

# SHARES AND DIVIDENDS

## AUTHORISED CAPITAL AND AUTHORISED SHARES

	At the beginning of 2021	At the end of 2021
<b>Type, category, kind, form of issuance of securities</b>	Ordinary registered uncertified shares	
<b>The nominal value of each share (RUB)</b>	100	
<b>Authorised capital (RUB)</b>	33,465,783,700	33,465,783,700
<b>Number of outstanding shares (pcs)</b>	334,657,837	341,825,681
<b>State registration number of the issuance of securities and the date of state registration</b>	No. 1-02-00063-A dated 8 July 2003 (main issue)	No. 1-02-00063-A dated 8 July 2003 (main issue) No. 1-02-00063-A dated 1 April 2021 (additional issue)
<b>Presence/absence of a special right of the Russian Federation to participate in the Company's management ("golden share")</b>	No special right of the Russian Federation to participate in the management of the Company ("golden share")	
<b>Existence of authorised shares that the Company may float in addition to those already in circulation</b>	142,649,400 ordinary shares for the total par value of RUB 14,264.94 mn	135,481,556 ordinary shares for the total par value of RUB 13,548.16 mn
<b>Number of own shares on the Company's balance (pcs)</b>	0	0
<b>Number of shares of the Company owned by its controlled entities (pcs)</b>	0	0

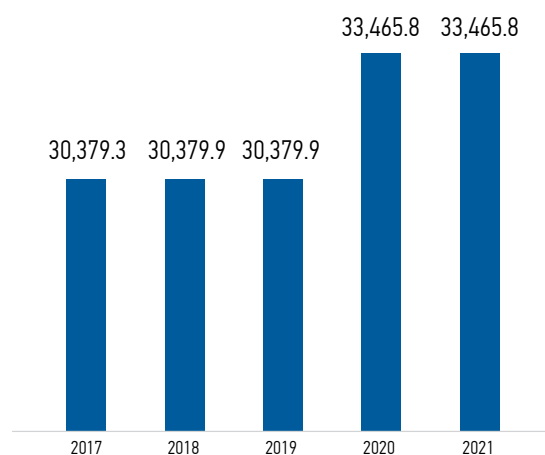
In the reporting year, an additional issue of shares began to be placed, continuing into 2022. The authorised capital of the Company did not change during the reporting year.

The Company did not place any preferred shares.

The Articles of Association of PJSC Rosseti Kuban states that each registered ordinary share of the Company grants the same scope of rights to its holder. The rights of the shareholders are specified in the Company's Articles of Association.

Shareholders are bound to abide the statutory requirements of the Russian Federation, the Company's Articles of Association and other by-laws, not to disclose confidential information and information that constitutes trade secrets, to bear the risk of losses related to the Company's activities within the value of their shares.

### CHANGE IN THE COMPANY'S AUTHORISED CAPITAL (RUB MN)



## ISSUANCE OF ADDITIONAL SHARES

During the reporting year, in accordance with the decision of the General Meeting of Shareholders dated 24 February 2021 to increase the authorised capital, the Company placed additionally issued shares, the state registration of which was conducted by the Bank of Russia on 1 April 2021.

The listing prospectus containing the conditions of the placement of securities and registered by the Bank of Russia also on 1 April 2021 provided for a maximum placement period of 1 year from the date of state registration of this additional issue of securities.

On 14 March 2022, the Board of Directors resolved to approve the listing prospectus of Rosseti Kuban's securities, providing for an extension of the term of placement of securities, pursuant to paragraph 12 of Article 22 of Federal Law No. 39-FZ dated 22 April 1996 On the Securities Market (Minutes No. 470/2022 dated 14 March 2022). On 14 March 2022, the approved listing prospectus was sent to the Bank of Russia for registration. On 25 April 2022, the Bank of Russia registered a listing prospectus and the placement of additional shares continued.

