



# Independent Auditors' Report

## **on the Financial Statements of Public Joint-Stock Company Enel Russia for the 2021 reporting year**

Set out below is an unofficial translation of the Independent Auditors' Report on the financial statements of PJSC Enel Russia as at and for the year ended 31 December 2021. The financial statements to which the Independent Auditors' Report relates have been prepared in Russian in accordance with the accounting and reporting regulations of the Russian Federation. Russian accounting and reporting regulations differ from accounting frameworks in other jurisdictions. Consequently, the accompanying financial statements are not intended to present the financial position, financial performance and cash flows of PJSC Enel Russia in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than the Russian Federation. This translation of these documents was undertaken for the convenience of users. In case of any divergence of the English text from the Russian text, the Russian text prevails.



# Independent Auditors' Report

## To the Shareholders and Board of Directors of Public Joint-Stock Company Enel Russia

### Opinion

We have audited the financial statements of Public Joint-Stock Company Enel Russia (the "Company"), which comprise the balance sheet as at 31 December 2021, the statements of financial performance, changes in equity and cash flows for the year then ended, and notes to the balance sheet and the statement of financial performance and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Russian Accounting Standards.

### 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the independence requirements that are relevant to our audit of the financial statements in the Russian Federation and with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (*IESBA Code*), and we have fulfilled our other ethical responsibilities in accordance with the requirements in the Russian Federation and the IESBA Code. 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Bad debt provision

Please refer to the note 3.4 of the notes to the balance sheet and the statement of financial performance.

The key audit matter	How the matter was addressed in our audit
<p>The Company accumulated significant balance of trade and other receivables which is material to the financial statements as at the reporting date.</p> <p>The Company's bad debt provision is based on management's estimate of probability of debt recoverability. Such assessment involves a significant degree of management judgement.</p> <p>We identified bad debt provision for trade and other receivables as a key audit matter because determining the level of provision requires the exercise of significant management judgement.</p>	<p>We obtained an understanding and assessed the design and implementation of the Company's key internal controls relating to estimation of the bad debt provision.</p> <p>We obtained an understanding of the key parameters and assumptions of the bad debt provision created by the management.</p> <p>We assessed the reasonableness of management's bad debt provision estimates using our own expectations based on available external data.</p> <p>We evaluated the adequacy of related disclosures in the financial statements.</p>

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual report but, does not include the financial statements and our auditors' report thereon. The Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company'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 Company's



ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 engagement partner on the audit resulting in this independent auditors' report is:

Krasnikhina Tatiana

Principal registration number of the entry in the Register of Auditors and Audit organizations 21906104815, acts on behalf of the audit organization based on the power of attorney No. 101/21 as of 5 May 2021

JSC "KPMG"

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 12006020351

Moscow, Russia  
24 March 2022

Balance sheet

as of December 31, 2021

Company PJSC Enel Russia  
 Taxpayer Identification Number \_\_\_\_\_  
 Type of economic activity Generation of electric power by thermal power plants  
 Type of business / form of ownership Public joint-stock company / private

OKUD Form	Codes		
Date (day, month, year)	31	12	2021
RNNBO No.	75012898		
TIN	6671156423		
OKVED 2	35.11.1		
OKOPF/OKFS No.	12247	34	
OKEI No.	384		

Measurement unit: RUR ths.  
 Location (address) 10 Khokhryakova Str., Yekaterinburg, Sverdlovsk Region, 620014, Russia

Financial statements subject to obligatory audit  YES  NO

Name of the audit organization / surname, name, patronymic (if any) of the individual auditor JSC KPMG

Taxpayer identification number of the auditing organization / surname, name, patronymic (if any) of the individual auditor	TIN	7702019950
Primary State Registration Number of audit organization / individual auditor	OGRN / OGRNIP	1027700125628

Note	Item	Code	As of December 31, 2021	As of December 31, 2020	As of December 31, 2019
	ASSETS				
	I. NON-CURRENT ASSETS				
1.1	Intangible assets	1110	101	121	141
	Results of research and developments	1120	-	-	-
	Intangible exploration assets	1130	-	-	-
	Tangible exploration assets	1140	-	-	-
2.1, 2.2, 2.3, 2.4, Note 3.1	Fixed assets	1150	44,457,513	45,788,686	44,503,670
	Interest-bearing investments into tangible assets	1160	-	-	-
3.1, 3.2, Note 3.2	Financial investments	1170	1,910,491	610,491	620,333
Note 2.16, 3.13	Deferred tax assets	1180	1,944,250	2,616,725	2,665,107
Note 2.8, 3.4	Other non-current assets	1190	7,296,824	2,248,770	2,466,693
	Long-term derivatives and hedging instruments	11901	-	-	-
	Section I total	1100	55,609,179	51,264,793	50,255,944
	II. CURRENT ASSETS				
4.1, 4.2, Note 3.3	Inventories	1210	2,560,717	3,409,159	4,971,755
Note 2.8	including deferred expenses	12101	284,261	225,553	280,181
	VAT on purchased goods	1220	237,891	19,132	5,916
5.1, 5.2, Note 3.4	Accounts receivable	1230	5,316,190	4,482,998	10,522,986
	shareholder's receivables	12301	-	-	-
3.1, 3.2, Note 3.2	Financial investments	1240	-	-	0
Note 2.10	Cash and cash equivalents	1250	7,556,117	9,693,573	10,190,641
	Other current assets	1260	2,427	1,770	1,342
Note 3.19	including current derivative assets	12601	2,427	1,770	1,342
	Section II total	1200	15,673,342	17,606,632	25,692,640
	TOTAL ASSETS	1600	71,282,521	68,871,425	75,948,584
	LIABILITIES				
	III. EQUITY AND RESERVES				
Note 3.7	Share capital (joint-stock capital, authorized capital, contributions of partners)	1310	35,371,898	35,371,898	35,371,898
Note 3.7	Shares purchased	1320	-	-	-
	Revaluation of non-current assets	1340	-	-	-
Note 3.8	Additional capital (without revaluation)	1350	7,389,006	7,424,153	7,346,943
	including effective portion of changes in the fair value of CFH	13501	42,253	77,400	190
Note 3.8	Reserve capital	1360	177,000	-	1,768,931
Note 3.9	Retained earnings (accumulated deficit)	1370	8,816,625	6,425,421	4,144,156
	Retained earnings / (accumulated deficit) of the previous year	13701	6,267,061	2,885,910	16,258,743
Note 2.16	Retained earnings / (accumulated deficit) of the current year	13702	2,549,564	3,539,511	(12,114,587)
	Section III total	1300	51,754,529	49,221,472	48,631,928
	IV. NON-CURRENT LIABILITIES				
Note 3.5	Loans received	1410	4,000,000	2,000,000	6,666,667
Note 3.13	Deferred tax liabilities	1420	4,505,881	4,494,126	4,492,941
7, Note 3.10	Provisions	1430	149,819	83,846	261,710
Note 2.16	Other liabilities	1450	198,707	254,039	-
	Section IV total	1400	8,854,407	6,832,011	11,421,318
	V. CURRENT LIABILITIES				
Note 3.5	Loans received	1510	2,081,810	4,794,831	1,784,731
5.3, Note 2.16, 3.6	Accounts payable	1520	5,942,594	3,612,770	9,672,986
	Shareholder's payable	15202	32,048	51,718	48,568
	Deferred income	1530	35	355	743
7, Note 3.10	Provisions short-term	1540	2,649,146	4,407,542	4,436,878
	Other liabilities	1550	-	2,444	-
	including current derivative liabilities	15501	-	2,444	-
	Section V total	1500	10,673,585	12,817,942	15,895,338
	TOTAL LIABILITIES	1700	71,282,521	68,871,425	75,948,584

CEO S. Zwegintzow Chief Accountant V. Grishachev

**Statement of financial performance**

for \_\_\_\_\_ year 20 21

Company <u>PJSC Enel Russia</u>		OKUD Form	0710002	
Taxpayer Identification Number _____		Date (day, month, year)	31	12 2021
Type of economic activity	<u>Generation of electric power by thermal power plants</u>	RNNBO No.	75012898	
Type of business / form of ownership	<u>Public</u>	TIN	6671156423	
<u>joint-stock company / private</u>		OKVED 2	35.11.1	
Measurement unit: RUR ths.		OKOPF/OKFS No.	12247	34
		OKEI No.	384	

Note	Item	Code	For _____ year 20 <u>21</u>	For _____ year 20 <u>20</u>
Note 3.11	Revenue	2110	46,704,908	56,985,454
6, note 3.11	Cost of sales	2120	(44,205,798)	(50,697,130)
	Gross profit (loss)	2100	2,499,110	6,288,324
6, note 3.11	Commercial expenses	2210	(780,345)	(952,118)
	Management expenses	2220	-	-
	Profit (loss) on sales	2200	1,718,765	5,336,206
	Income from investments in other entities	2310	-	5
	Interest income	2320	349,268	541,665
	Interest payable	2330	(506,405)	(636,366)
Note 3.12	Other income	2340	6,415,745	4,996,586
Note 3.12	Other expenses	2350	(4,686,794)	(5,739,516)
	Profit (loss) before taxes	2300	3,290,579	4,498,580
Note 3.13	Income tax	2410	(693,016)	(939,950)
	including current income tax	2411	-	(897,520)
	deferred income tax	2412	(693,016)	(42,430)
Note 3.12	Other	2490	(47,999)	(19,119)
	Net profit (loss)	2400	2,549,564	3,539,511
	not included into the net profit (loss) of the period	2510	-	-
	Result from other operations not included into the net profit (loss) for the period	2520	(43,934)	96,512
	Income tax effect from the result from other operations not included into the net profit (loss) for the period	2530	8,787	(19,302)
	Cumulative financial result of the period	2500	2,514,417	3,616,721
	<b>REFERENCE</b>			
Note 3.14	Basic earnings (loss) per share (RUR)	2900	0.0721	0.1001
	Diluted earnings (loss) per share	2910	-	-

CEO \_\_\_\_\_ S. Zweguintzow \_\_\_\_\_  
(signature) (print name)

Chief Accountant \_\_\_\_\_ V. Grishachev \_\_\_\_\_  
(signature) (print name)

" 24 " \_\_\_\_\_ March 20 22

**Statement of changes in equity  
for 20 21**

Company	PJSC Enel Russia	OKUD Form	0710004
Taxpayer Identification Number		Date (day, month, year)	31   12   2021
economic activity	Generation of electric power by thermal power plants	RNNBO No.	75012898
Type of business / form of ownership	Public joint-stock company	TIN	6671156423
private		OKOPF/OKFS No.	12247   34
Measurement unit: RUR ths.		OKEI No.	384

**1. Movement of equity**

Item	Code	Charter capital	Shares purchased	Additional capital	Reserve capital	Retained earnings (accumulated loss)	Total
Balance as of December 31, 20 19	3100	35,371,898	-	7,346,943	1,768,931	4,144,156	48,631,928
<b>For 20 20</b>							
Increase in equity - total:	3210	-	-	77,210	-	3,548,976	3,626,186
including:							
net profit	3211	x	x	x	x	3,539,511	3,539,511
revaluation of assets	3212	x	x	-	x	-	-
income related directly to increase of capital	3213	x	x	77,210	x	9,465	86,675
additional shares issue	3214	-	-	-	x	x	-
increase of shares par value	3215	-	-	-	x	-	x
reorganization of legal entity	3216	-	-	-	-	-	-
Decrease in equity - total:	3220	-	-	-	-	(3,036,642)	(3,036,642)
including:							
loss	3221	x	x	x	x	-	-
revaluation of assets	3222	x	x	-	x	-	-
expenses related directly to decrease of capital	3223	x	x	-	x	(30,031)	(30,031)
decrease of shares par value	3224	-	-	-	x	-	-
decrease in the number of shares	3225	-	-	-	x	-	-
reorganization of legal entity	3226	-	-	-	-	-	-
dividends	3227	x	x	x	x	(3,006,611)	(3,006,611)
Change of additional capital	3230	x	x	-	-	-	x
Change of reserve capital	3240	x	x	x	(1,768,931)	1,768,931	x
Balance as of December 31, 20 20	3200	35,371,898	-	7,424,153	-	6,425,421	49,221,472
<b>For 20 21</b>							
Increase in equity - total:	3310	-	-	-	-	2,568,204	2,568,204
including:							
net profit	3311	x	x	x	x	2,549,564	2,549,564
revaluation of assets	3312	x	x	-	x	-	-
income related directly to increase of capital	3313	x	x	-	x	18,640	18,640
additional shares issue	3314	-	-	-	x	x	-
increase of shares par value	3315	-	-	-	x	-	x
reorganization of legal entity	3316	-	-	-	-	-	-
Decrease in equity - total:	3320	-	-	(35,147)	-	-	(35,147)
including:							
loss	3321	x	x	x	x	-	-
revaluation of assets	3322	x	x	-	x	-	-
expenses related directly to decrease of capital	3323	x	x	(35,147)	x	-	(35,147)
decrease of shares par value	3324	-	-	-	x	-	-
decrease in the number of shares	3325	-	-	-	x	-	-
reorganization of legal entity	3326	-	-	-	-	-	-
dividends	3327	x	x	x	x	-	-
Change of additional capital	3330	x	x	-	-	-	x
Change of reserve capital	3340	x	x	x	177,000	(177,000)	x
Balance as of December 31, 20 21	3300	35,371,898	-	7,389,006	177,000	8,816,625	51,754,529

## 2. Adjustments due to change of accounting policy and correction of errors

Item	Code	As of December 31, 20 <u>19</u>	Changes in equity for 20 <u>20</u>		As of December 31, 20 <u>20</u>
			due to net profit (loss)	due to other factors	
<b>Equity - total</b>					
before adjustments	3400	-	-	-	-
adjusted for:					
change of accounting policy	3410	-	-	-	-
correction of errors	3420	-	-	-	-
after corrected	3500	-	-	-	-
including:					
retained earnings (accumulated loss):					
before adjustments	3401	-	-	-	-
adjusted for:					
change of accounting policy	3411	-	-	-	-
correction of errors	3421	-	-	-	-
after corrected	3501	-	-	-	-
equity items, for which the adjustments were made:					
before adjustments	3402	-	-	-	-
adjusted for:					
change of accounting policy	3412	-	-	-	-
correction of errors	3422	-	-	-	-
after corrected	3501	-	-	-	-

### 3. Net assets

Item	Code	As of December 31, 20 <u>21</u>	As of December 31, 20 <u>20</u>	As of December 31, 20 <u>19</u>
Net assets	3600	51,754,564	49,221,827	48,632,671

CEO \_\_\_\_\_ S. Zweguintzow \_\_\_\_\_ Chief Accountant \_\_\_\_\_ V. Grishachev \_\_\_\_\_  
(signature) (print name) (signature) (print name)

" 24 " \_\_\_\_\_ March \_\_\_\_\_ 20 22



Item	Code	For	year	For	year
		20	21	20	20
Payments - total	4320	(4,666,667)		(4,673,336)	
including:					
to the owners (members) due to redemption of shares (share ownership) of the company with them or their cessation of membership	4321	-		-	
allocation of profit in favour of the owners (members)	4322	-		(3,006,669)	
due to payment (protection) of the bills of exchange and other debt securities, repayment of credits and loans	4323	(4,666,667)		(1,666,667)	
other payments	4329	-		-	
Balance of cash flows from financial operations	4300	(666,667)		(4,673,336)	
<b>Balance of cash flows for the reporting period</b>	<b>4400</b>	<b>(2,153,062)</b>		<b>(505,748)</b>	
<b>Cash and cash equivalents at the beginning of reporting period</b>	<b>4450</b>	<b>9,693,573</b>		<b>10,190,641</b>	
<b>Cash and cash equivalents at the end of reporting period</b>	<b>4500</b>	<b>7,556,117</b>		<b>9,693,573</b>	
Effect of exchange rate changes	4490	15,606		8,680	

CEO \_\_\_\_\_ S. Zweguintzow \_\_\_\_\_ Chief Accountant \_\_\_\_\_ V. Grishachev \_\_\_\_\_  
 (signature) (print name) (signature) (print name)

" 24 " March 20 22



## 2. Fixed assets

### 2.1. Availability and flow of fixed assets

In RUB thousand.

