets	25,895,366	8,473,589	28,581,139	10,366,699	10,299,557	20,072,753	5,400,528	10,003,279	8,936,025	14,772,542	19,485,194	21,045,871	12,579,470	195,912,012
Including property, plant and equipment and construction in progress	19,763,806	6,684,347	25,200,724	8,466,254	6,618,096	17,868,721	4,417,246	8,154,944	6,944,071	11,013,830	15,610,841	15,845,085	1,742,677	148,330,642
Capital expenditure	4,595,364	1,589,672	5,990,407	1,380,948	2,299,314	2,004,267	744,646	1,223,767	1,966,353	2,260,231	2,272,006	3,041,311	137,002	29,505,288
Segment liabilities	10,970,257	3,411,142	11,108,255	4,265,145	5,313,620	9,026,267	2,422,693	6,381,346	4,824,810	21,309,235	12,689,606	6,989,050	9,070,537	107,690,963

6 Information about segments (continued)

As at 31 December 2024 and for the year ended 31 December 2024:

	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	17,435,084	5,121,228	22,488,735	6,910,291	10,687,641	12,542,581	6,091,767	10,183,908	9,381,103	14,226,924	13,714,089	8,434,278	933,518	138,151,147
Inter-segment revenue	-	2,760,258	115,378	-	-	-	-	-	-	-	9,240	3,653,263	21,447	6,559,586
Segment revenue	17,435,084	7,881,486	22,604,113	6,910,291	10,687,641	12,542,581	6,091,767	10,183,908	9,381,103	14,226,924	13,723,329	12,087,541	954,965	144,710,733
Including														
Electricity transmission	15,531,077	7,169,829	20,630,836	6,320,865	9,860,593	11,658,638	5,908,867	9,594,005	8,107,668	13,651,177	13,012,946	10,986,807	118,366	132,551,674
Technological connection services	912,843	214,364	990,405	296,195	635,112	531,376	104,876	235,017	967,886	392,044	412,589	712,772	38,997	6,444,476
Other revenue	984,621	471,449	974,202	290,730	189,010	351,503	75,962	354,085	305,112	153,776	295,659	350,399	795,937	5,592,445
Rental income	6,543	25,844	8,670	2,501	2,926	1,064	2,062	801	437	29,927	2,135	37,563	1,665	122,138
The cost of technological connection to the networks	(58,424)	(17,651)	(35,661)	(29,369)	(22,266)	(61,851)	(21,795)	(33,721)	(14,248)	(107,961)	(90,425)	(60,588)	(645)	(554,605)
Finance income	23	210,896	127,214	15	15,582	21	5	4	2	2	78	114,774	1,515,990	1,984,606
Finance costs	(432,384)	(332,739)	(561,070)	(171,577)	(175,778)	(712,002)	(274,576)	(761,665)	(557,272)	(1,249,315)	(1,168,428)	(490,446)	(173,426)	(7,060,678)
Depreciation and amortization	2,458,778	786,508	1,720,428	743,958	848,196	1,906,742	450,697	932,306	518,353	721,851	1,313,417	1,227,904	131,750	13,760,888
EBITDA	5,366,730	1,564,146	5,958,324	1,473,649	(2,359,182)	3,484,933	938,079	1,852,477	2,143,901	4,564,406	4,657,509	3,242,298	2,445,979	35,333,249
Segment assets	26,705,440	7,809,441	24,096,964	9,735,183	8,528,680	19,967,708	5,135,834	9,691,407	7,571,030	13,203,004	19,377,736	21,099,694	10,728,616	183,650,737
Including property, plant and equipment and construction in progress	22,408,475	5,912,532	21,077,174	7,901,271	4,853,872	17,852,976	4,206,058	8,025,660	5,049,637	9,733,653	15,364,958	14,593,220	1,875,213	138,854,699
Capital expenditure	4,351,951	1,286,514	3,853,791	1,211,175	1,994,916	2,798,769	525,563	1,247,347	2,197,643	1,314,033	2,080,150	2,119,531	471,497	25,452,880
Segment liabilities	10,041,155	3,163,263	9,938,210	4,325,269	5,136,654	9,753,753	2,525,648	6,186,704	5,803,560	19,393,986	12,346,868	7,669,898	7,190,366	103,475,334

6 Information about segments (continued)

(b) The reconciliation of key segment items measured as reported to the Management Board of the Company with similar items in these consolidated financial statements:

The reconciliation of segment revenue:

	<u>Year ended 31 December 2025</u>	<u>Year ended 31 December 2024</u>
Segment revenues	161,421,166	144,710,733
Intersegment revenue elimination	(8,464,454)	(6,559,586)
Revenues per consolidated statement of profit or loss and other comprehensive income	152,956,712	138,151,147

The reconciliation of reportable segment EBITDA:

	<u>Year ended 31 December 2025</u>	<u>Year ended 31 December 2024</u>
EBITDA of reportable segments	43,342,334	35,333,249
Discount adjustment on receivables	-	1,914
Adjustment for leases	(57,888)	(78,264)
Impairment of property, plant and equipment, intangible assets, and right-of-use assets according to Russian standards	-	436,063
Recognition of pension and other long-term liabilities to employees	(278,745)	(179,927)
Adjustment on assets related to employee benefit liabilities	86,405	9,190
Re-measurement of financial assets at fair value through other comprehensive income (transfer of revaluation to equity)	22,680	13,559
Adjustment of property, plant and equipment carrying value	21,633	(81,043)
Adjustment of income from donated property, plant and equipment	(147,356)	(285,632)
Adjustment of intangible assets carrying value	-	(1,084,538)
Acquisition of subsidiaries	-	28,679
Share in profit of associates	-	78,140
Adjustment for other material expenses	(444,238)	(398,049)
Other adjustments	(1,310,374)	(1,234,737)
EBITDA IFRS	41,234,451	32,558,604
Depreciation of property, plant and equipment, right-of-use assets and amortization of intangible assets	(13,385,308)	(12,615,166)
Net accrual of impairment losses on property, plant and equipment and right-of-use assets	(4,219,956)	(861,528)
Interest expenses on financial liabilities	(6,100,651)	(5,993,982)
Interest expenses on lease liabilities	(886,441)	(726,618)
Income tax expense and expenses on excess profit tax	(5,039,706)	(5,800,683)
Profit for the year in the consolidated statement of profit or loss and other comprehensive income	11,602,389	6,560,627

6 Information about segments (continued)

The reconciliation of reportable segment total assets is presented below:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Total segment assets	195,912,012	183,650,737
Intersegment balances	(1,901,345)	(3,460,323)
Intragroup financial assets	(4,583,685)	(5,604,514)
Adjustment for value of property, plant and equipment, intangible assets and right-of-use assets	(3,952,311)	(7,723,374)
Impairment of property, plant and equipment, intangible assets and right-of-use assets	(4,219,956)	(861,528)
Recognition of right-of-use assets	(107,875)	(177,970)
Assets related to employee benefits	649,831	563,426
Adjustment for deferred tax assets	(7,817,144)	(7,394,954)
Other adjustments	(55,619)	(113,069)
Total assets per consolidated statement of financial position	173,923,908	158,878,431

The reconciliation of reportable segment total liabilities is presented below:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Total segment liabilities	107,690,963	103,475,334
Intersegment balances	(1,901,345)	(3,460,323)
Adjustment for deferred tax liabilities	(7,278,878)	(7,192,861)
Recognition of pension and other long-term liabilities to employees	3,154,438	2,471,395
Recognition of lease obligations	(126,124)	(144,797)
Discounting of financial liabilities	(774,827)	(1,011,241)
Other adjustments	(78,281)	(77,211)
Total liabilities per consolidated statement of financial position	100,685,946	94,060,296

(c) Major customer

For the year ended 31 December 2025 and 31 December 2024, the Group had a few counterparties, each of which accounted for more than 10% of the Group's total revenue. Revenue received from these counterparties is reflected in the reporting of the operating segments of Voronezhenergo, Kurskenergo, Lipetskenergo, Smolenskenergo, Tverenergo and Yarenergo.

The total revenue received from "TNS energo" Group was RUB 26,058,478 thousand or 17.4% of the Group's total revenue for 2025 (2024: RUB 22,989,567 thousand or 17.4%) of Voronezhenergo, Yarenergo branches.

The total revenue received from JSC "Rosatom Energosbyt" was RUB 29,499,928 thousand or 19.7% of the Group's total revenue for 2025 (2024: RUB 27,111,832 thousand or 20.5%) of Kurskenergo, Lipetskenergo, Smolenskenergo, Tverenergo branches.

7 Revenue

	Year ended 31 December 2025	Year ended 31 December 2024
Electricity transmission	138,230,709	126,401,117
Technological connection services	8,724,770	6,444,322
Other revenue	5,864,556	5,188,021
Revenue from contracts with customers	152,820,035	138,033,460
Rental income	136,677	117,687
	152,956,712	138,151,147

Other revenue includes mainly technical and maintenance services, installation of outdoor lighting networks, diagnostics and testing, construction services, consulting and organizational and technical services.

8 Other income and other expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Income from identified non-contracted electricity consumption	97,856	109,305
Income in the form of fines and penalties on commercial contracts	169,865	508,677
Gain on compensation of losses in connection with retirement/liquidation of electric grid assets	1,456,512	527,972
Accounts payable write-off	63,022	28,837
Acquisition of subsidiaries (Note 5)	-	28,679
Insurance indemnity	319,316	348,289
Income from disposal (sale) of fixed assets	(6,185)	33,722
Income from reimbursement of costs and losses	20,009	9,133
Income from inventory sales	97,152	122,870
Subsidies and targeted financing	92,324	114,412
Other income	562,838	634,791
	2,872,709	2,466,687

Other expenses include loss on disposal of property, plant and equipment for the year ended 31 December 2025 in the amount of RUB 262,805 thousand (for the year ended 31 December 2024: RUB 142,087 thousand).

