Public Joint-Stock Company Rosseti Volga

CONSOLIDATED FINANCIAL STATEMENTS
PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS FOR THE YEAR ENDED DECEMBER 31, 2025

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Independent auditor's report

To the Shareholders and the Board of Directors
of Public Joint-Stock Company Rosseti Volga

Audit Opinion

We have audited the consolidated financial statements of Public Joint-Stock Company Rosseti Volga and its subsidiaries ("Group"), consisting of the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2025, the consolidated statement of financial position as of December 31,2025, the consolidated statement of cash flows for the year then ended, and the consolidated statement of changes in equity for the year ended on the above date, as well as notes to the consolidated financial statements that comprise significant details of accounting policies and other explanatory information.

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

Basis for Audit Opinion

We conducted our audit in accordance with the International Standards on Auditing ISA). Our obligations in conformity with these standards are described below in section "Auditor's Responsibilities for the audit of the Consolidated Financial Statements" of our report. We are independent of the Group in accordance with the ethical requirements adopted in the Russian Federation, including the requirements of the Code of Professional Ethics for Auditors and the Rules on the Independence of Auditors and Auditing Organizations, as well as the International Code of Ethics for Professional Accountants (including International Standards of Independence) issued by the International Ethics Standards Board for Accountants (IESBA Code), including independence requirements applicable to the audit of financial statements of socially significant organizations. We have also fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are matters that, in our professional judgment, were of most significance for our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In relation to each of below matters, our description of how the relevant issue was addressed during our audit is provided in this context.

We have met our obligations as described in section "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" of our report, including those related to these matters. Therefore, our audit included performance of procedures designed in response to our assessment of risks of material misstatement of these consolidated financial statements. The results of our audit procedures, including the procedures performed to address the below matters, provide the basis for our auditor opinion on the accompanying consolidated financial statements.

Key Audit Matter	**How our audit addressed the key audit matter**
Recognition and evaluation of revenue from electricity transmission services	
Recognition and evaluation of revenue from electricity transmission services is one of the most important matters of our audit due to specific mechanisms of electricity market functioning giving rise to disagreements between grid companies, power supply (utilities) companies and other entities concerning volumes and cost of transmitted electricity. The amount of revenue disputed by contracting parties is material for the consolidated financial statements of the Group. Evaluation of probability of resolution of such disagreements by Management of the Group is to a large extent subjective. Revenue is recognized when, with due consideration of assumptions, disputes are resolved in favor of the Group. Information about revenue from electricity transmission services is disclosed in clause 6 of the Notes to the consolidated financial statements.	We reviewed the accounting policy of the Group in relation to recognition of revenue from electricity transmission services. We studied the process of recognition of revenue from electricity transmission services and the internal control system for reflecting this revenue. We studied the terms of new material contracts with customers or amendments to the existing material contracts. Our procedures, among other things, included a random test for defining the relevant revenue amounts based on concluded contracts for electricity transmission services; we, on a sample test basis, obtained confirmations of the revenue amounts and outstanding receivables due from contracting parties, analyzed the results of litigations regarding disputed amounts of provided services and reviewed the existing procedures for validating the volumes of transmitted electricity. We reviewed the information regarding recognized revenue disclosed in the consolidated financial statements.
Reserve for expected credit losses on trade receivables	
The issue of accumulation of reserve for expected credit losses on trade receivables was one of the most significant matters of our audit due to material balances of trade receivables as of December 31, 2025, as well as due to the fact that Management's assessment of the possibility of recovering these debts is based on assumptions, in particular, on the projected solvency of the Group's customers. The information regarding the allowance for expected credit losses on trade receivables is disclosed in clauses 18 and 30(f) of the Notes to the consolidated financial statements.	We analyzed the accounting policy of the Group concerning the revision of trade receivables as to accumulation of reserve for expected credit losses on trade receivables, and reviewed the valuation procedures performed by the Group's management. Our procedures included, among other things, analysis of the repayment of trade receivables, analysis of overdue periods in performing obligations, analysis of the solvency of customers and the structure of accounts receivable by times of occurrence and repayment. We reviewed the information related to reserve for expected credit losses on trade receivables as disclosed in the consolidated financial statements.

Key Audit Matter	How our audit addressed the key audit matter
Recognition, evaluation and disclosure of provisions and contingent liabilities	
Recognition, evaluation and disclosure of estimated liabilities (provisions) and contingent liabilities in relation to litigations and claims of contracting parties (including territorial grid and utilities companies) were one of the most significant matters for our audit due to that fact that they require significant management estimates in relation to significant amounts of balance of settlements with contracting parties disputed in court proceedings or being under pre-action dispute resolution. Information on estimated and contingent liabilities is disclosed in clauses 29 and 32 of the Notes to the consolidated financial statements.	Our audit procedures included, among other things, analysis of decisions made by courts of various instances, revision of Management's estimates in relation to assessing the probability of outflow of economic resources as a result of resolution of disputes, and examination of compliance of prepared documents with provisions of the ongoing contracts and applicable laws. We reviewed the information regarding estimated and contingent liabilities as disclosed in the consolidated financial statements.

Other information included in the Annual Report

Other information includes information contained in the Annual Report, except for the consolidated financial statements and our auditor's report thereon. Such other information is the responsibility of Management. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

Responsibility of Management and the Audit Committee under the Board of Directors for the consolidated financial statements

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

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

The Audit Committee under the Board of Directors is responsible for supervision of preparation of the consolidated financial statements of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We 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 the Internal Control System.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's Internal Control System
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and related disclosures
- conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- plan and perform the audit of the Group to obtain sufficient appropriate audit evidence related to the financial information of the Group's entities or branches so as to provide a basis for our opinion on the consolidated financial statements of the Group. We are responsible for directing, supervising, and reviewing the audit performed for the Group's audit purposes. We remain fully responsible for our auditor's opinion.

We communicate with the Audit Committee under the Board of Directors, regarding, among other matters, the planned scope and timing of the audit, and significant audit findings, including any significant deficiencies in the Internal Control System if such are identified during our audit.

We also make a statement to the Audit Committee under the Board of Directors that we have fulfilled all relevant ethical responsibilities in relation to independence and that we have informed them of all relationships and other matters that can reasonably be expected to influence the independence of the auditor and, where necessary, of actions taken to eliminate threats or the relevant precautions taken.

Out of matters communicated to the Audit Committee under the Board of Directors, we identify matters of most significance for the audit of the consolidated financial statements for the current period and, therefore, constitute key matters of the audit. We describe these issues in our audit report, except when public disclosure of information about such matters is prohibited by any law or regulation or, when on extremely rare occasions we conclude that information about any matter must not be included in our report, as one can reasonably assume that the harms of such disclosure will outweigh its public benefits.

The audit leader of the audit that provided basis for this report of an independent auditor — Ekaterina Vladimirovna Khramova.

Ekaterina Vladimirovna Khramova,
acting on behalf of Limited Liability Company B1-Audit
under the Power of Attorney dated January 19, 2026,
is the audit leader of the audit based on the results of which the audit report is drawn up
(Principal Number of Registration Entry 22006024953)

March 16, 2026

Auditor information

Name: Limited Liability Company B1-Audit
The entry was made to the Unified State Register of Legal Entities on December 05, 2002, under state registration number 1027739707203.
Location: 75, Sadovnicheskaya nab., Moscow, 115035, Russia.
Limited Liability Company B1-Audit is a member of Self-Regulatory Organization of Auditors Association Sodruzhestvo (SRO AAS). Limited Liability Company B1-Audit is included in the reference copy of the register of auditors and audit organizations under Principal Number of Registration Entry 12006020327.

Auditee's details

Name: Public Joint-Stock Company Rosseti Volga
The entry was made to the Unified State Register of Legal Entities on June 29, 2007, under state registration number 1076450006280.
Location: 42/44, ul. Pervomaiskaya, Saratov, 410031, the Russian Federation.

Consolidated statement of profit or loss and other comprehensive income (in thousands of Russian rubles, unless otherwise stated)

	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
Revenue	6	129,253,532	83,411,189
Operating costs	9	(114,511,115)	(77,409,604)
(Accrual)/recovery of reserve for expected credit losses	30	(271,269)	43,937
Other income	7	955,314	915,681
Other expenses	8	(58,021)	(6,178)
Operating profit		**15,368,441**	**6,955,025**
Financial income	11	1,131,280	628,723
Financial expenses	11	(1,244,026)	(1,669,250)
Total financial expenses		**(112,746)**	**(1,040,527)**
Profit before tax		**15,255,695**	**5,914,498**
Income tax expense	12	(3,929,241)	(2,284,851)
Profit for the period		**11,326,454**	**3,629,647**
Other comprehensive income			
Items that may not be reclassified subsequently to profit or loss			
Changes in the fair value of equity investments carried at fair value through other comprehensive income		(8)	(8)
Revaluation of defined benefit liabilities	25	(339,665)	456,044
Income tax on other comprehensive expenditure/income	12	59,703	(119,605)
Total items that may not be reclassified subsequently to profit or loss		**(279,970)**	**336,431**
Other comprehensive (expenditure)/income for the period net of income tax		**(279,970)**	**336,431**
Total comprehensive income for the period		**11,046,484**	**3,966,078**
Profit due to:			
Owners of the Company		11,326,454	3,629,647
Total comprehensive income due to:			
Owners of the Company		11,046,484	3,966,078
Earnings per share			
Basic and diluted earnings per share (rub.)	22	0.0601	0.0193

These consolidated financial statements were approved by Management on March 16, 2026 and signed by the following authorized persons:

Deputy General Director
for Economics and Finance
M. S. Adzhiev
under Power of Attorney No. Д/26-120 dated February 24, 2026

Chief Accountant –
Head of the Accounting
and Reporting Department
E. E. Mitrofanova

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of financial position
(in thousands of Russian rubles, unless otherwise stated)

	Note	December 31, 2025	December 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	13	74,383,783	62,940,680
Intangible assets	14	1,205,899	517,144
Right-of-use assets	15	1,667,495	1,755,683
Trade and other receivables	18	370,639	414,476
Assets related to employee benefit liabilities	25	610,540	562,246
Other non-current financial assets		24	59
Advances paid and other non-current assets	19	951,961	957,876
Total non-current assets		**79,190,341**	**67,148,164**
Current assets			
Inventories	17	2,354,705	2,179,141
Prepayment of current income tax		104,875	28,069
Trade and other receivables	18	11,168,200	6,325,994
Cash and cash equivalents	20	6,333,840	4,813,129
Advances paid and other current assets	19	1,254,095	372,485
		21,215,715	**13,718,818**
Assets held-for-sale		3,456	3,857
Total current assets		**21,219,171**	**13,722,675**
Total assets		**100,409,512**	**80,870,839**
EQUITY AND LIABILITIES			
Equity			
Authorized capital	21	18,830,796	18,830,796
Reserves		(1,020,940)	(740,957)
Retained earnings		36,780,639	26,846,820
Total equity		**54,590,495**	**44,936,659**
Long-term liabilities			
Long-term loans	23	8,042,593	5,707,922
Long-term trade and other payables	26	405,849	472,414
Long-term advances received	28	5,694,730	5,690,545
Employee benefit liabilities	25	2,337,006	1,867,010
Deferred tax liabilities	16	5,527,861	4,914,746
Total long-term liabilities		**22,008,039**	**18,652,637**
Short-term liabilities			
Short-term borrowings and the short-term portion of long-term borrowings	23	346,961	3,160,516
Trade and other payables	26	18,206,871	11,496,786
Tax payables, except for income tax	27	1,673,496	1,616,789
Advances received	28	3,455,433	897,466
Estimated liabilities	29	91,621	104,466
Current income tax payable	12	36,596	5,520
Total short-term liabilities		**23,810,978**	**17,281,543**
Total liabilities		**45,819,017**	**35,934,180**
Total equity and liabilities		**100,409,512**	**80,870,839**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
(in thousands of Russian rubles, unless otherwise stated)

	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period		**11,326,454**	**3,629,647**
Adjustments:			
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	9	6,939,310	6,377,415
Accrual/(recovery) of reserve for expected credit losses	30	271,269	(43,937)
Financial expenses	11	1,244,026	1,669,250
Financial income	11	(1,131,280)	(628,723)
(Expenditure)/Income from disposal of property, plant and equipment under sale (disposal) transactions	7	(79,520)	107
Loss from disposal of property, plant and equipment	8	58,021	6,178
Write-off of payables	7	(931)	(5,241)
Accrual of estimated liabilities	9	53,653	45,822
Other non-monetary transactions		(7,625)	(2,836)
Income tax expense	12	3,929,241	2,284,851
Total adjustment effect		**22,602,618**	**13,332,533**
Change in assets related to liabilities for remunerations to employees		(836)	12,364
Change in employee benefit liabilities		(128,699)	203,478
Change in long-term trade and other receivables		44,238	(405,379)
Change in long-term advances issued and other non-current assets		5,915	(614,566)
Change in long-term trade and other payables		(63,497)	303,028
Change in long-term advances received		4,185	3,637,668
Cash flows from operating activities before changes in working capital and estimated liabilities		**22,463,924**	**16,469,126**
Changes in operating assets and liabilities:			
Change in trade and other receivables		(4,862,837)	(614,666)
Change in advances paid and other assets		(881,602)	(104,449)
Change in inventories		(73,940)	(463,988)
Change in trade and other payables		4,930,655	212,530
Change in advances received		2,557,967	92,561
Use of estimated liabilities		(66,498)	(32,435)
Cash flows from operating activities before income tax and interest paid		**24,067,669**	**15,558,679**
Income tax paid		(3,292,625)	(1,032,461)
Interest paid under lease agreements		(339,612)	(252,425)
Interest paid		(1,331,035)	(1,295,830)
Net cash from operating activities		**19,104,397**	**12,977,963**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
(in thousands of Russian rubles, unless otherwise stated)

	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
CASH FLOW FROM INVESTMENT ACTIVITIES			
Acquisition of property, plant and equipment and intangible assets		(16,617,539)	(11,393,964)
Proceeds from sale of property, plant and equipment and intangible assets		105,491	28,814
Interest received		1,018,714	552,985
Dividends received		–	3
Net cash used in investment activities		**(15,493,334)**	**(10,812,162)**
CASH FLOW FROM FINANCIAL ACTIVITIES			
Raising of loans		6,514,625	4,890,000
Repayment of loans		(6,905,000)	(3,620,000)
Dividends paid to the Company's owners		(1,389,716)	(1,157,221)
Payments for lease liabilities		(310,261)	(320,757)
Net cash used in financial activities		**(2,090,352)**	**(207,978)**
Net increase in cash and cash equivalents		**1,520,711**	**1,957,823**
Cash and cash equivalents as of the beginning of the reporting period	20	**4,813,129**	**2,855,306**
Cash and cash equivalents as of the end of the reporting period	20	**6,333,840**	**4,813,129**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
(in thousands of Russian rubles, unless otherwise stated)

	Equity attributable to owners of the Company			
	Authorized capital (Note 21)	**Reserves**	**Retained earnings**	**Total equity**
Balance as of January 01, 2025	**18,830,796**	**(740,957)**	**26,846,820**	**44,936,659**
Profit for the period	–	–	11,326,454	**11,326,454**
Other comprehensive income	–	(339,686)	13	**(339,673)**
Income tax on other comprehensive income (Note 12)	–	59,703	–	**59,703**
Total comprehensive income for the period	**–**	**(279,983)**	**11,326,467**	**11,046,484**
Declared dividends (Note 21)	–	–	(1,393,479)	**(1,393,479)**
Write-off of unclaimed debt on previously declared dividends	**–**	**–**	831	**831**
Balance as of December 31, 2025	**18,830,796**	**(1,020,940)**	**36,780,639**	**54,590,495**

	Equity attributable to owners of the Company			
	Authorized capital (Note 21)	**Reserves**	**Retained earnings**	**Total equity**
Balance as of January 01, 2024	**18,830,796**	**(1,077,388)**	**24,384,683**	**42,138,091**
Profit for the period	–	–	3,629,647	**3,629,647**
Other comprehensive income	–	456,036	–	**456,036**
Income tax on other comprehensive income (Note 12)	–	(119,605)	–	**(119,605)**
Total comprehensive income for the period	**–**	**336,431**	**3,629,647**	**3,966,078**
Declared dividends (Note 21)	–	–	(1,167,510)	**(1,167,510)**
Balance as of December 31, 2024	**18,830,796**	**(740,957)**	**26,846,820**	**44,936,659**

The accompanying notes are an integral part of these consolidated financial statements.