Item	Code	Period	At the beginning of the year		Changes for the period						At the end of the period	
			initial value	accumulated depreciation	additions	disposed items		depreciation accrued	revaluation		initial value	accumulated depreciation
						initial value	accumulated depreciation		initial value	accumulated depreciation		
<b>Fixed assets (without regard to interest-bearing investments into tangible assets) -</b>	<b>5200</b>	for 20 <u>21</u>	<b>76,399,966</b>	<b>(38,236,726)</b>	<b>1,621,017</b>	<b>(403,632)</b>	<b>130,050</b>	<b>(3,329,755)</b>	-	-	<b>77,617,351</b>	<b>(41,436,431)</b>
	<b>5210</b>	for 20 <u>20</u>	<b>74,039,043</b>	<b>(36,331,361)</b>	<b>3,357,284</b>	<b>(1,310,142)</b>	<b>1,238,328</b>	<b>(3,143,693)</b>	-	-	<b>76,086,185</b>	<b>(38,236,726)</b>
including: Land	5201	for 20 <u>21</u>	137,827	-	-	-	-	-	-	-	137,827	-
	5211	for 20 <u>20</u>	137,827	-	-	-	-	-	-	-	137,827	-
Buildings and structures	5202	for 20 <u>21</u>	17,602,491	(5,710,942)	340,669	(251,869)	56,746	(470,963)	-	-	17,691,291	(6,125,159)
	5212	for 20 <u>20</u>	17,544,924	(5,240,834)	60,759	(3,192)	1,166	(471,274)	-	-	17,602,491	(5,710,942)
Machinery and equipment	5203	for 20 <u>21</u>	58,072,715	(32,318,179)	1,112,445	(70,201)	69,383	(2,721,391)	-	-	59,114,959	(34,970,187)
	5213	for 20 <u>20</u>	56,100,109	(30,899,459)	3,273,597	(1,300,991)	1,231,408	(2,650,128)	-	-	58,072,715	(32,318,179)
Transport	5204	for 20 <u>21</u>	46,994	(30,104)	-	-	-	(4,494)	-	-	46,994	(34,598)
	5214	for 20 <u>20</u>	37,938	(28,693)	12,125	(3,069)	2,864	(4,275)	-	-	46,994	(30,104)
Other	5205	for 20 <u>21</u>	539,939	(177,501)	167,903	(81,562)	3,921	(132,907)	-	-	626,280	(306,487)
	5215	for 20 <u>20</u>	218,245	(162,375)	10,803	(2,890)	2,890	(18,016)	-	-	226,158	(177,501)

## 2.2. Uncompleted capital investments

In RUB thousand.

Item	Code	Period	At the beginning of the year	Changes for the period			At the end of the period
				expenses for the period	written off	added to accounting as fixed assets or value increased	
Assets under construction and non-completed operations on acquisition, modernization, etc. of fixed assets - total	5240	for 20 21	8,017,607	2,675,252	(941,234)	(1,475,032)	8,276,593
	5250	for 20 20	6,795,988	4,186,627	-	(3,357,169)	7,625,446
including:		for 20 21					
Equipment for the construction of CCGT	5241		1,787,380	-	(904,559)	-	882,821
Refurbishment of Unit 1	5242		130,477	-	-	(130,477)	-
Replacement of TG-4	5243		1,274,158	852,375	-	(170,028)	1,956,505
Rearmed with those CCGT-410	5244		26,358	(26,358)	-	-	-
TP GT CCGT-410 before SP-8 modifications	5245		132,683	99,542	-	-	232,225
Waste Water Treatment facility construction at Sredneuralskaya GRES	5246		801,755	278,306	-	(585,431)	494,630
TPR GT CCGT-419. Project №2a/LTSA	5247		77,593	221,596	-	-	299,189
Technical refurbishment of CCGT-410 Steam Turbine with HRSG	5248		240,112	90,553	-	-	330,665
Refurbishment of DE-0,4kV / 6 kV	5249		630,544	18,600	-	-	649,144
including:		for 20 20					
Equipment for the construction of CCGT	5251		1,787,380	-	-	-	1,787,380
Refurbishment of Unit 1	5252		9,407	121,070	-	-	130,477
Replacement of TG-4	5253		593,108	735,546	-	(54,496)	1,274,158
Rearmed with those CCGT-410	5254		41,060	-	-	(14,702)	26,358
Technical refurbishment of CCGT-410 Gas turbine with capacity increase	5255		2,772	1,128,926	-	(1,131,698)	-
Waste Water Treatment facility construction at Sredneuralskaya GRES	5256		575,174	226,581	-	-	801,755
Technical refurbishment of CCGT-419 gas turbine at Sredneuralskaya GRES. Project №2a/LTSA	5257		1,130,629	50,961	-	(1,181,590)	-
Technical refurbishment of CCGT-410 Steam Turbine with HRSG	5258		56,750	183,362	-	-	240,112
Refurbishment of DE-0,4kV / 6 kV	5259		522,393	108,151	-	-	630,544

In RUB thousand.

**2.3. Change of price of fixed assets after modernization,  
reconstruction and partial dismantling**

Item	Code	For 20 <u>21</u>	For 20 <u>20</u>
Increase of price of fixed assets after modernization, including:	<b>5260</b>	<b>718,744</b>	<b>1,650,387</b>
<i>Water supply network</i>	5261	88,872	-
<i>Steam Turbine no. 7</i>	5262	52,398	-
<i>Steam Turbine U1 K-300-240</i>	5263	52,292	-
<i>Steam Turbine N11</i>	5264	1,830	49,882
<i>Boiler unit 1 ПП-950-255 ГМ</i>	5265	48,517	-
<i>Open Switchyard OPY-500kV. "Cherepovets" T-line</i>	5266	44,936	-
<i>Steam Turbine N2</i>	5267	24,475	-
<i>Open Switchyard OPY-500rV</i>	5268	23,190	-
<i>Generator for Steam Turbine N4</i>	5269	21,715	-
<i>Gas turbine SGT5-4000F</i>	5270	-	757,433
<i>CCGT-410 Steam Turbine</i>	5271	-	151,212
<i>Boiler 11 with foundation</i>	5272	-	50,738
<i>Nozzle box assembly</i>	5273	-	31,532
<i>LP Rotor of Turbine-8 K-300-240</i>	5274	-	38,791
Decrease of price of fixed assets after partial dismantling - total:	<b>5279</b>	<b>(45,793)</b>	<b>(3,976)</b>

**2.4. Other use of fixed assets**

In RUB thousand.

Item	Code	As 31 December 20 <u>21</u> y.	As 31 December 20 <u>20</u> y.	As 31 December 20 <u>19</u> y.
Leased fixed assets, accounted for on balance	5280	163,107	192,104	222,596
Leased fixed assets, accounted for off-balance	5281	243	6,284	777
Rented fixed assets, accounted for on balance	5282	281,714	313,781	-
Rented fixed assets, accounted for off-balance	5283	16,977	52,291	20,752,861
Immovable assets accepted for operation and actually used, undergoing state registration	5284	-	2,007	2,048
Laid-up fixed assets	5285	42,024	-	-
Modernized fixed assets for which depreciation is suspended	5286	-	-	10,439
Other use of fixed assets (pledge, etc.)	5287	-	-	-

### 3. Financial investments

#### 3.1. Availability and flow of financial investments

In RUB thousand.

Item	Code	Period	At the beginning of the year		additions	Changes for the period				At the end of the period	
			initial value	accumulated adjustment		disposals (repaid)		accrual of interest (including bringing the initial value to the nominal one)	current market value (losses from impairment)	initial value	accumulated adjustment
						initial value	accumulated adjustment				
<b>Long-term - total</b>	<b>5301</b>	<b>for 20 21</b>	<b>687,291</b>	<b>(76,800)</b>	<b>1,300,000</b>	-	-	-	-	<b>1,987,291</b>	<b>(76,800)</b>
	<b>5311</b>	<b>for 20 20</b>	<b>697,133</b>	<b>(76,800)</b>	-	<b>(9,842)</b>	-	-	-	<b>687,291</b>	<b>(76,800)</b>
including: shares, equities	5302	for 20 21	4,917	-	-	-	-	-	-	4,917	-
	5312	for 20 20	4,917	-	-	-	-	-	-	4,917	-
investments into subsidiaries	5303	for 20 21	682,374	(76,800)	1,300,000	-	-	-	-	1,982,374	(76,800)
	5313	for 20 20	692,216	(76,800)	-	(9,842)	-	-	-	682,374	(76,800)
securities (bills of exchange)	5304	for 20 21	-	-	-	-	-	-	-	-	-
	5314	for 20 20	-	-	-	-	-	-	-	-	-
other	5304a	for 20 21	-	-	-	-	-	-	-	-	-
	5314a	for 20 20	-	-	-	-	-	-	-	-	-
<b>Short-term - total</b>	<b>5305</b>	<b>for 20 21</b>	<b>772,953</b>	<b>(772,953)</b>	-	<b>(133,151)</b>	<b>133,151</b>	-	-	<b>639,802</b>	<b>(639,802)</b>
	<b>5315</b>	<b>for 20 20</b>	<b>829,889</b>	<b>(829,889)</b>	-	<b>(56,936)</b>	<b>56,936</b>	-	-	<b>772,953</b>	<b>(772,953)</b>
including: cession	5306	for 20 21	752,865	(752,865)	-	(133,151)	133,151	-	-	619,714	(619,714)
	5316	for 20 20	809,801	(809,801)	-	(56,936)	56,936	-	-	752,865	(752,865)
commodity loan	5307	for 20 21	-	-	-	-	-	-	-	-	-
	5317	for 20 20	-	-	-	-	-	-	-	-	-
securities (bills of exchange)	5308	for 20 21	20,088	(20,088)	-	-	-	-	-	20,088	(20,088)
	5318	for 20 20	20,088	(20,088)	-	-	-	-	-	20,088	(20,088)
other	5309	for 20 21	-	-	-	-	-	-	-	-	-
	5319	for 20 20	-	-	-	-	-	-	-	-	-
<b>Financial investments - total</b>	<b>5300</b>	<b>for 20 21</b>	<b>1,460,244</b>	<b>(849,753)</b>	<b>1,300,000</b>	<b>(133,151)</b>	<b>133,151</b>	-	-	<b>2,627,093</b>	<b>(716,602)</b>
	<b>5310</b>	<b>for 20 20</b>	<b>1,527,022</b>	<b>(906,689)</b>	-	<b>(66,778)</b>	<b>56,936</b>	-	-	<b>1,460,244</b>	<b>(849,753)</b>

### 3.2. Other use of financial investments

In RUB thousand.

Item	Code	As of December 31, 20 21	December 31, 20 20	December 31, 20 19
Pledged financial investments - total	5320	-	-	-
Financial investments transferred to the third parties (except for sale) - total	5325	-	-	-

### 4. Inventories

In RUB thousand.

#### 4.1. Availability and flow of inventories

Item	Code	Period	At the beginning of the year		Changes for the period					At the end of the period	
			price	reserve value under reduction of the price	proceeds and expenses	disposals		losses from reduction of price	inventory turnover between their groups (types)	price	reserve value under reduction of the price
						price	reserve under reduction of the price				
<b>Inventories - total</b>	<b>5400</b>	<b>for 20 21</b>	<b>3,016,998</b>	<b>-</b>	<b>32,823,231</b>	<b>(32,827,453)</b>	<b>-</b>	<b>(452,059)</b>	<b>-</b>	<b>3,012,776</b>	<b>(452,059)</b>
	<b>5420</b>	<b>for 20 20</b>	<b>4,971,755</b>	<b>-</b>	<b>36,087,205</b>	<b>(37,649,801)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,409,159</b>	<b>-</b>
<i>including Including raw and other materials</i>	<i>5401</i>	<i>for 20 21</i>	<i>274,923</i>	<i>-</i>	<i>164,493</i>	<i>(260,089)</i>	<i>-</i>	<i>(25,204)</i>	<i>-</i>	<i>179,327</i>	<i>(25,204)</i>
	<i>5421</i>	<i>for 20 20</i>	<i>370,680</i>	<i>-</i>	<i>356,201</i>	<i>(449,602)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>277,279</i>	<i>-</i>
<i>fuel</i>	<i>5402</i>	<i>for 20 21</i>	<i>904,704</i>	<i>-</i>	<i>29,917,988</i>	<i>(29,865,901)</i>	<i>-</i>	<i>(1,665)</i>	<i>-</i>	<i>956,791</i>	<i>(1,665)</i>
	<i>5422</i>	<i>for 20 20</i>	<i>1,949,459</i>	<i>-</i>	<i>32,112,015</i>	<i>(33,156,770)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>904,704</i>	<i>-</i>
<i>spare parts</i>	<i>5403</i>	<i>for 20 21</i>	<i>1,565,493</i>	<i>-</i>	<i>118,249</i>	<i>(333,091)</i>	<i>-</i>	<i>(423,019)</i>	<i>-</i>	<i>1,350,651</i>	<i>(423,019)</i>
	<i>5423</i>	<i>for 20 20</i>	<i>2,278,801</i>	<i>-</i>	<i>235,560</i>	<i>(559,063)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,955,298</i>	<i>-</i>
<i>Other</i>	<i>5404</i>	<i>for 20 21</i>	<i>271,878</i>	<i>-</i>	<i>2,622,501</i>	<i>(2,368,372)</i>	<i>-</i>	<i>(2,171)</i>	<i>-</i>	<i>526,007</i>	<i>(2,171)</i>
	<i>5424</i>	<i>for 20 20</i>	<i>372,815</i>	<i>-</i>	<i>3,383,429</i>	<i>(3,484,366)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>271,878</i>	<i>-</i>

#### 4.2. Pledged inventories

In RUB thousand.