9 Operating expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Personnel costs	37,845,817	31,889,220
Depreciation and amortization, including:	13,385,308	12,615,166
<i>Depreciation of property, plant and equipment</i>	<i>12,524,571</i>	<i>11,842,436</i>
<i>Amortization of intangible assets</i>	<i>207,843</i>	<i>178,247</i>
<i>Depreciation of right-of-use assets</i>	<i>652,894</i>	<i>594,483</i>
Material expenses, including:	32,605,423	28,498,646
<i>Electricity for compensation of losses</i>	<i>26,688,519</i>	<i>22,616,309</i>
<i>Purchased electricity and heat power for own needs</i>	<i>601,567</i>	<i>525,793</i>
Other material expenses	5,315,337	5,356,544
Production work and services, including:	41,383,889	40,166,809
<i>Electricity transmission services</i>	<i>35,734,111</i>	<i>35,728,544</i>
<i>Repair and maintenance services</i>	<i>1,429,242</i>	<i>1,214,401</i>
<i>Other works and industrial services</i>	<i>4,220,536</i>	<i>3,223,864</i>
Taxes and levies other income tax	655,915	2,159,718
Short-term leases	135,185	91,801
Insurance	244,534	166,544
Other third-party services, including:	2,667,856	2,343,005
<i>Communication services</i>	<i>449,179</i>	<i>442,976</i>
<i>Security services</i>	<i>681,975</i>	<i>511,983</i>
<i>Consulting, legal and audit services</i>	<i>44,957</i>	<i>60,778</i>
<i>Software costs and services</i>	<i>511,249</i>	<i>455,957</i>
<i>Transportation services</i>	<i>36,201</i>	<i>39,078</i>
<i>Other services</i>	<i>944,295</i>	<i>832,233</i>
Provisions	(192,040)	300,846
Expenses recognized in connection with debt settlement for electricity transmission, electricity for resale, purchased electricity to compensate for losses and non-contracted consumption	284,947	1,125,357
Other expenses	(4,760)	3,329,193
	129,012,074	122,686,305

10 Personnel costs

	Year ended 31 December 2025	Year ended 31 December 2024
Wages and salaries	27,143,485	22,810,339
Social security contributions	8,556,044	7,175,172
Expenses related to defined benefit plan	99,737	129,206
Other	2,046,551	1,774,503
	37,845,817	31,889,220

10 Personnel costs (continued)

The amount of contributions to the defined contribution plan was RUB 20,189 thousand for the year ended 31 December 2025 (for the year ended 31 December 2024: RUB 19,197 thousand).

Remuneration to key management personnel is disclosed in the Note 34.

11 Finance income and costs

	Year ended 31 December 2025	Year ended 31 December 2024
Finance income		
Interest income on bank deposits and balances on bank accounts	1,364,089	1,660,791
Interest income on assets related to employee defined benefits plans	46,140	34,752
Dividends receivable	200	155
Effect of initial recognition of discount on financial liabilities	-	249,885
Amortization of discount on financial assets	-	1,914
	1,410,429	1,947,497
Finance costs		
Financing costs, including	(7,516,267)	(7,264,194)
<i>Interest expenses on financial liabilities measured at amortized cost</i>	(6,100,651)	(5,993,982)
<i>Interest expenses on lease liabilities</i>	(886,442)	(726,618)
<i>Interest expense on long-term employee benefit liabilities</i>	(353,693)	(306,942)
<i>Amortization of discount on financial liabilities</i>	(175,481)	(236,652)
Other finance costs	(60,933)	(6,150)
	(7,577,200)	(7,270,344)

12 Income tax

Increasing the income tax rate

On 12 July 2024, Federal Law No. 176-FZ “On Amendments to Parts One and Two of the Tax Code of the Russian Federation, Certain Legislative Acts of the Russian Federation and Invalidation of Certain Provisions of Legislative Acts of the Russian Federation” was adopted, providing for an increase in the income tax rate from 20% to 25% from 1 January 2025.

In connection with the adoption of this law, an additional deferred tax expense was recognized in these consolidated financial statements in 2024 related to the recalculation of deferred tax assets and liabilities at new rates that will be effective in the periods of recovery of such assets and liabilities after 1 January 2025 in the amount of RUB 1,405,890 thousand, including:

- income tax expense in profit or loss – RUB 1,437,895 thousand.
- income in other comprehensive income - RUB 32,005 thousand.

12 Income tax (continued)

This change in legislation did not affect the amounts of current income tax for 2024 and the deferred assets and liabilities of the Group as at 31 December 2023:

- The current income tax rate for 2024 was 20%
- Deferred income tax assets and liabilities as at 31 December 2023 were calculated at a rate of 20 percent.

The impact of the increase in the income tax rate on deferred income tax assets and liabilities as at 31 December 2024 by types of differences (items) is presented in Note 17.

	Year ended 31 December 2025	Year ended 31 December 2024
Current income tax		
Accrual of current tax	(2,894,452)	(3,411,845)
Adjustment of the tax for the previous periods	(545,256)	200,003
Total	(3,439,708)	(3,211,842)
Deferred income tax		
Accrual of deferred tax at the applicable rate	(1,599,998)	(1,150,946)
Recognition of additional deferred tax expense due to an increase in the income tax rate	-	(1,437,895)
Total	(1,599,998)	(2,588,841)
Income tax expense	(5,039,706)	(5,800,683)

In 2025 and 2024 the Group recalculated tax for previous periods and filed revised statements the income tax including the settlement of disputes with contractors in the judicial and pre-trial order. As a result, the income tax accrual for previous periods was RUB 545,256 thousand in accordance with the updated tax returns submitted to the tax authorities (in 2024: income tax refund of RUB 200,003 thousand).

Income tax recognized in other comprehensive income:

	Year ended 31 December 2025			Year ended 31 December 2024			
	Before tax	Income tax	Net of tax	Before tax	Income tax	Effect due to an increase in the income tax rate	Net of tax
Changes of the fair value of equity instruments measured at fair value through other comprehensive income	(22,680)	5,670	(17,010)	(13,559)	2,706	(1,690)	(10,853)
Remeasurements of the defined benefit liability	(404,298)	61,280	(343,018)	565,954	(70,355)	33,695	495,599
	(426,978)	66,950	(360,028)	552,395	(67,649)	32,005	484,746

12 Income tax (continued) The profit before taxation is correlated to income tax expenses as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
Profit before income tax	16,642,095	12,361,310
Income tax calculated at the applicable tax rate 25%-20%	(4,160,524)	(2,472,262)
Tax effect of items not deductible or not taxable for taxation purposes	(607,497)	(2,090,529)
Recognition of an additional deferred tax expense due to an increase in the income tax rate	-	(1,437,895)
Adjustments for previous periods	(545,256)	200,003
Effect of the federal investment tax credit including:	273,571	-
<i>Current federal investment tax credit</i>	<i>273,571</i>	<i>-</i>
	(5,039,706)	(5,800,683)

From 2025, taxpayers are entitled to use the federal investment tax credit (FITC) under Article 286.2 of the Russian Tax Code. The criteria and procedure are outlined in Resolution No. 1638 of the Russian Government dated 28 November 2024 On Parameters for Applying the Federal Investment Tax Credit. The FITC mechanism allows taxpayers to directly reduce their income tax payable to the federal budget of the Russian Federation by the amount of investment expenses gradually over several years.

13 Property, plant and equipment

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Others	Construction in progress	Total
<i>Cost/deemed cost</i>						
At 1 January 2024	57,242,987	91,616,026	54,090,114	47,464,458	5,302,996	255,716,581
Additions	22	-	-	15,888	24,356,063	24,371,973
Acquisition of subsidiaries	495,966	194,644	199,779	265,264	188,241	1,343,894
Transfers	4,673,644	5,371,735	4,948,897	5,966,575	(20,960,851)	-
Disposals	(66,623)	(157,639)	(173,041)	(281,787)	(127,538)	(806,628)
At 31 December 2024	62,345,996	97,024,766	59,065,749	53,430,398	8,758,911	280,625,820
<i>Accumulated depreciation</i>						
At 1 January 2024	(24,628,831)	(57,686,121)	(29,097,112)	(26,425,536)	-	(137,837,600)
Depreciation charge	(2,634,255)	(4,513,866)	(2,682,796)	(2,980,263)	-	(12,811,180)
Disposals	57,321	82,634	77,330	225,058	-	442,343
At 31 December 2024	(27,205,765)	(62,117,353)	(31,702,578)	(29,180,741)	-	(150,206,437)
<i>Accumulated impairment</i>						
At 1 January 2024	(2,881,942)	(2,975,603)	(2,115,974)	(853,216)	(151,072)	(8,977,807)
Transfers	(28,778)	(21,892)	(13,435)	(4,248)	68,353	-
Depreciation charge	234,448	391,695	249,893	87,461	-	963,497
Recognition of impairment losses/restoration of previously recognized impairment losses	(68,292)	176,912	8,551	(665,431)	(92,710)	(640,970)
Disposals	18	362	628	33	4,113	5,154
At 31 December 2024	(2,744,546)	(2,428,526)	(1,870,337)	(1,435,401)	(171,316)	(8,650,126)
Depreciation (including depreciation of impairment)	(2,399,807)	(4,122,171)	(2,432,903)	(2,892,802)	-	(11,847,683)
<i>Net book value</i>						
At 1 January 2024	29,732,214	30,954,302	22,877,028	20,185,706	5,151,924	108,901,174
At 31 December 2024	32,395,685	32,478,887	25,492,834	22,814,256	8,587,595	121,769,257

