



**OGK-2 GROUP**

**CONDENSED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS  
PREPARED IN ACCORDANCE WITH  
INTERNATIONAL FINANCIAL REPORTING  
STANDARDS (IFRS) (UNAUDITED)**

**30 June 2021  
Saint-Petersburg**

**Translation from the Russian original**

## CONTENTS

Report on Review of Condensed Interim Consolidated Financial Statements.....	3
Condensed Interim Consolidated Statement of Financial Position.....	5
Condensed Interim Consolidated Statement of Comprehensive Income .....	6
Condensed Interim Consolidated Statement of Cash Flows .....	7
Condensed Interim Consolidated Statement of Changes in Equity .....	8

### Notes to Condensed Interim Consolidated Financial Statements

Note 1. General information .....	9
Note 2. Basis of presentation .....	10
Note 3. Summary of significant accounting policies and accounting estimates.....	10
Note 4. Segment information.....	11
Note 5. Related Parties .....	12
Note 6. Property, plant and equipment .....	16
Note 7. Accounts receivable and prepayments.....	17
Note 8. Financial assets .....	17
Note 9. Inventories .....	17
Note 10. Cash and cash equivalents .....	18
Note 11. Equity .....	18
Note 12. Borrowings.....	18
Note 13. Accounts payable and other liabilities .....	19
Note 14. Income tax .....	19
Note 15. Other taxes payable.....	20
Note 16. Revenues.....	20
Note 17. Operating expenses.....	21
Note 18. Finance income and expenses .....	21
Note 19. Basic and diluted earnings per share attributable to the shareholders of JSC "OGK-2".....	22
Note 20. Commitments and contingencies .....	22
Note 21. Fair value of financial instruments .....	22
Note 22. Events after the reporting period .....	23



Tel: +7 495 797 56 65  
Fax: +7 495 797 56 60  
reception@bdo.ru  
www.bdo.ru

BDO Unicon AO  
Suite 50, Office I, 3<sup>rd</sup> Floor, Section 11,  
Block 1, Bldg. 125, Warshavskoe Shosse,  
Moscow, 117587, Russia

Translation from the Russian original

## **REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

To the Shareholders of JSC “OGK-2”

### **Introduction**

We have reviewed the accompanying condensed interim consolidated financial statements of JSC “OGK-2” (OGRN 1052600002180, Solnechnodolsk Village, Izobilnensky District, Stavropol Region, 356126) and its subsidiaries, which comprise the condensed interim consolidated statement of financial position as at 30 June 2021, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated statement of changes in equity for the six-month period then ended and notes to condensed interim consolidated financial statements for the six-month period ended 30 June 2021 (interim financial information). Managing Director of JSC “OGK-2” is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Translation from the Russian original

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*.

The translation is true and correct.

The engagement partner on the review



A.B. Baliakin

Audit company:

BDO Unicon Aktsionernoe Obschestvo

Main State Registration Number: 1037739271701

Suite 50, Office I, 3rd Floor, Section 11, Block 1, Bldg. 125, Warshavskoye Shosse, Moscow, 117587, Russia

Member of the Self-regulatory organization of auditors Association "Sodruzhestvo"

Principal Registration Number of the Entry in the State Register of Auditors and Audit Organisations: 12006020340

06 August 2021

**OGK-2 Group**  
**Condensed Interim Consolidated Statement of Financial Position (unaudited)**  
**as at 30 June 2021**  
(in millions of Russian Roubles)



	Notes	30 June 2021	31 December 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	165,397	160,851
Intangible assets		443	376
Investments in associates		20,493	20,824
Accounts receivable and prepayments	7	340	440
Deferred tax assets	14	3	3
Other non-current assets		475	470
<b>Total non-current assets</b>		<b>187,151</b>	<b>182,964</b>
<b>Current assets</b>			
Inventories	9	10,089	14,248
Accounts receivable and prepayments	7	11,237	11,934
Income tax receivable		657	13
Cash and cash equivalents	10	86	7
Financial assets	8	20,350	15,265
<b>Total current assets</b>		<b>42,419</b>	<b>41,467</b>
<b>TOTAL ASSETS</b>		<b>229,570</b>	<b>224,431</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	40,057	40,057
Share premium	11	26,846	26,846
Retained earnings and other reserves		82,571	77,726
<b>Equity attributable to the shareholders of JSC "OGK-2"</b>		<b>149,474</b>	<b>144,629</b>
Non-controlling interest		16	16
<b>Total equity and reserves</b>		<b>149,490</b>	<b>144,645</b>
<b>Non-current liabilities</b>			
Borrowings	12	37,809	38,877
Employee benefit liabilities		1,701	1,893
Accounts payable and other liabilities	13	6,388	7,094
Lease liabilities		422	478
Provisions		1,686	1,640
Deferred income tax liabilities	14	11,876	11,372
<b>Total non-current liabilities</b>		<b>59,882</b>	<b>61,354</b>
<b>Current liabilities</b>			
Borrowings	12	225	6,065
Accounts payable and other liabilities	13	17,250	10,852
Current income tax payable		-	688
Other taxes payable	15	2,563	620
Lease liabilities		160	207
<b>Total current liabilities</b>		<b>20,198</b>	<b>18,432</b>
<b>Total liabilities</b>		<b>80,080</b>	<b>79,786</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>229,570</b>	<b>224,431</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

6 August 2021

The accompanying notes on pages 9 to 23 are an integral part of these condensed interim consolidated financial statements

**OGK-2 Group**  
**Condensed Interim Consolidated Statement of Comprehensive Income (unaudited)**  
**for the six months ended 30 June 2021**



(in millions of Russian Roubles)