Item	Code	As of December 31, 20 21	As of December 31, 20 20	As of December, 31 20 19
Inventories not paid as of the reporting date, - total	5440	-	-	-
Inventories pledged under the contract, - total	5445	-	-	-

**5. Accounts receivable and payable**

**In RUB thousand.**

**5.1. Availability and flow of accounts receivable**

Item	Code	Period	At the beginning of the year accounted under contract terms and conditions	Changes for the period				At the end of the period accounted under contract terms and conditions
				additions	disposals		transfer from long-term into short-term accounts receivable	
					repayment	relief to financial result		
<b>Long-term receivables - total</b>	<b>5501</b>	for 20 <u>21</u>	<b>1,824,767</b>	<b>5,244,500</b>	<b>-</b>	<b>-</b>	<b>(253,598)</b>	<b>6,815,669</b>
	<b>5521</b>	for 20 <u>20</u>	<b>2,298,234</b>	<b>3,230,144</b>	<b>(3,697,222)</b>	<b>-</b>	<b>(6,389)</b>	<b>1,824,767</b>
including:	5502	for 20 <u>21</u>	-	-	-	-	-	-
<i>advance payments issued</i>	5522	for 20 <u>20</u>	-	-	-	-	-	-
<i>Accounts receivable from customers</i>	5503	for 20 <u>21</u>	547,678	90,000	-	-	(234,873)	402,805
	5523	for 20 <u>20</u>	297,534	250,144	-	-	-	547,678
<i>Other accounts receivable</i>	5504	for 20 <u>21</u>	1,277,089	5,154,500	-	-	(18,725)	6,412,864
	5524	for 20 <u>20</u>	2,000,700	2,980,000	(3,697,222)	-	(6,389)	1,277,089
<b>Short-term receivables - total</b>	<b>5510</b>	for 20 <u>21</u>	<b>11,922,356</b>	<b>97,180,493</b>	<b>(97,155,594)</b>	<b>(1)</b>	<b>253,598</b>	<b>12,200,852</b>
	<b>5530</b>	for 20 <u>20</u>	<b>17,583,243</b>	<b>118,787,766</b>	<b>(124,454,597)</b>	<b>(445)</b>	<b>6,389</b>	<b>11,922,356</b>
including:	5511	for 20 <u>21</u>	8,563,579	55,955,889	(56,091,689)	-	234,873	8,662,652
<i>purchasers and customers</i>	5531	for 20 <u>20</u>	9,855,403	68,132,401	(69,424,225)	-	-	8,563,579
including:	5512	for 20 <u>21</u>	7,346,250	51,360,306	(51,594,854)	-	-	7,111,702
<i>electric power</i>	5532	for 20 <u>20</u>	8,624,799	63,832,687	(65,111,236)	-	-	7,346,250
<i>heat</i>	5513	for 20 <u>21</u>	1,127,010	3,940,185	(3,923,292)	-	-	1,143,903
	5533	for 20 <u>20</u>	1,138,443	3,731,139	(3,742,572)	-	-	1,127,010
<i>other purchasers and customers</i>	5514	for 20 <u>21</u>	90,319	655,398	(573,543)	-	234,873	407,047
	5534	for 20 <u>20</u>	92,161	568,575	(570,417)	-	-	90,319
<i>advance payments issued</i>	5515	for 20 <u>21</u>	155,872	37,295,002	(37,220,204)	(1)	-	230,669
	5535	for 20 <u>20</u>	166,609	39,770,033	(39,780,770)	-	-	155,872
<i>other debtors</i>	5516	for 20 <u>21</u>	3,202,905	3,929,602	(3,843,701)	-	18,725	3,307,531
	5536	for 20 <u>20</u>	7,561,231	10,885,332	(15,249,602)	(445)	6,389	3,202,905
<b>Total</b>	<b>5500</b>	for 20 <u>21</u>	<b>13,747,123</b>	<b>102,424,993</b>	<b>(97,155,594)</b>	<b>(1)</b>	<b>x</b>	<b>19,016,521</b>
	<b>5520</b>	for 20 <u>20</u>	<b>19,881,477</b>	<b>122,017,910</b>	<b>(128,151,819)</b>	<b>(445)</b>	<b>x</b>	<b>13,747,123</b>

In RUB thousand.

**5.2. Availability and flow of the reserve on doubtful debts**

Item	Code	Period	At the beginning of the year reserve value on doubtful debts	Changes for the period				At the end of the period reserve value on doubtful debts
				Accrued	Disposals		transfer from long-term into short-term accounts receivable	
					Reconstituted	Transferred to debiting accounts receivable		
Short-term receivables - total including:	5541	for 20 <u>21</u>	<b>(7,439,358)</b>	<b>(474,222)</b>	<b>805,889</b>	<b>223,029</b>	-	<b>(6,884,662)</b>
	5546	for 20 <u>20</u>	<b>(7,060,257)</b>	<b>(847,967)</b>	<b>429,136</b>	<b>39,730</b>	-	<b>(7,439,358)</b>
<i>purchasers and customers</i>	5542	for 20 <u>21</u>	(5,022,928)	(459,243)	793,623	93,240	-	(4,595,308)
	5547	for 20 <u>20</u>	(4,639,877)	(724,285)	328,346	12,888	-	(5,022,928)
<i>advance payments issued</i>	5543	for 20 <u>21</u>	-	(62)	-	-	-	(62)
	5548	for 20 <u>20</u>	(94)	-	-	94	-	-
<i>other debtors</i>	5544	for 20 <u>21</u>	(2,416,430)	(14,917)	12,266	129,789	-	(2,289,292)
	5549	for 20 <u>20</u>	(2,420,286)	(123,682)	100,790	26,748	-	(2,416,430)
Total	5540	for 20 <u>21</u>	<b>(7,439,358)</b>	<b>(474,222)</b>	<b>805,889</b>	<b>223,029</b>	-	<b>(6,884,662)</b>
	5545	for 20 <u>20</u>	<b>(7,060,257)</b>	<b>(847,967)</b>	<b>429,136</b>	<b>39,730</b>	-	<b>(7,439,358)</b>

5.3. Availability and flow of accounts payable

In RUB thousand.

Item	Code	Period	Balance at the beginning of the year	Changes for the period				Balance at the end of the period
				additions	disposals		transfer from long-term into short-term accounts receivable	
					repayment	relief to financial result		
<b>Long-term payables total</b>	<b>5551</b>	for 20 <u>21</u>	-	-	-	-	-	-
	<b>5571</b>	for 20 <u>20</u>	-	-	-	-	-	-
<i>including: suppliers and contractors</i>	5552	for 20 <u>21</u>	-	-	-	-	-	-
	5572	for 20 <u>20</u>	-	-	-	-	-	-
<i>advance payments issued</i>	5553	for 20 <u>21</u>	-	-	-	-	-	-
	5573	for 20 <u>20</u>	-	-	-	-	-	-
<i>other</i>	5554	for 20 <u>21</u>	-	-	-	-	-	-
	5574	for 20 <u>20</u>	-	-	-	-	-	-
<b>Short-term accounts payables - total</b>	<b>5560</b>	for 20 <u>21</u>	<b>3,612,770</b>	<b>108,446,680</b>	<b>(106,049,709)</b>	<b>(67,147)</b>	-	<b>5,942,594</b>
	<b>5580</b>	for 20 <u>20</u>	<b>9,672,986</b>	<b>136,946,554</b>	<b>(143,006,460)</b>	<b>(310)</b>	-	<b>3,612,770</b>
<b>including: suppliers and contractors</b>	<b>5561</b>	for 20 <u>21</u>	2,228,888	48,448,126	(46,191,852)	-	-	4,485,162
	<b>5581</b>	for 20 <u>20</u>	3,133,267	55,796,771	(56,700,845)	(305)	-	2,228,888
<i>including: fuel suppliers</i>	5556	for 20 <u>21</u>	19,626	35,026,298	(33,161,623)	-	-	1,884,301
	5576	for 20 <u>20</u>	812,286	33,100,183	(33,892,843)	-	-	19,626
<i>construction contractors</i>	5557	for 20 <u>21</u>	946,666	3,523,786	(3,441,145)	-	-	1,029,307
	5577	for 20 <u>20</u>	582,513	6,314,265	(5,950,112)	-	-	946,666
<i>inventory suppliers</i>	5558	for 20 <u>21</u>	55,393	351,083	(349,644)	-	-	56,832
	5578	for 20 <u>20</u>	125,242	634,752	(704,549)	(52)	-	55,393

heat and electric power suppliers	5559	for 20 21	246,685	4,317,839	(4,371,022)	-	-	193,502
	5579	for 20 20	394,971	5,362,522	(5,510,808)	-	-	246,685
service providers	5568	for 20 21	960,518	5,229,120	(4,868,418)	-	-	1,321,220
	5588	for 20 20	1,218,255	10,385,049	(10,642,533)	(253)	-	960,518
salaries payable	5562	for 20 21	-	1,954,737	(1,954,737)	-	-	-
	5582	for 20 20	128,873	2,413,393	(2,542,266)	-	-	-
non-budgetary fund liabilities	5563	for 20 21	47	441,335	(441,376)	-	-	6
	5583	for 20 20	54,623	716,941	(771,517)	-	-	47
taxes and levies payable	5564	for 20 21	591,911	2,293,104	(2,110,108)	-	-	774,907
	5584	for 20 20	4,855,144	5,650,783	(9,914,016)	-	-	591,911
indebtedness for advance payments received	5565	for 20 21	4,251	53,528,123	(53,491,245)	(3)	-	41,126
	5585	for 20 20	8,292	64,528,744	(64,532,785)	-	-	4,251
other creditors	5566	for 20 21	787,673	1,781,255	(1,860,391)	(67,144)	-	641,393
	5586	for 20 20	1,492,787	7,839,922	(8,545,031)	(5)	-	787,673
<b>Total</b>	<b>5550</b>	<b>for 20 21</b>	<b>3,612,770</b>	<b>108,446,680</b>	<b>(106,049,709)</b>	<b>(67,147)</b>	<b>x</b>	<b>5,942,594</b>
	<b>5570</b>	<b>for 20 20</b>	<b>9,672,986</b>	<b>136,946,554</b>	<b>(143,006,460)</b>	<b>(310)</b>	<b>x</b>	<b>3,612,770</b>

#### 6. Production costs

In RUB thousand.

Item	Code	For 2021	For 2020
Tangible costs	5610	31,994,650	33,852,041
Salaries expenses	5620	2,329,581	3,008,187
Social expenses	5630	483,583	605,163
Depreciation and amortization	5640	3,328,676	3,142,098
Other costs	5650	6,849,653	11,041,759
Total per elements	5660	44,986,143	51,649,248
Balance change (increase [-], decrease [+])	5670	-	-
work in progress, finished products, etc.	5680	-	-
Expenses on ordinary activities total	5600	44,986,143	51,649,248

## 7. Provisions

In RUB thousand.

Item	Code	Balance at the beginning of the year	Accrued	Used	Reconstituted	Balance at the end of the period
<b>Provisions - total</b>	<b>5700</b>	<b>4,491,388</b>	<b>1,178,334</b>	<b>(1,527,659)</b>	<b>(1,343,098)</b>	<b>2,798,965</b>
including:						
<i>provision for restructuring</i>	5701	235,573	-	(23,702)	(14,002)	197,869
<i>provision for onerous contract</i>	5702	-	-	-	-	-
<i>provision for legal claims</i>	5703	6,458	26,008	-	(6,458)	26,008
<i>provision for unused vacation</i>	5704	111,067	256,257	(256,535)	(16,009)	94,780
<i>provision for bonuses</i>	5705	323,905	317,463	(246,735)	(65,005)	329,628
<i>other provisions</i>	5706	3,814,385	578,606	(1,000,687)	(1,241,624)	2,150,680

## 8. Securing obligations

In RUB thousand.

Item	Code	As of <u>December, 31</u> 20 <u>21</u>	As of December, 31 20 <u>20</u>	As of December, 31 20 <u>19</u>
Received - total:	5800	4,676,608	9,563,505	10,504,535
including:				
<i>received guarantees</i>	5801	4,504,603	9,388,599	10,324,979
<i>securing issued loan obligations</i>	5802	172,005	174,906	179,556
Issued - total	5810	40,071,425	48,654,495	57,315,509
including:				
<i>issued guarantees</i>	5811	40,071,425	48,654,495	57,315,509

**9. Government assistance**

**In RUB thousand.**

Item	Code	For 20 <u>21</u>		For 20 <u>20</u>	
Budget funds received - total	5900	-		-	
including:					
for current expenses	5901	-		-	
for investments into non-current assets	5905	-		-	
	5910	At the beginning of the year	Received for the year	Returned for the year	At the end of the year
Public budget loans - total		-	-	( - )	-
	5920	-	-	( - )	-

CEO \_\_\_\_\_  
(signature)

S. Zweguintzow \_\_\_\_\_  
(print name)

Chief Accountant \_\_\_\_\_  
(signature)

V. Grishachev \_\_\_\_\_  
(print name)

" 24 " \_\_\_\_\_ March \_\_\_\_\_ 20 22

**PUBLIC JOINT STOCK COMPANY**  
**Enel Russia**

**FINANCIAL STATEMENTS 2021**

**Notes to the Balance Sheet and the Statement of financial performance**

These notes are integral part of the annual financial statements of Public Joint-Stock Company Enel Russia for 2021 prepared in accordance with the current legislation of the Russian Federation. All amounts are presented in thousand rubles. Negative values are shown parenthetically.

**1. General information**

**1.1. Organizational structure and activities**

Public Joint-Stock Company Enel Russia (hereinafter referred to as the "Company" or "PJSC Enel Russia", earlier carried out its business activity as The Fifth Generating Company of the Wholesale Electricity Market (till 07.07.2009), PJSC Enel OGK-5 (till 05.08.2014) and OJSC Enel Russia (till 25.06.2015), was established on the basis of Order of the Executive Board of PJSC RAO UES of Russia No.113p dated 25.10.2004 for fulfilling the Resolution of the Board of Directors of PJSC RAO UES of Russia (Minutes No.176 dated 03.09.2004), the Resolutions of the Executive Board of PJSC RAO UES of Russia (Minutes No.1040pp/3 dated 02.07.2004, Minutes No. 1078pp/1 dated 20.09.2004, Minutes No. 1079pp/1 dated 21.09.04), and also according to Decree of the Government of the Russian Federation No. 1254-p dated 01.09.2003.

The Company was registered on October 27, 2004 by the Lenin District Inspectorate of the Russian Federation Ministry of Taxation of Yekaterinburg, Sverdlovsk Region, at the address: 10 Khokhryakova Str., Yekaterinburg, Sverdlovsk Region, 620014, Russia. Prime State Registration Number: 1046604013257.

PJSC Enel Russia has four branches (Headquarters, Konakovskaya GRES (KGRES), Nevinnomysskaya GRES (NGRES) and Sredneuralskaya GRES (SUGRES)).

PJSC Enel Russia owns the following subsidiaries:

Company name	Country of incorporation	Share in the authorized capital	
		December 31, 2021	December 31, 2020
JSC Teploprogress	Russian Federation	60%	60%
LLC Reftinskaya Power Plant	Russian Federation	100%	100%
LLC Enel Rus Wind Stavropolye	Russian Federation	100%	100%
LLC Enel Rus Wind Kola	Russian Federation	100%	100%
LLC Enel Rus Wind Azov	Russian Federation	100%	100%

In June 2017, PJSC Enel Russia has been awarded two wind generation projects for a total capacity of 291 MW within the Russian Government tender for the

construction of wind capacity. In June 2019 Enel Russia has been awarded a new wind project of over 71 MW of capacity in the 2019 Russian Government renewable energy tender.