13 Property, plant and equipment (continued)

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Others	Construction in progress	Total
<i>Cost/deemed cost</i>						
At 1 January 2025	62,345,996	97,024,766	59,065,749	53,430,398	8,758,911	280,625,820
Additions	-	-	1,448	115,547	28,664,130	28,781,125
Transfers	7,971,350	6,921,310	7,005,935	7,037,092	(28,935,687)	-
Disposals	(567,241)	(227,387)	(269,516)	(407,985)	(227,230)	(1,699,359)
At 31 December 2025	69,750,105	103,718,689	65,803,616	60,175,052	8,260,124	307,707,586
<i>Accumulated depreciation</i>						
At 1 January 2025	(27,205,765)	(62,117,353)	(31,702,578)	(29,180,741)	-	(150,206,437)
Depreciation charge	(2,756,701)	(4,459,339)	(2,841,876)	(3,287,308)	-	(13,345,224)
Disposals	140,211	38,573	26,522	357,139	-	562,445
At 31 December 2025	(29,822,255)	(66,538,119)	(34,517,932)	(32,110,910)	-	(162,989,216)
<i>Accumulated impairment</i>						
At 1 January 2025	(2,744,546)	(2,428,526)	(1,870,337)	(1,435,401)	(171,316)	(8,650,126)
Transfers	(68,935)	(15,808)	(2,135)	(4,057)	90,935	-
Depreciation charge	214,769	261,757	205,325	134,283	-	816,134
Recognition of impairment losses/restoration of previously recognized impairment losses	(1,632,903)	(654,534)	(1,022,036)	(636,178)	(141,384)	(4,087,035)
Disposals	871	133	664	2,367	21,642	25,677
At 31 December 2025	(4,230,744)	(2,836,978)	(2,688,519)	(1,938,986)	(200,123)	(11,895,350)
Depreciation (including depreciation of impairment)	(2,541,932)	(4,197,582)	(2,636,551)	(3,153,025)	-	(12,529,090)
<i>Net book value</i>						
At 1 January 2025	32,395,685	32,478,887	25,492,834	22,814,256	8,587,595	121,769,257
At 31 December 2025	35,697,106	34,343,592	28,597,165	26,125,156	8,060,001	132,823,020

13 Property, plant and equipment (continued)

As at 31 December 2025 advance payments for property, plant and equipment include in construction in progress amounted to RUB 1,444,323 thousand (as at 31 December 2024: RUB 410,225 thousand), also materials for the construction of property, plant and equipment amounted to RUB 2,065,440 thousand (as at 31 December 2024: RUB 2,169,000 thousand).

For the year ended 31 December 2025 capitalized interest amounted to RUB 700,201 thousand (for the year ended 31 December 2024: RUB 508,858 thousand), the capitalization rate used to determine the amount of borrowing costs to be capitalized was 17.76-23.04% during the year (for the year ended 31 December 2024 – 16.56-22.92%).

For the year ended 31 December 2025 depreciation charges in the amount of RUB 9,077 thousand were capitalized in the cost of capital construction facilities (including depreciation charges of property, plant and equipment – RUB 4,558 thousand, of right-of-use assets – RUB 935 thousand, of intangible assets – RUB 3,623 thousand).

For the year ended 31 December 2024 depreciation charges in the amount of RUB 8,347 thousand were capitalized in the cost of capital construction facilities (including depreciation charges of property, plant and equipment – RUB 5,247 thousand, of right-of-use assets – RUB 61 thousand, of intangible assets – RUB 3,039 thousand).

As at 31 December 2025 the initial cost of fully depreciated property plant and equipment amounted to RUB 37,596,067 thousand (as at 31 December 2024: RUB 38,193,137 thousand).

As at 31 December 2025 and 31 December 2024, there is no property, plant and equipment pledged as collateral for loans and borrowings

Disclosure of information on impairment testing

The Group considered the current economic conditions in the regions where the Group operates as an indicator (sign) of a possible impairment of fixed assets.

Most of the Group's fixed assets are specialized objects that rarely become objects of purchase and sale on the open market, except when they are sold as part of existing enterprises. The market for such fixed assets is not active in the Russian Federation and does not provide enough examples of purchase and sale in order for a market approach to determine the fair value of these fixed assets to be used.

A specialized electric grid facility is integrated into a system of non-stop production (transmission of electricity), has individual technical and operational characteristics (voltage, capacity, configuration, geographical location), which eliminates the uniformity of objects and creates signs of their uniqueness and non-interchangeability

The recoverable value of specialized facilities was determined as the value from their use using the method of projected cash flows. This method takes into account the future net cash flows that these fixed assets will generate in the course of operating activities, as well as upon disposal, in order to determine the recoverable value of these assets.

Cash-generating units are determined by the Group based on the geographical location of branches and subsidiaries and represent the smallest identifiable groups of assets that generate cash inflows regardless of other assets of the Group.

Future cash flows during the forecast period for the tested CGUs of the Group were determined based on the management's best estimate of electricity transmission volumes, operating costs and capital investments, as well as tariffs approved by regulatory authorities, taking into account business plan indicators based on tariff models formed taking into account the average annual growth rate of the tariff for electricity transmission services in accordance with the Forecast of socio-economic development of the Russian Federation for 2026 and for the planned period of 2027 and 2028 (26.09.2025), in 2024 – for 2025 and for the planned period of 2026 and 2027 (30.09.2024).

The Group tested property, plant and equipment for impairment as at 31 December 2025 in respect of Belgorodenergo, Kurskenergo, Tambovenergo cash-generating units.

13 Property, plant and equipment (continued)

The following key assumptions were used in estimating the recoverable value of assets of generating units:

Key assumption	As at 31 December 2025	As at 31 December 2024
The forecast period	Projected cash flows were determined for the period 2026-2030 for all generating units based on management's best estimate of electricity transmission volumes, operating and capital costs, as well as tariffs approved by regulatory authorities for 2026.	Projected cash flows were determined for the period 2025-2029 for all generating units based on management's best estimate of electricity transmission volumes, operating and capital costs, as well as tariffs approved by regulatory authorities for 2025.
The interest rate of net cash flow growth in the post-forecast period	4.00%	4.00%
Forecast of electricity transmission tariffs	Based on the tariff calculation methodology adopted by the regulatory authorities.	Based on the tariff calculation methodology adopted by the regulatory authorities.
Forecast of sales volume	In accordance with the approved business plan. Outside of business planning - a fixed amount (at the level of the last year of the business planning period).	In accordance with the approved business plan. Outside of business planning - a fixed amount (at the level of the last year of the business planning period).
Discount rate (The nominal discount rate determined for the purposes of the test based on the weighted average cost of capital)	13.17%	13.71%

According to the results of impairment testing, the recoverable value of non-current assets of the tested CGU was as at 31 December 2025: Belgorodenergo RUB 20,237,573 thousand, Kurskenergo RUB 6,819,424 thousand, Tambovenergo RUB 7,038,235 thousand.

According to the results of testing, as at 31 December 2025, an impairment loss for the branch Belgorodenergo in the amount of RUB 4,730,129 thousand was recognized.

Deferred tax income recognized in profit or loss in respect of impairment losses on fixed assets, intangible assets and right-of-use assets at the applicable rate amounted to RUB 1,182,532 thousand.

As at 31 December 2025 the impairment loss recognized in previous reporting periods for the branch Tambovenergo was restored in the total amount of RUB 504,779 thousand.

Deferred tax expense recognized in profit or loss in respect of recovery of impairment losses on fixed assets, intangible assets and right-of-use assets at the applicable rate amounted to RUB 126,195 thousand.

The main factor in the recovery of impairment at the Tambovenergo branch is the expected increase in revenue from electricity transmission services relative to the forecast as at 31 December 2024 due to an increase in approved tariffs for 2026 and subsequent periods in accordance with the Forecast of Socio-economic Development of the Russian Federation for 2026 and for the planned period of 2027 and 2028 dated 26 September 2025, and revision of discount rate from 13.71% as at 31 December 2024 to 13.17% as at 31 December 2025.

The sensitivity of the recoverable amount of the CGU assets to changes in the key assumptions in the calculation is presented below:

1. An increase in the discount rate by 1% will lead to an increase in impairment losses in the amount of RUB 2,397,468 thousand (including CGU Belgorodenergo branch - RUB 2,397,468 thousand),
2. An increase in the discount rate by 1% will lead to impairment losses in the amount of RUB 977,561 thousand (including CGU: Kurskenergo branch - RUB 688,307 thousand, Tambovenergo branch – RUB 289,254 thousand);

13 Property, plant and equipment (continued)

3. Reducing the discount rate by 1% will lead to a reduction in impairment losses in the amount of RUB 3,009,598 thousand (including RUB 3,009,598 thousand for the CGU Belgorodenergo branch);

4. Reducing the discount rate by 1% will lead to the recovery of impairment losses in the amount of RUB 1,498,819 thousand (including CGU Tambovenergo branch - RUB 1,498,819 thousand);

5. Reducing the discount rate by 1% will lead to the recovery of impairment losses in the amount of RUB 920,925 thousand (including CGU: Kurskenergo branch - RUB 920,925 thousand).