### INFORMATION ON THE ADDITIONAL ISSUE OF SECURITIES

<b>Issue goals</b>	<ul style="list-style-type: none"> <li>• Financing of the following activities:             <ul style="list-style-type: none"> <li>– Creating energy infrastructure for investment projects in the Republic of Adygea</li> <li>– Renovation of power centres in the Sochi power district, including reimbursement of costs incurred by the Company</li> </ul> </li> <li>• improving the financial sustainability of PJSC Rosseti Kuban</li> <li>• debt reduction</li> </ul>
<b>Share allocation price</b>	RUB 100 per one share
<b>Form of payment for shares</b>	Monetary funds
<b>Period of pre-emptive right for the acquisition of additionally issued shares</b>	10 April 2021 – 3 February 2022
<b>Number of securities placed as a result of shareholders exercising their pre-emptive right to purchase securities</b>	9,003,528 pcs
<b>Collection period of offers for acquisition of shares of additional issue stipulated by the listing prospectus registered on 1 April 2021</b>	11 February 2020 – 2 March 2022
<b>Date from which the placement of securities was suspended due to the resolution of the Board of Directors to approve the listing prospectus of Rosseti Kuban providing for the extension of the securities placement period</b>	14 March 2022
<b>Information on the additional issue of PJSC Rosseti Kuban shares on the Company website</b>	Home / For Shareholders and Investors / Information Disclosure / Disclosure of information at specific stages of the securities issue procedure / Issue of shares of Rosseti Kuban constituting additional issue (state registration number 1-02-00063-A dated 1 April 2021)

## SHARE CAPITAL

The largest shareholders are:

- PJSC Rosseti, which owns 93.58% of the voting shares of the Company
- JSC DVEUK-UNPG, which owns 6.09% of the voting shares of the Company

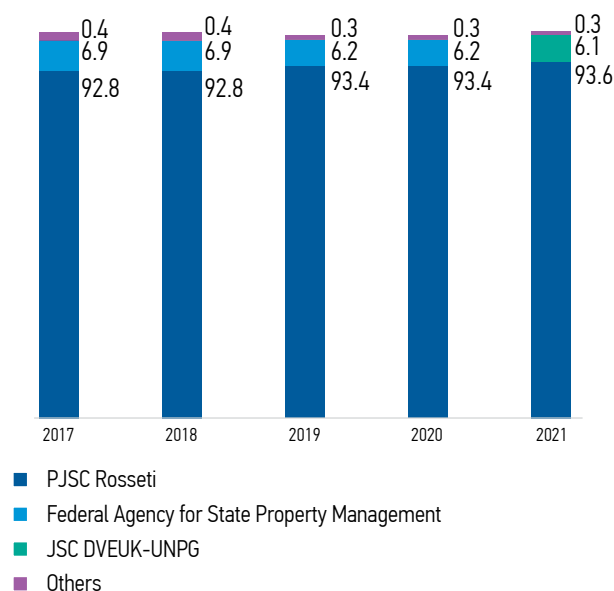
The Russian Federation indirectly owns voting shares in Rosseti Kuban due to its dominant interest in the above companies (88.04% in PJSC Rosseti and 100% in PJSC DVEUK-UNPG).

The Company does not have any other shareholders who own more than 5% of PJSC Rosseti Kuban's shares. The Company has no information about any shareholder agreement made. The Company does not hold any shares of its own. There are no cross-holdings of the Company's shares.

In the third quarter of the reporting year, the Russian Federation represented by the Federal Agency for State Property Management (Rosimushchestvo) transferred ownership of the entire package of 6.09% of the Company's voting shares held by it to JSC DVEUK-UNPG.

In addition, there were minor changes (up to 1%) in the structure of the Company's share capital due to placing additionally issued shares.

### SHARE CAPITAL STRUCTURE OF ROSSETI KUBAN IN 2017–2021 (%)



### STATISTICAL INFORMATION ON PERSONS ENTERED INTO IN THE REGISTER OF SHAREHOLDERS OF ROSSETI KUBAN AS AT 31 DECEMBER 2021

Type of personal account / other account and category of registered person	Number of shares	% of issued shares	% of outstanding shares
Account of unidentified persons	3,364	0.0008	0.0010
Emission account	62,415,288	15.4401	
Legal entities — owners (accounts – 16)	340,710,069	84.2839	99.6736
Individual owners, including co-ownership accounts (accounts – 1,791)	342,913	0.0848	0.1003
Nominee holders of Central Securities Depository (accounts – 2)	769,335	0.1903	0.2251
<b>TOTAL ON THE LIST (ACCOUNTS – 1,811)</b>	<b>404,240,969</b>	<b>100.0000</b>	<b>100.0000</b>