1 General information

(а) The Group and its activities

The principal activity of Public Joint-Stock Company Rosseti Volga (hereinafter referred to as "Rosseti Volga, PJSC" or the "Company") and its subsidiaries (hereinafter referred to as the "Group") is the provision of services for transmission and distribution of electricity over electric grids, and the provision of services for technological connection of consumers to electricity networks.

Location of Rosseti Volga, PJSC: 42/44, ul. Pervomaiskaya, Saratov, 410031, the Russian Federation.

The Group includes four subsidiaries with participatory interests ranging from 99.99% to 100%.

Information on the Group's relationship with other related parties is disclosed in Note 33 "Related party transactions".

(б) Relations with the government. Parent company

The Russian Federation represented by the Federal Agency for Public Property Management is the party exercising the ultimate control over the Group's parent company (hereinafter referred to as the "major shareholder of the parent company").

The parent company of the Group is Public Joint-Stock Company Federal Grid Company – Rosseti. The abbreviated corporate name of the Group's parent company — Rosseti, PJSC.

The Government exerts influence on the Group's activities through representatives of the Russian Federation in the Board of Directors of the parent company, and through tariff regulation in the electric power industry, approval and control over the implementation of the investment program. The Group's contracting parties (service consumers, suppliers and contractors) include a significant number of companies associated with the Government.

The economic, social and other policies of the Government of the Russian Federation can have a significant impact on the Group's activities.

(в) Economic environment in which the Group operates

The Group operates in the Russian Federation. The Group's activities are influenced by the state of the economy and financial market of the Russian Federation. The legal, tax and regulatory systems of the Russian Federation are dynamic, undergoing constant revision and experiencing varied interpretations.

Ongoing geopolitical tensions and sanctions imposed by a number of countries on certain sectors of the Russian economy, Russian companies and individuals have resulted in increased economic uncertainty, including reduced liquidity and increased volatility in the capital markets, fluctuations in the Russian ruble exchange rate and key rate, and a significant reduction in the availability of debt financing sources.. It is difficult to assess the impact of already imposed and potential further sanctions in the long term; moreover, sanctions may have a material adverse effect on the Russian economy.

The Group takes all necessary measures to ensure sustainability of operations.

These consolidated financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future effects of the existing economic environment and the above measures are difficult to predict, and Management's current expectations and estimates may differ from actual results.

2 Principles of consolidated financial statements preparation

(а) Statement on compliance with IFRS

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). Each entity of the Group maintains individual accounting records and

prepares official financial statements in accordance with the Russian Accounting Standards (RAS). These consolidated financial statements have been prepared based on RAS accounting records, adjusted and reclassified for the purpose of fair presentation in accordance with IFRS.

(б) Base for determining the cost

These consolidated financial statements have been prepared on the basis of original (historical) cost, except for:

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

(в) Functional and presentation currency

The national currency of the Russian Federation is the Russian ruble (hereinafter – "ruble" or "rub."), which was defined by the Group as the functional currency and selected as the presentation currency for the purposes of these consolidated financial statements. All figures (numerical indicators) in Russian rubles have been rounded to the nearest thousand, unless otherwise stated.

(г) New standards, interpretations and amendments to existing standards

The Group has adopted amendments and changes to standards that are mandatory and that were approved for application in the Russian Federation for annual periods beginning on or after January 01, 2025:

- No possibility for currency exchange is provided. Amendments to IFRS (IAS) 21 "Effects of Changes in Foreign Exchange Rates" (enacted in the territory of the Russian Federation pursuant to Order of the Russian Ministry of Finance No. 77н dated June 04, 2024, and effective for annual periods beginning on or after January 01, 2025).

These amendments to the above standards had no material effect on these consolidated financial statements.

New standards and interpretations have been published that are mandatory for annual periods beginning on or after January 01, 2026; the Group intends to adopt the standards and amendments for use when they become effective.

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: disclosure of information" – "Amendments to Regulations on the Classification and Measurement of Financial Instruments" (issued on May 30, 2024 and become effective in relation to the annual reporting periods beginning on or after January 01, 2026)
- IFRS 19 "Subsidiaries without Public Accountability: disclosure of information" (issued on May 09, 2024 and become effective in relation to the annual reporting periods beginning on or after January 01, 2027).
- Annual Improvements to IFRS Financial Reporting Standards – Volume 11 (issued on July 18, 2024 and become effective in relation to the annual reporting periods beginning on or after January 01, 2026):
  - Amendments to IFRS (IAS) 7 – "Historical Cost Accounting"
  - Amendments to IFRS 9 – "Derecognition of Lease Liabilities"
  - Amendments to IFRS 10 – "Determination of a 'De Facto Agent'"
  - Amendments to the Guidance on Implementing IFRS 7 — "Disclosure of Information on Deferred Differences between Fair Value and Transaction Price"
  - Amendments to IFRS 7 – "Gain or Loss on Derecognition"
  - Amendments to IFRS 1 – "Hedge Accounting by a First-Time Adopter"
  - Amendments to the Guidance on Implementing IFRS 7 – "Introduction"

  - Amendments to the Guidance on Implementing IFRS 7 – "Credit Risk Disclosures"
  - Amendments to IFRS 9 – "Transaction Price"
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: disclosure of information" – "Renewable Energy Agreements" (issued on December 18, 2024 and become effective in relation to the annual reporting periods beginning on or after January 01, 2026)
- Amendments to IFRS 19 "Subsidiaries without Public Accountability: disclosure of information" (issued on August 21, 2025 and become effective in relation to the annual reporting periods beginning on or after January 01, 2027).

No material effect on the Group's consolidated financial statements is expected.

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

- IFRS 18 "Presentation and Disclosure in Financial Statements" (issued on April 09, 2024 and become effective in relation to the annual reporting periods beginning on or after January 01, 2027). IFRS 18 replaces IFRS (IAS) 1.

(д) Changes to the presentation. Reclassification of comparative data

Certain amounts in the comparative information for the prior period have been reclassified to conform to the presentation procedure in the current reporting period. All reclassifications made are insignificant.

(e) Use of estimates and professional judgment

Preparation of consolidated financial statements in accordance with IFRS requires use of professional judgment and estimates of Management, which influence the way the provisions of the accounting policy are applied, and the amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Management's estimates and assumptions are continuously assessed continuously revises the estimates and assumptions made, considering historical experience and other factors used for accounting of carrying amounts of assets and liabilities. Changes in estimates and assumptions are recognized in the period, when they were made, if the change relates to such period only, or are recognized in the period, to which the change relates, and in subsequent periods, if the change impacts both this and future periods.

Professional judgments that have the most significant effect on the amounts recognized in the consolidated financial statements, estimates and assumptions that could necessitate a material adjustment to carrying amount of assets and liabilities over the next year include the following:

Impairment of property, plant and equipment, intangible assets and right-of-use assets

At each reporting date, Management of the Group determines whether there is any indication of impairment of property, plant and equipment and right-of-use assets. Impairment indicators include changes in business plans, tariffs, other factors leading to unfavorable consequences for the Group's operations. In making value-in-use calculations, the Group estimates the expected cash flows from the cash-generating units and calculates a discount rate to calculate the present value of those cash flows. A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The main criterion for determining the CGU is the indivisibility of the tariff and the impossibility of further detailed accounting and planning.

Determining the lease term for contracts with an extension option or an option to terminate the lease (Group as lessee)

The Group defines the lease term as the non-terminating lease period together with the periods for which an option to renew the lease is available if it is reasonably certain that it will be executed, or the periods for which there is an option to terminate the lease, if any sufficient confidence that it will not be executed.

In forming its judgment to assess whether the Group is reasonably certain to exercise an option to extend or an option to terminate a lease when determining the lease term, the Group considers the following factors:

- whether the leased facility is a special-purpose facility
- facility location
- the Group and the lessor have a practical ability to choose an alternative contracting party (a choice of alternative asset)
- costs associated with termination of the lease and conclusion of a new (replacement) agreement
- significant improvements to leased facilities.

Impairment of receivables

A reserve for expected credit losses on receivables is established based on Management’s assessment of the probability of repayment of specific debts of specific debtors. For assessing credit losses, the Group sequentially considers all reasonable and corroborated information about past events, current and foreseeable events, which is available without undue effort and is appropriate for the assessment of receivables. Past experience is adjusted on the basis of data currently available to reflect current conditions that did not affect past periods and to remove the effects of past conditions that no longer exist.

Liabilities under defined benefit plans, including non-state pension plans

Costs related to defined benefit plans and the relevant expenses under these plans are measured on the actuarial basis. Actuarial estimates rely on demographic and financial assumptions. As these plans are long-term ones, there is considerable uncertainty about such estimates.

Recognition of deferred tax assets

Management estimates deferred tax assets at each reporting date and determines the amount to reflect to the extent that tax deductions are probable. In determining future taxable profit and the amount of tax deductions, Management uses estimates and judgments based on the amount of taxable profit of previous years and expectations regarding deferred profit that are believed to be reasonable under the circumstances.

3 Significant accounting policy information

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

Amendments to existing standards that became effective in relation to the annual periods beginning on or after January 01, 2025, had no material effect on these consolidated financial statements of the Group.

(a) Principles of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls a subsidiary when the Group is exposed, or has rights, to variable income from its involvement with the investee and has the ability to use its power over the subsidiary to affect this income. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

ii. Business combinations

Business combinations are accounted by using the acquisition method as of the acquisition date, i. e. at the date when the Group obtains control of an entity.

The Group estimates goodwill at the acquisition date as follows:

- the fair value of the consideration transferred; plus
- the amount of any recognized non-controlling interest in the acquiree; plus
- the fair value of the existing equity interest in the acquiree, if the business combination was achieved in stages; minus
- the net amount of recognized amounts (usually fair value) of identifiable assets acquired, net of liabilities assumed.

If this difference is negative, profit from a profitable purchase transaction is recognized in profit or loss for the period.

Transaction costs incurred by the Group as a result of a business combination, other than those related to the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration is recognized at its fair value at the date of acquisition. Contingent consideration classified as equity shall not be remeasured, and its subsequent settlement shall be accounted for within equity. Otherwise, changes in the fair value of contingent consideration are recognized either in the statement of profit or loss for the period.

Acquisitions of a group of assets and liabilities that do not meet the definition of “business acquisitions” under IFRS (IFRS) 3 “Business Combinations” are recognized on the basis of the respective fair values of all identifiable assets and liabilities at the date of acquisition.

iii. Non-controlling interests

Non-controlling interests (NCI) represent the portion of equity (net assets) in a subsidiary not attributable, directly or indirectly, to the Company. NCIs are presented as a separate component of equity of the Group.

NCI is calculated individually for each transaction as of the acquisition date:

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

The following is recognized by the Group as an equity-related transaction and directly as part of the equity:

- the difference between the amount of consideration transferred for purchase of a NCI and its carrying amount
- the difference between the amount of consideration received for sale of a NCI and its carrying amount.

A share of non-controlling owners in the profit (loss) and total comprehensive income of a subsidiary for the reporting period is calculated on the basis of the profit (loss) for the period, the amount of other

comprehensive income and the share of non-controlling owners in the equity of a subsidiary. Total comprehensive income (including losses) is fully allocated between owners of the parent company and non-controlling interests, even if this results in the NCI having a deficit (negative) balance.

iv. Transactions excluded on consolidation

Intra-group balances and transactions, as well as any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized profit on equity accounted investees is eliminated by reducing the cost of the investment within the Group's interest in the respective investee. Unrealized losses are eliminated in the same manner as unrealized profit but only to the extent that they do not represent evidence of impairment.

(б) Foreign currency

Monetary assets and liabilities of the Group's companies denominated in foreign currencies as of reporting date are translated into rubles at the exchange rate effective as of reporting date. Transactions in foreign currencies are recorded at the rate prevailing at the transaction date. Profits and losses arising as a result of performing such calculations on these operations when translating monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

(в) Financial instruments

i. Financial assets

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

Financial assets are classified as measured at amortized cost when the following conditions are met: the asset is held within a business model the objective of which is to hold assets to collect the contractual cash flows, and the contractual terms are required to produce cash flows that are solely payments of principal and interest on the principal outstanding at specified dates.

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

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

Financial assets classified as assets measured at amortized cost require an allowance for expected credit losses (ECL).

Upon derecognition of financial assets measured at amortized cost and at fair value, changes of which are reflected through profit or loss, the Group reflects in its consolidated statement of profit or loss and other comprehensive income (through profit or loss) the financial effect of their disposal as the difference between the fair value of the consideration received and the carrying amount of an asset.

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

- not classified as measured at fair value, changes in which are recognized in profit or loss; and
- does not provide the Group with control, joint control or significant influence over the investee entity.

Upon derecognition of equity instruments of other companies, classified, at the Group's discretion, as instruments measured at fair value through other comprehensive income, previously recognized components of other comprehensive income are transferred from the reserve for changes in fair value to retained earnings.

The Group includes the following assets in the category of financial assets measured at fair value through profit or loss:

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

ii. Impairment of financial assets

Impairment provisions are measured based on either 12 months' ECLs, which are the result of possible defaults within 12 months after the reporting date, or lifetime ECLs, which are the result of all possible defaults over the expected life of the financial instrument.

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

Impairment provisions of other financial assets classified as measured at amortized cost are measured based on 12 months' ECLs, unless there has been a significant increase in credit risk since recognition. The estimated provision for expected credit losses for a financial instrument is assessed at each reporting date in an amount equal to expected credit losses for the entire period if the credit risk for this financial instrument has increased significantly since its initial recognition, taking into account all reasonable and confirmed information, including the predictive one.