	Notes	Three months ended 30 June		Six months ended 30 June	
		2021	2020	2021	2020
Revenues	16	29,627	25,978	66,488	60,328
Operating expenses	17	(24,099)	(22,522)	(51,619)	(46,358)
Reversal of impairment loss / (impairment loss) on financial assets		338	(313)	471	(239)
<b>Operating profit</b>		<b>5,866</b>	<b>3,143</b>	<b>15,340</b>	<b>13,731</b>
Finance income	18	307	165	552	446
Finance expenses	18	(658)	(685)	(1,401)	(1,697)
Share of (loss) / profit of associates		(309)	268	(331)	393
<b>Profit before income tax</b>		<b>5,206</b>	<b>2,891</b>	<b>14,160</b>	<b>12,873</b>
Income tax expense	14	(1,029)	(535)	(2,840)	(2,580)
<b>Profit for the period</b>		<b>4,177</b>	<b>2,356</b>	<b>11,320</b>	<b>10,293</b>
<b>Other comprehensive income / (expense):</b>					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Remeasurements of defined benefit pension plans, net of tax		157	(54)	157	(54)
<b>Total comprehensive income for the period</b>		<b>4,334</b>	<b>2,302</b>	<b>11,477</b>	<b>10,239</b>
<b>Profit / (loss) for the period attributable to:</b>					
Shareholders of JSC «OGK-2»		4,177	2,358	11,320	10,297
Non-controlling interest		-	(2)	-	(4)
<b>Total comprehensive income (expense) for the period attributable to:</b>					
Shareholders of JSC «OGK-2»		4,334	2,304	11,477	10,243
Non-controlling interest		-	(2)	-	(4)
<b>Earnings per ordinary share attributable to the shareholders of JSC «OGK-2» – basic and diluted (in Russian Roubles)</b>					
	19	<b>0.04</b>	<b>0.02</b>	<b>0.10</b>	<b>0.09</b>

Managing Director

A.V. Semikolenov

Chief Accountant

L.V. Klishch

6 August 2021



**OGK-2 Group**  
**Condensed Interim Consolidated Statement of Cash Flows (unaudited)**  
**for the six months ended 30 June 2021**  
(in millions of Russian Roubles)



	Notes	Six months ended 30 June 2021	Six months ended 30 June 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Profit before income tax</b>		<b>14,160</b>	<b>12,873</b>
Adjustments to reconcile profit before income tax:			
Amortisation and depreciation	17	6,954	6,791
(Impairment loss) / reversal of impairment loss on financial assets		(471)	239
Share of loss / (profit) of associates		331	(393)
Gain on disposal of property, plant and equipment, other non-current assets and assets held for sale	17	(29)	(3,711)
Non-state pensions		(16)	64
Finance income	18	(552)	(446)
Finance expenses	18	1,401	1,697
Other non-cash items		(129)	7
<b>Operating cash flows before working capital changes</b>		<b>21,649</b>	<b>17,121</b>
<b>Working capital changes:</b>			
Change in accounts receivable and prepayments		701	(52)
Change in inventories		(88)	(1,069)
Change in accounts payable and other liabilities		(1,165)	(405)
Change in other taxes payable		1,943	651
Change in employee benefit liabilities		(46)	(55)
<b>Working capital changes</b>		<b>1,345</b>	<b>(930)</b>
Income tax paid		(3,690)	(5,653)
Interest paid		(1,151)	(1,357)
<b>Net cash from operating activities</b>		<b>18,153</b>	<b>9,181</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(6,291)	(2,747)
Proceeds from sale of property, plant and equipment and other non-current assets		1	9,692
Loans issued		(5,243)	-
Proceeds from loans issued		26	1,115
Interest received		308	206
Dividends received		4	9
<b>Net cash (used in) / from investing activities</b>		<b>(11,195)</b>	<b>8,275</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of borrowings		(6,785)	(17,410)
Repayment of lease liabilities		(94)	(119)
<b>Net cash used in financing activities</b>		<b>(6,879)</b>	<b>(17,529)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>79</b>	<b>(73)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	10	<b>7</b>	<b>92</b>
<b>Cash and cash equivalents at the end of the period</b>	10	<b>86</b>	<b>19</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

6 August 2021

**OGK-2 Group**  
**Condensed Interim Consolidated Statement of Changes in Equity (unaudited)**  
**for the six months ended 30 June 2021**

(in millions of Russian Roubles)



	Equity attributable to the shareholders of JSC "OGK-2"					Total equity
	Share capital	Share premium	Retained earnings and other reserves	Total	Non-controlling interest	
<b>At 1 January 2020</b>	<b>40,057</b>	<b>26,846</b>	<b>70,423</b>	<b>137,326</b>	<b>15</b>	<b>137,341</b>
Profit for the period	-	-	10,297	10,297	(4)	10,293
<b>Other comprehensive income:</b>						
Remeasurements of defined benefit pension plans, net of tax			(54)	(54)	-	(54)
<i>Total comprehensive income for the period</i>	-	-	10,243	10,243	(4)	10,239
<b>Transactions with shareholders recognized directly in equity:</b>						
Dividends (Note 11)	-	-	(6,013)	(6,013)	-	(6,013)
<b>At 30 June 2020</b>	<b>40,057</b>	<b>26,846</b>	<b>74,653</b>	<b>141,556</b>	<b>11</b>	<b>141,567</b>
<b>At 1 January 2021</b>	<b>40,057</b>	<b>26,846</b>	<b>77,726</b>	<b>144,629</b>	<b>16</b>	<b>144,645</b>
Profit for the period	-	-	11,320	11,320	-	11,320
<b>Other comprehensive income:</b>						
Remeasurements of defined benefit pension plans, net of tax	-	-	157	157	-	157
<i>Total comprehensive income for the period</i>	-	-	11,477	11,477	-	11,477
<b>Transactions with shareholders recognized directly in equity:</b>						
Dividends (Note 11)	-	-	(6,632)	(6,632)	-	(6,632)
<b>At 30 June 2021</b>	<b>40,057</b>	<b>26,846</b>	<b>82,571</b>	<b>149,474</b>	<b>16</b>	<b>149,490</b>

Managing Director

A.V. Semikolenov

Chief Accountant

L.V. Klishch

6 August 2021



## Note 1. General information

### 1.1. Organisation and operations

Public Joint Stock Company "The Second Generating Company of the Wholesale Electric Power Market" (JSC "OGK-2", or the "Company") was registered on 9 March 2005 and operates in the Russian Federation.