For the year ended 31 December 2025, deferred tax expense recognized in profit or loss in terms of depreciation (movement) of accumulated impairment of fixed assets, intangible assets and assets in the form of right-of-use amounted to RUB 211,935 thousand (for the year ended 31 December 2024: RUB 229,733 thousand).

14 Intangible assets

	Software	Capital investments	Others	Total
<i>Initial costs</i>				
At 1 January 2024	4,328,555	75,476	1,918,481	6,322,512
Reclassification between groups	538,410	(28,753)	(509,657)	-
Additions	690,158	87,390	20,103	797,651
Acquisition of subsidiaries	-	-	99,050	99,050
Disposals	(3,540,341)	(15,943)	(354,163)	(3,910,447)
At 31 December 2024	2,016,782	118,170	1,173,814	3,308,766
<i>Accumulated amortization</i>				
At 1 January 2024	(2,457,107)	-	(611,922)	(3,069,029)
Reclassification between groups	(57,607)	-	57,607	-
Amortization charge	(121,597)	-	(59,689)	(181,286)
Disposals	2,460,762	-	104,711	2,565,473
At 31 December 2024	(175,549)	-	(509,293)	(684,842)
<i>Accumulated impairment</i>				
At 1 January 2024	-	-	-	-
Recognition of impairment losses	-	-	(180,012)	(180,012)
Disposals	-	-	180,012	180,012
At 31 December 2024	-	-	-	-
<i>Net book value</i>				
At 1 January 2024	1,871,448	75,476	1,306,559	3,253,483
At 31 December 2024	1,841,233	118,170	664,521	2,623,924
<i>Initial costs</i>				
At 1 January 2025	2,016,782	118,170	1,173,814	3,308,766
Reclassification between groups	33,615	(96,905)	63,290	-
Additions	-	843,674	-	843,674
Disposals	(5,880)	(109,656)	-	(115,536)
At 31 December 2025	2,044,517	755,283	1,237,104	4,036,904
<i>Accumulated amortization</i>				
At 1 January 2025	(175,549)	-	(509,293)	(684,842)
Reclassification between groups	(296)	-	296	-
Amortization charge	(149,726)	-	(61,740)	(211,466)
Disposals	4,625	-	-	4,625
At 31 December 2025	(320,946)	-	(570,737)	(891,683)
<i>Accumulated impairment</i>				
At 1 January 2025	-	-	-	-
Recognition of impairment losses	(63,815)	(28,492)	(282)	(92,589)
At 31 December 2025	(63,815)	(28,492)	(282)	(92,589)
<i>Net book value</i>				
At 1 January 2025	1,841,233	118,170	664,521	2,623,924
At 31 December 2025	1,659,756	726,791	666,085	3,052,632

14 Intangible assets (continued)

Amortization of intangible assets included in operating expenses in consolidated statement of profit or loss and other comprehensive income is RUB 211,466 thousand (for the year ended 31 December 2024: RUB 181,286 thousand).

Interest for the year ended 31 December 2025 and for the year ended 31 December 2024 was not capitalized as intangible assets.

Other intangible assets include intellectual property, R&D results, objects of the concession agreement.

Information on the impairment test conducted as at 31 December 2025 is disclosed in Note 13.

Intangible assets in the subgroup “Others” 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. The 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 net book value of the intangible assets of the concession agreement as at 31 December 2025 in the amount of RUB 549,163 thousand is reflected in the line “Intangible assets” of the consolidated statement of financial position (in the amount of RUB 604,026 thousand as at 31 December 2024). For the year ended 31 December 2025 amortization was accrued on the objects of the concession agreement in the amount of RUB 54,863 thousand (for the year ended 31 December 2024: RUB 54,863 thousand).

15 Right-of-use assets

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Others	Total
<i>Initial cost</i>					
At 1 January 2024	4,269,293	697,648	865,006	2,678,123	8,510,070
Additions	226,433	104,260	30,919	1,550,421	1,912,033
Acquisition of subsidiaries	41,516	-	1,238	25	42,779
Change in lease terms	(106,001)	52,406	(66,696)	4,721	(115,570)
Disposal or termination of lease contracts	(64,735)	(42,826)	(53,903)	(185)	(161,649)
At 31 December 2024	4,366,506	811,488	776,564	4,233,105	10,187,663
<i>Accumulated depreciation</i>					
At 1 January 2024	(660,989)	(150,228)	(171,167)	(162,583)	(1,144,967)
Depreciation charge	(307,060)	(90,011)	(89,052)	(108,421)	(594,544)
Change in lease terms	9,561	(13,148)	4,339	(752)	-
Disposal or termination of lease contracts	24,675	18,145	33,896	175	76,891
At 31 December 2024	(933,813)	(235,242)	(221,984)	(271,581)	(1,662,620)
<i>Accumulated impairment</i>					
At 1 January 2024	-	-	-	-	-
Recognition of impairment losses	(29,769)	(4,087)	(207)	(6,483)	(40,546)
At 31 December 2024	(29,769)	(4,087)	(207)	(6,483)	(40,546)
<i>Net book value</i>					
At 1 January 2024	3,608,304	547,420	693,839	2,515,540	7,365,103
At 31 December 2024	3,402,924	572,159	554,373	3,955,041	8,484,497

15 Right-of-use assets (continued)

	Land and buildings	Electricity transmission networks	Equipment for electricity transmission	Others	Total
<i>Initial cost</i>					
At 1 January 2025	4,366,506	811,488	776,564	4,233,105	10,187,663
Additions	40,833	5,757	30,378	16,831	93,799
Change in lease terms	6,931	(1,209)	3,749	(352,336)	(342,865)
Disposal or termination of lease contracts	(124,114)	(29,121)	(95,138)	(2,486)	(250,859)
At 31 December 2025	4,290,156	786,915	715,553	3,895,114	9,687,738
<i>Accumulated depreciation</i>					
At 1 January 2025	(933,813)	(235,242)	(221,984)	(271,581)	(1,662,620)
Depreciation charge	(313,403)	(91,112)	(100,258)	(153,061)	(657,834)
Change in lease terms	(247)	85	162	1,494	1,494
Disposal or termination of lease contracts	52,508	19,627	41,199	2,073	115,407
At 31 December 2025	(1,194,955)	(306,642)	(280,881)	(421,075)	(2,203,553)
<i>Accumulated impairment</i>					
At 1 January 2025	(29,769)	(4,087)	(207)	(6,483)	(40,546)
Depreciation charge	2,231	1,460	73	241	4,005
Disposal or termination of lease contracts	1,922	-	-	-	1,922
Recognition of impairment losses	(29,575)	(13,094)	-	2,337	(40,332)
At 31 December 2025	(55,191)	(15,721)	(134)	(3,905)	(74,951)
Depreciation (including depreciation of impairment)	(311,172)	(89,652)	(100,185)	(152,820)	(653,829)
<i>Net book value</i>					
At 1 January 2025	3,402,924	572,159	554,373	3,955,041	8,484,497
At 31 December 2025	3,040,010	464,552	434,538	3,470,134	7,409,234

For the purposes of the impairment test specialized right-of-use assets (including leased land under own and leased specialized properties) are classified as CGU assets in the same way as own non-current assets-based on the geographical location of branches and subsidiaries.

The value in use of the right-of-use assets is determined using the discounted cash flow method. Information on the impairment test conducted as at 31 December 2025 is disclosed in Note 13.

16 Other financial assets

	31 December 2025	31 December 2024
Non-current		
Financial assets at fair value through other comprehensive income	110,008	132,688
	110,008	132,688

Non-current financial assets include shares of Russian companies with a fair value determined based on published market quotations which is equal to RUB 110,008 thousand as at 31 December 2025 (as at 31 December 2024: RUB 132,688 thousand).

17 Deferred tax assets and liabilities

Differences between IFRS and Russian tax legislation lead to temporary differences between the carrying value of certain assets and liabilities for consolidated financial reporting targets on the one hand and for tax targets on income tax on the other.

As at 31 December 2024, deferred tax assets and liabilities, unrecognized deferred tax liabilities and unrecognized deferred assets are calculated taking into account the increase in the income tax rate from 20% to 25% from January 1, 2025 (Note 12).

(a) Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following items:

	Assets		Liabilities		Net	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Property, plant and equipment	-	-	(9,438,851)	(8,516,858)	(9,438,851)	(8,516,858)
Intangible assets	91,418	108,311	-	-	91,418	108,311
Right-of-use assets	-	-	(1,852,309)	(2,121,124)	(1,852,309)	(2,121,124)
Assets related to employee defined benefits plans	-	-	(162,458)	(140,857)	(162,458)	(140,857)
Trade and other receivables	779,537	926,295	-	-	779,537	926,295
Lease liabilities	1,530,987	1,985,322	-	-	1,530,987	1,985,322
Borrowed funds	-	-	(193,707)	(252,810)	(193,707)	(252,810)
Provisions	402,173	579,982	-	-	402,173	579,982
Employee benefits	479,549	377,734	-	-	479,549	377,734
Trade and other payables	603,164	624,873	(613,624)	(619,894)	(10,460)	4,979
Other	2,768	3,054	(191,154)	16,513	(188,386)	19,567
Tax assets/(liabilities)	3,889,596	4,605,571	(12,452,103)	(11,635,030)	(8,562,507)	(7,029,459)
Tax offset	(3,814,087)	(4,605,571)	3,814,087	4,605,571	-	-
Tax assets/(liabilities), net	75,509	-	(8,638,016)	(7,029,459)	(8,562,507)	(7,029,459)

