

# APPENDIX 6

OPINION OF THE AUDITING COMMISSION

## Auditing Commission of PJSC Rosseti Kuban

Approved  
by the Auditing Commission  
of PJSC Rosseti Kuban  
(Minutes No. 3 dated 29 April 2022)

### OPINION OF THE AUDITING COMMISSION

of Public Joint Stock Company  
Rosseti Kuban

FOR 2021

29 April 2022

Moscow

## I. INTRODUCTION

### INFORMATION ON THE MEMBERSHIP OF THE AUDITING COMMISSION

The members of the Auditing Commission were elected by the resolution of the General Meeting of Shareholders	The Resolution of the Annual General Meeting of Shareholders of Rosseti Kuban dated 3 June 2021 (Minutes No. 45 dated 4 June 2021)
The Chairman and the Secretary of the Auditing Commission were elected by the resolution of the Auditing Commission	Minutes of the Auditing Commission of PJSC Rosseti Kuban No. 1 dated 21 June 2021
Chairman of the Auditing Commission	Svetlana Kovalyova
Secretary of the Auditing Commission	Svetlana Trishina
Members of the Auditing Commission	Viktor Tsarkov Olga Pyatakova Kirill Rogachyov

**Duration of the audit:** Pursuant to the Work Plan of the Auditing Commission for the corporate year 2021–2022 (Minutes of Meeting of the Auditing Commission of PJSC Rosseti Kuban No. 1 dated 21 June 2021), the audit of the financial and business activities of PJSC Rosseti Kuban for 2021 was conducted in the period from January to May 2022.

**Grounds for the audit:** Federal Law No. 208-FZ of 26 December 1995 On Joint Stock Companies, Articles of Association of PJSC Rosseti Kuban, Regulations on the Auditing Commission of PJSC Rosseti Kuban, Resolution of the Auditing Commission of PJSC Rosseti Kuban (Minutes of Meeting No. 1 dated 21 June 2021).

**Objective of the audit:** To confirm the accuracy of the data contained in the Annual Report for 2021, the accounting (financial) statements of PJSC Rosseti Kuban for 2021, and the Report on Related Party Transactions Entered into in 2021 (hereinafter, Statements).

Reliability in all material respects means the degree of accuracy of the data in the Statements, which allows the shareholders to draw correct conclusions about the results of business operations, financial and property position of PJSC Rosseti Kuban, and to make informed decisions based on such conclusions.

In accordance with Federal Law No. 208-FZ On Joint Stock Companies dated 26 December 1995 and the Articles of Association of PJSC Rosseti Kuban, the executive body of PJSC Rosseti Kuban is responsible for organisation, condition and reliability of the accounting process at PJSC Rosseti Kuban and timely submission of accounting (financial) statements.

**Audited period:** from 1 January 2021 to 31 December 2021.

**Object of the audit:** Annual Report for 2021, accounting (financial) statements for 2021, report on related party transactions concluded in 2021, resolutions of management bodies, local regulations and organisational and administrative documents of PJSC Rosseti Kuban, roadmaps, accounting registers, primary accounting documents and other documentation of financial and economic activities of PJSC Rosseti Kuban.

**In carrying out the inspection (audit), the following was used:**

- Federal Law No. 402-FZ dated 6 December 2011 On Accounting
- Federal Law No. 208-FZ dated 26 December 1995 On Joint Stock Companies
- Civil Code of the Russian Federation
- Order No. 34n of the Ministry of Finance of Russia dated 29 July 1998 On the Ratification of Regulations for Accounting and Reporting in the Russian Federation
- Accounting standards (federal, sectoral)
- Order No. 66n of the Ministry of Finance of Russia dated 2 July 2010 On Accounting Forms of Organisations
- Regulation on Disclosure of Information by Issuers of Equity Securities No. 714-P approved by the Bank of Russia on 27 March 2020
- Instruction of the Bank of Russia No. 4335-U dated 31 March 2017 On Establishing the Limits on the Amount of Transactions of Joint Stock Companies and Limited Liability Companies, Above Which Such Transactions May Be Recognised as Related-Party Transactions
- Regulations on Accounting Policy of PJSC Rosseti Kuban for Accounting Purposes, approved by Order of PJSC Rosseti Kuban No. 755-od dated 29 December 2020, as amended
- Other legislative acts and internal administrative documents of PJSC Rosseti Kuban.