As of December 31, 2021, the number of personnel of the Company is 1,398 persons (as of December 31, 2020 - 1,875 persons).

Core business of the Company is as follows:

- production and supply of power and capacity to the Russian Wholesale Power and Capacity Market;
- production and supply of heat.

At the Annual General Shareholders' Meeting held on 19.06.2020 the new Board of Directors of PJSC Enel Russia were elected, as well as the members of the Internal Audit Commission.

As of 31.12.2020, the Company's Board of Directors is as follows:

No.	Full name	Position held
1	Denis Mosolov	Senior Vice President, Macquarie Infrastructure & Real Assets (Europe) Limited
2	Luca Noviello	Head, Operation and Maintenance, Thermal Generation
3	Andrea Guaccero	Professor, Rome Tre University, Independent Director
4	Maria Antonietta Giannelli	Mergers & Acquisitions Senior Project Manager, Administration, Finance and Control, Enel S.p.A.
5	Simone Mori	Head, Europe and Euro-Mediterranean Affairs, Enel S.p.A., Deputy Chairman of the Board of Directors, PJSC Enel Russia
6	Andrea Palazzolo	Professor, Company Law, LUISS University of Rome, Independent Director
7	Giancarlo Pescini	Head, Participated Companies, Enel S.p.A.
8	Giorgio Callegari	President and Director General, Generali Russian and CIS, Senior Independent Director
9	Vitaly Yurievich Zarkhin	Member of the Board of Directors and President of Audit Committee, PJSC Kuzbasskaya Toplivnaya Company, Independent Director
10	Tagir Alievich Sitdekov	First Deputy General Director, Executive Board Member, JSC Management Company RDIF
11	Laurent Nicolas Souviron	Partner, AGC Equity Partners

As of 31.12.2020, the membership of the Company's Executive Board is as follows:

No.	Full name	Position held
1	Stephane Maurice Zweguintzow	General Director, PJSC Enel Russia
2	Matvej Vladimirovich Atzeni Moskvitin	Head of Energy Management, PJSC Enel Russia
3	Yulia Konstantinovna Matyushova	Deputy General Director - Head of Administration, Finance and Control, PJSC Enel Russia
4	Mikhail Igorevich Vereshchagin	Deputy General Director - HR Head
5	Oleg Nikolayevich Kosmenyuk	Deputy General Director - Head of Generation, PJSC Enel Russia

At the Annual General Shareholders' Meeting held on 08.06.2021 the members of the Board of Directors of PJSC Enel Russia were appointed.

As of 31.12.2021, the Company's Board of Directors is as follows:

No.	Full name	Position held
1.	Giorgio Callegari	Chairman of the Board of Directors, PJSC Enel Russia, Independent Director, Chairman and sole executive body, GENERALI RUSSIA AND CIS
2.	Simone Mori	Deputy Chairman, Board of Directors, PJSC Enel Russia; Head, Europe and Euro-Mediterranean Affairs, Enel S.p.A.
3.	Anatoly Alexandrovich Braverman	First Deputy General Director, Joint-Stock Company Management Company RDIF
4.	Andrea Guaccero	Professor, Rome Tre University, Independent Director
5.	Maria Antonietta Giannelli	Mergers & Acquisitions Senior Project Manager, Administration, Finance and Control, Enel S.p.A
6.	Giuseppe Luzzio	Head of Market Development in Russia, Enel S.p.A.
7.	Andrea Palazzolo	Professor, LUISS University of Rome, Independent Director
8.	Laurent Souviron	Partner, AGC Equity Partners
9.	Lea Tarchioni	Head of Planning and Organization, Enel S.p.A.
10.	Giuseppe Ferrara	Head of Legal and Corporate Affairs, Enel S.p.A.
11.	Flaminia Ceribelli	Head of Legal and Corporate Affairs, Enel S.p.A. Group

As of 31.12.2021, the membership of the Company's Executive Board is as follows:

No.	Full name	Position held
1	Stephane Maurice Zwequintzow	General Director, PJSC Enel Russia
2	Matvej Vladimirovich Atzeni Moskvitin	Head of Energy Management, PJSC Enel Russia
3	Yulia Konstantinovna Matyushova	Deputy General Director - Head of Administration, Finance and Control, PJSC Enel Russia
4	Mikhail Igorevich Vereshchagin	Deputy General Director - HR Head
5	Oleg Nikolayevich Kosmenyuk	Deputy General Director - Head of Generation, PJSC Enel Russia

## 1.2. Details of the auditor (audit company) of the Company

An auditor performed an independent audit of the Company's financial statements was approved to perform an audit of the Company's financial statements:

Full company name: Joint Stock Company "KPMG"

Abbreviated company name: JSC "KPMG"

Location: Block C 10 Presnenskaya Naberezhnaya, Naberezhnaya Tower Complex, Moscow, 123112

TIN: 7702019950

OGRN: 1027700125628

Phone: (495) 937-4477

Fax: (495) 937-4499

E-mail address [moscow@kpmg.ru](mailto:moscow@kpmg.ru)

The auditor's membership in self-regulated organizations of auditors:

Full name: Self-regulated organization of auditors Association "Sodruzhestvo" ("SRO AAS")

Location: 21 Michurinskiy Avenue, bldg 4, Moscow, 119192 Russia.

### **1.3. Relations with the State and its influence on the Group's activities**

The number of consumers of electric and heat power generated by the Group's enterprises includes a large number of companies in which the state acts as a controlling participant or a related party.

The Government of the Russian Federation directly affects the Group's operations through regulation by the Federal Antimonopoly Service ("FAS"), with respect to its sale of power and capacity, and by the Regional Energy Commissions ("RECs") or by the Regional Tariff Commissions ("RTCs"), with respect to its heat and other products. The operations of all generating facilities are coordinated by OJSC System Operator - the Central Dispatch Unit of Unified Energy System ("SO-CDU") in order to meet system requirements in an efficient manner. SO-CDU is controlled by NP Administrator of trade system.

Electricity tariffs for the population and heat tariffs continue to be regulated. Tariffs are calculated in accordance with the "Cost-Plus" method and "Indexation" method.

## **2. Accounting Policy**

These financial statements are prepared on the basis of the accounting policy of the Company approved by Order of the General Director of the Company No. 83 dated December 29, 2020.

### **2.1 Basis of execution**

The Company financial statements have been made on the basis of the accounting policies and procedures being effective in the Russian Federation, in particular, based on Federal Law No. 402-FZ "On Accounting Practices" dated December 6, 2011 and Regulation on Executing Accounting Policies and Procedures in the Russian Federation enacted by Order of the Ministry of Finance of the Russian Federation No.34H dated July 29, 1998, and also accounting regulations and other normative statements, making part of accounting policies and organization procedures regulation system in the Russian Federation.

Assets and obligations of the Company have been evaluated in financial statements based on actual expenditures, except for financial investments, for which the current commercial market value is determined.

### **2.2 Assets, liabilities and operations denominated in foreign currencies**

In accounting of economic operations made in foreign currencies, the official exchange rate of foreign currency versus ruble being effective on day of fulfillment of operation was applied. Foreign currency money resources on currency and deposit accounts in banks, financial investments in short-term securities and means in settlements, including received loans, are detailed in the financial statement by indicating the amounts estimated on the basis of official rates of currencies effective

on December 31, 2021. Exchange rate as at this date was 74.2926 rubles for 1 US dollar (73.8757 as of December 31, 2020), 84.0695 rubles for 1 Euro (90.6824 rubles as of December 31, 2020).

Exchange differences in foreign currency that have arisen in the course of the year in operations with assets and obligations in foreign currency and also in carrying out their recalculation in rubles as of the accounting date, are detailed as a part of other income and expenses.

Influence of changes in the currency rate on net money resources from the Company's operations amounted to 15,606 ths rubles (2020: 8,680 ths rubles).

The Company does not recalculate the value of investments in non-current assets, funds received and down payments issued, prepayments, deposits upon their acceptance to the accounting in connection with the change of the exchange rate. Assets and expenses that are paid by the organization on a preliminary basis, or as payment for which a down payment or a deposit is made, are recognized in the assessment in rubles at the rate prevailing on the date of conversion into rubles of issued down payment, deposit, prepayment (to the extent attributable to the down payment, deposit, prepayment).

### 2.3 Short-term and long-term assets and obligations

In the balance sheet, assets and obligations are classified as short-term ones if term of circulation (repayment) thereof does not exceed 12 months after the reporting date. All other assets and obligations are presented in the reporting deeds as long-term ones. Financial investments are classified as short-term or long-term ones based on their estimated period of use (circulation, possession or redemption) after accounting date.

### 2.4 Intangible assets

As of December 31, 2021, intangible assets of the Company include exclusive copyright rights to the following accounting objects:

				ths rubles
Name of object	Initial cost	Certificate of title	Depreciation accrual type	Useful life
Automated system "Maintenance Planning"	403	2006614371	linear	20 years
Software suite "Generation and Energy Management"	27,245	2013613662	linear	3 years

In the financial statements intangible assets are detailed by original cost minus the amounts of depreciation which has been accumulated for the whole time of use.

### 2.5 Fixed assets

Fixed assets include land lots, buildings, structures, machines and vehicles, equipment, transport vehicles and other corresponding facilities with term of useful life being more than 12 months.

Completed real estate properties, commissioned to operation and actually used, the documents on which are submitted for the state registration, are detailed as a part of fixed assets.

The acquired facilities with the original cost no more than 40 thousand rubles per unit are detailed as a part of inventory.

Accessories, tools, household goods and equipment with service life less than one year, and also special clothes and specialized tooling are detailed as a part of inventory. Cost of specialized tooling and protective clothing with service life more than one year is depreciated by linear method starting from the month following the month of transfer thereof to operation.

Fixed assets are detailed in accounting by actual expenditures on acquisition (erection and construction). Fixed assets are detailed in financial statements by original cost minus the amounts of depreciation which has been accumulated for whole time of use.

Depreciation of fixed assets is made using straight-line method, based on terms of useful life thereof. Depreciation of fixed assets entered during formation of the Company and as a result its reorganization, acquired before January 1, 2002, is made according to uniform norms of depreciation charges, approved by Decree of the Russian Federation Government No. 1072 dated October 22, 1990. Depreciation of fixed assets acquired starting from January 1, 2002 (including those acquired by the Company itself) is performed according to estimated norms, based on terms of useful life determined by the Company. The terms of useful life, adopted by the Company for groups of fixed assets, are presented below.

Group of fixed assets	Terms of useful life (number of years) of facilities put on the books	
	before 01.01.2002	after 01.01.2002
Buildings	10-100	5-79
Structures and transfer devices	12-100	7-50
Machinery and equipment	2-40	1-30
Vehicles	5-8	5-10
Others	1-50	1-25

Depreciation shall not be charged for:

- land lots;
- housing facilities acquired before January 1, 2006 (for such facilities acquired since January 1, 2006, depreciation is charged according to general procedure);
- completely depreciated facilities which have not been written off from balance;
- mobilization facilities put in reserve;
- fixed assets mothballed for a period exceeding 3 months.

Income and losses from disposal of fixed assets are detailed in the Statement of financial performance a part of other income and expenses.

In accordance with the amendments to Article 258 of the Tax Code, Law of the Russian Federation No. 224-FZ dated 26.11.2008, effective from January 1, 2009, provided that at the acquisition or creation of fixed assets, the Company uses the right to impose limits on the amount of bonus depreciation, including for fixed assets related to depreciation groups 3-7, that is 30 percent, and for the remaining fixed assets - 10 percent. The same amount of bonus depreciation will be applied by the Company in case of completion, additional equipping, renovation, modernization, technical refurbishment or partial liquidation of these assets.

## **2.6 Financial investments**

Financial investments are posted on the books based on actual expenditures on acquisition. For debt securities, difference between the amount of actual expenditures on acquisition and nominal value of these securities is detailed and included in other income and expenses evenly during term of their circulation.

Investments in the issuing securities quoted at stock exchange, which market price is determined under the established procedure by the organizer of trade, are reestimated annually based on current commercial market value as at the end of the accounting period. The difference between an estimation of such securities as at the current accounting date and their previous estimation is attributed to other costs and income.

Financial investments, for which the current commercial value is not being determined, are detailed in the balance sheet as at the end of financial year by their accounting cost (book cost) net of provision for impairment.

In case of disposal of financial investments in securities, for which the current commercial value is not being determined, their cost is determined based on the original cost of each of financial investment book keeping subject.

Income and expenses from financial investments are recognized in other income and expenses.

Financial investments are tested for impairment in the Company on a regular basis. The consistent and significant decrease of investment value, if current market value of such investments is not estimated and the decrease is lower than economic benefits that the Company expects to receive from these investments in the regular course of business, is recognized as investment impairment. In such a case the Company calculates the estimated value of investments, equal to difference between their accounting value (book value) and amount of such decrease. If impairment testing identifies consistent and significant decrease of investment value, the Company creates investment impairment provision for the amount of difference between book value and estimated value of such investments.

If after investment impairment testing a consistent increase in investment estimated value is found out, previously created investment impairment provision is decreased and along with other profits it contributes to increase of the financial result. The amount of created provision is specified in clause 3.2 of the present note.

## **2.7 Inventory / Stores**

The inventories are evaluated in the amount of actual expenditures on acquisition.

The actual cost of inventories, in particular, includes:

- amounts paid and (or) payable to the supplier (seller, contractor) upon acquisition (creation) of inventories, taking into account all discounts, concessions, deductions, bonuses, benefits, regardless of the form of their provision;
- costs of procurement and delivery of inventories to the place of their consumption (sale, use);
- costs of bringing inventories to a state in which they are suitable for use for planned purposes, including the costs of refining, sorting, packing and improving the technical characteristics of inventories;
- amount of the estimated obligation arising in connection with the acquisition (creation) of inventories for dismantling, disposal of inventories and restoration of the environment;
- interest related to the acquisition (creation) of inventories that are subject to inclusion in the value of the investment asset;
- other costs associated with the acquisition (creation) of inventories.

The assessment of inventories when they are released into production and other disposal is carried out at the average cost for each warehouse.

Inventories are estimated at the reporting date at the lowest of the following values:

- actual cost;
- net sales value.

In case of impairment of inventories, a provision for impairment is created in the amount of excess of the actual cost of inventories over their net sales value. The amount of inventory impairment is recognized as an expense of the period in which the provision for their impairment was created (increased).

## **2.8 Deferred expenses**

The costs made by Company in the financial year, but concerning the following accounting periods, are detailed as deferrals costs of the future periods and are subject to writing off as required in regular intervals during the periods to which they are related to. The duration of such period is determined at the moment of putting deferrals on the books.

The Company includes the following items as a part of deferred expenses:

- Payments on voluntary and obligatory insurance of property and workers;
- Costs of purchasing of copies of PC software programs;
- Costs of purchasing of Licenses for performing specific types of activities;

- Commissions of banks and other costs incurred by the Company in obtaining loans covering the full period of the loan;
- Other costs complied with requirements of criteria of deferrals.