As indicators of a significant increase in credit risk, the Group considers actual or anticipated difficulties of the issuer or debtor of the asset, actual or anticipated breach of contract terms, anticipated renegotiation of contract terms due to financial difficulties of the debtor on terms that are unfavorable to the Group and to which it would not have otherwise agreed.

Based on normal credit risk management practices, the Group defines default as the inability of a counterparty (issuer) to fulfill its obligations (including repayment of contractual cash flows) due to a significant deterioration in its financial position.

A credit loss for impairment of a financial asset is recognized through recognition of impairment reserve. In respect to a financial asset measured at amortized cost, the amount of the impairment loss is calculated as the difference between the carrying amount of the asset and the present value of expected future cash flows discounted at the original effective interest rate.

If, in subsequent periods, the credit risk for a financial asset decreases as a result of an event occurring after the loss was recognized, the previously recognized impairment loss is reversed by reducing the related reserve.

iii. Financial liabilities

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

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

- borrowed funds
- trade and other payables.

Borrowed funds (credits and loans) are initially recognized at fair value plus transaction costs that are directly related to raising these funds. Fair value is determined taking into account prevailing market interest rates for similar instruments if they differ materially from transaction prices. In subsequent periods, borrowings are stated at amortized cost using the effective interest method; any difference between the fair value of the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss as interest expense over the period of the borrowings.

Borrowing costs are expensed in the period in which they are incurred if they are not attributable to the acquisition or construction of qualifying assets. Borrowing costs attributable to the acquisition or construction of assets that necessarily take a substantial period of time to get ready for their intended use (qualifying assets) are capitalized as part of the asset cost. Capitalization occurs when the Group:

- incurs costs for qualifying assets
- incurs costs for borrowings, and
- conducts activities to prepare assets for use or sale.

Capitalization of borrowing costs continues up to the date when the assets are ready for their intended use or sale. The Group capitalizes borrowing costs that would have been avoided if the expenditure on the qualifying assets had not been made. Borrowing costs are capitalized on the basis of the Group's average funding cost (weighted average interest cost attributable to the expenditure incurred on the qualifying assets), except for borrowings received directly for the purpose of obtaining a qualifying asset. The actual costs incurred for special-purpose borrowings less any investment income earned on the temporary investment of such borrowings, are capitalized.

Accounts payable are accrued when the contracting party performs its obligations under the contract. Accounts payable are recognized at fair value and subsequently measured at amortized cost using the effective interest method.

(г) Property, plant and equipment

i. Recognition and evaluation

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. The historical cost of property, plant and equipment as of January 01, 2007 (i. e. the date of transition to IFRS), was determined on the basis of their fair value (deemed cost) as of that date.

The historical cost includes all costs that are directly attributable to the acquisition of the related asset. The historical cost of self-constructed assets includes the cost of materials, direct labor, all other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the assets and restoring the site on which they are located, and capitalized interest on borrowings. The cost of acquiring software that is inextricably linked to the functionality of the associated equipment is capitalized in the cost of that equipment.

If an item of property, plant and equipment consists of significant separate components that have different useful lives, each of them is accounted for as a separate item (significant component) of property, plant and equipment.

Any gain or loss from disposal of an item of property, plant and equipment is determined by comparing the proceeds from its disposal with its carrying amount and is recognized net in profit or loss under items “Other income” and “Other expenses”.

ii. Subsequent costs

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

iii. Depreciation

Each component of an item of property, plant and equipment is depreciated from the date it is available for use on a straight-line basis over its estimated useful life, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land is not depreciated.

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

- buildings 30–80 years
- power transmission networks 20–50 years
- power transmission equipment 3–30 years
- other assets 5–60 years.

iv. Impairment

At each reporting date, Management assesses whether there is any indication of impairment of property, plant and equipment.

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

For impairment testing, assets that cannot be tested individually are grouped together into the smallest identifiable group of assets that generates cash inflows from continuing use of the relevant assets that are largely independent of the cash inflows from other assets or groups of assets (the "cash-generating unit").

The Group's total (corporate) assets do not generate any independent cash flows, and they are utilized by more than one cash-generating unit. The cost of a corporate asset is allocated to units on a reasonable and consistent basis and is tested for impairment as part of the testing of the unit to which the corporate asset has been allocated.

Impairment losses are recognized in profit or loss. As of each reporting date the Group assesses whether there is any indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased.

Amounts written off as impairment losses are reversed if there has been a change in the estimates used to determine the relevant recoverable amount. An impairment loss reversal is limited to the amount that brings an asset back to its carrying amount (net of amortization/depreciation) that would have existed had no impairment been recognized.

(д) Intangible assets

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

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

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Amortization of intangible assets is charged on a straight-line basis over the estimated useful lives of the assets. At each reporting date, Management assesses whether there is any indication of impairment of intangible assets. If impaired, the carrying amount of intangible assets is written down to its recoverable amount, which is defined as the higher of fair value less costs of disposal and the value in use.

Goodwill ("negative goodwill") arises on the acquisition of subsidiaries, associates and joint ventures. For details regarding the valuation of goodwill at initial recognition, see Note 3 (a) (ii). Goodwill is recorded net of impairment losses. In respect of associates, the amount of any goodwill relating to the associate is included in the carrying amount of the relevant investment in the associate and, when impairment of such investments is recognized, this amount is not allocated to any asset forming the carrying amount of the investment in the associate, including goodwill.

(e) Lease

Upon concluding an agreement, the Group assesses whether the agreement as a whole or its individual components is a lease. An agreement is a lease, or contains a lease, if the agreement conveys the right to control the use of an identified asset for a period of time, in exchange for consideration.

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

A lease liability is initially measured at the present value of lease payments that have not yet been made at the commencement date of the lease. After the commencement date of the lease, the amount of lease liabilities is subsequently increased by the amount of interest expenses recognized on the lease liability and reduced by the lease payments made.

Besides, the carrying amount of lease liabilities is remeasured when the lease payment terms, or assessment of whether a purchase option or an option to renew or terminate the lease is reasonably certain to be exercised, are changed or modified. Lease liabilities are classified as a portion of long-term and short-term borrowings in the consolidated financial statements.

The Group recognizes lease payments under short-term leases as an expense using the straight-line method over the lease term.

In relation to an individual lease agreement, the Group may decide to qualify the agreement as the lease with a low-value underlying asset value, and recognize lease payments under that lease as an expense on a straight-line basis over the lease term.

For leases of land plots under electric grid facilities with an indefinite term or with a contract term of not more than 1 year with the possibility of annual extension, the Group determines the term of the agreement using the useful life of property, plant and equipment located on leased land plots as a basic criterion.

For leases of electric grid facilities with an indefinite period of time or with a contract term of not more than 1 year with the possibility of annual extension, the Group determines the term of the agreement using the useful life of its own property, plant and equipment with similar technical characteristics as a basic criterion.

(ж) Advances paid

Advances paid are classified as non-current assets if the advance relates to the acquisition of an asset that will be classified as non-current upon initial recognition. Advances for the acquisition of an asset are included in the carrying amount of this asset when the Group obtains control over the asset, and it is probable that the economic benefits associated with the asset will flow to the Group.

(з) Inventories

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

Net realizable value is the estimated (rated) selling price of an inventory item in the normal course of business of the Group, less the estimated costs of completing work on the item and selling it.

Inventories intended to support activities for prevention and elimination of accidents (emergency situations) at power grid facilities (industry emergency reserve) are reflected in the “Inventories” item.

(и) Cash and cash equivalents

Cash is defined as physical currency on hand, funds held in bank accounts, and cash in transit. Cash equivalents are highly liquid financial assets intended for settlement of liabilities related to the Group’s current operating activities, with original maturities of three months or less.

(к) Value-added tax

Value-added tax arising from the sale of products is subject to transfer to the state budget on the occurrence of any of the following events, whichever is earlier: (a) when payment is received from customers, or (b) when the goods or services are delivered to the customer. Input VAT is recoverable against output VAT upon receipt of the VAT invoice. Advances paid and other assets include (on a net basis) the amounts of VAT for advances received and advances paid, as well as VAT recoverable and VAT for received prepayments. Amounts of VAT payable to the budget are disclosed separately as part of short-term liabilities. When creating a reserve for expected credit losses on receivables, the entire amount of doubtful debts, including VAT, is reserved.

(л) Employee benefits

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate (independent) fund and will have no legal or constructive obligation to pay further contributions. Liabilities to pay contributions into funds used to implement defined contribution pension plans, including contributions into the Social Fund of Russia, are recognized as employee benefit expenses in profit or loss for the periods in which employees rendered the relevant services under their employment contracts. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

ii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan that is not a defined contribution plan. The liability recognized in the consolidated statement of financial position in respect of defined benefit pension plans represents the discounted amount of the liability at the reporting date.

The discount rate represents the rate of return at the end of the year on government bonds that have terms to maturity approximating the terms of the Group's obligations and that are denominated in the same currency as the benefits expected to be paid. These calculations are performed by a qualified actuary using the projected unit credit method of accumulating future benefits.

Revaluations of net defined benefit liability, including actuarial profits and losses, and the effect of applying the asset ceiling (excluding interest, if any) are recognized immediately in other comprehensive income. The Group determines the net interest expenses on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period to the net defined benefit liability at that date taking into account any changes in the net defined benefit liability for the period as a result of contributions and payments. Net interest and other expenses related to defined benefit plans are recognized in profit or loss. Actuarial gains or losses arising from changes in actuarial assumptions are recognized in other comprehensive income/expenditure.

When plan amendments or curtailments occur, the resulting past service costs or gain or loss from curtailment are immediately recognized in profit or loss. The Group recognizes profit or loss on settlements under the plan when the settlement occurs.

iii. Other long-term employee benefits

The Group liabilities in respect of long-term employee benefits other than payments under the defined benefit pension plan represent the amount of future benefits earned by employees in the current and prior periods. These future benefits are discounted to determine their present value. The discount rate represents the market yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and are denominated in the same currency in which the benefits are expected to be paid. Liabilities are measured using the projected unit credit method. Revaluations are recognized in profit or loss in the period in which they occur.

iv. Short-term benefits

In determining the amount of the liability with respect to short-term employee benefits, no discount is applied, and the related expenses are recognized as the employees fulfill their labor duties.

For amounts expected to be paid under a short-term bonus or profit-sharing plan, a liability is recognized if the Group has an existing legal or contingent liability to pay the corresponding amount that arose as a result of the employee’s past work, and the amount of this liability can be reliably estimated and there is a high probability of an outflow of economic benefits.

(м) Income tax

Income tax expense includes current income tax and deferred tax. Current and deferred income tax is recognized in profit or loss for the period, except for the part that relates to business combinations, transactions recognized in other comprehensive income or directly in equity.

Current income tax

Current income tax represents the amount of tax payable in respect of taxable profit for the year, calculated on the basis of tax rates that are effective or substantially enacted at the reporting date, as well as all adjustments to the amount of the obligation to pay income tax for previous years.

Deferred income tax

Deferred tax is recognized for temporary differences arising between the carrying amount of assets and liabilities measured for the purposes of their reflection in the consolidated financial statements and their tax base. Deferred tax is not recognized in respect of:

- taxable temporary differences arising upon the initial recognition of goodwill
- temporary differences arising upon the initial recognition of assets or liabilities as a result of a transaction that is not a business combination and that, at the time of its completion, does not affect either the accounting or the taxable profit or tax loss, and that does not result in equal taxable and deductible temporary differences.
- taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that the Group is able to control the timing of the reversal of such temporary differences, and it is probable that the reversal will not occur in the foreseeable future.
- deductible temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that it is not probable that the taxable profit will be available to utilize the relevant temporary differences, and/or that these temporary difference will reverse in the foreseeable future.

The measurement of deferred tax reflects tax consequences that would result from the manner in which the Group, at the end of this reporting period, anticipates recovering or settling the carrying amount of its assets and liabilities.

The amount of deferred tax is measured at the tax rates expected to be applicable in the future, at the time of restoration of temporary differences, based on tax laws enacted or substantively enacted by the end of the reporting period.

In determining the amount of current and deferred tax, the Group considers the impact of uncertainty in tax positions and whether additional taxes, penalties and interest may be assessed. The Group accrues tax based on an assessment of many factors, including interpretations of tax laws and prior experience. Such estimates are based on expectations and assumptions and may include a number of judgments about future events. When new information becomes available, the Group may reconsider its judgment regarding amounts of tax liabilities for previous periods; such changes in tax liabilities will affect the income tax expense of the period in which the judgment is made.

Deferred tax assets and liabilities are offset if there is a legal right to offset against each other the amounts of assets and liabilities for the current income tax, and they are related to income tax levied by the same tax authority on the same taxable enterprises, or from different taxable enterprises, but these enterprises intend to settle current tax liabilities and assets on a net basis, or the implementation of their tax assets will be carried out simultaneously but in paying their tax obligations.

A deferred tax asset is recognized for unused tax losses, tax credits, federal investment tax deduction and deductible temporary differences only to the extent that it is highly probable that taxable profit will be available against which the related deductible temporary differences can be realized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that the realization of the related tax benefits is no longer probable.

(н) Estimated liabilities

Estimated liabilities are recognized if, as a result of an event in the past, the Group has a legal or constructive obligation, the amount of which can be measured reliably, and it is highly probable that an outflow of economic benefits will be required to settle the obligation. The amount of the estimated liability is determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the effect of changes in the value of money over time and the risks specific to the liability. An increase of estimated liabilities over time is recognized as a finance cost.

(o) Equity

Authorized (shareholder) capital

Ordinary shares and non-redeemable preferred shares are classified as equity.

Treasury stock

If any company of the Group purchases the Company's shares (treasury stock), the amount paid, including any additional costs directly attributable to the acquisition (net of income tax), is deducted from equity attributable to the Company's shareholders until the shares are canceled, reissued or sold. Where such shares are subsequently reissued or sold, amounts received, net of directly attributable transaction costs and related tax charges, are included in equity attributable to the shareholders of the Company.

Reserves within equity

Reserves within equity include:

- revaluation reserve for financial assets
- revaluation reserve for the net defined benefit liability

Revaluation reserve for financial assets

The valuation techniques for financial assets at fair value through other comprehensive income and the derecognition of these financial assets are described in section (c) of this Note.

Revaluation reserve for the net defined benefit liability

Actuarial gains and losses recognized in the revaluation reserve for the net defined benefit liability are calculated by a qualified independent actuary in accordance with the requirements of IFRS (IAS) 19 — "Remunerations to employees" (see also section (l) of this Note).

Retained earnings. Dividends

Retained earnings (accumulated loss) represents the cumulative net income (loss) the Group generates since its inception, excluding amounts distributed to shareholders or used otherwise.

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

(п) Revenue from contracts with customers

The Group recognizes revenue when (or as soon as) the performance obligation is satisfied by transfer of the promised product or service (i.e. asset) to the customer. An asset is transferred when (or as soon as) the customer obtains control of such asset.

When (or as soon as) the performance obligation is satisfied, the Group recognizes revenue at the amount that the Group expects to receive in exchange for transferring the promised assets to the customer, excluding VAT.