17 Deferred tax assets and liabilities (continued)

(b) Movement in temporary differences during the year

	1 January 2025	Recognized in profit and loss	Recognized in other comprehensive income	31 December 2025
Property, plant and equipment	(8,516,858)	(921,993)	-	(9,438,851)
Intangible assets	108,311	(16,893)	-	91,418
Right-of-use assets	(2,121,124)	268,815	-	(1,852,309)
Assets related to employee defined benefits plans	(140,857)	(21,601)	-	(162,458)
Financial assets at fair value through other comprehensive income	-	(5,670)	5,670	-
Trade and other receivables	926,295	(146,758)	-	779,537
Lease liabilities	1,985,322	(454,335)	-	1,530,987
Borrowed funds	(252,810)	59,103	-	(193,707)
Provisions	579,982	(177,809)	-	402,173
Employee benefits	377,734	40,535	61,280	479,549
Trade and other payables	4,979	(15,439)	-	(10,460)
Other	19,567	(207,953)	-	(188,386)
	(7,029,459)	(1,599,998)	66,950	(8,562,507)

17 Deferred tax assets and liabilities (continued)

	1 January 2024	Acquisition of subsidiaries	Recognized in profit and loss	Recognized in other comprehensive income	Effect of the increase in the income tax rate (Note 14)	31 December 2024
Property, plant and equipment	(6,169,875)	276,457	(920,069)	-	(1,703,371)	(8,516,858)
Intangible assets	(22,657)	-	109,306	-	21,662	108,311
Right-of-use assets	(1,473,021)	-	(223,878)	-	(424,225)	(2,121,124)
Assets related to employee defined benefits plans	(110,847)	-	(1,838)	-	(28,172)	(140,857)
Financial assets at fair value through other comprehensive income	-	-	(2,706)	2,706	-	-
Trade and other receivables	1,052,016	-	(310,980)	-	185,259	926,295
Lease liabilities	1,432,196	-	156,061	-	397,065	1,985,322
Borrowed funds	(199,602)	-	(2,646)	-	(50,562)	(252,810)
Provisions	619,324	-	(155,339)	-	115,997	579,982
Employee benefits	351,729	-	20,813	(70,355)	75,547	377,734
Trade and other payables	(154,888)	-	158,871	-	996	4,979
Other	(5,806)	-	21,459	-	3,914	19,567
	(4,681,431)	276,457	(1,150,946)	(67,649)	(1,405,890)	(7,029,459)

18 Inventories

	<u>31 December 2025</u>	<u>31 December 2024</u>
Raw materials and supplies	2,267,280	1,771,935
Allowance for impairment of raw materials and supplies	(16,815)	(16,161)
Other inventories	3,292,961	3,178,555
	<u>5,543,426</u>	<u>4,934,329</u>

As at 31 December 2025 the reserves intended to ensure the prevention and elimination of accidents (emergencies) at power grid facilities (emergency reserve) amounted to RUB 1,420,624 thousand (as at 31 December 2024: RUB 1,148,308 thousand).

The Group had no inventories that would have been pledged under credit or other contracts as at 31 December 2025 and 31 December 2024. The Group has included in other inventories spare parts, others.

During the year ended 31 December 2025 inventories in the amount of RUB 32,605,423 thousand were recognized as expenses (during the year ended 31 December 2024: RUB 28,498,646 thousand) as part of operating expenses under the item Material expenses.

19 Trade and other receivables

	<u>31 December 2025</u>	<u>31 December 2024</u>
Non-current trade and other account receivable		
Trade receivables	339,383	771,922
Allowance for expected credit losses on trade receivables	(8,932)	-
Other receivables	216,504	253,616
Allowance for expected credit losses on other receivables	(719)	(15)
	<u>546,236</u>	<u>1,025,523</u>
Current trade and other account receivable		
Trade receivables	13,316,858	13,531,932
Allowance for expected credit losses on trade receivables	(1,588,880)	(3,110,169)
Other receivables	2,009,584	2,251,131
Allowance for expected credit losses on other receivables	(1,580,700)	(1,671,753)
	<u>12,156,862</u>	<u>11,001,141</u>

The majority of long-term accounts receivable are regulated by interest rate restructuring agreements at market annual interest rates.

The Group's exposure to credit risk and allowance for expected credit losses on trade and other receivables is disclosed in Note 31.

Balance with related parties is disclosed in Note 34.

20 Advances issued and other assets

	<u>31 December 2025</u>	<u>31 December 2024</u>
Non-current		
Advances issued	9,764	2,053
	<u>9,764</u>	<u>2,053</u>
Current		
Advances issued	287,608	637,684
Advances issued impairment allowance	(7,567)	(15,202)
VAT receivables	29,708	8,700
VAT on advances received and VAT on advances issued for the purchase of property, plant and equipment	2,716,959	2,098,576
Prepaid taxes other than income tax	672,438	311,131
	<u>3,699,146</u>	<u>3,040,889</u>

Balance with related parties is disclosed in Note 34.

21 Cash and cash equivalents

	<u>31 December 2025</u>	<u>31 December 2024</u>
Cash in bank accounts and cash on hand	7,280,994	3,472,140
Cash equivalents	391,362	1,616,848
	<u>7,672,356</u>	<u>5,088,988</u>

All balance of cash and cash equivalents are denominated in rubles as at 31 December 2025 and 31 December 2024.

Cash equivalents as at 31 December 2025 and 31 December 2024 include short-term investments in bank deposits. Deposits are placed at interest rates of 13.02% - 15.81% per annum as at 31 December 2025 (17.55%-22.80% per annum as at 31 December 2024).

Designated funds in the accounts of the Federal Treasury Department as at 31 December 2025 amounted to RUB 756,698 thousand (as at 31 December 2024 RUB 1,136,356 thousand).

22 Issued capital

(a) Issued capital

	<u>Ordinary shares</u>	
	<u>31 December 2025</u>	<u>31 December 2024</u>
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
Ordinary and preference shares		

The holders of ordinary shares are entitled to vote on all issues on the agenda of the General meeting of shareholders to receive dividends in the manner determined by the legislation of the Russian Federation and the Charter as well as other rights stipulated by the Charter and the legislation of the Russian Federation.

22 Issued capital (continued)

(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 20 June 2024 dividends for 2023 were declared in the amount of RUB 2,795,250 thousand. The amount of dividends was RUB 0.06621 per one ordinary share of the Company in cash.

At the annual general meeting of shareholders held on 11 June 2025 dividends for 2024 were declared in the amount of RUB 2,855,537 thousand. The amount of dividends was RUB 0.067638 per one ordinary share of the Company in cash.

Nevertheless, in 2025 the Company restored unclaimed dividends for 2021 in the amount of RUB 36,076 thousand (for 2024: the Company restored unclaimed dividends for 2020 in the amount of RUB 13,605 thousand).

For the year ended 31 December 2025 the dividends paid to the owners of the Company amounted to RUB 2,809,193 thousand (for the year ended 31 December 2024 – RUB 2,751,025 thousand).

23 Earnings per share

The calculation of earnings per share for the year ended 31 December 2025 and 31 December 2024 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>	2025	2024
Ordinary shares at 1 January	42,218	42,218
Weighted average number of shares for the year ended 31 December	42,218	42,218
	Year ended 31 December 2025	Year ended 31 December 2024
Weighted average number of ordinary shares outstanding for the year ended 31 December (millions of shares)	42,218	42,218
Earnings for the year attributable to holders of ordinary shares	11,603,606	6,537,471
Earnings per ordinary share (in RUB) – basic and diluted	0.275	0.155

24 Borrowed funds

	<u>31 December 2025</u>	<u>31 December 2024</u>
Non-current liabilities		
Unsecured loans and borrowings	33,006,261	31,318,407
Unsecured bonds	5,016,700	5,006,000
Lease liabilities	6,123,949	7,941,286
Less: current portion of long-term loans and borrowings	(14,018,460)	(4,572,951)
Less: current portion of long-term bonds	(16,700)	(6,000)
Less: current portion of long-term lease liabilities	(708,263)	(1,495,201)
	<u>29,403,487</u>	<u>38,191,541</u>
Current liabilities		
Current portion of long-term loans and borrowings	14,018,460	4,572,951
Current portion of long-term bonds	16,700	6,000
Current portion of long-term lease liabilities	708,263	1,495,201
	<u>14,743,423</u>	<u>6,074,152</u>
Including:		
Interest payable on loans and borrowings	12,824	25,575
Interest payable on bonds	16,700	6,000
	<u>29,524</u>	<u>31,575</u>

Long-term and short-term liabilities on loans and borrowings, bond loans as at 31 December 2025 and 31 December 2024 amounted to RUB 44,146,910 thousand and RUB 44,265,693 thousand rubles, respectively (excluding long-term and short-term lease liabilities).

All balance of loans and borrowings are denominated in rubles as at 31 December 2025 and 31 December 2024.