The primary activities of the Company are generation and sale of electric and heat power. The Company consists of the following power stations (plants): Troitskaya GRES, Stavropolskaya GRES, Pskovskaya GRES, Serovskaya GRES, Surgutskaya GRES-1, Kirishskaya GRES, Ryazanskaya GRES, Novochebasskaya GRES, Cherepovetskaya GRES, Groznenskaya TES, Adlerskaya TES, Svobodnenskaya TES.

The Company is registered by the Izobilnensk District Inspectorate of the Federal Ministry of Taxation of Stavropol Region.

The Company's office is located at 66-1, lit. A, Peterburgskoye Highway, Saint Petersburg, 196140, the Russian Federation.

JSC "OGK-2" and its following subsidiaries form the OGK-2 Group (the "Group"):

Company	Activities	Ownership interest (%)	
		30 June 2021	31 December 2020
«Centr 112» LLC Limited Liability Company	Fire safety	100%	100%
«OGK-Investproject»	Construction	100%	100%
LLC Novomichurinskoe ATP	Freight and passenger transportation services	100%	100%
OJSC Novomichurinskoe PPGT	Rail freight	75%	75%

### 1.2. Relations with the Government and influence on the Group activities

At the date of the condensed interim consolidated financial statements the Russian Federation owns (both directly and indirectly) over 50% in PJSC "GAZPROM", which holds 100% of LLC Gazprom energoholding. LLC Gazprom energoholding owns 99.59% of PJSC Centerenergoholding as at 30 June 2021 (as at 31 December 2020: 99.59%). PJSC Centerenergoholding (immediate parent company) owns 73.42% of the Company's shares as at 30 June 2021 (as at 31 December 2020: 73.42%). Thus, PJSC "GAZPROM" is the parent company of the Group and the Russian Federation is the ultimate controlling party of the Group.

The Group's customer base includes a large number of entities controlled by or related to the State. The list of the Group's major fuel suppliers includes subsidiaries of PJSC "GAZPROM". The State also controls a number of suppliers of the Group.

The government of the Russian Federation directly affects the Group's operations through regulations of wholesale sales of electricity (capacity) and retail sales of heat exercised by the Federal Antimonopoly Service ("FAS") and the tariffs regulation executive authorities. JSC System Operator of the United Power System ("SO UPS"), which is controlled by the Russian Federation represented by the Federal Executive Body for the State Property Management, regulates operations of generating assets of the Group.

The government's economic, social and other policies could have material effects on the operations of the Group.

### 1.3. Operating environment in the Russian Federation

The Russian Federation displays certain characteristics of an emerging market. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations. Fluctuations in oil prices, continuing political tensions in the region, as well as international sanctions against some Russian organizations and citizens have had and can continue to affect the economy of the Russian Federation.

The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads. These events may have a further significant impact on the Group's future operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation and its impact on the Group's operations may differ from management's current expectations.

The coronavirus pandemic (COVID-19), which occurred in 2020, has had a significant negative impact on the world economy. Restrictive measures taken to curb the spread of coronavirus infection have reduced the economic activity of electricity market participants. The scale and duration of these events remain uncertain and affect the Group's financial position and results of operations.

The Group's management believes that it is taking all necessary measures to support the sustainability and development of the Group's business in the current environment. In the process of spreading the pandemic, the Company took prompt preventive measures to prevent the spread of coronavirus infection at the Group's facilities, thus it was possible to exclude the impact of the spread of the virus on the stability of the Group's technological and functional processes.

#### **1.4. Seasonality**

Demand for electricity and heat produced and sold by the Group is influenced by the relative severity of the weather and the season of the year. Revenues from heating are concentrated within the months of October to March. A similar, though less severe, concentration of electricity sales occurs within the same period. The seasonality of electricity and heat production has a corresponding impact on the usage of fuel and purchases of electricity. This seasonality does not impact on the revenue or cost recognition policies of the Group.

#### **Note 2. Basis of presentation**

The condensed interim consolidated financial statements ("Financial statements") have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020, which have been prepared in accordance with IFRS. In order to improve presentation some comparative information was aligned with present disclosure.

#### **Note 3. Summary of significant accounting policies and accounting estimates**

The significant accounting policies followed by the Group and the critical accounting estimates in applying accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2020.

##### **3.1. Standards, Interpretations and Amendments to existing Standards that are not yet effective and have not been early adopted by the Group**

A number of amendments to the standards are effective for annual periods beginning on or after 1 January 2022. In particular, the Group has not early adopted the following amendments to standards:

Amendments to *IAS 1 Presentation of Financial Statements* (issued in January 2020 and effective for annual periods beginning on or after 1 January 2023). The amendments specify the requirements for classifying liabilities as current or non-current.

Amendment to *IFRS 9 Financial Instruments* (issued in May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

Amendments to *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* (issued in May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendments clarify what costs are included in the estimate of the costs of fulfilling contract obligations in order to identify it as onerous.

Amendment to *IAS 16 Property, Plant and Equipment* (issued in May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendment prohibits entities deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced during the period when the asset was prepared for its intended use. Instead, such sales and related costs are recognized in profit or loss.

Amendments to *IFRS 3 Business Combinations* (issued in May 2020 and applicable for annual periods beginning on or after 1 January 2022) update a reference to the *Conceptual Framework for Financial*

Reporting issued in 2018 to define what constitutes an asset or liability in a business combination, and add a new exemption for liabilities and contingent liabilities.

The Group is currently assessing how these changes will affect its financial position and results of operations.

#### Note 4. Segment information

The Board of Directors and Managing Director (hereafter referred to as the "Management") is the Chief operating decision-maker, which reviews the Group's internal management report in order to assess performance of the Group and allocate resources.