Electric power transmission

Revenue from electricity transmission is recognized over the period (billing month) and is measured using the output method (value of electricity volumes transmitted).

Tariffs for electricity transmission services are approved by the executive bodies of the constituent entities of the Russian Federation in the field of state tariff regulation.

Electricity and capacity sales

Revenue from electricity sales is recognized over the period (billing month) and is measured using the output method (value of electricity volumes transferred).

Electricity on retail electricity and capacity markets is sold to consumers at regulated prices (tariffs) established by executive bodies of constituent entities of the Russian Federation in the area of state tariff regulation.

Services of technological connection to electric grids

Revenue from the provision of technological connection services to electric grids represents a fee for connecting consumers to electric grids. The Group transfers control over the service at a given time (when the customer is connected to the grid or, for certain categories of customers, when the Group enables the customer to connect to the grid) and therefore, fulfills the performance obligation at a given time.

The fee for technological connection under an individual project, standardized tariff rates, payment rates per unit of maximum capacity and payment formulas for technological connection are approved by the regional power commission (department of prices and tariffs of the relevant region) and do not depend on revenue from the provision of electricity transmission services. The fee for technological connection to the unified national (Russian) power grid is approved by the Federal Antimonopoly Service.

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

Construction services.

Revenue from construction services contracts is recognized over the period as the Group creates assets that are controlled by the customer in the process of their creation, have no alternative use to the Group and the Group has a legally enforceable right to receive payment for the part of the contract work performed to date.

Other revenue

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

Trade receivables

Accounts receivable represent the Group's unconditional right to repayment (i. e. when payment is due solely based on the passage of time).

Contractual obligations

A contractual obligation is an obligation to transfer to the customer goods or services for which the Group has received compensation (or for which compensation is payable) from the customer. If the customer pays the compensation before the Group transfers the goods or services to the customer, a contractual obligation is recognized when the payment is made or when the payment becomes due and payable (whichever is earlier). Contract liabilities are recognized as revenue when the Group fulfills its obligations under the contract. The Group recognizes liabilities under contracts with customers under "Advances received" item inclusive of value added tax (VAT).

Advances received primarily represent deferred income under technological connection contracts.

Advances received from buyers and customers are analyzed by the Group to identify whether a financial component is present. If there is a time interval of more than one year between receipt of advances from buyers and customers and handover of promised goods and services for reasons other than the provision of financing to a contracting party (under contracts for technological connection to power networks), the interest expense on the advances received is not recognized. Such advances are recorded at the fair value of assets received by the Group from customers as prepayments.

(p) Financial income and expenses

The financial income includes interest income on invested funds, dividend income, profit from disposal of financial assets measured at fair value and at amortized cost, the effect of discounting financial instruments. The interest income is recognized in profit or loss as it arises, and its amount is calculated using the effective interest method. The dividend income is recognized in profit or loss when the Group's right to receive the payment is established.

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

(c) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the entity will comply with the conditions attached to the grant and it will be received.

Government grants for acquisition of property, plant and equipment are included in long-term liabilities as deferred income and are recognized in profit or loss over the estimated useful life of the relevant assets matched with the depreciation of such assets.

In the consolidated statement of cash flows, grants related to acquisition of property, plant and equipment are recognized in of cash inflows from financing activities.

Government grants related to costs are recognized in profit or loss (as part of other income) over the periods necessary to match them with the related costs they are intended to compensate.

Government grants intended to compensate for expenses already incurred or to provide immediate financial support with no future related costs are recognized in profit or loss in the period they become receivable.

Government grants intended to compensate the Group's electricity tariffs (revenue shortfalls) are recognized in profit or loss (other comprehensive income) over the periods in which the related revenue is recognized.

(т) Social payments

When the Group’s contributions to social programs benefit the community as a whole and are not restricted to the Group’s employees, they are recognized in profit or loss as they are incurred. Non-obligatory social program expenditures of the Group, which create no future liabilities for the Group, are recognized directly as expenses in the consolidated statement of profit or loss and other comprehensive Income as they are incurred.

(y) Earnings per share

The Group presents basic and diluted earnings per share in respect of ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period.

4 Fair value evaluation

Certain provisions of the Group's accounting policy and some disclosures require evaluation of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the evaluation date. A fair value evaluation assumes that a transaction to sell an asset or transfer a liability takes place in the market that is principal to this asset or liability, or, in the absence of a principal market, in the market that is most advantageous to this asset or liability.

In estimating the fair value of an asset or a liability, the Group uses, as far as possible, observable market inputs. Fair value measurements relate to different levels of fair value hierarchy to prioritize the inputs used in the relevant valuation techniques:

Level 1: observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets

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

Level 3: inputs for assets and liabilities that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair value of an asset or a liability can be categorized into different levels of the fair value hierarchy, the fair value estimate as a whole is categorized in the level of the hierarchy to which the lowest level input, that is significant to the entire estimate, corresponds.

The Group discloses transfers between levels of the fair value hierarchy in the reporting period during which the change occurs.

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

5 Information by segments

The Management Board of Rosseti Volga, PJSC is the supreme decision-making body for operating activities.

The Group's principal activity is to provide electric power transmission and distribution services and technological connection to electric grids in a number of regions of the Russian Federation.

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

The Management Board of Rosseti Volga, PJSC assesses the performance, assets and liabilities of the operating segments based on internal management reports prepared on the basis of data formed in accordance with the Russian Accounting Standards.

Reconciliations between estimated figures presented to the Management Board and the corresponding figures reported in these consolidated financial statements involve necessary reclassifications and adjustments to comply with IFRS presentation requirements.

EBITDA, i.e. profit or loss before interest expense, taxation, depreciation, and net accrual/(reversal) of impairment of losses on property, plant and equipment and right-of-use assets, is used to report the performance of each reporting segment. This procedure for determining EBITDA may differ from that used by other companies. Management believes that EBITDA calculated in this manner is the most representative measure of the performance of the Group's operating segments.

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

- Republic of Mordovia, Chuvash Republic, Orenburg region, Penza region, Samara region, Saratov region, Ulyanovsk region – branches of Rosseti Volga, PJSC
- Other segments.

The "Other" segment comprises several operating segments, the main activities of which are road freight transport and transportation services, children's holiday camps, health resort activities, testing, research and analysis of complete mechanical and electrical systems, energy audits.

Undistributed indicators include general performance indicators of the Company's executive board that are not directly attributable to a specific operating segment under IFRS 8.

(a) Information on reporting segments

As of and for the year ended December 31, 2025:

	Saratov region	Orenburg region	Samara region	Penza region	Ulyanovsk region	Chuvash Republic	Republic of Mordovia	Other	Total
Revenue from external purchasers	24,071,511	22,887,238	42,348,460	12,328,330	12,368,593	7,326,067	7,699,307	224,026	**129,253,532**
Revenue from sales between segments	26,146	–	–	–	–	–	59	2,373,212	**2,399,417**
Segment revenue	**24,097,657**	**22,887,238**	**42,348,460**	**12,328,330**	**12,368,593**	**7,326,067**	**7,699,366**	**2,597,238**	**131,652,949**
Including:									
Electric power transmission	*23,000,091*	*21,734,296*	*41,183,082*	*11,493,953*	*12,054,276*	*6,933,897*	*7,246,819*	*156,784*	***123,803,198***
Technological connection to electric grids	*253,622*	*628,878*	*549,065*	*467,779*	*154,412*	*160,977*	*126,208*	*1,660*	***2,342,601***
Other revenue	*700,094*	*309,777*	*502,333*	*261,699*	*95,597*	*156,412*	*266,922*	*2,376,744*	***4,669,578***
Revenue from lease agreements	*143,850*	*214,287*	*113,980*	*104,899*	*64,308*	*74,781*	*59,417*	*62,050*	***837,572***
Cost of technological connection to electric grids	(71,883)	(103,821)	(142,927)	(57,221)	(31,044)	(26,853)	(38,240)	(3,819)	**(475,808)**
Financial income	210,609	159,441	325,105	97,422	75,241	67,689	61,195	33,799	**1,030,501**
Financial expenses	(15,259)	(281,956)	(32,017)	(269,605)	(4,600)	(276,378)	(98,659)	(21,763)	**(1,000,237)**
Depreciation	1,933,121	1,462,542	1,888,752	722,194	634,332	560,279	484,235	57,330	**7,742,785**
EBITDA	**4,193,298**	**4,083,584**	**8,595,719**	**2,235,235**	**1,971,367**	**859,542**	**1,300,333**	**225,063**	**23,464,141**
Segment assets	**24,489,095**	**19,888,060**	**28,910,613**	**10,012,944**	**7,195,099**	**8,475,872**	**6,461,774**	**2,248,185**	**107,681,642**
Including property, plant and equipment and assets under construction	*20,166,017*	*16,845,135*	*18,705,278*	*8,029,787*	*4,584,532*	*7,286,048*	*4,359,713*	*278,853*	***80,255,363***
Capital investments	4,744,520	3,445,627	5,118,677	1,898,025	1,229,772	1,731,477	880,064	241,546	**19,289,708**
Segment liabilities	**9,288,498**	**8,458,353**	**10,395,652**	**6,000,264**	**2,308,823**	**6,906,847**	**3,191,351**	**1,817,594**	**48,367,382**

As of and for the year ended December 31, 2024:

	Saratov region	Orenburg region	Samara region	Penza region	Ulyanovsk region	Chuvash Republic	Republic of Mordovia	Other	Total
Revenue from external purchasers	19,348,119	17,231,702	18,240,133	10,538,482	7,344,891	5,965,859	4,546,570	195,433	**83,411,189**
Revenue from sales between segments	30,050	–	–	–	–	–	56	2,228,843	**2,258,949**
Segment revenue	**19,378,169**	**17,231,702**	**18,240,133**	**10,538,482**	**7,344,891**	**5,965,859**	**4,546,626**	**2,424,276**	**85,670,138**
Including:									
Electric power transmission	*18,708,491*	*16,765,103*	*17,668,731*	*10,046,497*	*7,141,246*	*5,691,331*	*4,309,191*	*164,174*	***80,494,764***
Technological connection to electric grids	*247,642*	*176,133*	*239,561*	*248,511*	*86,541*	*144,307*	*115,153*	*414*	***1,258,262***
Other revenue	*311,948*	*139,645*	*264,027*	*156,435*	*63,265*	*71,200*	*80,115*	*2,208,329*	***3,294,964***
Revenue from lease agreements	*110,088*	*150,821*	*67,814*	*87,039*	*53,839*	*59,021*	*42,167*	*51,359*	***622,148***
Cost of technological connection to electric grids	(17,028)	(11,327)	(38,250)	(21,402)	(7,086)	(13,156)	(7,155)	(985)	**(116,389)**
Financial income	145,366	103,294	117,084	69,622	39,544	40,443	29,212	29,110	**573,675**
Financial expenses	(10,677)	(310,930)	(32,837)	(428,695)	(13,268)	(441,272)	(193,589)	(24,755)	**(1,456,023)**
Depreciation	1,750,280	1,428,511	1,773,099	686,727	533,324	524,319	457,629	46,986	**7,200,875**
EBITDA	**4,031,631**	**2,665,363**	**2,842,419**	**1,389,372**	**957,039**	**586,360**	**1,818,975**	**204,680**	**14,495,839**
Segment assets	**22,579,595**	**17,282,292**	**19,445,433**	**8,915,716**	**5,473,035**	**7,129,427**	**5,558,573**	**2,101,817**	**88,485,888**
Including property, plant and equipment and assets under construction	*17,392,370*	*14,993,397*	*15,663,870*	*6,942,302*	*4,011,370*	*6,170,537*	*4,016,814*	*360,072*	***69,550,732***
Capital investments	3,215,967	2,091,312	2,120,229	978,856	587,635	1,505,911	583,443	208,496	**11,291,849**
Segment liabilities	**7,821,936**	**7,439,718**	**5,502,517**	**6,454,129**	**1,660,876**	**5,487,172**	**2,637,129**	**1,721,209**	**38,724,686**

(б) Reconciliation of key performance indicators of the reporting segments presented to the Management Board of the Company with those in these consolidated financial statements

Reconciliation of revenue of the reporting segments:

	For the year ended December 31,	
	2025	**2024**
Revenue of the reporting segments	**131,652,949**	**85,670,138**
Excluding revenue from sales between segments	(2,399,417)	(2,258,949)
Revenue reported in the consolidated statement of profit or loss and other comprehensive income	**129,253,532**	**83,411,189**

Reconciliation of EBITDA of the reporting segments:

	For the year ended on December 31,	
	2025	**2024**
EBITDA of the reporting segments	**23,464,141**	**14,495,839**
Discounting of financial instruments	62,813	(225,767)
Adjustment on assets related to employee benefit liabilities	(48,294)	(28,851)
Recognition of pension and other long-term liabilities to employees	(33,743)	(378,352)
Reversal of revaluation of financial assets at fair value through other comprehensive income (transfer of revaluation to equity)	8	8
Adjustment of the cost of property, plant and equipment	(162,838)	(30,524)
Other adjustments	(103,762)	(104,679)
EBITDA	**23,178,325**	**13,727,674**
Depreciation of property, plant and equipment, amortization of right-of-use assets and intangible assets	(6,939,310)	(6,377,415)
Interest expenses from financial liabilities measured at amortized cost	(643,708)	(1,183,336)
Interest expenses for lease liabilities	(339,612)	(252,425)
Income tax expense	(3,929,241)	(2,284,851)
Profit over the period reported in the consolidated statement of profit or loss and other comprehensive income	**11,326,454**	**3,629,647**

Reconciliation of total assets of the reporting segments:

	December 31, 2025	December 31, 2024
Total segment assets	**107,681,642**	**88,485,888**
Settlements between segments	(1,637,672)	(1,391,664)
Intra-group financial assets	(101,529)	(101,529)
Adjustment of the cost of property, plant and equipment	(4,182,659)	(4,810,826)
Recognition of assets related to employee benefit liabilities	610,540	562,246
Adjustment of deferred tax assets	(1,742,934)	(1,412,388)
Discounting of receivables	(163,385)	(226,198)
Other adjustments	(54,491)	(234,690)
Total assets in the consolidated statement of financial position	**100,409,512**	**80,870,839**

Reconciliation of total liabilities of the reporting segments:

	December 31, 2025	December 31, 2024
Total segment liabilities	**48,367,382**	**38,724,686**
Settlements between segments	(1,635,135)	(1,390,858)
Adjustment of deferred tax liabilities	(2,775,303)	(2,596,283)
Recognition of pension and other long-term liabilities to employees	2,337,006	1,867,010
Estimated liabilities and other accruals	(422,031)	(441,134)
Discounting of payables	(507)	–
Other adjustments	(52,395)	(229,241)
Total liabilities in the consolidated statement of financial position	**45,819,017**	**35,934,180**

(в) Significant customer

For the year ended December 31, 2025, the Group had one contracting party, Samaraenergo, PJSC, with over 10% of the Group' overall revenue amounting to 18,480,155 thousand rubles, or 14% of the Group' total revenue. Revenue from this contracting party is reported in the following operating segment: Samara region.

