

**Information letter for shareholders
of Public Joint Stock Company «EL5-Energo» (hereinafter also
PJSC «EL5-Energo», the Company) in case of acceptance of the Mandatory Offer of
the Public Joint Stock Company «Oil Company «LUKOIL» on the acquisition of shares
of PJSC «EL5-Energo»**

Dear shareholder of PJSC «EL5-Energo»!

On January 09, 2023, in accordance with Article 84.2 of Federal Law No. 208-FZ dated December 26, 1995 «On Joint Stock Companies» (hereinafter referred to as the Federal Law «On Joint Stock Companies»), PJSC «EL5-Energo» received a Mandatory Offer from the Public Joint Stock Company «Oil Company «LUKOIL» (hereinafter referred to as PJSC «LUKOIL») on the acquisition of shares of Public Joint Stock Company «EL5-Energo» (hereinafter referred to as the «Mandatory Offer») on the following terms:

The Mandatory Offer was made in relation to equity securities of PJSC «EL5-Energo» with the following identification features:

- ordinary shares, registration number of the issue: 1-01-50077-A, in the amount of 15 411 419 899 shares.

Offered purchase price of shares: 0.48 (zero point forty-eight) rubles per 1 (one) ordinary share of PJSC «EL5-Energo».

Deadline for acceptance of the Mandatory Offer: 70 (seventy) days from the date of receipt of the Mandatory Offer by the Company, that is, **from January 10, 2023, until March 20, 2023 (inclusive)**. Within this period, applications (instructions) for the sale of shares must be received in the manner specified in the Mandatory Offer and this information letter.

The term of payment for shares: within 17 (seventeen) days from the date of the expiration of the period for accepting the Mandatory Offer, that is, **from March 21, 2023, until April 6, 2023 (inclusive)**.

The shares will be paid for by cashless settlement in rubles. Other forms of payment for shares are not provided for by the terms of the Mandatory Offer.

The amount payable for the acquired shares is calculated based on the formula:

$$\text{Amount, rub.} = (0.48 * N),$$

where:

N - the number of ordinary shares indicated in the shareholder's application for the sale of securities.

Further details of the procedure, terms for accepting the Mandatory Offer and payment, as well as terms of transfer of acquired shares are specified in the Mandatory Offer, the text of which, as well as other additional documents (including the Application form for the sale of securities and the Withdrawal form for the application for the sale of securities), are posted on the website of PJSC «EL5-Energo» on the Internet at <https://www.el5-energo.ru/investors/>.

The procedure for the shareholder in case of a decision to sell shares

If you decide to sell shares on the basis of the Mandatory Offer, you must do following steps:

I. For shareholders registered in the register of shareholders:

1. Submission (provision) of the Application for the sale of securities (hereinafter referred to as the «Application»).

The application of the owner of securities registered in the register of shareholders of PJSC «EL5-Energo» is submitted to the registrar of PJSC «EL5-Energo» (Joint Stock Company «Independent Registrar

Company R.O.S.T.», JSC «IRC - R.O.S.T.», hereinafter also referred to as the «Registrar») in one of the following ways:

- by sending by post to one of the postal addresses specified in point 6.3.2. of the Mandatory Offer:
 - to the address of the Central Office of JSC «IRC - R.O.S.T.»: 107076, Moscow, Stromynka street, 18, bld. 5B, room IX, for JSC «IRC - R.O.S.T.» (another address of JSC «IRC - R.O.S.T.», which will be indicated in the Unified State Register of Legal Entities (hereinafter referred to as the «USRLE») as of the date of filing the application for the sale of securities by the owner of securities registered in the register of shareholders of PJSC «EL5-Energo»);
 - to the address of any of the branches of JSC «IRC - R.O.S.T.», which will be indicated in the USRLE as of the date of submission of the application for the sale of securities by the owner of securities, registered in the register of shareholders of PJSC «EL5-Energo» (information about the branches of JSC «IRC - R.O.S.T.» is published on the Internet at <https://rrost.ru/ru/filials/>).
- by delivery against signature of a document in writing, signed by the owner of the securities, to the address specified in point 6.3.3. of the Mandatory Offer:
 - to the address of the Central Office of JSC «IRC - R.O.S.T. »: 107076, Moscow, Stromynka street, 18, bld. 5B, room IX, for JSC «IRC - R.O.S.T.» (another address of JSC «IRC - R.O.S.T.», which will be indicated in the USRLE as of the date of submission the application for the sale of securities by the owner of securities, registered in the register of shareholders of PJSC «EL5-Energo»);
 - to the address of any of the branches of JSC «IRC - R.O.S.T.», which will be indicated in the USRLE as of the date of submission of the application for the sale of securities by the owner of securities, registered in the register of shareholders of PJSC «EL5-Energo» (information about the branches of JSC «IRC - R.O.S.T.» is published on the Internet at: <https://rrost.ru/ru/filials/>).