The technology of electricity and heat production does not allow segregation of electricity and heat segments. The Company's branches are managed separately due to significant decentralization and distances between them, as a result the Group discloses seven reporting segments: Surgutskaya GRES-1, Kirishskaya GRES, Novochoerkasskaya GRES, Troitskaya GRES, Stavropolskaya GRES, Ryazanskaya GRES, Serovskaya GRES. All reporting segments are located on the territory of the Russian Federation. In the process of evaluation of segments, results and allocation of economic resources of the Group the Management uses financial information provided below prepared in accordance with RAR. The differences between the above-mentioned financial indicators analyzed by the Management and IFRS financial information are caused by different approaches applied in IFRS and RAR. The main differences relate to the respective carrying values of the value of property, plant and equipment.

#### 4.1 Financial results of segments

The segment information for the six months ended 30 June 2021 and 30 June 2020 is as follows:

<b>Six months ended 30 June 2021</b>	Surgutskaya GRES-1	Kirishskaya GRES	Novochoerkasskaya GRES	Troitskaya GRES	
Revenue	11,195	10,320	9,661	8,761	
Segment operating profit*	2,004	3,047	229	4,713	
<b>Six months ended 30 June 2021</b>	Stavropolskaya GRES	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total operating segments</b>
Revenue	6,460	5,884	4,459	9,748	<b>66,488</b>
Segment operating profit*	401	1,901	2,998	1,828	<b>17,121</b>
<b>Six months ended 30 June 2020</b>	Surgutskaya GRES-1	Kirishskaya GRES	Novochoerkasskaya GRES	Troitskaya GRES	
Revenue	10,551	8,401	8,276	6,368	
Segment operating profit*	1,705	2,867	426	2,371	
<b>Six months ended 30 June 2020</b>	Stavropolskaya GRES	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total operating segments</b>
Revenue	5,174	5,107	3,510	12,941	<b>60,328</b>
Segment operating profit*	200	1,994	1,053	2,067	<b>12,683</b>
<b>Three months ended 30 June 2021</b>	Surgutskaya GRES-1	Kirishskaya GRES	Novochoerkasskaya GRES	Troitskaya GRES	
Revenue	5,556	4,827	4,032	4,003	
Segment operating profit/ (loss)*	895	1,312	(282)	2,080	
<b>Three months ended 30 June 2021</b>	Stavropolskaya GRES	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total operating segments</b>
Revenue	2,105	2,861	1,962	4,281	<b>29,627</b>
Segment operating profit*	99	836	1,409	666	<b>7,015</b>
<b>Three months ended 30 June 2020</b>	Surgutskaya GRES-1	Kirishskaya GRES	Novochoerkasskaya GRES	Troitskaya GRES	
Revenue	5,040	3,599	3,459	2,928	
Segment operating profit/(loss)*	792	1,126	(111)	989	
<b>Three months ended 30 June 2020</b>	Stavropolskaya GRES	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total operating segments</b>
Revenue	1,688	2,382	1,576	5,306	<b>25,978</b>
Segment operating profit*	81	787	551	1,003	<b>5,218</b>

**OGK-2 Group**  
**Notes to Condensed Interim Consolidated Financial Statements (unaudited)**  
**for the six months ended 30 June 2021**

(in millions of Russian Roubles)



\* Segment operating profit / (loss) represents segment operating profit under RAR.

Segment's assets are disclosed below:

	Surgutskaya GRES-1	Kirishskaya GRES	Novocherkasskaya GRES	Troitskaya GRES	
<b>30 June 2021</b>	7,680	22,403	33,339	48,149	
	Stavropolskaya GRES	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total assets</b>
<b>30 June 2021</b>	3,428	12,376	18,498	34,860	<b>180,733</b>
	Surgutskaya GRES-1	Kirishskaya GRES	Novocherkasskaya GRES	Troitskaya GRES	
<b>31 December 2020</b>	5,800	21,748	34,258	49,631	
	Stavropolskaya GRES	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total assets</b>
<b>31 December 2020</b>	3,355	12,688	19,020	32,858	<b>179,358</b>

Management of the Group does not review the information in respect of operating segment's liabilities in order to make a decision about allocation of resources, because of centralisation of significant part of payment transactions.

#### 4.2 Core customers

The revenue presented within segments includes the revenue of the customer (JSC FSC) with the revenue exceeding 10% of the Group's revenue for the three and six months ended 30 June 2021 and amounting to RR 10,883 million and RR 25,655 million (for the three and six months ended 30 June 2020 the revenue of the customer (JSC FSC) exceeded 10% of the Group's revenue and amounted to RR 7,764 million and RR 20,444 million).

#### Note 5. Related Parties

In the interim condensed consolidated financial statements a related party is a person or entity that has control or significant influence over the reporting entity as determined in IAS 24 Related parties.

Transactions with related parties have been made mostly on the same terms and conditions as similar operations with the parties external to the Group. Prices for natural gas and capacity are based on tariffs set by FAS and also based on competitive take-off on the wholesale electricity (capacity) market. Borrowings are received at market rates. Bank deposits are invested at market rates.

PJSC "GAZPROM" is the ultimate parent company of the Group. The Russian Federation is the ultimate controlling party of the Group.

##### a) GAZPROM Group and its associates

Significant transactions with Gazprom Group for the six months ended 30 June 2021 and 30 June 2020 and significant balances with these organizations are presented below:

##### Revenues

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Electricity and capacity	793	697	1 929	1,754
Heating	2	-	4	2
Other revenues	482	43	712	87
<b>Total</b>	<b>1,277</b>	<b>740</b>	<b>2,645</b>	<b>1,843</b>

**Operating expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Fuel	6,780	5,162	17,133	14,129
Repairs and maintenance	673	674	1,300	1,300
Lease	458	1,100	1,026	2,345
Transport	190	193	376	387
Exchange rate differences	(41)	(185)	(86)	167
Other operating expenses	640	680	956	927
<b>Total operating expenses</b>	<b>8,700</b>	<b>7,624</b>	<b>20,705</b>	<b>19,255</b>

