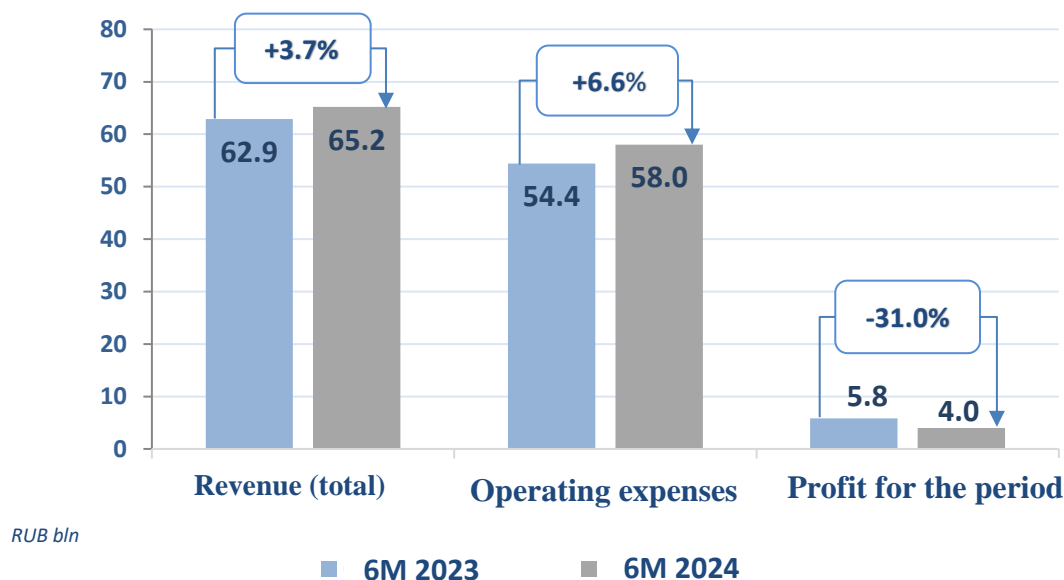


The Management Discussion and Analysis of PJSC “Rosseti Centre” to Interim Condensed Consolidated Financial Statements of the Company, including its financial condition and performance results (MD&A)

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

The Group of Companies, in addition to the Company, includes specialized electric grid and non-core subsidiaries in several regions of the Russian Federation.

The Company has published its unaudited Interim Condensed Consolidated Financial Statements for 6 months of 2024 in accordance with International Financial Reporting Standards (IFRS). Profit for the period amounted to RUB 4.0 bln, which is lower than the same value last year by RUB 1.8 bln.



Revenue for the reporting period is RUB 65.2 bln, including revenue from electricity transmission — RUB 61.2 bln, revenue from technological connection — RUB 2.2 bln, other revenue — RUB 1.7 bln and revenue from lease agreements – RUB 0.06 bln.

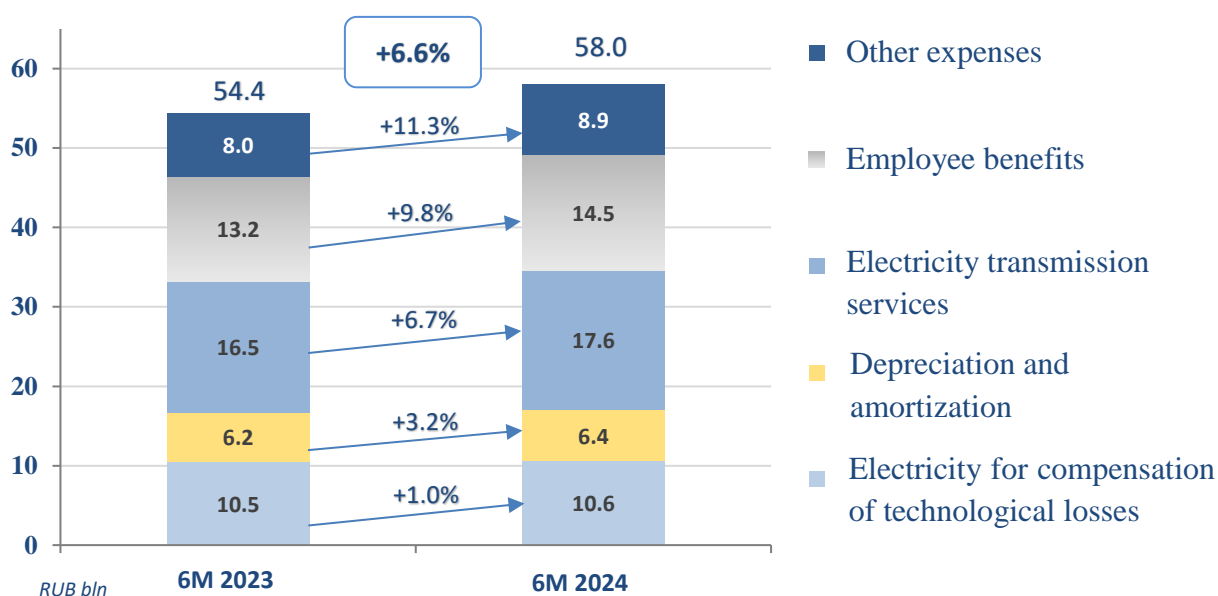
Data in billion RUB, unless otherwise stated