As a part of deferrals, costs for research, developmental and technological works on which the Company does not have an exclusive right to results of intellectual activity can be detailed.

Term of writing off of costs on object of research and development which have yielded positive result, shall be determined by the commissions of Company and its branches based on expected term of use of research and development, during which the Company will receive economic gains (income), but no more than five years.

The above-stated deferrals, which are subject to writing off within 12 months after the reporting date are detailed in balance sheet item "Deferred expenses" as a part of current assets, and deferred expenses to be written off within 12 months after the reporting date are detailed in the balance sheet item "Other non-current assets".

The breakdown of deferred expenses in the categories is as follows:

Deferred expenses category	As of 31.12.2021	As of 31.12.2020
Non-exclusive right to use the software	488,241	215,392
Insurance contracts expenses	78,394	65,224
Other deferred expenses	13,520	21,671
<b>Deferred expenses, total</b>	<b>580,155</b>	<b>302,287</b>

ths rubles

## 2.9 Receivables of buyers and customers

Receivables of buyers and customers have been determined based on the prices of the Agreements between the Company and buyers (customers) including VAT. Non-recoverable indebtedness shall be written off the balance upon recognition as such.

Receivables, including debts on down payments made to the contractors, which have been not repaid in terms, stipulated by agreements, and not covered by respective performance bonds or by some other ways, are detailed net of provision for doubtful debts. This provision represents a best estimation made by management of the Company with regard to that part of the indebtedness which, probably, will not be recovered. The accrued provisions for doubtful debts are accounted as other costs. In case of repayment of debt for which the provision has been previously created, the corresponding amount of a provision is restored.

## 2.10 Cash and cash equivalents

As part of cash and cash equivalents the Company recognizes the cash at bank in rubles and foreign currency, as well as on special accounts at credit institutions - letters of credit, deposits, placed for less than three months, target financing funds.

All information on flow of cash and cash equivalents is recorded by the Company in the statement cash flow. This report is prepared in accordance with the Regulations on accounting "Statement of cash flows" RAS 23/2011.

Cash and cash equivalents balances:

ths rubles		
CASH AND CASH EQUIVALENTS	December 31, 2021	December 31, 2020
Cash in bank	1,227,672	6,627,201
Call deposits	6,328,445	3,066,372
<b>Total</b>	<b>7,556,117</b>	<b>9,693,573</b>

As of December 31, 2021 and 2020, cash and cash equivalents were mainly denominated in RUB.

Cash flows arising from deposits are reported on a net basis in the statement of cash flows for 2021 and 2020.

## **2.11 Loans and credits**

The accounts payable under the received credits and loans are considered and detailed in the reporting together with interests due at the end of an accounting period.

The additional costs directly connected with reception of loans and credits, placement of loan funds, are written off to expenses during the period of maturity of respective loans and credits.

Charge of due costs (interests, discounts) under loan funds obligations are detailed in those accounting periods to which the given charges are concerned according to the concluded agreements.

At the end of an accounting period the Company shall perform the transferring of the long-term indebtedness under the received loans and credits into short-term indebtedness if under terms and conditions of contract of a loan and (or) credit, 365 days remain until return of a principal amount of a debt.

The interest accrued on loans received by the Company for acquisition of investment assets is included in the investment asset value, if the asset is not yet recognized as a fixed asset. If the asset is recognized as a fixed asset and in case of interest accrued on other loans, the accrued interest is included in other expenses.

As of 31.12.2021, the Company has entered into credit agreements with financial companies totaling 41 billion rubles.

As of 31.12.2021, the Company has the opportunity to raise borrowed funds in the amount of up to 40 billion rubles through the placement of exchange-traded bonds within the registered program.

## **2.12 Provisions for employee benefits**

The Company records its costs in the accounting and reporting on an accrual basis. In 2021, the Company created a provision for payment of quarterly and annual bonuses, as well as for payment of vacation allowance. In accordance with the accounting policy of the Company the provision is subject to inventory. As at the year-end the Company's accounting may reflect the balance of the provision amount that is equal to the amount of bonuses accrued for the current year and the amount of unused vacation allowance, payable in the subsequent year.

As of December 31, 2021, the amount of provision for employee benefits was 424,408 thousand rubles.

## **2.13 Revenue recognition and forming cost**

Proceeds from sales of products and rendering services recognized as dispatch of products and rendering services to buyers has been performed and corresponding invoices and settlement documents have been submitted to them. These Proceeds are shown in financial statements as their value net of VAT.

Revenues from standard types of activities in 2021 comprise proceeds from sales of products (realization) and the incomes connected with performance of works, rendering of services, including the following:

- Revenue from sales of power and heat;
- Revenue from sales of capacity;
- Revenue from sales proceeds from auxiliary kinds of activity (sales of chemically purified water, circulating water, condensate etc.);
- Revenue from sales of other finished products of auxiliary production shops;
- Revenue from sales proceeds from performed works (services) of industrial type;
- Revenue from sales of other goods, works and services of non-industrial type.

The following items are recognized as a part of other income of the Company:

- Income from sale of securities;
- Income from sale of currency;
- Income from sale of fixed assets and other property;
- Income from rendering other services, etc.

Expenses from ordinary activities are the costs associated with the manufacture of products and sale of products, the acquisition and sale of goods. Such costs are also considered costs, the implementation of which is associated with the performance of works, rendering of services. Accounting of the expenses from ordinary activities is recorded on accounts 20-39. Accounts 20-29 are used for calculating the cost of goods (works, services); accounts 31-35 are used to account for the cost of items. Accounts 39 are used to close expense accounts to the accounts of 31-35 cost of

goods manufactured or services rendered. The relationship of accounting for expenditure items is done using special accounting units.

Expenses for management of the Company are not identified separately and included in expenses from ordinary activities (cost of goods sold).

Costs directly related to sales of products are recognized commercial expenses with calculation of the costs of account 44 "Cost of selling" and subsequently written off the account 90.07 "Selling expenses". These expenses are allocated to a separate line as "Commercial expenses" in the Statement of financial performance.

## **2.14 Capital and reserves**

Authorized capital is detailed in the amount of a nominal value of ordinary shares. The amount of authorized capital corresponds to the value established in the Company charter.

The additional paid-in capital of the Company includes the amount of issuing income received as a result of distribution of shares of the Company by the price, exceeding their nominal value.

According to the laws, the Company establishes reserve fund in the amount of 5% of the authorized capital. The amount of annual allocations into the Company reserve fund shall make up 5% of the Company net profit.

## **2.15 Estimation uncertainty**

Discussed below are key assumptions concerning future events and other key sources of estimation uncertainty at the reporting date that create a significant risk that material adjustments to the carrying values of assets and liabilities will be required within the next financial year:

- doubtful debt reserve;
- useful lives of property, plant and equipment;
- reserves formed in connection with the consequences of conditional business events.

## **2.16 Changes in the accounting policy for 2021**

Order of the Ministry of Finance of Russia No. 208H dated 16.10.2018 approved Federal Accounting Standard 25/18 "Accounting of lease".

The Company took a decision to apply the accounting rules determined by the standard starting from the reporting for 2021.

The first application of the standard by the Company is carried out in accordance with cl. 50 of Section 5 "Transitional provisions".

As the standard has been used starting from January 1, 2021, the accounting (financial) statements of the Company as of December 31, 2020 the following is recognized: As part of non-current assets, the amount of the right to use the asset is

in the amount of 313,781 ths rubles. Long-term liability to lessors in the amount of 254,039 ths rubles. Current liabilities to lessors in the amount of 97,281 ths rubles. Deferred tax in the amount of 7,508 ths rubles. Adjustment of retained earnings of previous years amounted to 30,031 ths rubles.

Order of the Ministry of Finance of Russia No. 180H dated November 15, 2019 approved the Federal Accounting Standard "Inventories" FAS 5/2019. The standard is mandatory from 2021 statements. There were no significant changes in reporting and accounting in connection with the application of this standard. As of January 01, 2021, the Company's financial statements have been reclassified from the "Current assets" section of line 1210 "Inventories" to the "Non-current assets" section of line 1150 "Fixed assets" of spare parts with a service life of more than 12 months in the amount of 392,161 ths rubles.

## **2.17 New accounting standards in force since January 1, 2022**

Order of the Ministry of Finance of Russia No. 204H dated 17.09.2020 approved the Federal Accounting Standard "Fixed assets" FAS 6/2020.

The Company took a decision to apply the accounting rules determined by the standard starting from the reporting for 2022.

The first application of the standard by the Company is carried out in accordance with cl. 49 of Section 6 "Change of Accounting Policy", without recalculating comparative indicators for the periods preceding the reporting period, making a one-time adjustment of the book value of fixed assets at the beginning of the reporting period.

As the standard has been used starting from January 1, 2022, the accounting (financial) statements of the Company as of December 31, 2021 the following will be recognized:

Estimated decrease of the value of non-current assets is in the amount of 2,900,382 ths rubles. Estimated change in retained earnings as of December 31, 2021 in the amount of 2,320,306 ths rubles. Estimated change in deferred tax as of December 31, 2021 in the amount of 580,076 ths rubles.

Order of the Ministry of Finance of Russia No. 204H dated September 17, 2020 approved the Federal Accounting Standard "Capital investments" FAS 26/2020. The standard is mandatory from 2022 statements.

The Company uses the standard prospectively (in accordance with clause 26 of Section 5 Change of Accounting Policy).

The Company does not expect any material changes in accounting and statements as a result of this standard introduction.

### **3. Disclosure of significant accounting parameters**

#### **3.1 Fixed assets**

The fixed assets and related accumulated depreciation include the following:

ths rubles						
<b>Group of fixed assets</b>	<b>Land</b>	<b>Buildings and structures</b>	<b>Machinery and equipment</b>	<b>Transport</b>	<b>Other</b>	<b>Total for the Company</b>
<b>Acquisition value</b>						
<b>December 31, 2020</b>	<b>137,827</b>	<b>17,602,491</b>	<b>58,072,715</b>	<b>46,994</b>	<b>539,939</b>	<b>76,399,966</b>
Acquisitions	-	340,669	1,112,445	-	167,903	<b>1,621,017</b>
Disposals	-	251,869	70,201	-	81,562	<b>403,632</b>
<b>December 31, 2021</b>	<b>137,827</b>	<b>17,691,291</b>	<b>59,114,959</b>	<b>46,994</b>	<b>626,280</b>	<b>77,617,351</b>
<b>Accumulated depreciation</b>						
<b>December 31, 2020</b>	-	<b>5,710,942</b>	<b>32,318,179</b>	<b>30,104</b>	<b>177,501</b>	<b>38,236,726</b>
Accumulated depreciation	-	470,963	2,721,391	4,494	132,907	<b>3,329,755</b>
Disposals	-	56,746	69,383	-	3,921	<b>130,050</b>
<b>December 31, 2021</b>	-	<b>6,125,159</b>	<b>34,970,187</b>	<b>34,598</b>	<b>306,487</b>	<b>41,436,431</b>
<b>Residual value</b>						
<b>December 31, 2020</b>	<b>137,827</b>	<b>11,891,549</b>	<b>25,754,536</b>	<b>16,890</b>	<b>362,438</b>	<b>38,163,240</b>
<b>December 31, 2021</b>	<b>137,827</b>	<b>11,566,132</b>	<b>24,144,772</b>	<b>12,396</b>	<b>319,793</b>	<b>36,180,920</b>

During 2021, fixed assets for the amount of 1,475,438 thousand rubles have been received, including acquired fixed assets for the amount of 31,817 thousand rubles, constructed new facilities for the amount of 724,471 thousand rubles, performed works on reconstruction, additional construction and reequipping that increase the cost of fixed assets by the total amount of 718,744 thousand rubles, registered in the books, inventarization resulted in additional fixed assets for the total amount of 406 thousand rubles, retired fixed assets at the initial cost of 325,990 thousand rubles, including the partially wound up fixed assets for the amount of 45,793 thousand rubles.

For 2021 depreciation in the amount of 3,229,751 thousand rubles has been accrued, 3,228,256 thousand rubles were included in the cost, and 1,495 thousand rubles were included in the other expenses.

As of December 31, 2021, there are no real estate objects that have been put into operation and are in the process of state registration.

As of December 31, 2021, fixed assets include fixed assets transferred to mothballing for a period of more than three months, depreciation for which has been suspended:

Fixed assets	ths rubles
	Book value as of 31.12.2021
Consumable tank No. 9 letter 42A with a pass-through channel	2,657
Consumable tank No. 12 letter 42A with a pass-through channel	2,633
STEAM BOILER N3 WITH FOUNDATION	36,734
<b>Total</b>	<b>42,024</b>

There were no fixed assets lodged as collateral for bank loans as of 31.12.2021 and 31.12.2020. During 2021 and 2020 expenses for credits and loans were not capitalized.

Fixed assets include items, consumer properties of which do not change over time, i.e. such items are not subject to depreciation. The information on such items is specified in the table below:

Fixed assets	ths rubles	ths rubles
	Book value December 31, 2021	Book value December 31, 2020
Land lots	137,827	137,827
Other types of fixed assets	440	440
<b>Total</b>	<b>138,267</b>	<b>138,267</b>

The depreciation of other types of fixed assets is charged to the off-balance account. As of December 31, 2021 the depreciation amounted to 161 thousand rubles.

The information on the fixed assets obtained under lease agreements and recorded on the off-balance, is provided below:

Group of fixed assets	ths rubles	ths rubles	ths rubles	ths rubles
	Book value December 31, 2020	Acquisitions of fixed assets	Disposals of fixed assets	Book value December 31, 2021
<b>Lease in</b>	<b>52,291</b>	<b>1,067</b>	<b>36,381</b>	<b>16,977</b>
Land	29,877	-	29,877	-
Buildings and structures	20,764	1,067	4,854	16,977
Other	1,650	-	1,650	-

The information on the fixed assets provided under lease agreements and recorded in the off-balance is provided below:

Group of fixed assets	ths rubles	ths rubles	ths rubles	ths rubles
	Book value December 31, 2020	Acquisitions of fixed assets	Disposals of fixed assets	Book value December 31, 2021
<b>Lease out</b>	<b>192,104</b>	<b>36,870</b>	<b>65,867</b>	<b>163,107</b>
Buildings and structures	159,673	36,474	63,647	132,500
Land	106	-	37	69
Machinery and equipment	27,486	-	1728	25,758
Transport	982	-	-	982
Other	3,857	396	455	3,798

The information about the objects obtained under lease agreements accounted for in off-balance and sublet, is presented below:

ths rubles

Group of fixed assets	Book value December 31, 2020	Acquisitions of fixed assets	Disposals of fixed assets	Book value December 31, 2021
<b>Lease out</b>	<b>6,284</b>	<b>243</b>	<b>6,284</b>	<b>243</b>
Land lots	5,773	-	5,773	-
Buildings and structures	511	243	511	243

In accordance with the Company's accounting policy, the non-current assets to be specified in the "Fixed assets" line in the balance sheet include:

- Equipment to be installed;
- Capital investments in construction in progress and advance payments made to suppliers of fixed assets and contractors for construction.

Advance payments and capital investments in construction are specified net of VAT and net of the provision for doubtful debts in this line. VAT on these advance payments is specified as a part of accounts receivable.