24 Borrowed funds (continued)

	<u>Year of maturity</u>	<u>Effective interest rate</u>		<u>Carrying value</u>	
		<u>31 December 2025</u>	<u>31 December 2024</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Unsecured borrowed funds					
Unsecured bank loans	2026-2027	KR CB RF+1.48%- KR CB RF+2.68%	KR CB RF+1.48%- KR CB RF+3.13%	7,351,309	12,327,583
Unsecured bank loans	2026-2028	KR CB RF+1.48%- KR CB RF+3.80%	KR CB RF+1.48%- KR CB RF+2.80%	2,263,588	8,505,964
Unsecured bank loans	2026	KR CB RF+1.45%- KR CB RF+1.50%	KR CB RF+1.45%- KR CB RF+1.70%	4,500,000	5,500,000
Unsecured bank loans	2027	KR CB RF+2.30%	KR CB RF+2.30%	150,000	150,000
Unsecured bank loans	2027	KR CB RF+1.95%- KR CB RF+5.50%	-	14,673,067	-
Unsecured bank loans	-	-	KR CB RF+0.80%	-	1,002,978
Unsecured loans	2030	5.80%-6.40%	5.80%-6.40%	4,068,297	3,831,882
				33,006,261	31,318,407
Unsecured bonds					
Unsecured bonds	2027	KR CB RF+0.90%	KR CB RF+0.90%	5,016,700	5,006,000
Lease liabilities	2026-2074	7.50%-26.21%	7.50%-31.90%	6,123,949	7,941,286
Total liabilities				44,146,910	44,265,693

The Group does not use hedging instruments to manage interest rate risk.
Information on the Group's exposure to interest rate risk is disclosed in Note 31.

As at 31 December 2025, the Group's financial liabilities included long-term loan commitments with a book value of RUB 14,655,801 thousand. with a maturity of more than a year from the reporting date with restrictive conditions tested quarterly. As of December 31, 2025 and earlier, the Group was in compliance with these restrictive conditions. The next test will take place on March 31, 2026. As of the date of issuance of these consolidated financial statements, the Group expects compliance with restrictive conditions for all testing dates within 12 months after the reporting date.

25 Changes in liabilities arising from financial activities

	Borrowed funds		Interest on financial liabilities other than leases	Lease liabilities	Dividends payable
	Long-term part	Short-term part			
As at 1 January 2025	31,745,456	4,547,376	31,575	7,941,286	169,092
Changes in cash flows from financial activities					
Proceeds from borrowed funds	27,991,549	2,798,325	-	-	-
Repayment of borrowed funds	(18,371,452)	(10,954,231)	-	-	-
Lease payment	-	-	-	(1,413,039)	-
Interest paid (operating activities, for information)	-	-	(6,802,903)	(879,091)	-
Dividends paid	-	-	-	-	(2,809,193)
Total	9,620,097	(8,155,906)	(6,802,903)	(2,292,130)	(2,809,193)
Non-cash transactions					
Reclassification	(17,668,821)	17,668,821	-	-	-
Capitalized interest	-	-	700,201	-	-
Interest expense	-	-	6,100,651	886,441	-
Additions from lease contracts	-	-	-	93,799	-
Dividends accrued	-	-	-	-	2,855,537
Discounting	291,069	(54,655)	-	-	-
Write-off of unclaimed debt on previously accrued dividends	-	-	-	-	(36,076)
Other changes net	-	-	-	(505,447)	-
Total	(17,377,752)	17,614,166	6,800,852	474,793	2,819,461
As at 31 December 2025	23,987,801	14,005,636	29,524	6,123,949	179,360

25 Changes in liabilities arising from financial activities (continued)

	Borrowed funds		Interest on financial liabilities other than leases	Lease liabilities	Dividends payable
	Long-term part	Short-term part			
As at 1 January 2024	27,406,906	10,810,343	65,506	7,160,980	138,472
Changes in cash flows from financial activities					
Proceeds from borrowed funds	9,651,219	495,000	-	-	-
Repayment of borrowed funds	(1,264,194)	(10,793,209)	-	-	-
Lease payment	-	-	-	(985,047)	-
Interest paid (operating activities reference)	-	-	(6,536,846)	(690,513)	-
Dividends paid	-	-	-	-	(2,752,495)
Total	8,387,025	(10,298,209)	(6,536,846)	(1,675,560)	(2,752,495)
Non-cash transactions					
Reclassification	(3,996,098)	3,996,098	-	-	-
Capitalized interest	-	-	508,858	-	-
Interest expense	-	-	5,993,982	726,618	-
Additions from lease contracts	-	-	-	1,912,033	-
Dividends accrued	-	-	-	-	2,796,720
Discounting	(52,377)	39,144	-	-	-
Acquisition of subsidiaries	-	-	75	46,217	-
Write-off of unclaimed debt on previously accrued dividends	-	-	-	-	(13,605)
Other changes net	-	-	-	(229,002)	-
Total	(4,048,475)	4,035,242	6,502,915	2,455,866	2,783,115
As at 31 December 2024	31,745,456	4,547,376	31,575	7,941,286	169,092

26 Employee benefits

The Group has obligations to pay post-employment benefits, including pensions, and other long-term defined benefit obligations that apply to most employees and retirees. Defined post-employment benefits consist of several unfunded plans providing for lump-sum payments upon retirement, financial support for current pensioners, death benefits, and anniversary benefits.

Amounts of defined benefit obligations recognized in the consolidated statement of financial position are presented below:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Present value of post-employment benefits obligation	3,154,438	2,471,395
Total present value of employee benefit obligation	3,154,438	2,471,395

Change in the value of assets related to employee benefit obligations:

	<u>Year ended 31 December 2025</u>	<u>Year ended 31 December 2024</u>
Value of assets at 1 January	563,426	554,236
Gain on program assets	46,140	34,752
Employer contributions	171,988	156,557
Other movements in the accounts	(13,860)	(12,118)
Payments of remuneration	(117,863)	(170,001)
Value of assets at 31 December	649,831	563,426

Assets related to pension plans and defined benefit plans are administrated by non-state pension funds JSC “NPF VTB Pension Fund”.

These assets are not the defined benefit plans assets because according to the conditions of the fund the Group has right to use the contributions paid under defined benefit plans to fund its defined contribution pension plans or transfer to another fund on the Group’s own initiative.

Movements in the present value of defined benefit liabilities:

	<u>2025</u>	<u>2024</u>
	<u>Post-employment benefits obligation</u>	<u>Post-employment benefits obligation</u>
Defined benefit plan obligations as at 1 January	2,471,395	2,857,422
Current service cost	99,737	129,206
Interest expense	353,693	306,942
Remeasurement effect from:		
- loss from change in demographic assumptions	-	53,299
- gain from change in financial actuarial assumptions	194,632	(670,995)
- loss arising from experience adjustment	209,666	51,742
Contributions to the plan	(174,685)	(256,221)
Defined benefit plan obligations as at 31 December	3,154,438	2,471,395

26 Employee benefits (continued)

Expenses recognized in profit or loss for the period:

	Year ended 31 December 2025	Year ended 31 December 2024
Employees service cost	99,737	129,206
Interest expenses	353,693	306,942
Total expenses recognized in profit or loss	453,430	436,148

(Profit)/loss recognized in other comprehensive income for the period:

	Year ended 31 December 2025	Year ended 31 December 2024
Loss from change in demographic assumptions	-	53,299
(Profit)/loss from change in financial actuarial assumptions	194,632	(670,995)
Loss arising from experience adjustment	209,666	51,742
Total (profit)/loss recognized in other comprehensive income	404,298	(565,954)

Movements in allowance for remeasurement of employee benefit obligations in other comprehensive income during the year:

	Year ended 31 December 2025	Year ended 31 December 2024
Remeasurements at 1 January	35,943	601,897
Movement of remeasurements	404,298	(565,954)
Remeasurements at 31 December	440,241	35,943

The key actuarial assumptions are as follows:

	31 December 2025	31 December 2024
Financial assumptions		
Discount rate	14.20%	15.40%
Future salary increase	6.10%	6.30%
Inflation rate	5.60%	5.80%
Demographic assumptions		
Expected age of retirement		
• Men	65	65
• Women	60	60
Average level of staff movement	5.90%	5.90%

26 Employee benefits (continued)

A sensitivity of total employee benefits obligations to changes in the key actuarial assumptions is as follows:

	Change in the assumption	Impact on obligation
Discount rate	Increase by 0.5%	Increase/decrease by -3.0%
Future salary growth	Increase by 0.5%	Increase/decrease by 3.0%
Future growth of benefits (inflation)	Increase by 0.5%	Increase/decrease by 0.5%
Level of staff movement	Increase by 10%	Increase/decrease by -1.0%
Mortality level	Increase by 10%	Increase/decrease by -0.9%

Expected payments under the defined long-term employee benefit plans to employees in 2026 year amounted to RUB 493,201 thousand under the defined benefit plans including non-state pension schemes.

The risks associated with pension and other long-term employee benefit programs reflect the fact that the actual development of the situation may differ from the long-term assumptions used in calculating liabilities. The Group's programs are subject to risks of mortality and survival, risks of falling investment returns, while there is no significant concentration of risks.

The weighted average duration of the defined benefit obligation is seven years as at 31 December 2025 (seven years as at 31 December 2024).

27 Trade and other payables

	31 December 2025	31 December 2024
Non-current accounts payable		
Trade payables	3,540	22,689
Other payables	6,378	61
	9,918	22,750
Current accounts payable		
Trade payables	17,358,177	13,893,697
Other payables and accrued expenses	5,034,789	6,103,265
Payables to employees	2,430,705	2,575,023
Dividends payable	179,360	169,092
	25,003,031	22,741,077

As at 31 December 2025, short-term other payables include financial liabilities in the amount of RUB 1,584,878 thousand and non-financial liabilities in the amount of RUB 3,449,911 thousand (as at 31 December 2024: in the amount of RUB 1,559,657 thousand and in the amount of RUB 4,543,608 thousand).

The Group's exposure to liquidity risk related to financial liabilities as a part of trade and other payables is disclosed in Note 31.