**Finance income and expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
<b>Finance income</b>				
Interest income on loans issued	251	157	464	346
<b>Total finance income</b>	<b>251</b>	<b>157</b>	<b>464</b>	<b>346</b>
<b>Finance expenses</b>				
Effect of discounting of financial instruments	133	-	267	42
Interest expense on borrowings	89	462	183	952
Interest expense on lease liabilities	5	-	10	9
<b>Total finance expenses</b>	<b>227</b>	<b>462</b>	<b>460</b>	<b>1,003</b>

**Balances**

	30 June 2021	31 December 2020
Current financial assets (Note 8)	20,350	15,265
Current accounts receivable and prepayments, gross	1,830	1,375
<b>Total assets</b>	<b>22,180</b>	<b>16,640</b>
Non-current borrowings	5,734	6,834
Current borrowings	89	840
Non-current accounts payable and other liabilities	6,214	6,943
Current accounts payable and other liabilities	5,726	6,029
Non-current lease liabilities	1	56
Current lease liabilities	152	200
<b>Total liabilities</b>	<b>17,916</b>	<b>20,902</b>

**Purchase of non-current and current assets**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Acquisition of property, plant and equipment	1,051	179	2,574	829
Purchases of inventories	53	487	128	591
<b>Total</b>	<b>1,104</b>	<b>666</b>	<b>2,702</b>	<b>1,420</b>

**b) Operations with state-controlled entities**

The information presented below does not include transactions and balances with Gazprom Group and its associates, as this information is disclosed in Note 5 (a).

Significant transactions with the state-controlled entities for the six months ended 30 June 2021 and significant balances with these organizations as at 30 June 2021 are presented below:

**Revenues**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Electricity and capacity	6,866	6,440	14,656	13,722
Heating	85	154	264	489
Other revenues	92	112	192	225
<b>Total</b>	<b>7,043</b>	<b>6,706</b>	<b>15,112</b>	<b>14,436</b>

**Operating expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Electricity market administration fees (Note 17)	545	568	1,091	1,142
Security and fire safety	108	109	218	224
Electricity and capacity	19	12	59	37
Other operating expenses	81	134	216	230
<b>Total operating expenses</b>	<b>753</b>	<b>823</b>	<b>1,584</b>	<b>1,633</b>

**Finance income and expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
<b>Finance expenses</b>				
Interest expense on borrowings	-	-	-	185
<b>Total finance expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185</b>

**Balances**

	30 June 2021	31 December 2020
Non-current accounts receivable and prepayments, gross	6	473
Allowance for expected credit losses of non-current accounts receivable	(6)	(361)
Current accounts receivable and prepayments, gross	11,993	12,054
Allowance for expected credit losses of current accounts receivable	(9,370)	(8,914)
<b>Total assets</b>	<b>2,623</b>	<b>3,252</b>
Current accounts payable and other liabilities	482	397
Non-current lease liabilities	400	371
<b>Total liabilities</b>	<b>882</b>	<b>768</b>

**Purchase of non-current and current assets**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Acquisition of property, plant and equipment	76	1	77	1
<b>Total</b>	<b>76</b>	<b>1</b>	<b>77</b>	<b>1</b>

**Other transactions**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Impairment loss on financial assets	184	303	101	238

Some of the transactions on the wholesale electricity and capacity market are conducted through commission agreements with Joint-stock company Financial Settling Center (JSC FSC). Current financial settlement system of JSC FSC does not provide the final counterparty with automated information about transactions and settlement balances with end consumers. Government-related entities, GAZPROM Group and its subsidiaries may also act as counterparties.

The Group had the following significant operations with JSC FSC:

**Revenue and operating expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Sales of electricity and capacity	10,883	7,764	25,655	20,444
Purchases of electricity and capacity	1,671	1,572	4,059	3,506

**Balances**

	30 June 2021	31 December 2020
Current accounts receivable and prepayments, gross	2,336	2,071
Allowance for expected credit losses of current accounts receivable	(16)	(7)
Current accounts payable and other liabilities	337	394

**c) Key management remuneration**

Short-term remuneration for the services of key management personnel includes remuneration to members of the Board of Directors for the performance of their duties in these positions and participation in meetings of the Board of Directors and consisted of monthly salaries, bonuses, taxes charged on them and other obligatory payments to the respective budgets, health insurance costs.

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Remuneration and bonuses	15	17	29	29
Social contributions	2	1	4	3

The remuneration of the management company LLC Gazprom energoholding was RR 34 million and RR 67 million for the three and six months ended 30 June 2021 (for the three and six months ended 30 June 2020: RR 34 million and RR 67 million).

**d) Capital commitments**

	30 June 2021	31 December 2020
GAZPROM Group and its associates	14,484	11,405
Other state-controlled entities	-	1
<b>Total</b>	<b>14,484</b>	<b>11,406</b>

**Note 6. Property, plant and equipment**

Changes in the carrying amount of property, plant and equipment are presented below:

	Right-of-use assets	Production buildings	Constructions	Energy machinery and equipment	Other machinery and equipment	Other	Construction in progress	Total
<b>Cost</b>								
<b>as at 1 January 2020</b>	<b>2,329</b>	<b>60,214</b>	<b>39,226</b>	<b>106,205</b>	<b>56,925</b>	<b>3,692</b>	<b>5,066</b>	<b>273,657</b>
Additions	-	-	58	9	31	73	2,071	2,242
Disposals	-	(3)	(14)	(4)	(178)	(3)	(13)	(215)
Reclassification	(40)	(1,603)	1,831	(26)	(272)	110	-	-
Changes in terms of lease agreements	24	-	-	-	-	-	-	24
Transfer	-	77	13	1,103	745	107	(2,045)	-
<b>as at 30 June 2020</b>	<b>2,313</b>	<b>58,685</b>	<b>41,114</b>	<b>107,287</b>	<b>57,251</b>	<b>3,979</b>	<b>5,079</b>	<b>275,708</b>
<b>as at 1 January 2021</b>	<b>2,434</b>	<b>62,339</b>	<b>44,119</b>	<b>110,715</b>	<b>57,296</b>	<b>4,261</b>	<b>5,817</b>	<b>286,981</b>
Additions	-	-	-	-	8	37	11,439	11,484
Disposals	-	-	-	(2,088)	(31)	(13)	(23)	(2,155)
Reclassification	-	(26)	(1)	(1)	28	-	-	-
Changes in terms of lease agreements	(13)	-	-	-	-	-	-	(13)
Transfer	-	-	-	2,868	220	103	(3,191)	-
<b>as at 30 June 2021</b>	<b>2,421</b>	<b>62,313</b>	<b>44,118</b>	<b>111,494</b>	<b>57,521</b>	<b>4,388</b>	<b>14,042</b>	<b>296,297</b>
<b>Accumulated depreciation and impairment</b>								
<b>as at 1 January 2020</b>	<b>(230)</b>	<b>(23,438)</b>	<b>(16,938)</b>	<b>(44,390)</b>	<b>(23,477)</b>	<b>(2,158)</b>	<b>(550)</b>	<b>(111,181)</b>
Charge for the period	(188)	(683)	(742)	(2,894)	(1,997)	(183)	-	(6,687)
Disposals	-	1	13	4	118	3	-	139
Reclassification	15	293	(478)	9	188	(88)	61	-
<b>as at 30 June 2020</b>	<b>(403)</b>	<b>(23,827)</b>	<b>(18,145)</b>	<b>(47,271)</b>	<b>(25,168)</b>	<b>(2,426)</b>	<b>(489)</b>	<b>(117,729)</b>
<b>as at 1 January 2021</b>	<b>(611)</b>	<b>(25,360)</b>	<b>(19,253)</b>	<b>(50,819)</b>	<b>(27,091)</b>	<b>(2,519)</b>	<b>(477)</b>	<b>(126,130)</b>
Charge for the period	(184)	(747)	(841)	(2,932)	(1,903)	(229)	-	(6,836)
Disposals	-	-	-	2,027	28	11	-	2,066
Reclassification	-	9	-	1	(10)	-	-	-
Transfer of impairment	-	-	-	(8)	(54)	(4)	66	-
<b>as at 30 June 2021</b>	<b>(795)</b>	<b>(26,098)</b>	<b>(20,094)</b>	<b>(51,731)</b>	<b>(29,030)</b>	<b>(2,741)</b>	<b>(411)</b>	<b>(130,900)</b>
<b>Net book value</b>								
<b>as at 1 January 2020</b>	<b>2,099</b>	<b>36,776</b>	<b>22,288</b>	<b>61,815</b>	<b>33,448</b>	<b>1,534</b>	<b>4,516</b>	<b>162,476</b>
<b>as at 30 June 2020</b>	<b>1,910</b>	<b>34,858</b>	<b>22,969</b>	<b>60,016</b>	<b>32,083</b>	<b>1,553</b>	<b>4,590</b>	<b>157,979</b>
<b>as at 1 January 2021</b>	<b>1,823</b>	<b>36,979</b>	<b>24,866</b>	<b>59,896</b>	<b>30,205</b>	<b>1,742</b>	<b>5,340</b>	<b>160,851</b>
<b>as at 30 June 2021</b>	<b>1,626</b>	<b>36,215</b>	<b>24,024</b>	<b>59,763</b>	<b>28,491</b>	<b>1,647</b>	<b>13,631</b>	<b>165,397</b>

As at 30 June 2021 property, plant and equipment includes right-of-use assets with a carrying value of RR 1,626 million. The right-of-use assets comprise rented land plots, office buildings, as well as initial direct costs associated with the rental of the power station.

Total cash outflow for leases for the six months ended 30 June 2021 is RR 137 million, including interest paid on lease liabilities - RR 43 million, repayment of lease liabilities - RR 94 million (for the six months ended 30 June 2020: total cash outflow for leases - RR 166 million, including interest paid on lease liabilities - RR 47 million, repayment of lease liabilities - RR 119 million).

As at 30 June 2021 property, plant and equipment of the Group are pledged as securities in the amount of RR 4,781 million (as at 31 December 2020: in the amount of RR 4,843 million).

**Note 7. Accounts receivable and prepayments**

	30 June 2021	31 December 2020
<b>Non-current accounts receivable</b>		
Promissory notes	323	309
Trade receivables	3	114
Other receivables	11	11
<b>Total financial accounts receivable</b>	<b>337</b>	<b>434</b>
Advances to suppliers and prepaid expenses	2	2
Input VAT	1	4
<b>Total non-financial accounts receivable</b>	<b>3</b>	<b>6</b>
<b>Total non-current accounts receivable and prepayments</b>	<b>340</b>	<b>440</b>
<b>Current accounts receivable</b>		
Trade receivables	9,205	10,475
Other receivables	245	306
Promissory notes	-	1
<b>Total financial accounts receivable</b>	<b>9,450</b>	<b>10,782</b>
Advances to suppliers and prepaid expenses	1,632	1,080
Input VAT	133	32
Prepaid other taxes, except for income tax	22	40
<b>Total non-financial accounts receivable</b>	<b>1,787</b>	<b>1,152</b>
<b>Total current accounts receivable and prepayments</b>	<b>11,237</b>	<b>11,934</b>

Trade receivables are presented net of allowance for expected credit losses of RR 11,226 million and RR 11,240 million as at 30 June 2021 as at 31 December 2020, respectively.

Other receivables are presented net of allowance for expected credit losses of RR 5,920 million and RR 6,921 million as at 30 June 2021 as at 31 December 2020, respectively.

The abovementioned allowances mainly relate to current receivables and prepayments, except for the allowance for non-current trade receivables in the amount of RR 6 million as at 30 June 2021 (as at 31 December 2020: RR 361 million).

**Note 8. Financial assets**

	30 June 2021	31 December 2020
Loans issued (including %)	20,350	14,975
Equity securities at fair value through profit or loss	-	290
<b>Total current financial assets</b>	<b>20,350</b>	<b>15,265</b>

As at 31 December 2020 equity securities at fair value through profit or loss include shares of MOSENERGO.