For the year ended December 31, 2024, the Group had one contracting party, Samaraenergo, PJSC, with over 10% of the Group' overall revenue amounting to 10,269,756 thousand rubles, or 12% of the Group's total revenue. Revenue from this contracting party is reported in the following operating segment: Saratov region

6 Revenue

	For the year ended December 31,	
	2025	**2024**
Electric power transmission	123,646,414	80,330,590
Technological connection to electric grids	2,341,010	1,254,419
Other revenue	3,204,544	1,767,795
Revenue from contracts with customers	**129,191,968**	**83,352,804**
Revenue from lease agreements	61,564	58,385
	129,253,532	**83,411,189**

Other revenue consists primarily of technical maintenance, repair and maintenance services, diagnostics and testing, and construction services.

7 Other income

	For the year ended December 31,	
	2025	**2024**
Income from detected unrecorded electricity consumption	29,745	57,906
Income from fines, penalties and surcharges under economic contracts	220,013	321,874
Income from loss compensation due to disposal/liquidation of electric grid property	367,816	290,328
Insurance indemnity	233,275	(263,819)
Write-off of payables	931	5,241
Income/(expenditure) from disposal of fixed property, plant and equipment under sale (disposal) transactions	79,520	(107)
Other income	24,014	504,258
	955,314	**915,681**

8 Other expenses

	For the year ended December 31,	
	2025	**2024**
Loss from disposal of property, plant and equipment	58,021	6,178
	58,021	**6,178**

9 Operating costs

	For the year ended December 31,	
	2025	**2024**
Employee benefit expenses	24,081,516	20,634,304
Depreciation and amortization expenses, including:		
Depreciation of property, plant and equipment	6,316,440	5,884,483
Amortization of intangible assets	230,277	99,427
Amortization of right-of-use assets	392,593	393,505
Material expenses, including:		
Electric power for compensation of technological losses	11,974,653	10,454,220
Purchased electric and heat power for own needs	696,990	657,752
Other material expenses	3,620,968	2,728,083
Production works and services, including		
Electricity transmission services	61,251,307	31,103,142
Repair and technical maintenance services	484,004	396,557
Other production works and services	1,220,812	674,175
Taxes and fees, except for income tax	343,497	987,941
Lease	37,809	12,918
Insurance	101,141	67,964
Other third-party services, including:		
Communication services	267,751	234,057
Security	409,102	377,670
Consulting, legal and audit services	13,874	53,339
Software and support expenses	599,014	620,280
Transportation services	43,290	35,781
Other services	1,886,548	1,328,741
Accrual of estimated liabilities	53,225	45,402
Other expenses	486,304	619,863
	114,511,115	**77,409,604**

10 Employee benefit expenses

	For the year ended December 31,	
	2025	**2024**
Salary	17,840,750	14,946,339
Social security contributions	5,498,438	4,623,603
Expenses related to defined benefit plans	69,652	318,476
Expenses for other long-term employee benefits	9,636	11,656
Other	663,040	734,230
	24,081,516	**20,634,304**

During the year ended on December 31, 2025, contributions paid under defined contribution plans amounted to 27,110 thousand rubles (for the year ended December 31, 2024: 24,558 thousand rubles).

The amounts of remuneration to key management personnel are disclosed in the Note 33 “Related party transactions”.

11 Financial income and expenses

	For the year ended December 31,	
	2025	**2024**
Financial income		
Interest income on bank deposits and bank balances	1,018,714	547,884
Depreciation of discount on financial assets	64,489	29,589
Interest income on assets related to employee benefit liabilities	47,458	41,215
Other financial income	619	10,035
	1,131,280	**628,723**

	For the year ended December 31,	
	2025	**2024**
Financial expenses		
Finance expenses, including:		
Interest expenses from financial liabilities measured at amortized cost	(643,708)	(1,183,336)
Interest expenses for lease liabilities	(339,612)	(252,425)
Interest expense on long-term employee benefit liabilities	(259,030)	(232,576)
Effect of discounting financial assets at initial recognition	(1,676)	(913)
	(1,244,026)	**(1,669,250)**

12 Income tax

Increase in the income tax rate

On July 12, 2024, Federal Law No. 176-FZ “On Amendments to Parts One and Two of the Tax Code of the Russian Federation, Certain Legislative Acts of the Russian Federation and the Annulment of Certain

Provisions of Legislative Acts of the Russian Federation" was adopted, providing for an increase in the income tax rate from 20% to 25% as from January 01, 2025.

In 2024, an additional deferred tax expense was recognized in these consolidated financial statements following the enactment of the above law, requiring a revaluation of deferred tax assets and liabilities at new rates that will apply in the periods of recovery of such assets and liabilities after January 01, 2025, in the amount of 982,951 thousand rubles, including:

- income tax expense reported in profit or loss — 959,029 thousand rubles
- expense reported in other comprehensive income — 23,922 thousand rubles

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

- the current income tax rate for 2024 was 20%
- deferred income tax assets and liabilities as of December 31, 2023 were calculated at the rate of 20%.

	For the year ended December 31,	
	2025	**2024**
Current income tax		
Accrual of current tax	(3,236,908)	(1,102,540)
Adjustment of tax for prior periods	(19,515)	7,652
Total	**(3,256,423)**	**(1,094,888)**
Deferred income tax	**(672,818)**	**(1,189,963)**
Accrual of deferred tax at the applicable rate of the relevant year	(672,818)	(230,934)
Recognition of additional deferred tax expense due to an increase in the income tax rate	–	(959,029)
Total	**(672,818)**	**(1,189,963)**
Total income tax expense	**(3,929,241)**	**(2,284,851)**

Income tax recognized in other comprehensive income

	For the year ended December 31, 2025			For the year ended December 31, 2024			
	Before tax	**Income tax**	**Net of tax**	**Before tax**	**Income tax at the applicable rate for 2024**	**Effect of the increase in the income tax rate**	**Net of tax**
Changes in fair value of equity investments measured at fair value through other comprehensive income	(8)	2	(6)	(8)	2	–	(6)
Revaluation of defined benefit liabilities	(339,665)	59,701	(279,964)	456,044	(95,685)	(23,922)	336,437
	(339,673)	**59,703**	**(279,970)**	**456,036**	**(95,683)**	**(23,922)**	**336,431**

Profit before tax is reconciled to income tax expense as follows:

	For the year ended December 31,	
	2025	**2024**
Profit before tax	**15,255,695**	**5,914,498**
Theoretical amount of income tax expense at the rate of 25%/20%	**(3,813,924)**	**(1,182,900)**
Tax effect of items that are non-taxable or non-deductible for tax purposes	(164,402)	(150,574)
Prior period adjustments	(19,515)	7,652
Effect of the federal investment tax deduction, including:		
federal investment tax deduction over the reporting period	*68,600*	–
Recognition of additional deferred tax expense due to an increase in the income tax rate	–	(959,029)
	(3,929,241)	**(2,284,851)**

Since 2025, in accordance with Article 286.2 of the Tax Code of the Russian Federation, taxpayers may apply the federal investment tax deduction (FITD). The conditions and procedure for FITD application are defined in the Decree of the Government of the Russian Federation dated November 28, 2024 No. 1638 “On the parameters of application of the federal investment tax deduction”. The FITD mechanism allows to directly reduce the amount of income tax payable to the federal budget of the Russian Federation, by amount of investment expenses, gradually over several years.

13 Property, plant and equipment

	Land plots and buildings	Power transmission networks	Power transmission equipment	Other	Assets under construction	Total
Initial/deemed cost						
As of January 01, 2025	**12,021,500**	**49,163,511**	**49,288,834**	**22,623,956**	**4,272,826**	**137,370,627**
Reclassification between groups	178,254	(57,103)	59,803	(180,954)	–	**–**
Proceeds	497,416	175,200	105,595	2,128,773	15,044,685	**17,951,669**
Commissioning	726,585	4,039,245	5,526,374	2,492,619	(12,784,823)	**–**
Disposal	(18,076)	(41,844)	(29,599)	(243,246)	(174,148)	**(506,913)**
As of December 31, 2025	**13,405,679**	**53,279,009**	**54,951,007**	**26,821,148**	**6,358,540**	**154,815,383**
Accumulated depreciation						
As of January 01, 2025	**(5,963,981)**	**(25,918,474)**	**(26,732,034)**	**(15,815,458)**	**–**	**(74,429,947)**
Reclassification between groups	(102,477)	4,756	(17,073)	114,794	–	**–**
Accrued depreciation/amortization	(433,504)	(1,943,167)	(2,741,497)	(1,198,272)	–	**(6,316,440)**
Disposal	11,502	35,157	27,348	240,780	–	**314,787**
As of December 31, 2025	**(6,488,460)**	**(27,821,728)**	**(29,463,256)**	**(16,658,156)**	**–**	**(80,431,600)**
As of January 01, 2025	**6,057,519**	**23,245,037**	**22,556,800**	**6,808,498**	**4,272,826**	**62,940,680**
As of December 31, 2025	**6,917,219**	**25,457,281**	**25,487,751**	**10,162,992**	**6,358,540**	**74,383,783**

	Land plots and buildings	Power transmission networks	Power transmission equipment	Other	Assets under construction	Total
Initial/deemed cost						
As of January 01, 2024	**11,634,309**	**45,713,183**	**46,077,962**	**21,082,998**	**2,166,545**	**126,674,997**
Reclassification between groups	7,892	(63,512)	83,815	(28,195)	–	**–**
Proceeds	128,404	27,153	38,336	1,233,325	9,515,616	**10,942,834**
Commissioning	254,843	3,543,976	3,131,920	402,668	(7,333,407)	**–**
Disposal	(3,948)	(57,289)	(43,199)	(66,840)	(75,928)	**(247,204)**
As of December 31, 2024	**12,021,500**	**49,163,511**	**49,288,834**	**22,623,956**	**4,272,826**	**137,370,627**
Accumulated depreciation						
As of January 01, 2024	**(5,565,122)**	**(24,187,550)**	**(24,201,996)**	**(14,752,875)**	**–**	**(68,707,543)**
Reclassification between groups	2,939	28,207	(56,004)	24,858	–	**–**
Accrued depreciation/amortization	(405,746)	(1,814,903)	(2,512,737)	(1,151,097)	–	**(5,884,483)**
Disposal	3,948	55,772	38,703	63,656	–	**162,079**
As of December 31, 2024	**(5,963,981)**	**(25,918,474)**	**(26,732,034)**	**(15,815,458)**	**–**	**(74,429,947)**
As of January 01, 2024	**6,069,187**	**21,525,633**	**21,875,966**	**6,330,123**	**2,166,545**	**57,967,454**
As of December 31, 2024	**6,057,519**	**23,245,037**	**22,556,800**	**6,808,498**	**4,272,826**	**62,940,680**

As of December 31, 2025, assets under construction include advances for acquisition of property, plant and equipment in the amount of 145,008 thousand rubles (as of December 31, 2024: 963,920 thousand rubles), as well as materials for construction of property, plant and equipment in the amount of 860,377 thousand rubles (as of December 31, 2024: 533,636 thousand rubles).

For the year ended December 31, 2025, capitalized interest amounted to 586,218 thousand rubles (for the year ended December 31, 2024: 158,761 thousand rubles), capitalization rate was 20.61% (for the year ended December 31, 2024: 19.08%).

For the year ended December 31, 2025, depreciation charges in the amount of 26 thousand rubles were capitalized to the cost of capital construction facilities (including depreciation charges of right-of-use assets – 26 thousand rubles).

For the year ended December 31, 2024, depreciation charges in the amount of 48 thousand rubles were capitalized as the cost of capital construction facilities (including depreciation charges of right-of-use assets – 48 thousand rubles).

As of December 31, 2025, the initial value of fully depreciated property, plant and equipment amounted to 21,579,759 thousand rubles. (as of December 31, 2024: 21,855,230 thousand rubles).

As of December 31, 2025 and December 31, 2024, no items of property, plant and equipment were pledged as security for loans and borrowings.

Disclosure of impairment testing information

The Group considered the current economic conditions in the region where the Group operates as an indicator (sign) of possible impairment of property, plant and equipment.

The majority of the Group's items of property, plant and equipment are special-purpose items that are rarely sold in the open market unless they are sold as part of a going concern. In the Russian Federation, the market for such items of property, plant and equipment is sluggish and lacks sufficient examples of purchase and sale transactions to use the market approach for determining the fair value of these items of property, plant and equipment.

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

The recoverable value of specialized facilities was determined as the value in use using the method of projected cash flows. This method considers the future net cash flows expected to be generated by these items of property, plant and equipment in the course of operating activities and upon derecognition, to determine the recoverable amount of these assets.

The cash-generating units are defined by the Group based on the geographical location of the branches and represent the smallest identifiable group of assets that generate cash inflows regardless of other assets of the Group.

Future cash flows over the forecast period for tested CGUs of the Group were determined on the basis of the management' best estimates of electricity transmission volumes, operating expenses and capital investments, as well as tariffs approved by regulatory authorities, taking into account business plan indicators based on tariff models formed with due account of the average annual growth rate of the tariff for electricity transmission services in accordance with the Forecast of socio-economic development of the Russian Federation for 2026 and for the 2027–2028 planned period (September 26, 2025), in 2024 —for 2025 and for the 2026–2027 planned period (September 30, 2024).

The Group tested its property, plant and equipment for impairment as of December 31, 2025 in respect of the following cash-generating units:

- Mordovenergo
- Chuvashenergo
- Orenburgenergo
- Penzaenergo
- Samara Distribution Grids
- Saratov Distribution Grids
- Ulyanovsk Distribution Grids.

The following key assumptions were used in estimating the recoverable amount of assets of the cash-generating units:

Key assumption	**As of December 31, 2025**	**As of December 31, 2024**
Forecast period	Cash flow forecasts were made for the 2026–2030 period for all cash-generating units based on management's best estimates of electricity transmission volumes, operating and capital expenses, as well as tariffs approved by regulatory authorities for 2026	Cash flow forecasts were made for the 2025–2029 period for all cash-generating units based on management's best estimate of electricity transmission volumes, operating and capital expenses, as well as tariffs approved by regulatory authorities for 2025.
The post-forecast net cash flow growth rate	4%	4%
Forecast of electric power transmission tariffs	Based on the tariff calculation methodology adopted by the regulatory authorities	Based on the tariff calculation methodology adopted by the regulatory authorities
Sales volume forecast	In accordance with the approved business plan. Beyond business planning – fixed volume (at the level of the last year of the business planning period).	In accordance with the approved business plan. Beyond business planning – fixed volume (at the level of the last year of the business planning period).
Discount rate (Nominal discount rate determined for the test purpose on the basis of the weighted average capital cost)	13.17%	13.71%

According to impairment testing results, the recoverable amounts of non-current assets for tested cash-generating units as of December 31, 2025 were as follows:

- Mordovenergo: 16,842,575 thousand rubles
- Chuvashenergo: 19,104,430 thousand rubles
- Orenburgenergo: 101,822,262 thousand rubles
- Penzaenergo: 36,354,322 thousand rubles
- Samara Distribution Grids: 131,824,139 thousand rubles
- Saratov Distribution Grids: 27,685,105 thousand rubles
- Ulyanovsk Distribution Grids: 46,087,510 thousand rubles.