The application must be submitted in writing, signed by the owner of the securities or his authorized representative. In order to avoid errors during the preparation of the Application, we recommend using the Application form published on the website of PJSC «EL5-Energo» on the Internet at <https://www.el5-energo.ru/investors/>

If the Application is signed and/or provided by an authorized representative, the Application shall be accompanied by a duly executed power of attorney (a duly certified copy of the power of attorney) or another document certifying the relevant authority of the person who signed the Application on behalf of the shareholder. If the power of attorney is issued on the territory of a foreign state, it must be legalized (apostilled) in the prescribed manner and have a notarized translation into Russian.

When submitting the Application in person, the shareholder must also present an identity document. If the Application is submitted by a representative of a shareholder, it is also necessary to provide a document confirming the authority to act on behalf of the shareholder.

If any data about a shareholder whose shares are recorded on a personal account in the register of shareholders (surname/name, passport data/data about state registration of a legal entity, place of residence/location, **bank details**) **is changed**, simultaneously with the submission of the Application, it is necessary to update information about his personal account in the register of shareholders, providing the Registrar with the necessary documents in a timely manner. Please note that the fact that the registrar has correct bank details is a necessary condition for the shareholder to receive funds in payment for the acquired shares.

In order to change/update personal account information about a registered person, the Registrar must be provided with a completed Questionnaire-Application form of a registered person (hereinafter referred to as the «Questionnaire») along with the Application. The sample signature of an individual in the Questionnaire must be notarized or made in the presence of an employee of the Registrar.

Along with the Questionnaire it is necessary to provide a notarized copy of the identity document of the registered person (if the documents are not submitted personally by the registered person). In case of change of the identity document of the registered person, the Registrar shall be provided with a certificate issued by the body that carried out the change of the identity document, or else a copy of the new identity

document of the registered person shall be provided, which must contain a note about the previous document, which is referred to in the register of shareholders.

The form of the Questionnaire and other documents are available on the Registrar's website on the Internet at: https://rrost.ru/ru/shareholder/important-info/doc_form/

2. Receipt of payment for shares.

Payment received due to the sale of securities by their owners, registered in the register of shareholders of PJSC «EL5-Energo», is carried out by wire transfer **to bank accounts, the details of which are known to the Registrar.**

II. For shareholders not registered in the register of shareholders:

1. Submission (provision) of the Application for the sale of securities (hereinafter referred to as the «Application»).

The Application of the owner of securities, not registered in the register of shareholders of PJSC «EL5-Energo», for the sale of securities is sent by submitting appropriate orders (instructions) to the person who keeps record of his rights to the securities of PJSC «EL5-Energo». Such order (instruction) is given in accordance with the rules of the legislation of the Russian Federation on securities.

The procedure for giving orders (instructions) is determined by the agreement concluded between the shareholder-client of the nominee holder and the nominee holder (depository).

Additional information on the procedure for submitting the Application can be found in point 6.3.1. of the Mandatory Offer.

2. Receipt of payment for shares.

Payment received due to the sale of securities by their owners, not registered in the register of shareholders of PJSC «EL5-Energo», is carried out by wire transfer to the bank account of the nominee shareholder registered in the register of shareholders of PJSC «EL5-Energo».