**Note 9. Inventories**

	30 June 2021	31 December 2020
Fuel supplies	4,268	4,638
Spare parts	3,927	7,879
Materials and supplies	1,894	1,731
<b>Total</b>	<b>10,089</b>	<b>14,248</b>

As at 30 June 2021 the write-down of the inventory to net realizable value was RR 147 million (as at 31 December 2020: RR 160 million).

The Group does not have pledged inventories.

**Note 10. Cash and cash equivalents**

	Currency	30 June 2021	31 December 2020
Current bank accounts	RR	86	7
<b>Total</b>		<b>86</b>	<b>7</b>

**Note 11. Equity**

**Share capital and share premium**

As at 30 June 2021 and as at 31 December 2020 total number of issued ordinary registered shares is 110,441,160,870 shares with nominal value of one share of RR 0.3627. All issued ordinary shares are fully paid.

As at 30 June 2021 and 31 December 2020 the number of authorised for issue but not issued ordinary registered shares is 58,886,766,090 shares.

**Dividends**

On 18 June 2021, the Annual General Meeting of Shareholders of the Company made a decision to pay dividends based on the results of operations for 2020. The amount of dividends declared was RR 0.0600458012915 per share, the total amount of dividends amounted to RR 6,632 million.

On 24 June 2020, the Annual General Meeting of Shareholders of the Company made a decision to pay dividends based on the results of operations for 2019. The amount of dividends declared was RR 0.05444445744 per share, the total amount of dividends amounted to RR 6,013 million.

**Note 12. Borrowings**

	30 June 2021	31 December 2020
<b>Non-current borrowings</b>		
Bonds	32,075	32,043
Other loans	5,734	6,834
<b>Total non-current borrowings</b>	<b>37,809</b>	<b>38,877</b>
<b>Current borrowings</b>		
Current portion of non-current bonds	136	5,225
Current portion of other non-current loans	89	840
<b>Total current borrowings</b>	<b>225</b>	<b>6,065</b>

The conditions of borrowings not repaid at the reporting date are indicated below:

	Effective interest rate as at 30 June 2021	Maturity date as at 30 June 2021	30 June 2021	31 December 2020
<b>Bonds</b>				
Bond loan 003P-01	5.00%	2021, 2023	27,047	27,049
Bond loan 002P-01	5.75%	2021, 2023	5,132	5,133
Bond loan 001P-03R	7.12%	2021, 2023	32	5,086
<b>Other loans</b>				
MOSENERGO	6.75%	2021, 2023-2025	5,823	7,674
<b>Total</b>			<b>38,034</b>	<b>44,942</b>

As at 30 June 2021 and 31 December 2020 borrowings are denominated in Russian rubles.

**Note 13. Accounts payable and other liabilities**

	30 June 2021	31 December 2020
<b>Non-current accounts payable</b>		
Trade payables	-	905
Accounts payable for acquisition of property, plant and equipment	6,248	6,044
Other payables	-	1
<b>Total financial accounts payable</b>	<b>6,248</b>	<b>6,950</b>
Other payables	140	144
<b>Total non-financial accounts payable</b>	<b>140</b>	<b>144</b>
<b>Total non-current accounts payable and other liabilities</b>	<b>6,388</b>	<b>7,094</b>
<b>Current accounts payable</b>		
Trade payables	5,202	5,472
Accounts payable for acquisition of property, plant and equipment	3,783	3,720
Other payables	7,519	855
<b>Total financial accounts payable</b>	<b>16,504</b>	<b>10,047</b>
Contract liabilities from contracts with customers	18	13
Other payables	728	792
<b>Total non-financial accounts payable</b>	<b>746</b>	<b>805</b>
<b>Total current accounts payable and other liabilities</b>	<b>17,250</b>	<b>10,852</b>

As at 30 June 2021 other short-term payables include dividends payable in the amount of RR 6,660 million (as at 31 December 2020: in the amount of RR 34 million).

**Note 14. Income tax**

**Income tax charge components**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Current income tax	(877)	(231)	(2,361)	(2,905)
Refund / (charge) of income tax for prior periods	4	-	4	(54)
Deferred income tax	(156)	(304)	(483)	379
<b>Total income tax expense</b>	<b>(1,029)</b>	<b>(535)</b>	<b>(2,840)</b>	<b>(2,580)</b>

The tax effect of taxable and deductible temporary differences for the six months ended 30 June 2021 and for the six months ended 30 June 2020 is presented in the table below:

Six months ended 30 June 2021	1 January	Movement for the period recognized in profit and loss	Movement for the period recognized in other comprehensive income	30 June
Property, plant and equipment	(12,131)	(380)	-	(12,511)
Intangible assets	(11)	(4)	-	(15)
Inventories	71	3	-	74
Accounts receivable and prepayments	125	(146)	-	(21)
Accounts payable and other liabilities	(63)	73	-	10
Lease liabilities	140	(24)	-	116
Employee benefit liabilities	163	2	(21)	144
Provisions	328	9	-	337
Unused tax losses	91	(8)	-	83
Other	(82)	(8)	-	(90)
<b>Total</b>	<b>(11,369)</b>	<b>(483)</b>	<b>(21)</b>	<b>(11,873)</b>

**OGK-2 Group**  
**Notes to Condensed Interim Consolidated Financial Statements (unaudited)**  
**for the six months ended 30 June 2021**  
(in millions of Russian Roubles)



Six months ended 30 June 2020	1 January	Movement for the period recognized in profit and loss	Movement for the period recognized in other comprehensive income	30 June
Property, plant and equipment	(13,045)	(58)	-	(13,103)
Intangible assets	(8)	(1)	-	(9)
Inventories	191	26	-	217
Assets held for sale	(407)	441	-	34
Accounts receivable and prepayments	(93)	(33)	-	(126)
Accounts payable and other liabilities	77	36	-	113
Lease liabilities	158	(22)	-	136
Employee benefit liabilities	183	2	8	193
Provisions	234	19	-	253
Unused tax losses	611	(13)	-	598
Other	(103)	(18)	-	(121)
<b>Total</b>	<b>(12,202)</b>	<b>379</b>	<b>8</b>	<b>(11,815)</b>

The tax effect of changes in these temporary differences is determined at the statutory rate of 20%.