28 Tax debts other than income tax

	<u>31 December 2025</u>	<u>31 December 2024</u>
VAT	1,867,149	1,189,426
Property tax	52,275	310,141
Social security contributions	1,033,850	847,534
Other taxes payable	40,181	38,898
	<u>2,993,455</u>	<u>2,385,999</u>

29 Advances received

Advances received (contractual obligations) as at 31 December 2025 and 31 December 2024 are reflected including VAT.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Non-current		
Advances for services of technological connection to electric grids	3,485,099	2,807,211
Other advances received	69,497	56,454
	<u>3,554,596</u>	<u>2,863,665</u>
Current		
Advances for services of technological connection to electric grids	10,265,540	8,726,795
Other advances received	1,007,098	832,858
	<u>11,272,638</u>	<u>9,559,653</u>

Balance with related parties is disclosed in Note 34.

30 Provisions

	<u>Year ended 31 December 2025</u>	<u>Year ended 31 December 2024</u>
Balance on 1 January	2,319,926	3,020,430
Acquisition of subsidiaries	-	12,487
Accrual (increase) for the period	427,411	753,950
Recovery (decrease) for the period	(608,066)	(450,269)
Utilised provisions	(530,580)	(1,016,672)
Balance on 31 December	1,608,691	2,319,926

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

31 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.

This note provides information on the Group's exposure to each of these risks, examines the goals, policies and procedures for assessing and managing risks and the Group's capital management system. More detailed quantitative information is disclosed in the relevant sections of these consolidated financial statements.

31 Financial risk and capital management (continued)

The Group's risk management policy is aimed at minimizing or eliminating the impact of potential negative consequences of risks on the Group's financial results.

In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(a) Credit risk

Credit risk is the risk that the Group will incur a financial loss caused by the buyer or counterparty to a financial instrument not fulfilling its contractual obligations in full and within a specified period. Credit risk is mainly related to the Group's accounts receivable bank deposits cash and cash equivalents.

Deposits with an initial maturity of more than three months, cash and cash equivalents are placed in financial institutions that have a minimal risk of default and are considered reliable counterparties with a stable financial position in the financial market of the Russian Federation.

Taking into account the structure of the Group's debtors the Group's exposure to credit risk mainly depends on the individual characteristics of each counterparty. The Group creates a provision for expected credit losses on trade and other receivables, the estimated amount of which is determined based on the model of expected credit losses weighted by the probability of default and can be adjusted both upwards and downwards. To do this the Group analyzes the creditworthiness of counterparties the dynamics of debt repayment, takes into account changes in payment terms, the availability of third-party guarantees bank guarantees and current general economic conditions.

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 allowance recognized. If possible the Group uses the prepayment system in its relations with counterparties. As a rule prepayment for technological connection of consumers to networks is provided by the contract. The Group does not require collateral for receivables.

In order to effectively manage accounts receivable the Group monitors changes in the volume of accounts receivable and its structure identifying current and overdue debts. In order to minimize credit risk the Group implements measures aimed at timely fulfillment of contractual obligations by contractors reducing and preventing the formation of overdue debts. Such events include in particular: negotiating with customers, improving the efficiency of the formation process of services volume on electricity transmission, ensure the execution concerted with guaranteeing suppliers schedules a test of reading and technical checks of the accounting system of electricity, restriction of the consumption mode of electric power (exercisable in accordance with the legislation of the Russian Federation), claim work the presentation of requirements on provision of financial security in the form of independent (bank) guarantees and other forms of security for the obligations performance.

Level of credit risk

The carrying amount of financial assets reflects the Group's maximum exposure to credit risk. At the balance sheet date the maximum level of credit risk was:

	Carrying amount	
	31 December 2025	31 December 2024
Financial assets at fair value through other comprehensive income	110,008	132,688
Trade and other receivables (net of allowance for expected credit losses)	12,703,098	12,026,664
Cash and cash equivalents	7,672,356	5,088,988
	20,485,462	17,248,340

31 Financial risk and capital management (continued)

At the balance sheet date the maximum level of credit risk in respect of trade receivables by customer groups was as follows:

	31 December 2025			31 December 2024		
	Gross	Allowance for expected credit losses	Carrying amount	Gross	Allowance for expected credit losses	Carrying amount
Buyers of electricity sales services	404,573	(404,490)	83	442,193	(441,817)	376
Buyers of electricity transmission services	11,054,917	(870,964)	10,183,953	12,394,903	(2,295,095)	10,099,808
Buyers of technological connection to networks	405,364	(73,976)	331,388	183,178	(65,636)	117,542
Other buyers	1,791,387	(248,382)	1,543,005	1,283,580	(307,621)	975,959
	13,656,241	(1,597,812)	12,058,429	14,303,854	(3,110,169)	11,193,685

The carrying amount of trade receivables attributable to the ten largest debtors of the Group was RUB 8,378,185 thousand as at 31 December 2025 (as at 31 December 2024: RUB 8,166,653 thousand).

The aging of trade and other receivables is provided below:

	31 December 2025			31 December 2024		
	Gross	Allowance for expected credit losses	Carrying amount	Gross	Allowance for expected credit losses	Carrying amount
Not past due	11,864,677	(183,056)	1,1681,621	11,739,478	(161,733)	11,577,745
Past due less than 3 months	701,832	(31,659)	670,173	387,137	(88,731)	298,406
Past due more than 3 months and less than 6 months	256,345	(51,981)	204,364	95,210	(40,045)	55,165
Past due more than 6 months and less than 1 year	240,679	(124,407)	116,272	239,135	(207,987)	31,148
Past due more than 1 year	2,818,796	(2,788,128)	30,668	4,347,641	(4,283,441)	64,200
	15,882,329	(3,179,231)	12,703,098	16,808,601	(4,781,937)	12,026,664

31 Financial risk and capital management (continued)

The Group believes that overdue non-impaired accounts receivable are highly likely to be recoverable as of the reporting date.

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

	Year ended 31 December 2025	Year ended 31 December 2024
Balance at 1 January	4,781,937	6,310,602
Increase of allowance for the period	391,956	757,337
Trade and other receivables written off using the allowance recognised earlier	(1,128,426)	(864,551)
Reversal of allowance for the period	(866,236)	(1,435,440)
Acquisition of subsidiaries	-	13,989
Balance at 31 December	3,179,231	4,781,937

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Management of liquidity risk involves maintaining sufficient cash and the availability of financial resources by securing credit lines. The Group adheres to a balanced model of financing working capital by using both short-term and long-term sources. Basically temporarily free funds invested in the short-term financial instruments such as bank deposits.

The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation. This approach is used to analyze payment dates associated with financial assets and also to forecast cash flows from operating activities.

The amount of free limit on open but unused credit lines of the Group was RUB 120,990,459 thousand at 31 December 2025 (31 December 2024: RUB 160,659,050 thousand). The Group has opportunity to attract additional financing within the corresponding limits including for the purpose of execution of the short-term obligations.

Information about the contractual maturities of financial liabilities including estimated interest payments and without influence of netting is provided below. With respect to the cash flows included in the maturity analysis it is not expected that they can arise much earlier in time or in significantly different amounts:

31 Financial risk and capital management (continued)

31 December 2025	Carrying amount	Contractual cash flows	12 months or less	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Non-derivative financial liabilities								
Borrowed funds	33,006,261	40,746,178	18,215,857	18,722,308	1,870,763	968,625	968,625	-
Bonds	5,016,700	6,215,650	886,700	5,328,950	-	-	-	-
Lease liabilities	6,123,949	12,393,782	1,719,803	1,395,842	1,377,204	1,330,028	1,291,734	5,279,171
Trade and other payables in terms of financial liabilities	21,563,038	21,563,038	21,553,120	3,736	2,588	-	-	3,594
Surety for a related party	-	5,894,940	5,894,940	-	-	-	-	-
	65,709,948	86,813,588	48,270,420	25,450,836	3,250,555	2,298,653	2,260,359	5,282,765
31 December 2024	Carrying amount	Contractual cash flows	12 months or less	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Non-derivative financial liabilities								
Borrowed funds	31,318,407	42,245,179	10,648,884	21,180,464	7,509,956	968,625	968,625	968,625
Bonds	5,006,000	7,372,200	1,001,000	995,000	5,376,200	-	-	-
Lease liabilities	7,941,286	13,170,129	1,930,713	1,559,371	1,412,325	1,335,381	1,262,929	5,669,410
Trade and other payables in terms of financial liabilities	18,220,219	18,220,219	18,197,469	19,016	-	-	-	3,734
	62,485,912	81,007,727	31,778,066	23,753,851	14,298,481	2,304,006	2,231,554	6,641,769

31 Financial risk and capital management (continued)

In 2025, the Group issued a guarantee for one of the related parties for a period up to 2037.

(c) Market risk

Market risk is the risk of changes in market prices, such as foreign exchange rates, interest rates, prices of goods, and equity prices that will affect the Group's financial results or the value of its financial instruments owned. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on investments.

Currency risk

The Group's revenues and expenditures, monetary assets and liabilities are nominated in RUB. Changes in exchange rates do not have a direct impact on the Group's revenue and expenditures.

Interest rate risk

The purpose of interest rate risk management is to prevent losses due to adverse changes in the level of market interest rates. Changes in interest rates primarily have an impact on loans and borrowings, as they change either their fair value (for loans and borrowings with a fixed rate) or future cash flows (for loans and borrowings with a floating rate). The Group does not adhere to any established rules when determining the ratio between loans and borrowings at fixed and floating rates. At the time of attraction of new loans and borrowings, a decision is made on the basis of judgment as to which rate – fixed or floating – will be most beneficial for the Group for the entire settlement period until the maturity of the debt. The Group analyzes the exposure to interest rate risks over time.