The movement of this group of assets during the reporting period was as follows:

For 2020:

ths rubles

Indicators	At the beginning of the year	Expenses for the period	Adopted as part of capital investments	Written off	Adopted as part of FA and IA	Amount as at the end of the year
Equipment subject to installation	6,696,034	1,971,217	(1,236,780)*	-	-	7,430,471
Capital investments in construction in progress and advance payments made to suppliers of fixed assets and contractors for construction	3,823,667	6,713,776	(3,261,586)	-	(3,357,169)	3,918,688
Provision for impairment of advances and equipment subject to installation	(3,723,713)	-	-	-	-	(3,723,713)
<b>Total (a similar amount disclosed in the notes to the balance sheet item 2.2)</b>	<b>6,795,988</b>	<b>8,684,993</b>	<b>(4,498,366)</b>	<b>-</b>	<b>(3,357,169)</b>	<b>7,625,446</b>

\*includes internal turnover between facilities under construction and equipment subject to installation

For 2021:

ths rubles

Indicators	At the beginning of the year	Expenses for the period	Adopted as part of capital investments	Written off	Adopted as part of FA and IA	Amount as at the end of the year
Equipment subject to installation	7,822,632	1,111,756	(1,453,196)*	(2,811,029)	-	4,670,163
Capital investments in construction in progress and advance payments made to suppliers of fixed assets and contractors for construction	3,918,688	3,799,727	(783,035)	(36,675)	(1,475,032)	5,423,673
Provision for impairment of advances and equipment subject to installation	(3,723,713)	-	-	1,906,470	-	(1,817,243)
<b>Total (a similar amount disclosed in the notes to the balance sheet item 2.2)</b>	<b>8,017,607</b>	<b>4,911,483</b>	<b>(2,236,231)</b>	<b>(941,234)</b>	<b>(1,475,032)</b>	<b>8,276,593</b>

\*includes internal turnover between facilities under construction and equipment subject to installation

As of December 31, 2021, the equipment to be installed includes equipment for the suspended construction project of the CCGT with a book value of 882,821 thousand rubles.

### 3.1.1 Fixed assets leased

As of December 31, 2021, the following movement under long-term lease contracts was reflected on the company's balance sheet:

	Land	Other property	Total	Long-term lease obligations
<b>Balance as of 01.01.2021</b>	<b>37,534</b>	<b>276,247</b>	<b>313,781</b>	<b>351,320</b>
Receipt	16,119	129,460	145,579	145,579
Return	(498)	(77,144)	(77,642)	(77,227)
Depreciation expenses	(6,864)	(93,140)	(100,004)	-
Interest expense	-	-	-	27,998
Payments	-	-	-	(124,073)
<b>Balance as of 31.12.2021</b>	<b>46,291</b>	<b>235,423</b>	<b>281,714</b>	<b>323,597</b>

As part of long-term accounts payable as of December 31, 2021, there are debts to lessors in the amount of 198,707 ths rubles. As part of short-term accounts payable as of December 31, 2021, there are debts to lessors in the amount of 124,890 ths rubles.

### 3.2 Financial investments

Information on the availability and movement of financial investments in the reporting period is provided in Table 3.1 of the Notes to the balance sheet and statement of financial performance.

As of December 31 the initial cost of the financial investments amounted to:

	ths rubles		
	2021	2020	2019
Equity financial investments for which the current market value is not determined	1,987,291	687,291	697,133
Debt financial investments for which the current market value is not determined	639,802	772,953	829,889

#### Long-term financial assets

Information concerning investment flows in 2021 is given in the table below:

ths rubles							
Type of financial investment	Balance as of 31.12.2020	Provision for impairment as of 31.12.2020	Acquired	Retired	Cost change	Balance as of 31.12.2021	Provision for impairment as of 31.12.2021
Equity financial investments for which the current market value is not determined							
LLC Enel Rus Finance	10	-	-	-	-	10	-
Ispytatelny Stend Ivanovskoi GRES JSC	4,917	-	-	-	-	4,917	-
LLC Enel Rus Wind Azov	425,542	-	-	-	-	425,542	-
LLC Enel Rus Wind Stavropolye	136,622	-	-	-	-	136,622	-
LLC Enel Rus Wind Kola	43,400	-	1,300,000	-	-	1,343,400	-
JSC Teploprogress	76,800	(76,800)	-	-	-	76,800	(76,800)
<b>Total investment</b>	<b>687,291</b>	<b>(76,800)</b>	<b>1,300,000</b>	<b>-</b>	<b>-</b>	<b>1,987,291</b>	<b>(76,800)</b>

### Subsidiaries:

<b>Title and organizational legal form of a subsidiary company</b>	<b>Location</b>	<b>Activity</b>
JSC TEPLOPROGRESS	26 URALSKAYA STR., SREDNEURALSK, SVERDLOVSK REGION	Ensuring central heating operability
LLC Enel Rus Wind Stavropolye	7 PAVLOVSKAYA STR., BLDG 1, MOSCOW	Production of electricity from renewable energy sources, including solar, wind, geothermal power plants, as well as activities to ensure their efficiency
LLC Enel Rus Wind Azov	19A-19 B SVOBODY STR., KAGALNIK SETTLEMENT, AZOV DISTRICT, ROSTOV REGION	Production of electricity from renewable energy sources, including solar, wind, geothermal power plants, as well as activities to ensure their efficiency
LLC Enel Rus Wind Kola	82 LENIN AVENUE, OFFICE 1011, MURMANSK, MURMANSK REGION	Production of electricity from renewable energy sources, including solar, wind, geothermal power plants, as well as activities to ensure their efficiency
LLC Enel Rus Finance	12 PROMYSHLENNAYA STREET, FLOOR 1, OFFICE 108, KONAKOVO, TVER REGION, 171252 RUSSIA.	Electricity production by thermal power plants, as well as activities to ensure their efficiency

### Short-term financial investments

Information concerning investment flows in 2021 is given in the table below:

Type of financial investment	Balance as of December 31, 2020	Depreciation provision as of December 31, 2020	ths rubles					
			Acquired	Retired	Depreciation provision recovered (created)	Transfer from debt to short-term debt	Balance as of December 31, 2021	Depreciation provision as of December 31, 2021
Assignment agreements	752,865	(752,865)	-	(133,151)	133,151	-	619,714	(619,714)
Bill of exchange of Narodnyy Kredit Bank	20,088	(20,088)	-	-	-	-	20,088	(20,088)
Total	772,953	(772,953)	-	(133,151)	133,151	-	639,802	(639,802)

### Investment impairment reserve.

As of 31.12.2021, the investment impairment reserve for acquired accounts receivable under assignment agreements and bills of exchange was 639,802 thousand rubles. In 2021, a provision of 133,151 thousand rubles was recovered, including writing off of a debt of 131,463 thousand rubles under assignment agreements due to the investment impairment reserve as a result of company liquidation.

### **3.3 Inventories**

The inventories are evaluated in the amount of actual expenditures on acquisition.

The estimation of inventory in taking out thereof for production and other retirements was carried out in 2021 under the average net cost for all warehouses of the power plant.

Impairment of current inventories amounted to 452,059 ths rubles.

As of December 31 inventories consisted of the following items:

Categories	ths rubles		
	2021	2020	2019
Raw and other materials	154,123	277,279	370,680
Fuel	955,126	904,704	1,949,459
Spare parts	927,632	1,955,298	2,278,801
Other inventories	523,836	271,878	372,815
<b>Total inventories</b>	<b>2,560,717</b>	<b>3,409,159</b>	<b>4,971,755</b>

### 3.4 Accounts receivable

The information on availability and movement of accounts receivable for the reporting period is shown in Table 5.1 of the notes to the balance sheet and statement of financial performance.

As of December 31 accounts receivable structure was as follows:

Indicators	ths rubles			
	2021		2020	
	Maturity less than 12 months	Maturity more than 12 months	Maturity less than 12 months	Maturity more than 12 months
Accounts receivable from customers (net of provision for doubtful debts)	4,067,344	-	3,540,651	-
Accounts receivable on down payments made (net of provision for doubtful debts)	230,607	-	155,872	-
Other accounts receivable (net of provision for doubtful debts)	1,018,239	6,815,669	786,475	1,824,767
<b>Total</b>	<b>5,316,190</b>	<b>6,815,669</b>	<b>4,482,998</b>	<b>1,824,767</b>

Accounts receivable is determined on the basis of the price of the Contract between the Company and the debtor, including VAT.

#### Account breakdown of long-term accounts receivable

No	Name	ths rubles	
		December 31, 2021	December 31, 2020
1	<b>Other borrowers</b>	<b>6,815,669</b>	<b>1,824,767</b>
	including:		
	- Zero Interest Loans given	6,349,500	1,195,000
	- Other settlements with the staff	37,161	41,481
	- Settlements with buyers and customers for other sales	402,805	547,678
	- Other settlements with other debtors	26,203	40,608

### Account breakdown of short-term accounts receivable

ths rubles

No	Name	As of December 31, 2021	As of December 31, 2020	Increase (+) / decrease (-)
1	Buyers and customers	8,662,652	8,563,579	99,073
2	Advances paid	230,669	155,872	74,797
3	Other borrowers	3,307,531	3,202,905	104,626
<b>Total short-term accounts receivable</b>		<b>12,200,852</b>	<b>11,922,356</b>	<b>278,496</b>

Throughout the accounting year, the accounts receivable of buyers and customers for the principal type of activity (sales of electricity and heat) accrued for the total amount of 55,300,491 thousand rubles, for other buyers and customers - 655,398 thousand rubles. Repaid in cash - 3,604,267 ths rubles, offset by previously received advances - 52,089,337 ths rubles, offset of mutual claims - 12,805 ths rubles, written off at the expense of the previously created provision - 90,515 ths rubles, other repayment - 59,892 ths rubles.

### Bad debt reserve

The amount of bad debt allowance is established by the Company management on the basis of determining the specific consumers' solvency and analyzing tendencies and prospects of reception of payment and redemption of indebtedness, and also based on the analysis of expected future cash flows. The rules for creation of bad debt allowance are stipulated by the accounting policy of the Company (clause 2.14). According to the accounting policy for accounting purposes the amount of the bad debt allowance shall be determined separately for each contractor depending on its financial solvency and possible failure to repay its indebtedness in full or in part.

Within the reporting year the bad debt allowance in the amount of 805,889 thousand rubles for the accounts receivable was written back due to the repayment of indebtedness, including due to liquidation of organization for the amount of 223,029 thousand rubles. The new bad debt allowance in the amount of 474,222 thousand rubles for the indebtedness of insolvent debtors was created.

As of December 31 the amount of the bad debt allowance, amending accounts receivable in the balance sheet, was:

ths rubles

Item No.	Name	2021	2020
<b>Total provision for bad debts</b>		<b>6,884,662</b>	<b>7,439,358</b>
including:			
1	Provisions for doubtful debts on settlements with customers	4,595,308	5,022,928
2	Provisions for bad debts on down payments issued	62	-
3	Provisions for other debtors' bad receivables	2,289,292	2,416,430

## Loans granted

Other receivables comprise non-interest bearing loans issued by the Company to its subsidiary:

ths rubles

Name	Repayment period	As of December 31, 2021	As of December 31, 2020
LLC Enel Rus Wind Azov	2035	800,000	800,000
LLC Enel Rus Wind Azov	2041	1,600,000	-
Enel Rus Wind Kola LLC	2040	395,000	395,000
Enel Rus Wind Kola LLC	2041	3,550,000	-
LLC Enel Rus Finance	2024	4,500	-
<b>Total</b>		<b>6,349,500</b>	<b>1,195,000</b>

## 3.5 Borrowed funds

Borrowed funds as of December 31 included:

ths rubles

	2021		2020		2019	
	Short-term borrowed funds	Long-term borrowed funds	Short-term borrowed funds	Long-term borrowed funds	Short-term borrowed funds	Long-term borrowed funds
Bank loans	6,882	4,000,000	3,078	-	6,173	3,333,334
Stock Exchange Bonds	2,074,928	-	3,125,086	2,000,000	111,891	5,000,000
Current portion of long-term liabilities	-	-	1,666,667	-	1,666,667	(1,666,667)
<b>Total borrowed funds</b>	<b>2,081,810</b>	<b>4,000,000</b>	<b>4,794,831</b>	<b>2,000,000</b>	<b>1,784,731</b>	<b>6,666,667</b>

Amount of expenses on credits and loans included in expenses in 2021 amounted to 506,585 ths rubles, including accrued interest 506,405 ths rubles, other financial expenses related to credits and loans received - 180 ths rubles, and in 2020 amounted to 638,055 ths rubles, including accrued interest 636,366 ths rubles, other financial expenses related to credits and loans received - 1,689 ths rubles.

## Short-term borrowed funds

Short-term borrowed funds as of December 31, 2021 had the following structure:

Name	Balance as of 31.12.2021, ths rubles	Balance as of 31.12.2021, in the loan currency with specification of the currency	Annual interest rate, %	Repayment period	Security provided
<b>Loans:</b>					
Unicredit Bank JSC (current portion and outstanding interest)	6,882	6,882 ths rubles	7-11	2022	Without security provided
<b>Loans total:</b>	<b>6,882</b>	-	-	-	-
<b>Stock Exchange Bonds:</b>					
4B02-02-50077-A-001P	2,074,928	2,074,928 ths rubles	8.60	2022	Without security provided
<b>Total borrowed funds</b>	<b>2,074,928</b>	-	-	-	-
<b>Total borrowed funds</b>	<b>2,081,810</b>	-	-	-	-

The book value of short-term credits and loans is denominated in the following currency (balance in ths as of December 31):

	2021	2020	2019
Russian rubles, including	2,081,810	4,794,831	1,784,731

### **Long-term borrowed funds**

Long-term borrowed funds as of December 31, 2021 had the following structure:

Name	Balance as of 31.12.2021, ths rubles	Balance as of 31.12.2021, in the loan currency with specification of the currency	Annual interest rate	Repayment period	Security provided
<b>Loans:</b>					
001/0202L/16	4,000,000	4,000,000 ths rubles	7.85	2023	Without security provided
<b>Loans total:</b>	<b>4,000,000</b>	-	-	-	-
<b>Total borrowed funds</b>	<b>4,000,000</b>	-	-	-	-

Repayment schedule of borrowed funds is provided below at the rate as of 31.12.2021 (amounts are shown without outstanding interests):

	Amount in rubles (ths rubles)
2023	4,000,000

The book value of long-term borrowed funds is denominated in the following currency (balance in ths as of December 31):

	2021	2020	2019
Russian rubles, including	4,000,000	2,000,000	6,666,667

### **3.6 Short-Term Accounts Payable**

Short-term accounts payable amounted to 5,942,594 ths rubles as of December 31, 2021 (as of December 31, 2020 - 3,612,770 ths rubles). That included accounts payable to suppliers and contractors amounting to 4,485,162 ths rubles (as of December 31, 2020 - 2,228,888 rubles), taxes, charges and extra-budgetary funds payable was 774,913 ths rubles (as of December 31, 2020 - 591,958 ths rubles), down payments received was 41,126 ths rubles (as of December 31, 2020 - 4,251 ths rubles), wage and salary was absent (none as of December 31, 2020) and other accounts payable was 641,393 ths rubles (as of December 31, 2020 - 787,673 ths rubles).