Some deferred tax assets and liabilities have been set off in accordance with the Group's accounting policies. The following is the amount of deferred tax (after offset) reflected in the condensed interim consolidated statement of financial position:

	30 June 2021	31 December 2020
Deferred income tax assets	3	3
Deferred income tax liabilities	(11,876)	(11,372)
<b>Deferred income tax liabilities, net</b>	<b>(11,873)</b>	<b>(11,369)</b>

**Note 15. Other taxes payable**

	30 June 2021	31 December 2020
Value added tax	1,858	35
Property tax	325	180
Social tax	295	309
Other taxes	85	96
<b>Total</b>	<b>2,563</b>	<b>620</b>

**Note 16. Revenues**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Electricity and capacity	28,004	24,618	62,648	56,829
Heating	910	1,029	2,627	2,838
Other revenues	713	331	1,213	661
<b>Total</b>	<b>29,627</b>	<b>25,978</b>	<b>66,488</b>	<b>60,328</b>

**Note 17. Operating expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Fuel	12,315	10,105	28,195	24,825
Amortisation and depreciation	3,431	3,403	6,954	6,791
Employee benefits	2,127	2,377	4,332	4,788
Electricity and capacity	1,704	1,594	4,164	3,574
Repairs and maintenance	926	802	1,619	1,497
Electricity market administration fees	545	568	1,091	1,142
Other materials and supplies	601	559	1,062	997
Lease	469	1,398	1,044	2,652
Taxes other than income tax	669	560	1,013	1,278
Transport	241	197	470	424
Security and fire safety	179	175	358	356
Consulting, legal and audit services	83	71	146	142
Cleaning and maintenance of territories	60	77	119	144
Insurance, except for VHI	54	59	108	117
Loss / (gain) on disposal of property, plant, equipment, other non-current assets and assets held for sale	4	59	(29)	(3,711)
Exchange rate differences	(43)	(186)	(86)	169
Other operating expenses	734	704	1,059	1,173
<b>Total operating expenses</b>	<b>24,099</b>	<b>22,522</b>	<b>51,619</b>	<b>46,358</b>

Lease expense for the three and six months ended 30 June 2021 includes expense relating to variable rental payments in the amount of RR 457 million and RR 1,025 million and expense relating to short-term leases in the amount of RR 12 million and RR 19 million (for the three and six months ended 30 June 2020: variable rental payments in the amount of RR 1,099 million and of RR 2,344 million and short-term leases in the amount of RR 299 million and RR 308 million).

**Note 18. Finance income and expenses**

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
<b>Finance income</b>				
Interest income on loans issued	252	157	465	346
Effect of discounting of financial instruments	51	-	64	33
Interest income on bank deposits and current bank account balances	1	-	1	2
Other	3	8	22	65
<b>Total finance income</b>	<b>307</b>	<b>165</b>	<b>552</b>	<b>446</b>
<b>Finance expenses</b>				
Interest expense on borrowings	450	578	984	1,370
Effect of discounting of financial instruments	133	33	267	180
Interest expense on employee benefit liabilities	31	33	61	64
Unwinding of the present value discount – provision for ash dump	23	18	46	36
Interest expense on lease liabilities	21	23	43	47
<b>Total finance expenses</b>	<b>658</b>	<b>685</b>	<b>1,401</b>	<b>1,697</b>
<b>Total net finance expenses</b>	<b>351</b>	<b>520</b>	<b>849</b>	<b>1,251</b>

**Note 19. Basic and diluted earnings per share attributable to the shareholders of JSC "OGK-2"**

Earnings per share attributable to the shareholders of JSC "OGK-2" was calculated by dividing the profit of shareholders of JSC "OGK-2" for the reporting period by the weighted average number of shares placed. The calculation of earnings per share is presented in the table below.

	Three months ended 30 June		Six months ended 30 June	
	2021	2020	2021	2020
Outstanding shares (thousands of pcs)	110,441,161	110,441,161	110,441,161	110,441,161
Weighted average number of ordinary shares issued (thousands of pcs)	110,441,161	110,441,161	110,441,161	110,441,161
Profit attributable to the shareholders of JSC "OGK-2" (in millions of RR)	4,177	2,358	11,320	10,297
<b>Earnings per ordinary share attributable to the shareholders of JSC "OGK-2" – basic and diluted (in RR)</b>	<b>0.04</b>	<b>0.02</b>	<b>0.10</b>	<b>0.09</b>

As at 30 June 2021 and 31 December 2020 there were no financial instruments with dilutive effect.

**Note 20. Commitments and contingencies**

As at 30 June 2021 the Group has unrecognized contractual capital commitments (including VAT) in the amount of RR 27,719 million (as at 31 December 2020: RR 27,812 million).

**Note 21. Fair value of financial instruments**

**Fair value.** The fair value of financial assets and liabilities is determined as follows:

*Financial instruments in Level 1*

The fair value of financial instruments traded in active markets is based on quoted market closing prices at the reporting date.

*Financial instruments in Level 2*

The fair value of financial instruments that are not traded in an active market is determined by using various valuation techniques, primarily based on market or income approach, such as discounted cash flows valuation method. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

*Financial instruments in Level 3*

If one or more of the significant inputs in the valuation model used to fair value an instrument is not based on observable market data, the instrument is included in Level 3. The fair value of financial instruments, such as trade and other receivables and trade and other payables are classified as Level 3.

There was no change in the fair value measurement methods attributed to Level 2 and Level 3, there were no transfers between levels for the six months ended 30 June 2021 (31 December 2020: there was no change, there were no transfers).

The estimated fair value of financial assets and liabilities not carried at fair value in the condensed interim consolidated statement of financial position approximates to their carrying amounts as at 30 June 2021 and 31 December 2020.

**Note 22. Events after the reporting period**

The Company has no significant events that have had or may have an impact on the financial position, cash flows or results of operations of the Group that occurred between the reporting date and the date of signing the condensed interim consolidated financial statements of the Group for the six months ended 30 June 2021.

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

6 August 2021