The nominee holder registered in the register of shareholders of PJSC «EL5-Energo» is obliged to pay its depositors by transferring payment to their bank accounts no later than the next business day after the day such nominee holder gives the order to the Registrar, on the basis of which the Registrar makes a record on the transfer of rights for the securities sold to PJSC «LUKOIL», in the manner prescribed by paragraph 7.2 of Article 84.3 of the Federal Law «On Joint Stock Companies».

A nominee holder not registered in the register of shareholders of the company is obliged to pay to its depositors by transferring funds to their bank accounts no later than the next business day after the day the funds are received and receiving from the depository, of which he is a depositor, information on the number of securities sold.

We recommend that you contact your depository in case of questions regarding the transfer of funds for the sold securities.

INFORMATION FOR INDIVIDUAL PERSONS

In the cases provided for by the art. 226, art. 226.1 of the Tax Code of the RF¹ PJSC «LUKOIL» will be recognized as a tax agent and will be obliged to calculate the amount of personal income tax (PIT), withhold it from the purchase price of the acquired shares payable to the shareholder and transfer it to the budget of the Russian Federation.

Income of individual persons - tax residents of the RF, received from the sale of shares, is subject to PIT:

- at a rate of 13% of the amount of income received, if the amount of tax bases specified in the point 2.1 of article 210 of the Tax Code of the RF does not exceed 5 million rubles for the tax period;
- 650 thousand rubles and 15% of the amount of tax bases specified in the point 2.1 of article 210 of the Tax Code of the RF, exceeding 5 million rubles, if the amount of such bases for the tax period is more than 5 million rubles.

Income of individual persons, who are not tax residents of the RF, received from the sale of shares in the RF, is subject to PIT at a rate of 30% of the amount of income received.

Tax residents of the RF are individual persons who actually stay in the Russian Federation for at least 183 calendar days within 12 consecutive months (p. 2 of the art. 207 of the Tax Code of the RF).

If the place of registration and (or) postal address of an individual shareholder is outside the Russian Federation, confirmation of the status of a tax resident of the Russian Federation is carried out by submitting a document issued by the Federal Tax Service of Russia or a territorial tax authority authorized by it, confirming the status of a tax resident of the Russian Federation, to PJSC «LUKOIL».

If such information is not provided by a shareholder, PJSC «LUKOIL» will not consider such a shareholder to be a Russian tax resident and, acting as a tax agent, will withhold tax at the rate applicable to non-resident individual persons (30%).

If information about the shareholder acting through a nominee or a foreign broker (trustee) is not disclosed, PJSC «LUKOIL», acting as a tax agent, will withhold tax at a maximum rate of 30%.

Accounting for actually incurred expenses

When calculating the PIT subject to withholding and payment, actual and documented expenses related to the acquisition and storage of the relevant shares will be taken into account (p. 1, art. 226 of the Tax Code of the RF). Such expenses are taken into account on the basis of justifying documents provided by the taxpayer.

Tax relief for shareholders who have owned shares for more than five years

According to p. 17.2 of the art. 217 of the Tax Code of the RF, income received by individual persons from the sale of shares of Russian organizations, whose assets directly or indirectly consist of not more than 50 percent of real estate located on the territory of the RF, is not subject to PIT, provided that on the date of sale of such shares, they have continuously belonged to an individual on the basis of the right of ownership or other real right for more than five years. This exemption applies regardless of the individual person's tax residency status.

To confirm the right to receive this benefit, shareholders must provide a certificate on the account in the register / depo account, confirming the continuous period of ownership of the shares declared for sale for more than 5 years.

Investment tax deduction

The tax base for income from the sale of shares may be reduced by the amount of the investment tax deduction provided for by the article 219.1 of the Tax Code of the RF. This tax deduction is granted only to individual shareholders who are residents of the RF and is not applied to the sale of shares held in an individual investment account.

¹ Hereinafter «RF» - the Russian Federation.

To apply the investment deduction, a shareholder must submit to PJSC «LUKOIL» documents confirming the information necessary to determine the maximum amount of the deduction.

The specified investment tax deduction can also be received by the taxpayer independently when submitting a tax declaration (3-NDFL form) to the tax authority.