In 2021 the amount of 67,147 ths rubles was written off under financial result.

### 3.7 Company's shares

As of December 31, 2021 the authorized capital of the Company is paid in full and amounts to 35,371,898 ths rubles. The authorized capital consists of:

	Total number (pcs)	Nominal value of shares in rubles
Ordinary shares	35,371,898,370	1.00
Preference shares	–	–
<b>Total</b>	<b>35,371,898,370</b>	<b>–</b>

### 3.8 Additional and reserve capital

Additional capital was changed by 35,147 ths rubles as a result of the changes of the fair value of hedging instruments during the financial year. As of December 31, 2021 it amounted to 7,389,006 ths rubles.

Pursuant to the applicable laws the Company has created its reserve capital in the amount of 5% of its authorized capital. In accordance with the Charter of the Company the amount of annual additions to the Company's reserve capital shall be 5% of the Company's net profit. As of December 31, 2021 the reserve capital of the company was 177,000 ths rubles.

### 3.9 Retained earnings

As of December 31, 2021 the retained earnings of the Company amounted to 8,816,625 ths rubles. As of December 31, 2020 the retained earnings in the amount of 6,425,421 ths rubles were accounted in the Company's Balance Sheet.

Changes in the structure of retained earnings (loss) were due to the net profit of the Company in the reporting year in the amount of 2,549,564 ths rubles and the distribution of retained earnings as of December 31, 2020 for increase of reserve fund in the amount of 177,000 ths rubles by other profit in the amount of 18,640 ths rubles.

### 3.10 Provisions for contingent liabilities and estimated short-term liabilities

The movement per items of provisions is below:

ths rubles

Type of provision	Restructuring	Provision for legal claims	Provisions for employee benefits	Others	Total
<b>Balance as of December 31 2020</b>	<b>235,573</b>	<b>6,458</b>	<b>434,972</b>	<b>3,814,385</b>	<b>4,491,388</b>
Provisions created during the reporting period	-	26,008	573,720	578,606	1,178,334
Provisions restored during the reporting period	-	(6,458)	(81,014)	(1,241,624)	(1,329,096)
Provisions used during the reporting period	(23,702)	-	(502,254)	(818,056)	(1,344,012)
Foreign exchange difference	-	-	(1,016)	(182,631)	(183,647)
Discount expenses	(14,002)	-	-	-	(14,002)
<b>Balance as of December 31 2021</b>	<b>197,869</b>	<b>26,008</b>	<b>424,408</b>	<b>2,150,680</b>	<b>2,798,965</b>
including Long-term	127,702	-	22,117	-	149,819
Short-term	70,167	26,008	402,291	2,150,680	2,649,146

#### *Restructuring*

As of December 31, 2021 the provision for restructuring amounted to 197,869 ths rubles. The provision was recognized by the Company to make future payments during redundancy dismissals.

#### *Onerous contract*

A provision for onerous contracts is associated with future performance of obligations under contracts, the costs of which exceed the economic benefits received. The provision is based on the calculation of future costs for performance of such contracts.

#### *Provision for legal claims*

The total amount of the provision for legal claims as of 31.12.2021 was in the amount of 26,008 ths rubles.

#### *Provisions for employee benefits*

The total amount of the provision as of 31.12.2021 is 424,408 ths rubles included long term incentive plan amounted to 22,117 ths rubles.

#### *Others*

Such provision includes the environmental risk assessment, tax and other provisions created in accordance with the laws of the Russian Federation.

### 3.11 Income and expenses of operating types of activities

Income and expenses for a financial year are detailed in the Statement of financial performance separately by operating types of activities and other incomes and expenses with breakdown by types and amounts.

For the financial year the revenue has decreased in comparison with previous year by 10,280,546 ths rubles and made up 46,704,908 ths rubles.

The information on the revenue (net) from selling goods, products, works, services (net of VAT, excise taxes, and similar mandatory payments) (RAS 9/99), cost of the sold goods, products, works, services, and also commercial and management expenses is given here below (RAS 10/99):

ths rubles

Types of activity	Revenue (net) from selling goods, products, works, services (net of VAT, excises and other similar payments)	Cost of goods, products, works, services sold	Gross profit
Electric power	33,583,574	29,091,038	4,492,536
Capacity	9,216,682	10,812,591	(1,595,909)
Heat power	3,283,488	3,836,300	(552,812)
Other	621,164	465,869	155,295
<b>Total for 2021</b>	<b>46,704,908</b>	<b>44,205,798</b>	<b>2,499,110</b>

ths rubles

Types of activity	Revenue (net) from selling goods, products, works, services (net of VAT, excises and other similar payments)	Cost of goods, products, works, services sold	Gross profit
Electric power	36,181,360	31,207,153	4,974,207
Capacity	17,012,546	15,124,244	1,888,302
Heat power	3,109,282	3,904,298	(795,016)
Other	682,266	461,435	220,831
<b>Total for 2020</b>	<b>56,985,454</b>	<b>50,697,130</b>	<b>6,288,324</b>

The information on the cost as per elements of expenses (clause 22 of RAS 10/99) is below:

ths rubles

Indicators	2021	2020
Material expenses, incl. Raw and other materials	207,766	327,830
Wages and salaries	2,329,581	3,008,187
Allocations for social needs	483,583	605,163
Depreciation charges	3,328,676	3,142,098
Expenses for energy resources of various types	31,786,884	33,524,210
Other costs	6,069,308	10,089,642
<b>Total costs</b>	<b>44,205,798</b>	<b>50,697,130</b>

Commercial expenses were presented within the following items:

	ths rubles	
Commercial expenses	2021	2020
Services by market operators	780,345	951,178
Ash sales services	-	940
Commercial expenses, total	780,345	952,118

The costs, which are not connected directly with production process (administrative cost, etc.) on corresponding accounts, are included monthly in the actual net cost of manufactured products. The amount of such expenses in 2021 equals to 4,502,403 ths rubles (in 2020 the corresponding group of expenses was 7,653,852 ths rubles).

### 3.12 Other income and expenses

Other income and expenditures comprise the following groups:

	ths rubles	
Name	2021	2020
<b>Other income</b>	<b>6,415,745</b>	<b>4,996,586</b>
including:		
gain from recovery of reserves	2,045,235	1,531,358
gain from sales of non-current assets	1,876,663	80,251
from sales of materials and other current assets	1,736,494	2,179,383
income from derivative transactions	-	6,994
from sale of financial investments	239,122	317,467
from sale of accounts receivable	46,642	334,271
from fines and penalties receivable	33,962	58,523
from assets found by inventory, maintenance, other	12,570	208,407
insurance compensation	91,777	131,088
profit of the previous years	4	37,297
income of exchange difference	244,051	-
other income	89,225	111,547
<b>Other expenses</b>	<b>4,686,794</b>	<b>5,739,516</b>
including:		
foreign exchange loss	-	831,313
loss of foreign currency operation	8,701	13,771
losses from derivative transactions	2,770	950
losses from accrual of estimated reserves	505,103	1,207,466
losses from sales of non-current assets	2,787,100	78,064
losses from sales of materials and other current assets	226,706	2,541,761
losses from sales of financial investments	258,448	331,495
losses from sales of accounts receivable	46,642	334,256
from fines and penalties payable	5,056	14,139
losses from the write-off of assets	585,770	77,588
financial expenses	2,410	2,714
non-production personnel expenses	106,454	145,138
charity expenses	31,300	31,300
social overhead costs	12,421	3,990
interest on lease contracts	27,998	-
losses of previous years	-	850
other expenses	79,915	124,721

Other changes in net profit (loss) of the reporting period, presented in the Statement of financial performance under item “Other”, are due to the following indicators:

Indicators	for 2021	for 2020
Income tax under revised tax declarations for previous accounting periods	(41,908)	(21,933)
Penalties, fines on taxes and duties, accrued in the reporting period	(6,091)	(802)
Write-off of previously accrued DTA and DTL to financial result	-	3,616
<b>Total</b>	<b>(47,999)</b>	<b>(19,119)</b>

ths rubles

### 3.13 Taxes and charges

The Company recognized profit for 2021, the amount of contingent expense for the income tax in the reporting period was 658,116 ths rubles (for 2020 the amount of contingent income for the income tax was 899,716 ths rubles).

In the reporting year the amount of the constant differences that influenced the adjustment of the contingent expense by the income tax, calculated based on the tax accounting (the current income tax), made up 174,501 ths rubles (2020 - 201,169 ths rubles).

Name	2021	2020
<b>Permanent taxable difference caused correction of provisional profits tax expense, total</b>	<b>174,501</b>	<b>201,169</b>
including:		
Expenses coming from collective agreement	87,426	108,281
Fines and penalties	975	10,237
Expenses for social sphere (charity)	43,259	34,350
Losses (profits) of previous years not counted in current period	553	(5,035)
Charges for excess negative environmental impact	637	8,313
Other permanent differences	41,651	45,023

ths rubles

#### Deferred Income Tax:

The total amount of changes in temporary differences that affected the adjustment of the conditional income tax expense in order to determine the current income tax calculated according to tax accounting data amounted to 693,016 ths rubles (2020 - change amounted to 42,430 ths rubles) including:

Coverage of deductible temporary differences is explained by use of reserves on contingent liabilities in the accounting, recognition of losses from the fixed assets disposal which are recognized in the accounting simultaneously, coverage of earlier accrued differences in fixed assets evaluation.

ths rubles		
Name	2021	2020
<b>Deductible temporary differences caused correction of provisional profits tax expense, total</b>	<b>(688,124)</b>	<b>(59,000)</b>
including:		
Deductible difference due to charging (use) of provisions	(305,110)	(37,735)
Deductible difference from losses of the current period (previous years)	55,026	-
Deductible difference on fixed assets	(14,638)	(42,702)
Deductible difference on payment to non-state pension fund	(28,858)	786
Bad debt reserve	(82,568)	14,201
Losses from the fixed assets disposal	(12,580)	(13,011)
Depreciation of inventories	(290,882)	-
Other deductible differences	(8,514)	19,461

Total amount of taxable temporary differences effected correction of provisional profits tax expense with the purpose to define income tax calculated according to fiscal accounting regulations was 4,892 ths rubles (2020 - 16,570 ths rubles).

ths rubles		
Name	2021	2020
<b>Taxable temporary differences caused correction of provisional profits tax expense, total</b>	<b>(4,892)</b>	<b>16,570</b>
including:		
fixed assets	(4,892)	16,557
derivatives	-	13

According to fiscal accounting for 2021 loss was received in the amount of 275,129 ths rubles. Income tax was in the amount of 0 rubles.

ths rubles				
Name	Constituent of Income Tax	Tax rate	Base amount	Tax amount
<b>Accounting Profit</b>	<b>Provisional Profits Tax Expense</b>	20%	3,290,579	(658,116)
<b>Temporary Differences:</b>	<b>Deferred Income Tax</b>	20%	(3,465,080)	(693,016)
- repaid/accrued differences	- deferred tax liabilities	20%	(24,462)	(4,892)
- repaid/accrued differences	- deferred tax assets	20%	(3,440,618)	(688,124)
<b>Permanent taxable differences</b>	<b>Permanent Taxable Liability</b>	20%	174,501	34,900
<b>Taxation base on tax declaration for 2021</b>	<b>Current income tax</b>	20%	-	-

Total accrued property tax for 2021 amounted to 301,965 ths rubles (in 2020 - 313,585 ths rubles). Paid to the budget: 304,854 ths rubles (in 2020 - 320,067 ths rubles).

Total amount of accrued value-added tax, according to Chapter 21 of the Tax Code of the Russian Federation, amounted to 9,849,972 ths rubles in 2021 (in 2020 - 12,852,466 ths rubles). Tax deductions amounted to 8,168,195 ths rubles in 2021 (in 2020 - 9,639,939 ths rubles). Therefore value-added tax to be paid to the state budget amounted to 1,681,777 ths rubles in 2021 (in 2020 - 3,212,527 ths rubles).

Value-added tax paid to the state budget in 2021 - 1,633,003 ths rubles (in 2020 - 7,502,435 ths rubles).

Other paid taxes and charges (land tax, water tax, transport tax, charges for negative environmental impact, state duties) totaled 71,412 ths rubles in 2021 (2020 - 133,423 ths rubles).

### **3.14 Base profit (loss) per share**

The earnings per share are disclosed under the procedure provided for by the Methodical recommendations on disclosing of the information on earnings per share, approved by order of the Ministry of Finance of the Russian Federation No. 29Н dated 21.03.2000. The basic earnings per share reflect a part of the profit of an accounting period which can be potentially distributed among shareholders - holders of ordinary shares. It is calculated as the ratio of base profit for a financial year to the weighted average number of ordinary shares being in circulation within a financial year.

Calculation of profit / loss per share:

<b>Indicator</b>	<b>2021</b>	<b>2020</b>
Base profit for the financial year (ths rubles)	2,549,564	3,539,511
Weighted average number of ordinary shares in circulation within a financial year (ths of shares)	35,371,898	35,371,898
Base profit (loss) per share, rubles	0.0721	0.1001

The Company has no convertible securities and share purchase agreements with Issuers, therefore diluted earnings (loss) per share are not calculated.

### **3.15 Related parties disclosures**

In the normal course of business the Company enters into transactions with related parties.

Transactions with related parties mainly include sales of electricity operations, temporary provision of personnel, purchasing of engineering services, purchasing of consulting and IT services.

In accordance with RAS 11/2008 “Related parties disclosures” the Company should disclose the following information:

## Principle shareholders

As of December 31, 2021 the principal shareholders were the following:

Name	Number of shares, pcs	Share in the authorized capital, %
ENEL S.p.A.	19,960,478,471	56.43
UROC LIMITED	2,618,132,410	7.40
LLC RFPI Upravlenie Investitsiyami-8	1,959,157,833	5.54

Enel S.p.A is the ultimate controlling party listed on Milan Stock Exchange.

### Entities controlled by PJSC Enel Russia (subsidiaries and affiliates of the Company) as of 31.12.2021:

- LLC Enel Rus Wind Azov (subsidiary company, 100% shares owned by PJSC Enel Russia);
- LLC Enel Rus Wind Kola (subsidiary company, 100% shares owned by PJSC Enel Russia);
- LLC Enel Rus Wind Stavropolye (subsidiary company, 100% shares owned by PJSC Enel Russia);
- LLC Enel Rus Finance (subsidiary company, 100% shares owned by PJSC Enel Russia);
- JSC Teploprogress (subsidiary company, 60% shares owned by PJSC Enel Russia).

Companies belonging together with the Company to one group of companies: this related party group comprises all companies, shareholders, directors, subsidiaries and entities controlled by Enel S.p.A, including Enel Produzione S.P.A. and others.

On February 16, 2021, the name of LLC Reftinskaya GRES was changed to LLC Enel Rus Finance.