Indicators	6M 2024	6M 2023	Change
Revenue (total), including:	65.2	62.9	3.7%
Electricity transmission services	61.2	58.6	4.4%
Technological connection services	2.2	1.8	22.2%
Revenue from resale of electricity and capacity	0.0	0.3	-100.0%
Other revenue	1.7	2.1	-19.0%
Revenue from lease agreements	0.06	0.10	-40.0%

*Data of the Consolidated Financial Statements, rounded to the nearest billion RUB

The main factor that influenced the growth in the consolidated revenue is an increase in revenue from electricity transmission due to growth in the scope of services rendered, including as a result of the entry of new subsidiaries into the group.

Operating expenses of the Group of Companies following the results of 6 months of 2024 amounted to RUB 58.0 bln, which is 6.6% higher than the value for the same period last year.



The increase in the cost of electricity transmission services is due to growth in the cost of services of territorial grid organizations (TGO) because of an increase in the volume of TGO services, as well as an increase in the cost of electricity transmission services through federal grids due to an increase in rates for maintenance of UNEG facilities.

The increase in electricity costs to compensate for technological losses was due to growth in the amount of losses because of the increased volume of electricity transmission.

The increase in other operating expenses was caused by both inflationary growth in prices and the entry of new subsidiaries into the group.

Additional factors that influenced the growth of operating expenses were an increase in the cost of employee benefits, due to the indexation of wages and payment for overtime work in the elimination of power outages caused by adverse natural phenomena and fire impact, as well as an increase in depreciation charges due to the commissioning of items of property, plant and equipment as a result of the implementation of the Investment Program.

Name	6M 2024	6M 2023	Change	
			absolute	%
EBITDA, bln RUB	15.6	16.1	-0.5	-3.1%
EBITDA margin, %	23.9	25.6	-1.7 p.p.	-6.6%
Financial stability ratio	0.68	0.59	0.09	15.3%
Equity to total assets	0.41	0.42	-0.01	-2.4%
Current liquidity ratio	0.78	0.52	0.26	50.0%
A/R to A/P ratio	0.40	0.61	-0.21	-34.4%
A/R turnover, days	37	42	-5	-11.9%

Earnings before Interest, Taxation, Depreciation & Amortization (EBITDA) following the results of 6 months of 2024 reached RUB 15.6 bln, the EBITDA margin was 23.9%.

The financial stability ratio shows the share of long-term sources of financing (more than a year) that the company uses in its activities. The value of this indicator increased in the reporting period.

The equity to total assets ratio shows the portion of the company's assets that are covered by equity. The value of the indicator in the reporting period changed insignificantly.

The current liquidity ratio reflects the capability of the company to pay off current (short-term) liabilities at the expense of current assets. The value of this indicator increased in the reporting period.

To service short-term liabilities following the results of 6 months of 2024, the Group has available limits on long-term credit lines in the amount of over RUB 102 bln, which is more than the amount of short-term liabilities. The Group's solvency remains at a high level.

The ratio of accounts receivable and accounts payable characterizes the rationality of use of funds in turnover. Over the past period, this indicator decreased.

As at 30 June 2024 the assets of the Group of Companies reached RUB 150.9 bln (as at 31 December 2023 — RUB 148.8 bln), the net debt was RUB 34.4 bln (as at 31 December 2023 — RUB 37.6 bln). The weighted average borrowing rate of the Group of Companies (excluding interest-free borrowings) as at 30 June 2024 was 17.5%.

Data in billion RUB, unless otherwise stated

Indicators	As at 30.06.2024	As at 31.12.2023	Change
Total equity	62.4	60.6	3.0%
Total assets	150.9	148.8	1.4%
Borrowed funds	44.7	45.4	-1.5%
Cash and cash equivalents	10.3	7.8	32.1%
Net debt ¹	34.4	37.6	-8.5%

[1] The Net debt indicator is calculated based on reporting data, rounded to the nearest RUB bln, using the formula: long-term borrowed funds + short-term borrowed funds – cash and cash equivalents

The financial condition of the Group of Companies following the results of 6 months of 2024 is characterized as stable.