Exemption from taxation in the Russian Federation in accordance with the Double Taxation Treaty (DTT)

If an individual shareholder is a tax resident of a foreign state with which the Russian Federation has entered into a DTT, the legislation of the Russian Federation provides for full or partial exemption from taxation of income from the sale of shares.

In order to confirm the right to exemption of income from taxation in accordance with the provisions of the DTT, an individual shareholder must submit to the tax agent an official justification of his status as a tax resident of the state with which the Russian Federation has concluded a DTT.

In accordance with the Tax Code of the RF, the specified justification must be issued by the competent authority of the relevant foreign state authorized to issue such justifications on the basis of the DTT with the RF. If such a justification is issued on the territory of a foreign state, then it must be legalized (apostilled) in the prescribed manner and have a notarized translation into Russian.

The tax agent reserves the right to request additional documents from an individual shareholder to clarify the amount of tax liabilities in connection with the sale of shares.

Shareholders should consult with their tax, financial or other professional advisers to assess the possibility of applying tax benefits and/or tax deductions.

PROCEDURE FOR SUBMISSION OF JUSTIFYING DOCUMENTS

Documents should be sent by post to PJSC «LUKOIL» at: 101000 Moscow, Sretensky Boulevard, 11.

We recommend that you send the documents along with the completed individual shareholder questionnaire for tax purposes (Annex 1).

Justifying documents must be received by PJSC «LUKOIL» before the deadline for accepting the Mandatory Offer, that is, by March 20, 2023 (inclusive).

Shareholders whose rights to shares are recorded in the register must submit justifying documents simultaneously with the sending (submission) of the Application for the sale of securities.

Shareholders whose rights to shares are registered with nominee holders must submit justification documents to PJSC «LUKOIL» immediately after sending an application for the sale of shares to their nominee holder. At the same time, in the individual shareholder questionnaire for tax purposes, there shall be an indication of a nominee holder, which takes into account the rights to shares of the corresponding individual shareholder and through which an application for the sale of shares was sent, the number of shares in respect of which an application for the sale of shares was sent, and data allowing to identify the individual shareholder.

Justifying documents shall be submitted in the original or in the form of duly certified copies. Documents certified by a notary will be recognized as duly certified (except for brokerage reports, which are subject to certification by a broker).

If the documents justifying the expenses incurred are drawn up on the territory of a foreign state, then they must be legalized (apostilled) in the prescribed manner and have a notarized translation into Russian.

In case of late submission of the documents justifying the expenses incurred and the period of ownership, the PIT will be withheld from the entire amount of income from the sale of shares.

ADDITIONAL INFORMATION FOR NON-RESIDENTS

In accordance with the Decree of the President of the RF №81 dated 01.03.2022 (as amended on 15.10.2022) «*On Additional Temporary Economic Measures to Ensure the Financial Stability of the Russian Federation*», transactions (operations) entailing the emergence of ownership of securities and immovable

property carried out (executed) with persons of foreign states² committing unfriendly actions³ may be carried out (executed) on the basis of permits issued by the Government Commission for the Control of Foreign Investments in the Russian Federation and, if necessary, containing the conditions for carrying out (execution) of such transactions (operations).

The Decree of the President of the RF №520 dated 05.08.2022 (as amended on 05.12.2022) «*On the application of special economic measures in the financial and fuel and energy sectors in connection with the unfriendly actions of certain foreign states and international organizations*» prohibits to carry out transactions (operations) entailing directly and (or) indirectly the establishment, change, termination or encumbrance of the rights of possession, use and (or) disposal of securities of Russian legal entities, shares (deposits) constituting the authorized (shared) capitals of Russian legal entities, participation interests, rights and obligations belonging to the participants in production sharing agreements, joint activity agreements or other agreements on the basis of which investment projects are implemented in the Russian Federation, provided that these securities, shares (deposits), rights and obligations belong to foreign persons associated with foreign countries who commit unfriendly actions in relation to Russian legal entities and individual persons (including if such foreign entities have the citizenship of these states, or their place of registration, the place of their primary business activities or the place of their primary profit-making from activity is in these states), and to persons who are under control of these foreign persons. The prohibition applies to transactions with securities, shares (deposits) that make up the authorized capital of business entities that are producers and suppliers of heat and (or) electric energy, which include PJSC «EL5-Energo» (OGRN 1046604013257). Such transactions can be made only on the basis of a special decision of the President of the Russian Federation.