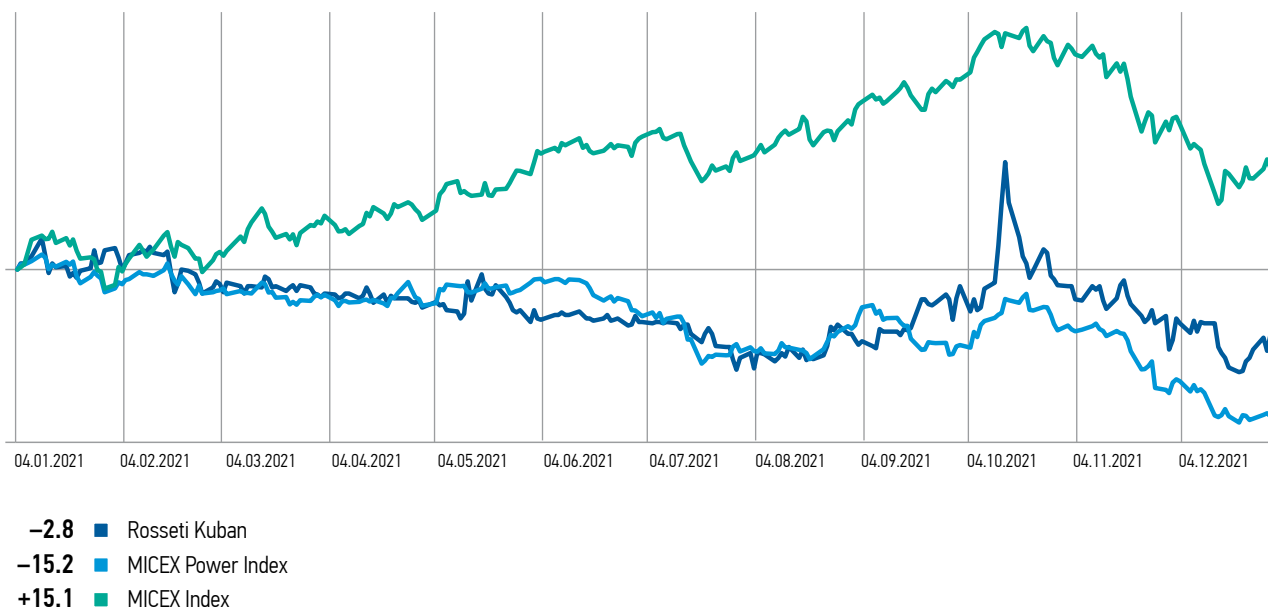
## EQUITY MARKET AND THE COMPANY'S CAPITALISATION

Shares of Rosseti Kuban PJSC are traded on Level 3 of the List of Securities Admitted to Trading on the Moscow Exchange; ticker: KUBE, ISIN code: RU0009046767.

Information on the current bids and transaction prices is available in Russian and English:

<http://moex.com/>  
<https://rosseti-kuban.ru/>

## CURVE OF ROSSETI KUBAN'S SHARE PRICE (%)



# 22.5 RUB bn

THE COMPANY'S CAPITALISATION AT THE END OF 2021

The Company's market capitalisation at the end of 2020 was RUB 22.7 bn, and at the end of 2021, including the additionally issued shares, it was RUB 22.46 bn

The maximum capitalisation in 2021 was RUB 28.8 bn, while the minimum level was RUB 21.1 bn. In the reporting year, the share price declined by 2.8% (closing price calculation) on the back of a 15.1% increase in the MICEX Index and a 15.2% decrease in the MICEX Power Index.

## MOVEMENTS OF PRICE PER ONE SHARE OF ROSSETI KUBAN IN 2021 (RUB)

Closing price (end of 2020)	Minimum price	Maximum price	Closing price (end of 2021)	Relative gain for the period (%)
68.3	63	86	66.4	-2.8

## BID PRICES AND TRADED VALUE

Indicator	2019	2020	2021	2021/2020 (relative increase) (%)
Weighted average price at the end of the period (RUB)	63.6	68.5	66.7	-2.6
Market capitalisation on last trading day (RUB bn) (including outstanding additional shares)	20.88	22.69	22.46	-1.0
Trading volume (mn shares)	0.8	1.7	0.8	-52.9
Trading volume (RUB mn)	57.4	129.3	60.3	-53.4

The volume of trading the shares of the Company on the Moscow Exchange in 2021 amounted to RUB 60.3 mn / 0.8 mn pcs.

The Company's shares are not included in the stock index calculation bases.

The low traffic in 2021 was due to the insignificant amount of shares in free circulation.

## DIVIDENDS

The Dividend Policy of the Company is a set of principles and methods used by the Company to determine the proportions of the capitalised part of the Company's profits and the part of profits payable in the form of dividends. In addition, it is also a system of relations and principles for determining the procedure and timing for the payment of dividends and for establishing the Company's responsibility for the performance of the obligation to pay dividends.