No impairment of property, plant and equipment was identified as a result of the testing as of December 31, 2025.

Disclosure of sensitivity of changes in the recoverable amount of assets to changes in the discount rate (system key assumption):

An increase in the discount rate by 1% does not result in impairment losses for any CGUs.

14 Intangible assets

	Software	**Capital investments**	**Other**	**Total**
Historical cost				
As of January 01, 2025	**602,786**	**81,742**	**125,618**	**810,146**
Proceeds	754,356	102,668	62,008	**919,032**
Disposal	(133,594)	–	(6,757)	**(140,351)**

	Software	Capital investments	Other	Total
As of December 31, 2025	**1,223,548**	**184,410**	**180,869**	**1,588,827**
Accumulated depreciation				
As of January 01, 2025	**(232,207)**	**–**	**(60,795)**	**(293,002)**
Accrued depreciation/amortization	(213,615)	–	(16,662)	**(230,277)**
Disposal	133,594	–	6,757	**140,351**
As of December 31, 2025	**(312,228)**	**–**	**(70,700)**	**(382,928)**
As of January 01, 2025	**370,579**	**81,742**	**64,823**	**517,144**
As of December 31, 2025	**911,320**	**184,410**	**110,169**	**1,205,899**

	Software	Capital investments	Other	Total
Historical cost				
As of January 01, 2024	**542,798**	**76,875**	**107,893**	**727,566**
Reclassification between groups	(269)	(37,627)	37,896	**–**
Proceeds	185,450	65,125	–	**250,575**
Disposal	(125,193)	(22,631)	(20,171)	**(167,995)**
As of December 31, 2024	**602,786**	**81,742**	**125,618**	**810,146**
Accumulated depreciation				
As of January 01, 2024	**(246,427)**	**–**	**(74,535)**	**(320,962)**
Accrued depreciation/amortization	(92,996)	–	(6,431)	**(99,427)**
Disposal	107,216	–	20,171	**127,387**
As of December 31, 2024	**(232,207)**	**–**	**(60,795)**	**(293,002)**
As of January 01, 2024	**296,371**	**76,875**	**33,358**	**406,604**
As of December 31, 2024	**370,579**	**81,742**	**64,823**	**517,144**

For the year ended December 31, 2025, capitalized interest amounted to 23,631 thousand rubles (for the year ended December 31, 2024: 12,310 thousand rubles), capitalization rate — 20.61% (for the year ended December 31, 2024: 19.08%).

15 Right-of-use assets

	Land and buildings	Power transmission networks	Power transmission equipment	Other	Total
Historical cost					
As of January 01, 2025	**1,060,715**	**1,231,036**	**723,624**	**89,447**	**3,104,822**
Reclassification between groups	–	–	12,228	(12,228)	**–**
Proceeds	50,687	11,162	74,903	22,425	**159,177**
Change in terms of lease agreements	27,394	191,562	7,422	5,233	**231,611**
Retirement or termination of lease agreements	(20,591)	(32,574)	(80,724)	(10,453)	**(144,342)**
As of December 31, 2025	**1,118,205**	**1,401,186**	**737,453**	**94,424**	**3,351,268**
Accumulated depreciation					
As of January 01, 2025	**(466,735)**	**(503,944)**	**(345,524)**	**(32,936)**	**(1,349,139)**
Reclassification between groups	–	–	(2,675)	2,675	**–**
Accrued depreciation/amortization	(131,578)	(155,309)	(93,021)	(12,711)	**(392,619)**
Change in terms of lease agreements	4	351	–	–	**355**
Derecognition or termination of lease agreements	8,969	20,417	19,976	8,268	**57,630**
As of December 31, 2025	**(589,340)**	**(638,485)**	**(421,244)**	**(34,704)**	**(1,683,773)**
As of January 01, 2025	**593,980**	**727,092**	**378,100**	**56,511**	**1,755,683**
As of December 31, 2025	**528,865**	**762,701**	**316,209**	**59,720**	**1,667,495**

	Land and buildings	Power transmission networks	Power transmission equipment	Other	Total
Historical cost					
As of January 01, 2024	**1,094,650**	**1,157,566**	**677,016**	**82,515**	**3,011,747**
Reclassification between groups	–	318	–	(318)	–
Proceeds	49,960	12,679	10,046	12,519	**85,204**
Change in terms of lease agreements	(69,745)	112,222	36,562	879	**79,918**
Derecognition or termination of lease agreements	(14,150)	(51,749)	–	(6,148)	**(72,047)**
As of December 31, 2024	**1,060,715**	**1,231,036**	**723,624**	**89,447**	**3,104,822**
Accumulated depreciation					
As of January 01, 2024	**(343,497)**	**(375,549)**	**(257,908)**	**(21,833)**	**(998,787)**
Reclassification between groups	–	(157)	–	157	**–**
Accrued depreciation/amortization	(125,720)	(164,648)	(87,616)	(15,569)	**(393,553)**
Change in terms of lease agreements	7	–	–	–	**7**
Derecognition or termination of lease agreements	2,475	36,410	–	4,309	**43,194**
As of December 31, 2024	**(466,735)**	**(503,944)**	**(345,524)**	**(32,936)**	**(1,349,139)**
As of January 01, 2024	**751,153**	**782,017**	**419,108**	**60,682**	**2,012,960**
As of December 31, 2024	**593,980**	**727,092**	**378,100**	**56,511**	**1,755,683**

For the impairment test purposes, right-of-use assets (including leased land plots for own and leased facilities) are classified as CGU assets similarly to own non-current assets, based on geographical locations of the branches.

As of December 31, 2025, the value of using such right-of-use assets was measured using the discounted cash flow method. Details of such conducted impairment test are disclosed in Note 13 “Property, plant and equipment”.

16 Deferred tax assets and liabilities

Differences between IFRS and Russian tax laws result in temporary differences between the carrying amount of certain assets and liabilities for the purposes of the consolidated financial statements, on the one hand, and for income tax purposes, on the other hand.

As of December 31, 2024, deferred tax assets and liabilities, unrecognized deferred tax liabilities and unrecognized deferred assets were measured with consideration to the increase in the income tax rate from 20% to 25% starting from January 01, 2025 (Note 12).

(а) Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities relate to the following items:

	Assets		Liabilities		Net	
	December 31, 2025	**December 31, 2024**	**December 31, 2025**	**December 31, 2024**	**December 31, 2025**	**December 31, 2024**
Property, plant and equipment	–	–	(6,544,588)	(5,605,723)	**(6,544,588)**	**(5,605,723)**
Intangible assets	–	–	(48,984)	(30,328)	**(48,984)**	**(30,328)**
Right-of-use assets	–	–	(416,874)	(438,921)	**(416,874)**	**(438,921)**
Financial assets at fair value through other comprehensive income	7	1	–	–	**7**	**1**
Inventories	90,984	65,980	–	–	**90,984**	**65,980**
Trade and other receivables	123,283	60,640	–	–	**123,283**	**60,640**
Advances paid and other assets	–	534	–	–	**–**	**534**
Lease liabilities	449,420	451,229	–	–	**449,420**	**451,229**
Estimated liabilities	21,194	25,507	–	–	**21,194**	**25,507**
Employee benefit liabilities	101,814	47,789	–	–	**101,814**	**47,789**
Trade and other payables	649,146	471,172	–	–	**649,146**	**471,172**
Assets held-for-sale	4,326	–	–	–	**4,326**	**–**
Other	42,411	37,374	–	–	**42,411**	**37,374**
Tax assets/(liabilities)	**1,482,585**	**1,160,226**	**(7,010,446)**	**(6,074,972)**	**(5,527,861)**	**(4,914,746)**
Tax credit	(1,482,585)	(1,160,226)	1,482,585	1,160,226	**–**	**–**
Net tax assets/(liabilities)	**–**	**–**	**(5,527,861)**	**(4,914,746)**	**(5,527,861)**	**(4,914,746)**

(б) Unrecognized deferred tax liabilities

As of December 31, 2025, no deferred tax liability due to temporary difference in respect of investments in subsidiaries was recognized, as the Group is able to control the timing of the reversal of this temporary difference, and it is probable that the reversal will not occur in the foreseeable future. Such temporary difference amounts to 84,562 thousand rubles. (as of December 31, 2024: 72,036 thousand rubles).

(в) Movement of deferred tax assets and liabilities during the year

	January 01, 2025	Recognized in profit or loss	Recognized in other comprehensive income	December 31, 2025
Property, plant and equipment	(5,605,723)	(938,865)	–	(6,544,588)
Intangible assets	(30,328)	(18,656)	–	(48,984)
Right-of-use assets	(438,921)	22,047	–	(416,874)
Financial assets at fair value through other comprehensive income	1	4	2	7
Inventories	65,980	25,004	–	90,984
Trade and other receivables	60,640	62,643	–	123,283
Advances paid and other assets	534	(534)	–	–
Lease liabilities	451,229	(1,809)	–	449,420
Estimated liabilities	25,507	(4,313)	–	21,194
Employee benefit liabilities	47,789	(5,676)	59,701	101,814
Trade and other payables	471,172	177,974	–	649,146
Assets held-for-sale	–	4,326	–	4,326
Other	37,374	5,037	–	42,411
	(4,914,746)	**(672,818)**	**59,703**	**(5,527,861)**

	January 01, 2024	Recognized in profit or loss	Recognized in other comprehensive income	Effect of the increase in the income tax rate (Note 12)	December 31, 2024
Property, plant and equipment	(4,069,019)	(415,559)	–	(1,121,145)	(5,605,723)
Intangible assets	(22,047)	(2,215)	–	(6,066)	(30,328)
Right-of-use assets	(402,592)	51,455	–	(87,784)	(438,921)
Financial assets at fair value through other comprehensive income	(1)	–	2	–	1
Inventories	44,674	8,110	–	13,196	65,980
Trade and other receivables	39,557	8,955	–	12,128	60,640
Advances paid and other assets	540	(113)	–	107	534
Lease liabilities	406,311	(45,328)	–	90,246	451,229
Estimated liabilities	17,782	2,624	–	5,101	25,507
Employee benefit liabilities	59,312	74,605	(95,685)	9,557	47,789
Trade and other payables	259,733	117,204	–	94,235	471,172
Advances received	36,608	(36,608)	–	–	–
Other	23,964	5,936	–	7,474	37,374
	(3,605,178)	**(230,934)**	**(95,683)**	**(982,951)**	**(4,914,746)**

17 Inventories

	December 31, 2025	December 31, 2024
Raw materials and materials	2,335,978	2,064,961
Other inventories	18,727	114,180
	2,354,705	**2,179,141**

As of December 31, 2025 and December 31, 2024, the Group had no inventories that were pledged under loan or other agreements.

18 Trade and other receivables

	December 31, 2025	December 31, 2024
Trade and other long-term receivables		
Trade receivables	6,433	4,218
Other receivables	364,206	410,258
	370,639	**414,476**
Trade and other short-term receivables		
Trade receivables	11,106,889	6,242,997
Reserve for expected credit losses on trade receivables	(285,183)	(246,339)
Other receivables	713,631	486,464
Reserve for expected credit losses on other receivables	(367,137)	(157,128)
	11,168,200	**6,325,994**

Other long-term receivables include the amount of recovery of damages from the budget of the Republic of Mordovia with phased repayment until 2029 based on the settlement agreement containing a provision on debt restructuring.

The fair value of the recovery of these receivables at the date of initial recognition was determined using the discounted estimated future cash flow method by applying an annual interest rate of 13.51–18.15%.

Information on the Group' exposure to credit and currency risk, impairment of trade and other receivables, and fair value is disclosed in Note 30 "Financial risks and equity management".

19 Advances paid and other assets

	December 31, 2025	December 31, 2024
Non-current		
Advances paid	3,182	9,735
VAT on advances received	948,779	948,141
	951,961	**957,876**
Current		
Advances paid	690,861	221,547
Reserve for impairment of advances paid	(16,198)	(18,329)
VAT recoverable	311	39,431
VAT on advances received and VAT on advances paid for acquisition of property, plant and equipment	560,427	126,124
Prepayment of taxes, except for income tax	18,694	3,712
	1,254,095	**372,485**

20 Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on bank accounts and on hand	1,119,140	1,971,829
Cash equivalents	5,214,700	2,841,300
	6,333,840	**4,813,129**

As of December 31, 2025 and December 31, 2024, all balances of cash and cash equivalents are denominated in rubles.

Cash equivalents, as of December 31, 2025 and December 31, 2024, generally include short-term bank deposit investments. As of December 31, 2025, the deposits are placed at interest rates ranging from 14.4% to 16.15% per annum (as of December 31, 2024: ranging from 19.5% to 24.9% per annum).

As of December 31, 2025, special-purpose funds on accounts of the Federal Treasury Directorate intended for performance of contracts with buyers amounted to 782,139 thousand rubles (as of December 31, 2024: 1,618,583 thousand rubles).

21 Equity

(a) Authorized capital

	Ordinary shares	
	December 31, 2025	December 31, 2024
Nominal value of each share, rubles	0.1	0.1
In circulation as of January 01, pcs.	188,307,958,733	188,307,958,733
In circulation at the end of the year and fully paid, pcs.	188,307,958,733	188,307,958,733

(б) Ordinary shares

Holders of ordinary shares have the right to vote on decisions taken at the General Meetings of Shareholders of the Company, to receive dividends in accordance with the procedure established by laws of the Russian Federation and the Company's Articles of Association, as well as other rights as set forth in the Articles of Association and the applicable laws of the Russian Federation.

(в) Dividends

The source of dividend payment is the net profit of Rosseti Volga, PJSC determined in accordance with the requirements established by the applicable laws of the Russian Federation.

At the annual meeting of shareholders held on June 25, 2025, dividends for 2024 were declared in the amount of RUB 0.0074 per ordinary share in cash. The amount of dividends totaled 1,393,479 thousand rubles.

For the year ended December 31, 2025, the Company paid dividends in the amount of 1,389,716 thousand rubles.

At the annual meeting of shareholders held on June 20, 2024, dividends for 2023 were declared in the amount of RUB 0.0062 per ordinary share in cash. The total amount of dividends was 1,167,510 thousand rubles.

For the year ended December 31, 2024, dividends paid amounted to 1,157,221 thousand rubles.

22 Earnings per share

The calculation of earnings per share for the year ended December 31, 2025 and December 31, 2024 is based on earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding. The Company has no dilutive financial instruments.