In case of acceptance of the Mandatory Offer by foreign persons associated with foreign states, an appropriate permission will be required, which shall be provided before the deadline for accepting the Mandatory Offer, i.e., before **March 20, 2023 (inclusive)**.

ADDITIONAL INFORMATION

A shareholder has the right to withdraw the Application for the sale of securities before the deadline for accepting the Mandatory Offer, i.e., before **March 20, 2023 (inclusive)**.

The withdrawal of the application for the sale of securities shall be deemed submitted by PJSC «LUKOIL» on the day it is received by the Registrar from a shareholder registered in the register of shareholders of PJSC «EL5-Energo», or on the day the Registrar receives a message containing an expression of will to withdraw the application of such a shareholder from a nominee holder of shares registered in the register of shareholders of PJSC «EL5-Energo».

The Withdrawal Form for the application for the sale of securities for shareholders registered in the register of shareholders is available on the website of PJSC «EL5-Energo» on the Internet at <https://www.el5-energo.ru/investors/>

For shareholders who are not registered in the register of shareholders, we recommend that you apply to your depositary to submit an expression of will.

You can familiarize yourself with the text of the Mandatory Offer and the specified documents on the website of PJSC «EL5-Energo» on the Internet at <https://www.el5-energo.ru/investors/>

Additional information can be obtained by calling the Company's Registrar at the hotline for shareholders of PJSC «EL5-Energo»: 8-800-200-81-60 (multi-line phone, calls from Russia are free of charge, operators are available from Monday thru Friday, except official holidays, from 09:30 to 18:00 Moscow time) or by sending a corresponding request to the email address info@rrost.ru.

² With foreign persons associated with foreign states who commit unfriendly actions against Russian legal entities and individuals (including if such foreign persons have the citizenship of these states, or their place of registration, the place of their primary business activity or the place of their primary profit-making from activity is in these states), and with persons who are under control of these foreign persons, regardless of the place of their registration or the place of their predominant economic activity.

³ The list of foreign states and territories that commit unfriendly actions against the Russian Federation, Russian legal entities and individual persons, was approved by the order of the Government of the Russian Federation №430-r dated March 5, 2022.

Questionnaire of an individual shareholder for tax purposes

1	Full name	
2	Date of birth	
3	Type, series, number, issuer, date of issue of the identity document	
4	INN	
5	Place of registration	
6	Postal address (if different from the place of registration)	
7	Contact phone number	
8	Customer account number/Securities account number and name of the nominee holder	
9	Number of Shares in respect of which an Application on the sale of Shares has been submitted based on the Offer to acquire	
10	Tax residence status* (choose one option)	<input type="checkbox"/> Tax resident of the Russian Federation <input type="checkbox"/> Tax non-resident of the Russian Federation
11	Have you owned the shares in respect of which this Application is presented continuously for more than 5 years?*** (choose one option)	<input type="checkbox"/> Yes, I have owned the shares for more than 5 years <input type="checkbox"/> No
12	The amount of actually incurred and documented expenses related to the acquisition and (or) storage of shares made without participation of a tax agent (rubles)** (shall be filled in case the period of continuous holding of shares is less than 5 years)	
13	Are you eligible for an investment tax deduction?*** (shall be filled in case the period of continuous holding of shares is less than 5 years)	<input type="checkbox"/> Yes <input type="checkbox"/> No

* If the place of registration and/or postal address are indicated as those outside the Russian Federation and the «Tax resident of the Russian Federation» option is selected, it is necessary to submit a document confirming the status of a tax resident of the Russian Federation (issued by the tax authority). In the absence of confirmation, a rate of 30% is applied.

** If the answer is «Yes» to questions 11,13 or item 12 is filled in, it is necessary to submit a set of supporting documents. In the absence or incompleteness of the supporting documents, the tax will be withheld from the full amount of the purchase price for the Shares payable to the Individual shareholder.