The Dividend Policy of the Company is based on the strict observance of the shareholders' rights as prescribed by the existing laws of the Russian Federation, the Articles of Association, and the internal documents of the Company. The Dividend Policy of the Company is aimed at raising the investment attractiveness of the Company and increasing its market capitalisation. The Policy is based on the balance of the interests of the Company and its shareholders.

The Dividend Policy of the Company is aligned with the Regulations on the Dividend Policy approved by the resolution of the Board of Directors on 31 January 2018 (Minutes No. 297/2018 dated 1 February 2018) and published on the corporate website in the [About the Company/ Constituent and Internal Documents](#) section.

Main principles of the Company's Dividend Policy:

- Complying with the Company practices for dividend accrual and payment, the laws of the Russian Federation and the standards of corporate governance (Decree No. 1094-r of the Government of the Russian Federation dated 29 May 2017)
- Maintaining optimal balance of interests of the Company and its shareholders
- Setting the dividend volume to at least 50% of the net profits determined according to the financial statements, including the consolidated reports prepared following the IFRS and calculated using the procedures set out by the Dividend Policy Regulations
- Ensuring the quarterly dividend payments if the relevant criteria are met
- Ensuring the maximum transparency (reliability) of the dividend calculation mechanism and dividend payout procedures
- Supporting the positive dynamics of dividend payment volumes provided that the net profits of the Company increase
- Making the information on the Company's Dividend Policy available to the shareholders and other interested parties
- Maintaining the required level of the financial and technical conditions in the Company (Investment Programme implementation), supporting the Company development prospects

### PROFIT DISTRIBUTION ACCORDING TO RAS FOR 2018–2020 <sup>1</sup> (RUB '000)

Indicator	For 2018 (annual General Meeting of Shareholders – 2019)	For 2019 (annual General Meeting of Shareholders – 2020)	For 2020 (annual General Meeting of Shareholders – 2021)
Undistributed profit (loss) of the reporting period	151,158	2,428,011	–1,501,278
Including:			
• Reserve fund	7,560	121,401	–
• Profit for development	0	1,669,696	–
• Dividends	143,638	636,914	–
• Recovery of prior year losses	–	–	–

In accordance with the Company's Articles of Association, the annual General Meeting of Shareholders will decide on the distribution of profits based on the results of 2021.

<sup>1</sup> Decisions on profit distribution for 2018–2020 were adopted by the annual General Meeting of Shareholders of the Company (No. 42 dated 20 June 2019, No. 43 dated 29 May 2020, No. 45 dated 4 June 2021 respectively).

## HISTORY OF DIVIDEND PAYMENTS MADE BY THE COMPANY IN 2016–2020

	Dividend period (year)				
	2016	2017	2018	2019	2020
Number and date of the Minutes of the General Meeting of Shareholders, when the dividend payment decision was made	No. 39 dated 29 June 2017	No. 40 dated 25 May 2018	No. 42 dated 20 June 2019	No. 43 dated 29 May 2020	No. 45 dated 4 June 2021
Record date of making a list of persons entitled to dividends for the particular dividend period	27 June 2017	5 June 2018	1 July 2019	15 June 2020	–
The volume of declared (accrued) dividends for the shares of this category (type) per one share in (RUB)	1.762658567	1.0585165	0.472815	1.90318	–
Cumulative declared (accrued) dividends for all shares of this category (type) (RUB)	535,125,135	321,570,274	143,638,050	636,914,105	–
The total amount of dividends paid on all Company shares of one category (type) (RUB)	534,876,410.47	321,443,450.61	143,566,208.80	636,641,664.89	–
The payment term for the declared dividends on the Company shares	10 and 25 working days <sup>1</sup>	10 and 25 working days <sup>1</sup>	10 and 25 working days <sup>1</sup>	10 and 25 working days <sup>1</sup>	–
Form of payment and other provisions for the declared dividends on the Company shares	Monetary funds				–
Causes of non-distribution of declared dividends	The questionnaire contains no dividends allocation data to be provided by a registered person				–

Based on the year-end results, the General Meeting of Shareholders of the Company (Minutes No. 45 dated 4 June 2021) decided not to pay dividends based on the 2020 results.

There are no dividend arrears owed by the Company.

<sup>1</sup> For nominee shareholders that are securities market professional trustees, the term of payment is 10 working days maximum, and for other registered shareholders the same is 25 working days from the record date.