In thousands of shares	**2025**	**2024**
Ordinary shares as of January 01	**188,307,959**	**188,307,959**
Weighted average number of shares for the period ended on December 31	**188,307,959**	**188,307,959**

	For the year ended on December 31,	
	2025	**2024**
Weighted average number of shares outstanding for the period (in thousands of shares)	188,307,959	188,307,959
Profit for the period attributable to owners of the Company	11,326,454	3,629,647
Profit per share — basic and diluted (in Russian rubles)	**0.0601**	**0.0193**

23 Borrowed funds

	December 31, 2025	December 31, 2024
Long-term liabilities		
Unsecured credits	3,990,000	4,090,000
Unsecured bonded loans	2,500,000	–
Lease liabilities	1,552,593	1,617,922
	8,042,593	**5,707,922**
Short-term liabilities		
Unsecured credits and loans	12,134	2,879,610
Lease liabilities	334,827	280,906
	346,961	**3,160,516**
Including:		
Debt on interest due on credits	2,374	89,610
Interest payable on bonded loans	9,760	–
	12,134	**89,610**

As of December 31, 2025 and December 31, 2024, long-term and short-term liabilities under credits and bonded loans amounted to 6,502,134 thousand rubles and 6,969,610 thousand rubles respectively (excluding long-term and short-term lease liabilities).

As of December 31, 2025 and December 31, 2024, all credit and loan balances are denominated in rubles.

	Maturity	Effective interest rate		Carrying amount	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Unsecured credits and loans					
Unsecured credits*	2026-2027	17.4%	–	3,992,374	–
Unsecured credits*	2025	–	KR of RF CB**+1.4	–	2,842,934
Unsecured credits*	2025-2026	–	KR of RF CB**+1.495	–	2,420,411
Unsecured credits	2025-2026	–	KR of RF CB**+1.48	–	1,706,265
				3,992,374	**6,969,610**
Unsecured bonded loans					
Unsecured bonded loans	2026-2028	KR of RF CB**+1.5%	–	2,509,760	–
				2,509,760	**–**
Lease liabilities	2026-2074	7.11–22.93%	5.85–22.93%	1,887,420	1,898,828
Total liabilities				**8,389,554**	**8,868,438**

The Group does not use hedging instruments to manage its interest rate risk.

Information on the Group's exposure to interest rate risk is disclosed in Note 30 "Financial risks and equity management".

* Credits received from government-related entities

** Key rate of the Central Bank of the Russian Federation

24 Changes in liabilities arising from financing activities

	Borrowed funds		Interests payable on borrowed funds (except for % under lease agreements)	Lease liabilities	Dividends payable
	Long-term	Short-term			
As of January 01, 2025	**4,090,000**	**2,790,000**	**89,610**	**1,898,828**	**19,052**
Changes in cash flows from financing activities					
Raising of loans	6,514,625	–	–	–	–
Repayment of loans	(50,000)	(6,855,000)	–	–	–
Lease payments	–	–	–	(310,261)	–
Interest paid (operating activities, reference)	–	–	(1,331,033)	(339,612)	–
Dividends paid	–	–	–	–	(1,389,716)
Total	**6,464,625**	**(6,855,000)**	**(1,331,033)**	**(649,873)**	**(1,389,716)**
Non-monetary changes					
Reclassification	(4,065,000)	4,065,000	–	**–**	**–**
Capitalized interest	–	–	609,849	–	–
Interest expense	–	–	643,708	339,612	–
Proceeds from lease agreements	–	–	–	159,177	–
Dividends accrued	–	–	–	–	1,393,479
Other changes, net	375	–	–	139,676	479
Total	**(4,064,625)**	**4,065,000**	**1,253,557**	**638,465**	**1,393,958**
As of December 31, 2025	**6,490,000**	**–**	**12,134**	**1,887,420**	**23,294**

	Borrowed funds		Interests payable on borrowed funds (except for % under lease agreements)	Lease liabilities	Dividends payable
	Long-term	Short-term			
As of January 01, 2024	**5,610,000**	**–**	**31,033**	**2,092,810**	**7,712**

	Borrowed funds		Interests payable on borrowed funds (except for % under lease agreements)	Lease liabilities	Dividends payable
	Long-term	Short-term			
Changes in cash flows from financing activities					
Raising of loans	4,890,000	–	–	–	–
Repayment of loans	(3,620,000)	–	–	–	–
Lease payments	–	–	–	(320,757)	–
Interest paid (operating activities, reference)	–	–	(1,295,830)	(252,425)	–
Dividends paid	–	–	–	–	(1,157,221)
Total	**1,270,000**	**–**	**(1,295,830)**	**(573,182)**	**(1,157,221)**
Non-monetary changes					
Reclassification	(2,790,000)	2,790,000	**–**	**–**	**–**
Capitalized interest	–	–	171,071	–	–
Interest expense	–	–	1,183,336	252,425	–
Proceeds from lease agreements	–	–	–	85,204	–
Dividends accrued	–	–	–	–	1,167,510
Other changes, net	–	–	–	41,571	1,051
Total	**(2,790,000)**	**2,790,000**	**1,354,407**	**379,200**	**1,168,561**
As of December 31, 2024	**4,090,000**	**2,790,000**	**89,610**	**1,898,828**	**19,052**

25 Employee benefits

The Group has obligations to pay post-employment benefits, including non-state pensions, and other long-term liabilities under defined benefit plans that apply to employees and retirees. Liabilities under defined benefit plans consist of several unsecured plans including one-time payments upon retirement, non-state pensions payable over a specified period, financial support for retirees registered with the Group, and payments to relatives of deceased employees.

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

	December 31, 2025	December 31, 2024
Net liabilities under post-employment benefit plans	2,215,735	1,753,587
Net liabilities under other long-term employee benefit plans	121,271	113,423
Total net value of liabilities	**2,337,006**	**1,867,010**

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

	2025	2024
Value of assets as of January 1	**562,246**	**533,395**
Return on plan assets	47,458	41,215
Employer contributions	113,925	110,292
Other account activity	1,276	3,280
Payment of remunerations	(114,365)	(125,936)
Asset value as of December 31	**610,540**	**562,246**

Assets related to defined benefit pension plans are administered by non-state pension funds: JSC NPF VTB Pension Fund, NPF Professionalny (JSC).

These assets are not assets of defined benefit pension plans because, under the current arrangements with the funds, the Group is able to use contributions paid under defined benefit pension plans to finance its defined contribution pension plans or transfer to another fund upon its own initiative.

Changes in the present value of defined benefit liabilities:

	2025		2024	
	Post-employment benefits	**Other long-term benefits**	**Post-employment benefits**	**Other long-term benefits**
Defined benefit liabilities as of January 1	**1,753,587**	**113,423**	**1,751,550**	**135,450**
Cost of current services	69,652	9,636	78,476	11,656
Past service costs and curtailments	–	–	240,000	–
Interest expense on liabilities	244,880	14,150	218,810	13,766
Revaluation effect:				
– Loss/ (profit) from changes in financial actuarial assumptions	125,573	5,117	(463,235)	(20,635)
– Loss/ (profit) from experience adjustment	214,092	483	7,191	(8,029)
Contributions to the plan	(192,049)	(21,538)	(79,205)	(18,785)
Defined benefit liabilities as of December 31	**2,215,735**	**121,271**	**1,753,587**	**113,423**

Expenses recognized in profit or loss for the period:

	For the year ended December 31,	
	2025	**2024**
Cost of employee services	79,288	330,132
Revaluation of other long-term employee benefits	5,600	(28,664)
Interest expense	259,030	232,576
Total expenses recognized in profit or loss	**343,918**	**534,044**

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

	For the year ended December 31,	
	2025	**2024**
– Loss/(profit) from changes in financial actuarial assumptions	125,573	(463,235)
Loss from experience adjustments	214,092	7,191
Total Loss/(profit) recognized in other comprehensive income	**339,665**	**(456,044)**

Change in accumulated revaluation in other comprehensive income over the reporting period:

	2025	**2024**
Accumulated revaluation as of January 01	**789,748**	**1,245,792**
Revaluation over the period	339,665	(456,044)
Accumulated revaluation as of December 31	**1,129,413**	**789,748**

Key actuarial assumptions:

	December 31, 2025	**December 31, 2024**
Financial assumptions		
Discount rate	14.2%	15.4%
Future salary increases	6.1%	6.3%

	December 31, 2025	December 31, 2024
Inflation rate	5.6%	5.8%
Demographic assumptions		
Expected retirement age		
– Male	65	65
– Female	60	60
Average level of staff turnover	7.1%	7.1%

The sensitivity of the total pension liability to changes in the key actuarial assumptions is summarized below:

	Changes in assumptions	Effect on liabilities
Discount rate	Growth of 0.5%	-2.9%
Future salary growth	Growth of 0.5%	1.3%
Future benefit increases (inflation)	Growth of 0.5%	2.1%
Staff turnover rate	Growth of 10%	-1.3%
Mortality rate	Growth of 10%	-1.0%

The amount of expected payments under long-term employee benefit plans for 2025 totals to 410,401 thousand rubles, including:

- under defined benefit plans, including non-state pension provision for employees – 396,410 thousand rubles
- under other plans of long-term employee benefits – 13,991 thousand rubles.

Risks associated with pension and other long-term employee benefit plans reflect the fact that actual development may differ from the long-term assumptions used to measure the liabilities. The Group's plans are subject to mortality and longevity risks, risks of diminishing returns on investments, with no significant concentration of risks.

As of December 31, 2025, the weighted average duration of the defined benefit obligation is seven years (as of December 31, 2024 — seven years).

26 Trade and other payables

	December 31, 2025	December 31, 2024
Long-term debt		
Trade payables	3,615	–
Other payables	402,234	472,414
Total	**405,849**	**472,414**
Short-term debt		
Trade payables	14,366,421	8,644,344
Other payables and accrued expenses	802,491	565,935
Payroll debts	3,014,665	2,267,455
Dividends payable	23,294	19,052
Total	**18,206,871**	**11,496,786**
	18,612,720	**11,969,200**

Other long-term payables include the amount of cash consideration under agreements for reimbursement of expenses to the Group in the total amount of 379,748 thousand rubles as of December 31, 2025 (as of December 31, 2024: 439,055 thousand rubles).

The fair value of the recovery of these accounts payable at the date of initial recognition was measured using the discounted estimated future cash flow method by applying an annual interest rate of 14.04%.

Information about the Group's exposure to liquidity risk related to financial liabilities recognized in trade and other accounts payable is disclosed in Note 30 "Financial risks and equity management".

27 Tax payables, except for income tax

	December 31, 2025	December 31, 2024
VAT	870,804	840,365
Property tax	56,953	228,191
Social security contributions	571,703	420,256
Other taxes payable	174,036	127,977
	1,673,496	**1,616,789**

28 Advances received

	December 31, 2025	December 31, 2024
Long-term		
Advances for services for technological connection to electric grids	5,694,701	5,690,545
Other advances received	29	–
	5,694,730	**5,690,545**
Short-term		
Advances for services for technological connection to electric grids	3,102,250	533,853
Other advances received	353,183	363,613
	3,455,433	**897,466**

29 Estimated liabilities

	2025	2024
Balance as of January 01	**104,466**	**91,079**
Accrual (increase) for the period	95,472	79,847
Recovery (decrease) for the period	(41,819)	(34,025)
Use of estimated liabilities	(66,498)	(32,435)
Balance as of December 31	**91,621**	**104,466**

Estimated liabilities mainly relate to legal actions and claims brought against the Group in the ordinary course of business.

30 Financial risks and equity management

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

This note presents information about the Group's exposure to each of the above risks and discusses the Group's objectives, policies and processes for measuring and managing risk, and information on equity management.

The Group’s risk management policy aims to minimize or eliminate possible negative impacts of risks on the Group’s financial performance.

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

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or contracting party to a financial instrument fails to meet its contractual obligations in full and on time. Credit risk arises principally from the Group's receivables, bank deposits, cash and cash equivalents.

Deposits with original maturities of more than three months, cash and cash equivalents are placed with financial institutions that have minimal risk of default and are considered reliable counterparties with stable financial position in the financial market of the Russian Federation. Concentration risk is managed by placing cash in banks with minimal risk of default. Information on balances of deposits with original maturity of more than three months, balances of cash and cash equivalents placed with banks related to the Company's major shareholder is disclosed in Note “Related party transactions”.

Given the structure of the Group’s debtors, the Group’s exposure to credit risk mostly depends on specific characteristics of each contracting party. In determining the required allowance for expected credit losses on trade and other receivables, the Group assesses debtor creditworthiness, debt repayment history, changes in payment terms, and the availability of collateral from third parties or bank guarantees, alongside the broader economic environment.

The carrying amount of receivables, net of reserve for expected credit losses, represents the maximum amount exposed to credit risk. Although the collectability of receivables may be influenced by economic and other factors, the Group believes that there is no significant risk of loss beyond the reserve already recorded.

Where possible, the Group utilizes a prepayment system in its dealings with counterparties. As a rule, prepayment for technological connection of consumers to grids is stipulated in the contract. The Group does not require collateral to secure receivables.

In order to effectively organize work with accounts receivable, the Group monitors changes in the volume of accounts receivable and its structure, distinguishing between current and overdue receivables. In order to minimize credit risk, the Group implements measures aimed at timely fulfillment of contractual obligations by counterparties, reduction and prevention of overdue debts. Such measures include, in particular, negotiating with consumers, improving the efficiency of the process of forming the volume of electricity transmission services, ensuring compliance with the schedules of control readings and technical inspections of electricity metering devices agreed upon with guaranteeing suppliers, limiting the electricity consumption regime (implemented in accordance with the laws of the Russian Federation), claims and litigation work, and making demands for financial support for the provision of electricity transmission services.

i. Credit risk level

The carrying amount of financial assets reflects the Group's maximum exposure to credit risk. As of the reporting date, the maximum exposure to credit risk amounted to:

	Carrying amount	
	December 31, 2025	**December 31, 2024**
Financial assets at fair value through other comprehensive income	24	59
Trade and other receivables (net of reserve for expected credit losses)	11,538,839	6,740,470
Cash and cash equivalents	6,333,840	4,813,129
	17,872,703	**11,553,658**

As of the reporting date, the maximum level of credit risk in terms of trade receivables by groups of customers amounted to:

	December 31, 2025			**December 31, 2024**		
	Total nominal value	**Reserve for expected credit losses**	**Carrying amount**	**Total nominal value**	**Reserve for expected credit losses**	**Carrying amount**
Purchasers of electricity sale services	948	(948)	–	1,424	(1,424)	–
Purchasers of power transmission services	9,770,818	(224,052)	9,546,766	5,640,581	(187,518)	5,453,063
Purchasers of heat power	40,742	(39,582)	1,160	45,475	(44,527)	948

	December 31, 2025			December 31, 2024		
	Total nominal value	**Reserve for expected credit losses**	**Carrying amount**	**Total nominal value**	**Reserve for expected credit losses**	**Carrying amount**
sales services						
Purchasers of services on technological connection to grids	92,044	(7,536)	84,508	34,031	(8,036)	25,995
Other customers	1,208,770	(13,065)	1,195,705	525,704	(4,834)	520,870
	11,113,322	**(285,183)**	**10,828,139**	**6,247,215**	**(246,339)**	**6,000,876**

The carrying amount of trade receivables attributable to the Group's ten largest debtors amounted to 7,360,462 thousand rubles as of December 31, 2025 (as of December 31, 2024: 3,875,728 thousand rubles).