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss for the period. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity of cash flows for financial instruments with a floating interest rate

As at 31 December 2025 the Group's financial liabilities with floating interest rates amounted to RUB 33,954,664 thousand (31 December 2024: RUB 32,492,525 thousand).

A possible change in interest rates (in particular, the key rate of the Central Bank of the Russian Federation) by 100 basis points would increase (decrease) the amount of profit /(loss) before taxation for 2025 by RUB 327,162 thousand (2024: RUB 343,118 thousand), and for equity of RUB 245,371 thousand as at 31 December 2025 (31 December 2024: RUB 257,338 thousand). This analysis was based on the assumption that all other variables remain unchanged and interest expenses are not capitalized.

Other market price risk

The risk of changes in the price of equity instruments arises in respect of equity securities measured at fair value through other comprehensive income. The Management of the Group monitors its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Group Management.

As at 31 December 2025 financial assets measured at fair value through other comprehensive income exposed to equity price risk amounted to RUB 110,008 thousand (31 December 2024: RUB 132,688 thousand). If the stock prices were 10% larger (lower) at constant values of all other variables the other comprehensive income excluding income tax increased (decreased) by RUB 11,001 thousand.

(d) Fair value and carrying amount

The management of the Group determined that the fair value of cash and cash equivalents, trade and other accounts receivable, trade and other accounts payable, other financial assets and liabilities (including borrowed funds) approximately equal to their book value. Long-term receivables and accounts payable are classified at level 3 of the fair value hierarchy, borrowed assets at level 2 of the fair value hierarchy, excluding listed bonds (level 1 of the fair value hierarchy).

31 Financial risk and capital management (continued)

Below is a comparison of the values of the fair and carrying amounts of the Group's financial instruments:

Financial instruments	Note	31 December 2025		Level of fair value hierarchy		
		Carrying amount	Fair value	1	2	3
Financial assets at fair value through other comprehensive income:	16					
Investments in equity instruments		110,008	110,008	109,971	-	37
		110,008	110,008	109,971	-	37

Financial instruments	Note	31 December 2024		Level of fair value hierarchy		
		Carrying amount	Fair value	1	2	3
Financial assets at fair value through other comprehensive income:	16					
Investments in equity instruments		132,688	132,688	132,651	-	37
		132,688	132,688	132,651	-	37

During the year ended 31 December 2025, there was no transfers between the 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:

	Carrying amount	
	2025	2024
At 1 January	132,688	146,247
Change in fair value recognized in other comprehensive income	(22,680)	(13,559)
At 31 December	110,008	132,688

(e) Capital management

Capital management of the Group represents the amount of equity attributable to owners of the Company as presented in the consolidated Statement of Financial Position.

The main goal of capital management for the Group is to maintain a consistently high level of capital that allows investors, creditors, and market participants to remain in trust and ensure sustainable business development in the future.

The Group monitors the structure and return on equity using coefficients calculated on the basis of the consolidated financial statements in accordance with IFRS, management statements, and statements prepared in accordance with RAS. The Group analyzes the dynamics of the indicators of total debt and net debt, the structure of debt as well as the ratio of equity and debt capital.

31 Financial risk and capital management (continued)

The Group manages its debt position by implementing a credit policy aimed at improving financial stability, optimizing its debt portfolio and building long-term relationships with debt capital market participants. To manage the debt position, the Group applies limits, including the categories of financial leverage, debt coverage and debt service coverage. The initial data for calculating the limits are the RAS reporting indicators.

32 Capital commitments

As at 31 December 2025 the Group has outstanding commitments under contract for the purchase and construction of property, plant and equipment items for RUB 17,208,172 thousand inclusive of VAT (as at 31 December 2024: RUB 13,073,457 thousand inclusive of VAT).

33 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 its damage or loss. 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

The tax legislation of the Russian Federation, in force or effective at the end of the reporting period, allows for the possibility of different interpretations of certain facts of the Group's business life. In this regard, the position of the Group's management regarding taxes and the documents justifying this position may be challenged by the tax authorities.

Tax control in the Russian Federation is being tightened, which increases the risk of tax authorities checking the impact on the tax base of transactions that do not have a clear financial and economic purpose or transactions with counterparties that do not comply with the requirements of tax legislation. Tax audits may cover three calendar years preceding the year in which the decision to conduct the audit was made. Under certain circumstances earlier periods may also be checked.

The Group's management currently believes that its position on taxes and the interpretations of legislation applied by the Group can be confirmed, however there is a risk that the Group will incur additional costs if the management's position on taxes and the interpretations of legislation applied by the Group are challenged by the tax authorities. The impact of such a development cannot be reliably estimated, but it may be significant from the point of view of the Group's financial position and results of operations.

(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.

33 Contingencies (continued)

According to management, the probability of an unfavorable outcome for the Group and a corresponding outflow of financial resources is not high in relation to lawsuits/unresolved claims regarding disagreements over purchased electricity in order to compensate for losses in the amount of RUB 154,708 thousand (as at 31 December 2024 – RUB 224,247 thousand).

In the opinion of management, there are currently no other 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.

(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 authorities to oversee are being reconsidered. Potential environmental liabilities arise from changes in interpretations of existing legislation lawsuits or changes in legislation cannot 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.

34 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 year ended 31 December 2025 and 31 December 2024, as well as at 31 December 2025 and 31 December 2024, 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 the parent company, its subsidiaries

	Amount of the transaction for the year ended 31 December		Carrying amount	
	2025	2024	2025	2024
Revenue, other income				
Parent company				
Other revenue	6,093	14,830	578	507
Other income	4,030	159,144	-	-
Entities under control of the parent company				
Electricity transmission revenue	2,016,237	1,985,473	216,057	255,853
Other revenue	1,268,545	1,106,857	531,381*	467,055*
Dividends receivable	200	155	-	-
Other income	326,306	339,998	-	-

34 Related party transactions (continued)

Operating expenses, finance costs	Amount of the transaction for the year ended 31 December		Carrying amount	
	2025	2024	2025	2024
Parent company				
Technical supervision services	52,351	52,351	-	-
Electricity transmission services	25,838,879	22,449,191	2,752,676	1,155,057
Other expenses	61,641	46,282	14,123	34,950
Dividends	1,447,362	1,416,805	-	-
Entities under common control of the parent company				
Other expenses	1,877,263	1,118,957	2,656,746	4,147,453
Other	-	-	878,000	878,000

* Accounts receivable for other revenue includes an allowance for expected credit losses recognized for the debt of companies under the common control of the parent company as at 31 December 2025 in the amount of RUB 78,578 thousand (as at 31 December 2024: in the amount of RUB 153,469 thousand).

For 2025 entities under the common control of the parent company performed work on the creation of assets that were registered as non-current assets in the amount of RUB 1,363,177 thousand (2024: in the amount of RUB 814,510 thousand). The accounts payable for such transactions are shown in the table above.

	Carrying amount	
	31 December 2025	31 December 2024
Parent company		
Advances issued	20,827	19,622
Advances received	12,729	18,220
Borrowed funds	4,068,297	3,831,882
Entities under control of the parent company		
Advances issued	21,860	140,499
Advances received	17,816	2,198

The debt to the parent company for the payment of dividends as at 31 December 2025 was absent (as at 31 December 2024: was absent).

(c) Transactions with key management personnel

For the purposes of preparing these consolidated financial statements, key management personnel include members of the Board of Directors and senior management officials of PJSC ROSSETI Centre, including members of the Management Board.

34 Related party transactions (continued)

Remuneration of key management personnel consists of an official salary, compensation and incentive payments, payments for participation in management bodies and performance of other paid work, as well as other payments in cases established by labor legislation. Remuneration or compensation is not paid to those members of the Board of Directors who are government employees.

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

	Year ended 31 December 2025	Year ended 31 December 2024
Short-term employee benefits	297,547	425,909
Social security contributions	55,036	72,290
	352,583	498,199

As at 31 December 2025 the current value of the defined benefit pension program obligation reflected in the consolidated statement of financial position and does not include liabilities for key management personnel (liabilities for key management personnel is absent) (as at 31 December 2024: is absent).

(d) 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 transactions are carried out at regulated tariffs or at market prices. The attraction and placement of funds in financial organizations related to the main shareholder of the parent company is carried out at market interest rates. Taxes are charged and paid in accordance with Russian tax legislation.

Revenue from companies related to the main shareholder of the parent company for the year ended 31 December 2025 amounted to 34% of the Group's total revenue (for the year ended 31 December 2024: 31%), including 34% of the Group's electricity transmission revenue (for the year ended 31 December 2024: 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 88% of the total costs of electricity transmission and compensation for technological losses for the year ended 31 December 2025 (for the year ended 31 December 2024: 81%).

Interest accrued on loans and borrowings from banks related to the main shareholder of the parent company amounted to RUB 5,527,019 thousand of the total amount of accrued interest for the year ended 31 December 2025 (for the year ended 31 December 2024: RUB 5,436,643 thousand).

As at 31 December 2025 loans from banks related to the main shareholder of the parent company amounted to RUB 14,114,897 thousand (as at 31 December 2024: RUB 26,333,547 thousand).

As at 31 December 2025 the balance of cash and cash equivalents placed in banks related to the main shareholder of the parent company amounted to RUB 5,731,318 thousand (as at 31 December 2024: RUB 2,870,658 thousand).

As at 31 December 2025 lease liabilities for companies related to the main shareholder of the parent company amounted to RUB 5,765,371 thousand, including debt under lease contracts (as at 31 December 2024: RUB 7,529,843 thousand, including debt under lease contracts).