### Operations with related parties

Types of activity	NATURE OF RELATIONS			
	Main business entity	Companies belonging together with the Company to one group of companies	Main business entity	Companies belonging together with the Company to one group of companies
		<b>2021</b>		<b>2020</b>
Electric power sales	-	253,704*	-	714,801*
Sales of other products, goods (works, services)	-	407,752	-	461,399
Acquisition of goods (works, services)	223,028	619,431	665,790	416,875

ths rubles

\*Companies experiencing significant influence of Enel S.p.A.

### Status of settlements with related parties

As of December 31 the indebtedness of the related parties to the Company and indebtedness of the Company to the related parties amounted to:

ths rubles

Types of activity	NATURE OF RELATIONS			
	Main business entity	Companies belonging together with the Company to one group of companies	Main business entity	Companies belonging together with the Company to one group of companies
	2021		2020	
Accounts receivable	-	7,232,826	-	1,909,940
Accounts payable	183,273	855,335	22,307	692,036

### Cash flows between the Company and related parties

ths rubles

Funds received	in 2021	in 2020
<b>Proceeds from sale of products, goods, works and services (operating activities)</b>	<b>463,584</b>	<b>934,971</b>
including main business entity	-	-
subsidiaries	199,092	490
companies belonging to the same group of entities as the Company	264,492	934,481
<b>Receivables from sales of non-current assets (except for financial investments) (investment activity)</b>	<b>-</b>	<b>1,736</b>
including subsidiaries	-	1,736
<b>Loans repayments (investment activity)</b>	<b>2,475</b>	<b>3,712,475</b>
including subsidiaries	2,475	3,712,475
<b>TOTAL funds received</b>	<b>466,059</b>	<b>4,649,182</b>
<b>Payments to suppliers (contractors) for raw and other materials, works, services (operating activities)</b>	<b>475,329</b>	<b>938,005</b>
including main business entity	60,529	682,347
companies belonging to the same group of entities as the Company	414,800	255,658

Funds remitted	in 2021	in 2020
<b>Payments in connection with acquisition of shares of other companies (participation interests) (investment activities)</b>	<b>1,300,000</b>	<b>-</b>
including subsidiaries	1,300,000	-
<b>Loans to other entities (investment activity)</b>	<b>5,154,500</b>	<b>2,982,475</b>
including subsidiaries	5,154,500	2,982,475
<b>Distributed dividends (financial activity)</b>	<b>-</b>	<b>1,611,809</b>
including main business entity	-	1,611,809
<b>TOTAL funds remitted</b>	<b>6,454,500</b>	<b>4,594,284</b>

### Estimated short-term liabilities to related parties

	ths rubles	
<b>Movement item</b>	<b>2021</b>	<b>2020</b>
Balance as of January 1	2,609,175	2,149,813
Provisions created during the reporting period	431,163	559,448
Provisions restored during the reporting period	(281,465)	(24,938)
Provisions used during the reporting period	(744,021)	(682,816)
Foreign exchange difference	(182,631)	607,668
Balance as of December 31	1,832,221	2,609,175

Estimated liabilities relate to transactions with core companies, subsidiaries and affiliates.

Collateral for obligations and payments provided

As of December 31, 2021, the Company is a guarantor for subsidiaries' obligations to the amount of 40,037,032 ths rubles (as of 31.12.2020 - 48,619,393 ths rubles).

### Transactions with key management personnel

Key management personnel:

- Members of the Board of Directors of the Company who have the opportunity to influence the Company's economic activities with their decisions;
- Members of the collective executive body of the Company (Executive Board).

The list of members of the Board of Directors and the Management Board of the Company is given according to the general provisions. Terms of employment contracts with members of the Management Board of the Company were preliminarily approved by the Board of Directors of the Company.

### Settlements with Non-Governmental Pension Fund "VTB Pension Fund"

In 2021, payments to NGPF VTB amounted to 80,777 ths rubles, in 2020, payments to NGPF VTB amounted to 255,863 ths rubles. There were no trade receivables or trade payables as of 31 December 2021.

### Transactions with key management personnel

Total remuneration paid to the members of the Board of Directors and Management Board were at the amount of 133,475 ths rubles in 2021 (in 2020 - 199,084 ths rubles).

During 2021 the loans were provided to key management personnel amounting to 7,000 ths rubles (in 2020 - 15,531 ths rubles).

### 3.16 Information by segments

The information by segments is not disclosed as the principal type of economic activities of the Company is production of power, capacity and heat, sale of which makes up 98.7% of the total revenue. The production technology of power, capacity and heat does not allow allocating separate operational segments. Besides the Company carries out other kinds of activities, which are not essential and do not form separate accounting segments either together or separately. The information on geographical segments is also not disclosed as the whole activity of the organization is limited to a uniform segment of the wholesale power and capacity market (the first price zone in classification of the Trading System Administrator) where the sources and nature of the risks are approximately the same.

### 3.17 Events after the reporting date

In February 2022 due to the new geopolitical tensions additional sanctions were introduced by the USA and EU and some other countries. These events have led to depreciation of the Russian ruble, increased volatility of financial markets, significantly increased the level of economic uncertainty in the Russian business environment and may have impacts on the Company current activities and its projects. Enel Russia and its subsidiaries continue doing their business on the Russian Federation market. The Company supplier chain and customers are mostly presented by local companies. However, the future economic environment may vary from the company's expectations. The situation is changing so fast that any prediction could be superseded overnight. Management continues to monitor the situation closely and to evaluate potential effects.

### 3.18 Information on Off-Balance Sheet Accounts

ths rubles				
Account details	Account number	Balance as of 31.12.2021	Balance as of 31.12.2020	Balance as of 31.12.2019
Leased fixed assets	001	16,977	52,291	20,752,861
Commodities and materials received for safe custody	002	6,291	58,896	163,893
Writing off as the loss of the debts of insolvent debtors	007	282,917	155,445	147,726
Security of liabilities and payments received	008	4,676,608	9,563,505	10,504,535
Collateral for obligations and payments provided	009	40,071,425	48,654,495	57,315,509
Depreciation of fixed assets	010	161	146	132

Collateral for obligations and payments received are bank guarantees received by the Company from third parties as a security of contractual obligations by the third party.

Collateral for obligations and payments provided are guarantees provided by the Company to third parties as a security of contractual obligations of the Company as well as to subsidiaries.

#### Structure of collaterals for obligations and payments provided

	ths rubles		
<b>Guarantees and sureties</b>	<b>as of 31.12.2021</b>	<b>as of 31.12.2020</b>	<b>as of 31.12.2019</b>
for the Company's obligations	34,392	35,102	2,915,443
for obligations of LLC Enel Rus Wind Azov	11,803,509	11,803,508	15,931,230
for obligations of LLC Enel Rus Wind Kola	28,233,524	36,815,885	38,468,836
<b>Total</b>	<b>40,071,425</b>	<b>48,654,495</b>	<b>57,315,509</b>

### 3.19 Term transaction financial instruments

The Company's balance sheet included the following financial instruments for forward transactions:

<b>Fair value</b>	<b>as of 31.12.2021</b>	<b>as of 31.12.2020</b>	<b>as of 31.12.2019</b>
Forward exchange contracts	2,427	1,770	1,342
<b>Total term transaction instruments</b>	<b>2,427</b>	<b>1,770</b>	<b>1,342</b>

Cash flow hedges within the additional capital are reflected as follows:

	ths rubles	
<b>Cash flow hedges</b>	<b>2021</b>	<b>2020</b>
Reclassifications during the year	14,070	2,415
Net gains/(losses) during the year	(49,217)	74,795
<b>Effective part of changes in fair value of cash flow hedging</b>	<b>(35,147)</b>	<b>77,210</b>

In order to comply with Company's foreign exchange risk management strategy, the changes in future cash flows arising from the highly probable capital expenditure outflows in a foreign currency attributable to foreign exchange rate movements are hedged. Forward exchange contracts are designated as hedging instruments in cash flow hedges of capital expenditures during implementation of thermal generation modernization projects.

These hedges were assessed to be effective and net change of (35,147) ths rubles, including the forward element amounting to (3,033) ths rubles (in 2020: 77,210 ths rubles, including the forward element of 2,362 ths rubles). No significant element of ineffectiveness required recognition in the financial statement.

## **3.20 Contingencies**

### **Operating environment**

In Russia, economic reforms and the development of legal, tax and administrative infrastructure that would meet the requirements of a market economy are continuing. Stability of the Russian economy will largely depend on the progress of these reforms, as well as on the effectiveness of the measures taken by the Government in the economy, financial and monetary policy.

In 2021, the significant devaluation of the Russian ruble, geopolitical risks and sanctions imposed on Russia by some countries, continue to have a negative impact on the Russian economy. Interest rates in rubles remain high as a result of the maintenance of the key rate by the Bank of Russia that was 8.5% as of December 31, 2021. The combination of these factors led to a decrease in the availability of capital, increase in the cost of capital, increase in inflation and uncertainty regarding economic growth that may negatively affect the financial position, results of operations and economic prospects of the Company in the future. The management of the Company believes that it takes appropriate measures to maintain the economic stability of the Company in the current conditions.

### **COVID-19 Pandemic**

On March 11, 2020, the World Health Organization announced that the coronavirus outbreak was a pandemic. In response to the potentially serious threat posed by COVID-19 to public health, Russian governmental agencies have taken measures to contain the outbreak including putting restrictions on the movement of people across the border, restricting entry for foreign nationals and instructing the business community to create conditions for employees to work from home.

Despite forecasts at the end of 2020, according to which the end of COVID-19 pandemic could be expected in 2021, the dynamics of morbidity in Russia and the world not only did not decline, but also periodically increased. New waves of morbidity were mainly associated with the emergence of new strains of coronavirus. The peak of the second wave occurred in April-May, the third one - in August. The peak values of the fourth (and in some countries the fifth) wave, which began in December 2021, have not yet been reached.

During 2021, federal and regional authorities gradually canceled additional measures to strengthen social distancing, including the closure of schools, universities, restaurants, cinemas, theaters, museums and sports facilities. As a result of lifting of restrictions, the growth of business activity contributed to the fact that in Q4 of 2021, the Russian economy fully recovered after a fall in 2020.

The Company operates in the area of energy generation which is just slightly affected by COVID-19 outbreak. Sales by the Company remained stable and uninterrupted. Despite this, the economic recovery in 2021 contributed to an increase in the utilization of generating capacities by the System Operator and an increase in the Company's revenue.

In order to ensure smooth operation, the management of the Company have introduced a number of measures:

- a major part of employees was allowed to work from home. For those who needed to work at the Company's facilities, strict protection measures were introduced for the Company's staff and contractors;
- all operations and maintenance schedules were optimized to ensure uninterrupted business.

Taking into account these measures and current operating and financial characteristics of the Company, as well as based on other public information, the management do not expect a significant negative impact from the COVID-19 outbreak for the financial condition and results of the Company. However, the management cannot rule out that possible long-term lockdowns, stricter restrictive measures or any further impact from such measures over the economic environment can have negative mid-term or long-term impact over the Company. The Company has been discussing any negative scenarios and is ready to adjust its operating plans accordingly. The management has been keeping track of the situation and will respond to events and circumstances caused by the pandemic, if any.

## **Tax Affairs**

The taxation system of the Russian Federation, being relatively new, is characterized by frequent changes of legal regulations, official explanations and court decisions that are often unclear and contradictory that allows different interpretation of them by various tax authorities. Tax authorities having the right to impose large fines and charge penalties are responsible for verifying the correctness of the tax calculation. The tax authorities have the right to conduct field tax inspections within three calendar years preceding the year when the tax authorities decide to conduct a field tax audit.

These circumstances may lead to tax risks in the Russian Federation much higher than in other countries. The Company's management believes that the tax obligations are reflected in the adequate amount in the statements based on its understanding of the applicable Russian tax laws, official explanations and court decisions. However, the interpretation of these provisions by the tax authorities may be different and, if they can prove the legitimacy of their position, this can have a significant impact on these financial statements.

The Russian transfer pricing laws, which came into force on January 1, 2012, allows the tax Russian authorities to apply transfer pricing adjustments and to charge additional amounts of income tax payable in respect of all controlled transactions if the price applied in the transaction differs from the range of market prices. The list of controlled transactions includes, in particular, transactions concluded between interdependent parties, as well as certain types of cross-border transactions.

The Company determines tax obligations arising from controlled transactions based on actual transaction prices.

Due to differences in the transfer pricing laws in force in Europe and Russia, the Russian tax authorities can challenge the level of prices applied in controlled transactions and charge additional applicable taxes to be paid if the Company cannot prove that market prices were used in controlled transactions.

In December 2019 Interregional Tax Inspectorate of the Federal Tax Service for Major Taxpayers of Russia No. 4. (the Inspectorate) issued a decision to hold the Company liable based on the results of the field tax audit for 2014-2016. The major part of the tax assessment is explained by the incorrect classification (in the opinion of the Inspectorate) of some fixed assets as movable property which resulted in underpayment of property tax for 2014-2016 in the amount of 152 M. Rub. The Group is currently disputing the Tax authority's decision in the Moscow arbitration court. Currently, the court proceedings are suspended until the results of a forensic examination are received. The Group understands that there is legal ambiguity regarding the payment of property tax on the disputed assets, however, taking into account the current legislation, official clarifications of regulatory bodies of the Russian Federation and law enforcement practice, believes that such a risk is not highly probable.

On February 12, 2021, in Letter # IIIIO-4-13/1749@, the Federal tax service issued the insights regarding the justification of economic feasibility of expenses incurred on the basis of related parties transactions, as well as recognition of income of foreign companies from such activities, in which they clarify that it is necessary to distinguish between related parties transactions and a concept of "shareholder's activities".

There is a possibility that the Company's views of economic feasibility of such transactions under contracts for the provision of services with foreign companies within Enel Group will differ from the view of tax authorities. These may lead to adjustments of tax liabilities if the Company cannot confirm that related parties' transactions are economically justified and do not related to "shareholder's activities". However, the Company believes, that this risk is not highly probable

## **Insurance**

The Company applies the integrated comprehensive insurance policy. The Company insurance policy includes both mandatory and voluntary types of insurance and covers risks in respect of the Company assets, risks in respect of obligations to third parties and other insurable risks. The Company management takes appropriate measures to minimize potential negative impact on the Company property exposed to risks not covered by the existing insurance programs.

## **Environmental Issues**

The laws on environment protection in the Russian Federation are at the development stage and corresponding measures of state authorities are constantly revised. The Company carries out periodic review of its commitments in environment protection.

Potential liabilities might arise as a result of amendments in laws or civil litigation documents. The impact of these potential changes cannot be estimated. Taking into account the situation with regard to the implementation of existing regulations, management believes that there are no significant obligations related to environmental pollution, in addition to the obligations included in the reserve.

The Company is a company of Enel Group with a special focus on environmental and safety issues.

## **Litigations**

The Company is not party to any other legal proceedings, which upon final resolution may have material negative impact on the Company's financial condition, except for those with the provision accrued and recorded herein.

### **3.21 Business risks of the company**

The business risks of the Company are disclosed in detail in the consolidated financial statement of the Company and its subsidiaries for the year ending on December 31, 2021, prepared in compliance with the International Financial Reporting Standards, available at

<https://www.enelrussia.ru/ru/investors/a201612---.html>

General Director

S.M. Zweguintzow

Chief Accountant

V.V. Grishachev

March 24, 2022