The distribution of trade and other receivables by term of limitation is presented below:

	December 31, 2025			December 31, 2024		
	Total nominal value	**Reserve for expected credit losses**	**Carrying amount**	**Total nominal value**	**Reserve for expected credit losses**	**Carrying amount**
Undue debt	10,214,936	(22)	10,214,914	6,060,356	(33)	6,060,323
Overdue for less than 3 months	1,214,177	(77,645)	1,136,532	529,446	(62,147)	467,299
Overdue for more than 3 months and less than 6 months	27,338	(1,009)	26,329	89,252	(15,270)	73,982
Overdue for more than 6 months and less than one year	180,127	(100,732)	79,395	128,989	(18,079)	110,910
Overdue for more than one year	554,581	(472,912)	81,669	335,894	(307,938)	27,956
	12,191,159	**(652,320)**	**11,538,839**	**7,143,937**	**(403,467)**	**6,740,470**

Based on court precedents and consistent recovery trends, the Group believes that overdue but non-impaired receivables, as of the reporting date, are highly likely to be recovered in full within the year.

The reserve flow for expected credit losses on trade and other receivables is as follows:

	2025	2024
Balance as of January 01	**(403,467)**	(983,594)
Increase in reserve for the period	(352,610)	(52,519)
Recovery of reserve amounts for the period	81,341	96,456
Amounts of trade and other receivables written off against previously accrued reserve	22,416	536,190
Balance as of December 31	**(652,320)**	**(403,467)**

As of December 31, 2025 and December 31, 2024, the Group has no contractual arrangements to offset financial assets and financial liabilities, nor does Management anticipate future offsetting based on additional agreements.

(б) Liquidity risk

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

Liquidity risk management implies maintaining sufficient cash on hand and availability of financial resources through the use of credit lines. The Group follows a balanced model of financing working capital through the use of both short-term and long-term sources. Temporarily available cash is placed in the form of short-term financial instruments, primarily bank deposits.

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

As of December 31, 2025, the Group's available limit on open but unused credit lines amounted to 43,881,000 thousand rubles (as of December 31, 2024: 35,354,263 thousand rubles). The Group is able to raise additional financing within the relevant limits, including to secure fulfillment of its short-term obligations.

The following are the contractual maturities of financial liabilities, taking into account expected interest payments and excluding the impact of offsets. The cash flows included in the maturity analysis are not expected to occur significantly earlier in time or in significantly different amounts:

December 31, 2025	Carrying amount	Contractual cash flows	Within 12 months	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Non-derivative financial liabilities								
Credits and loans	3,992,374	4,920,591	696,635	4,223,956	–	–	–	–
Bonded loans	2,509,760	3,792,376	447,260	437,500	2,907,616	–	–	–
Lease liabilities	1,887,420	3,643,105	607,978	533,903	481,529	423,960	399,697	1,196,038
Trade and other payables recognized as financial liabilities	17,536,186	17,536,229	17,510,091	10,237	2,392	2,082	1,731	9,696
	25,925,740	**29,892,301**	**19,261,964**	**5,205,596**	**3,391,537**	**426,042**	**401,428**	**1,205,734**

December 31, 2024	Carrying amount	Contractual cash flows	Within 12 months	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Non-derivative financial liabilities								
Credits and loans	6,969,610	8,718,610	4,218,895	4,499,715	–	–	–	–
Lease liabilities	1,898,828	3,794,050	591,814	587,038	511,070	485,294	442,022	1,176,812
Trade and other payables recognized as financial liabilities	11,530,145	11,529,518	11,497,002	20,895	1,086	1,086	1,086	8,363
	20,398,583	**24,042,178**	**16,307,711**	**5,107,648**	**512,156**	**486,380**	**443,108**	**1,185,175**

(в) Market risk

The market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and cost of capital will affect the Group's financial performance or the value of financial instruments held. The objective of market risk management is to control market risk exposure and keep it within acceptable limits, while optimizing the return on investment.

i. Exchange rate risk

The Group's income and expenses as well as monetary assets and liabilities are denominated in Russian rubles. Changes in exchange rates do not have a direct impact on the Group's income and expenses.

ii. Interest rate risk

The objective of interest rate risk management is to prevent losses due to unfavorable changes in the market interest rates. Changes in the interest rates primarily affect credits and loans by changing either their fair value (for fixed rate credits and loans) or their future cash flows (for floating rate credits and loans). The Group does not follow any prescribed rules in determining the ratio between fixed and floating rate credits and loans. At the time of raising new credits and loans, a judgment is made whether a fixed or variable rate would be more favorable to the Group over the estimated period until maturity. The Group analyzes its exposure to interest rate risk on a dynamic basis.

Sensitivity analysis of cash flows on floating rate financial instruments

As of December 31, 2025, the Group's financial liabilities with floating interest rates amounted to 2,509,760 thousand rubles (December 31, 2024: 6,969,610 thousand rubles).

A reasonably possible change in interest rates by 100 basis points would increase (decrease) profit/(loss) before income tax for 2025 by 10,337 thousand rubles. (for 2024: 55,251 thousand rubles). This analysis was performed assuming that all other variables remain constant, and no interest expense is capitalized.

iii. Other price risk

The equity price risk arises on equity securities measured at fair value through other comprehensive income. The Group's management monitors changes in the value of the investment portfolio based on market indices. Significant investments within this portfolio are managed separately and all purchase and sale decisions are approved by the Group's management.

(г) Fair value and carrying amount

The fair values vs carrying amounts of the Group's financial instruments are detailed below:

		December 31, 2025		Level of the fair value hierarchy		
Financial instruments	**Note**	**Carrying amount**	**Fair value**	**1**	**2**	**3**
Financial assets measured at amortized cost:						
Long-term receivables	18	370,639	379,703	–	–	379,703
Financial assets at fair value through other comprehensive income:						
Investments in equity instruments		24	24	24	–	–
Financial liabilities measured at amortized cost:						
Credits and loans	23	(6,502,134)	(6,660,084)	(2,509,760)	(4,150,324)	–
		(6,131,471)	**(6,280,357)**	**(2,509,736)**	**(4,150,324)**	**379,703**

		December 31, 2024		Level of the fair value hierarchy		
Financial instruments	**Note**	**Carrying amount**	**Fair value**	**1**	**2**	**3**
Financial assets measured at amortized cost:						
Long-term receivables	18	414,476	398,128	–	–	398,128
Financial assets at fair value through other comprehensive income:						
Investments in equity instruments		59	59	59	–	–
Financial liabilities measured at amortized cost:						
Credits and loans	23	(6,969,610)	(6,969,610)	–	(6,969,610)	–
		(6,555,075)	**(6,571,423)**	**59**	**(6,969,610)**	**398,128**

The fair values of short-term receivables and payables and other current financial assets approximate their carrying amount.

The interest rate used to discount expected future cash flows on long-term receivables for purposes of determining the disclosed fair value as of December 31, 2025 was 13.86–18.15% (as of December 31, 2024: 14.76–16.43%).

The interest rate used to discount expected future cash flows on long-term and short-term borrowing funds for purposes of determining the disclosed fair value as of December 31, 2025 was 14.04% (as of December 31, 2024: 22.5%).

There were no transfers between levels of the fair value hierarchy for the year ended December 31, 2025.

Reconciliation between the carrying amount of financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income, derivative financial instruments measured at fair value through profit or loss as at the beginning and at the end of the reporting period is detailed in the table below:

	Financial assets at fair value through other comprehensive income	
	2025	**2024**
Balance as of January 01	**59**	**67**
Sale	(27)	–
Change in fair value recognized in other comprehensive income	(8)	(8)
Balance as of December 31	**24**	**59**

(д) Equity management

The equity under management of the Group is the amount of equity attributable to owners of the Company as presented in the consolidated statement of financial position.

The primary objective of the Group's equity management is to maintain a strong equity base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group monitors equity structure and return on equity using ratios calculated based on IFRS consolidated financial statements, management accounts and financial statements prepared in accordance with Russian Accounting Standards (RAS). The Group analyzes the dynamics of total and net debt, debt structure, and gearing ratio.

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

31 Contractual capital liabilities

The Group's capital liabilities under contracts for acquisition and construction of property, plant and equipment amount to 12,234,585 thousand rubles including VAT as of December 31, 2025 (as of December 31, 2024: 8,126,526 thousand rubles, inclusive of VAT).

32 Contingent liabilities

(а) Insurance

The Group has unified requirements in respect of the scope of insurance coverage, the reliability of insurance companies and the procedure for organizing insurance coverage. The Group maintains insurance coverage of assets, civil liability and other insurable risks. The Group’s major production assets have insurance coverage, including coverage for damage to or loss of property, plant and equipment. Nevertheless, there are risks of adverse effects on the Group’s operations and financial position in the event of damage to third parties as well as loss or damage to assets for which insurance coverage is not available or is not fully provided.

(б) Contingent tax liabilities

The Russian tax legislation which was enacted or substantively enacted at the end of the reporting period is subject to varying interpretations when being applied to certain facts of the Group’s business activities. Consequently, tax position taken by the Group’s management and the documents supporting such position may be challenged by the tax authorities.

Tax control in the Russian Federation is tightening, and therefore the risk of review by the tax authorities of transactions without a clear business purpose or with tax non-compliant counterparties is increasing. Fiscal periods remain open to tax audits for three calendar years preceding the year in which the decision to conduct an audit is taken. Under certain circumstances, earlier periods may also be verified.

Management currently believes that its tax position and interpretations of the applicable laws applied by the Group can be sustained. However, there is a risk that the Group will incur additional expenses if the management's tax position and interpretations of the applicable laws applied by the Group are challenged by the tax authorities. The impact of such development cannot be reliably estimated; however, it may be significant to the financial position and results of operations of the Group.

(в) Legal proceedings

The Group is a party to a number of legal proceedings (both as a plaintiff and a defendant) arising in the ordinary course of business.

In Management's opinion, there are no other current outstanding claims or other actions which could have a material effect on operational performance or financial position of the Group and which have not been recognized or disclosed in the consolidated financial statements.

(г) Environmental liabilities

The Group has been operating in the electric power industry in the Russian Federation for many years. The environmental legislation in the Russian Federation continues to evolve and the responsibilities of the authorized state bodies responsible for its oversight are being reconsidered. Potential environmental liabilities arising from changes in interpretations of existing legislation, legal claims or changes in legislation cannot be estimated. In Management's opinion, under the existing controls and current laws, there are no probable liabilities which could have a material adverse effect on the Group's financial position, results of operations or cash flows.

33 Related party transactions

(а) Control relations

Parties are generally considered to be related if they are under common control or one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. When considering the relationship with each potential related party, attention is directed to the economic substance of the relationship, not merely the legal form.

The principal related parties of the Group for the year ended December 31, 2025 and December 31, 2024 and as of December 31, 2025 and December 31, 2024 were the parent company, its subsidiaries, key management personnel, and the companies related to the major shareholder of the parent company.

(б) Transactions with the parent company and its subsidiaries

	Transaction amount for the year ended December 31		Carrying amount	
	2025	2024	December 31, 2025	December 31, 2024
Revenue, other income, financial income				
Parent company				
Other revenue	6,097	2,501	119	141
Other income	2	16,591	–	–
Entities under common control of the parent company				
Other revenue	75,899	10,911	108,640	64,834
Interest income on restructured debt	–	5,101	–	–

	Transaction amount for the year ended December 31		Carrying amount	
	2025	2024	December 31, 2025	December 31, 2024
	81,998	**35,104**	108,759	**64,975**

	Transaction amount for the year ended December 31		Carrying amount	
	2025	2024	December 31, 2025	December 31, 2024
Operating expenses, financial expenses				
Parent company				
Electricity transmission services	(19,213,148)	(16,159,427)	(1,977,763)	(1,655,326)
Other production works and services	(74,461)	(68,283)	(16,484)	(10,008)
Other expenses	(398)	(359)	–	–
Entities under common control of the parent company				
Software and support expenses	(263,724)	(380,574)	(56,037)	(40,634)
Other expenses	(126,029)	(110,998)	(159,533)	(59,794)
	(19,677,760)	**(16,719,641)**	**(2,209,817)**	**(1,765,762)**

	Carrying amount	
	December 31, 2025	December 31, 2024
Parent company		
Advances paid	2,396	2,373
Advances received	(10)	–
Entities under common control of the parent company		
Advances paid	–	540
	2,386	**2,913**

As of March 31, 2025 and December 31, 2024, there were no dividends payable to the parent company.

(в) Transactions with key management personnel

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

Remuneration to key management personnel comprises their official salary, rewards and incentives, payments for participation in management bodies and for performance of other paid work, as well as other payments to the extent permitted by labor laws.

The remuneration amounts payable to key management personnel as disclosed in the table below are the current period expenses for key management personnel recognized in employee benefit expenses.

	For the year ended December 31,	
	2025	2024
Short-term employee benefits	219,265	148,306
Change in post-employment and other long-term benefit liabilities (including pension plans)	437	(556)

	For the year ended December 31,	
	2025	**2024**
	219,702	**147,750**

As of December 31, 2025, the current value of liabilities under defined benefit and defined contribution plans, other post-employment benefits reported in the consolidated statement of financial position includes liabilities in relation to key management personnel in the amount of 837 thousand rubles (as of December 31, 2024: 400 thousand rubles).

(r) Transactions with companies related to the major shareholder of the parent company

As part of its day-to-day business activities, the Group enters into transactions with other companies related to the major shareholder of the parent company. These transactions are carried out ether at regulated tariffs or at market prices. Funds are raised and placed with financial institutions related to the major shareholder of the parent company at market interest rates. Taxes are accrued and paid in accordance with Russian tax legislation.

The revenue from the companies related to the major shareholder of the parent company amounted to:

- 18% of the Group's total revenue for the year ended December 31, 2025 (for the year ended December 31, 2024: 24%)
- 18% of the Group's transmission revenue for the year ended December 31, 2025 (for the year ended December 31, 2024: 24%).

Electricity transmission and power purchase expenses to compensate for technological losses for companies related to the major shareholder of the parent company accounted for 14% of total transmission and technological loss expenses for the year ended December 31, 2025 (for the year ended December 31, 2024: 17%).

Interest accrued on credits and loans from banks related to the major shareholder of the parent company for the year ended December 31, 2025 amounted to 967,490 thousand rubles (for the year ended December 31, 2024: 904,973 thousand rubles).

As of December 31, 2025, credits and loans from banks related to the major shareholder of the parent company amounted to 3,992,374 thousand rubles (as of December 31, 2024: 5,263,345 thousand rubles).

As of December 31, 2025, the balance of cash and cash equivalents placed with banks related to the major shareholder of the parent company amounted to 1,118,543 thousand rubles (as of December 31, 2024: 2,524,182 thousand rubles).

As of December 31, 2025, the lease liabilities of companies related to the major shareholder of the parent company amounted to 1,276,784 thousand rubles (as of December 31, 2024: 1,149,160 thousand rubles).