### COMPANY DETAILS

Full title	Public Joint Stock Company Rosseti Kuban (hereinafter referred to as the Company)
Abbreviated title	PJSC Rosseti Kuban (hereinafter referred to as the Company)
Location (registered office)	2A Stavropolskaya Street, Krasnodar, Russian Federation
Address of the legal entity	2A Stavropolskaya Street, Krasnodar, Krasnodar Region, 350033
State registration (Primary State Registration Number (OGRN), date)	1022301427268 dated 17 September 2002
INN (Tax Payer ID)	2309001660

Branches and separate subdivisions	<ul style="list-style-type: none"> <li>- Krasnodar Power Grids</li> <li>- Sochi Power Grids</li> <li>- Armavir Power Grids</li> <li>- Adygeya Power Grids</li> <li>- Timashevsk Power Grids</li> <li>- Tikhoretsk Power Grids</li> <li>- Leningrad Power Grids</li> <li>- Slavyansk Power Grids</li> <li>- South-West Power Grids</li> <li>- Labinsk Power Grids</li> <li>- Ust-Labinsk Power Grids</li> </ul>
Executive body (name, position, date of entry into service (all individuals acting in the reporting period and in the events occurred after the reporting date))	<p>Sergey Sergeev, General Director from 18 July 2019 to 17 May 2021</p> <p>Boris Ebzeev, Acting General Director from 18 May 2021 to the present day.</p>
Chief Accountant (name, position, date of entry into service)	<p>Inna Skiba, Chief Accountant — the Head of Accounting and Tax Reporting Department from 20 May 2013 to 20 June 2021.</p> <p>Lyudmila Loskutova, Chief Accountant — the Head of Accounting and Tax Reporting Department from 21 June 2021 to the present day.</p>
Average headcount in 2021	8,876 people
Key shareholders	PJSC Rosseti (93.58%), JSC DVEUK – UNPG (6.09%)
Key business activities	Electricity transmission and connection to distribution grids (All-Russia Classifier of Economic Activities (OKVED) code 35.12)

PJSC Rosseti Kuban is a subsidiary of PJSC Rosseti, which as at 31 December 2021 owns 93.58% of the Company's outstanding shares.

The Company's activities are defined in the Articles of Association.

Clause 2.8 of the Articles of Association stipulates that the Company may establish branches and open representative offices in accordance with the provisions of the Civil Code of the Russian Federation, the Federal Law On Joint Stock Companies and other federal laws. The Company's branches and representative offices are not legal entities; those act on behalf of the Company and on the basis of the regulations approved by the Company. As at 31 December 2021, the Company has 11 branches.

The governing bodies of PJSC Rosseti Kuban are as follows:

- General Meeting of Shareholders
- Board of Directors
- Management Board
- General Director

The Company's supreme management body is the General Meeting of Shareholders. The most important decisions related to the activities of the Company are made by the General Meeting of Shareholders within its competence as prescribed by the legislation of the Russian Federation and the Articles of Association of the Company. In accordance with the Articles of Association of the Company, the Board of Directors, which is elected at the General Meeting of Shareholders, makes decisions on the determination of the Company's development strategy and supervises the activity of its executive bodies.

The management of the current operations of the Company is effected by a sole executive body, i.e. General Director, and a collective executive body, i.e. the Management Board.

Control over the financial and economic activities of the Company is exercised by the Company's Auditing Commission.

The current members of the Board of Directors of PJSC Rosseti Kuban were elected at the Extraordinary General Meeting of Shareholders of PJSC Rosseti Kuban held on 30 December 2021 (the positions below are at the time of election):

1. Daniil Krainskiy — the Deputy General Director for Legal Support at PJSC Rosseti
2. Grigory Gladkovsky — the Deputy Chief Engineer at PJSC Rosseti
3. Yuri Goncharov — the Chief Advisor at PJSC Rosseti
4. Aleksandr Kazakov — the Member of the Board of Directors at PJSC Rosseti South, the Chairman of the Board of Directors at PJSC Rosseti Centre and Volga Region, the Chairman of the Personnel and Remuneration Committee at PJSC Rosseti Kuban
5. Madina Kaloyeva — the Director for Corporate Governance — Head of Corporate Governance Department at PJSC FGC UES
6. Konstantin Kravchenko — the Chief Advisor to the General Director, the Acting Deputy General Director for Digitalisation at PJSC Rosseti
7. Mikhail Medvedev — the Advisor to the General Director at JSC Avangard
8. Aleksey Malsky — the Deputy General Director for Investment, Capital Construction and Service Sales, the Member of the Management Board at PJSC Rosseti
9. Aleksey Polinov — the Deputy General Director for Economics and Finance at PJSC Rosseti Lenenergo, the Chief Advisor to the General Director at PJSC Rosseti
10. Boris Ebzeev — the Chairman of the Management Board, the General Director at PJSC Rosseti South, the Acting General Director at PJSC Rosseti Kuban
11. Viktor Yavorsky — the President of LLC AKG OSBI KLASS

The Board of Directors, which had been elected at the Extraordinary General Meeting of Shareholders on 31 August 2021 and acting until a new Board of Directors was elected on 30 December 2021 (the positions below are at the time of election):

1. Daniil Krainskiy — the Deputy General Director for Legal Support at PJSC Rosseti
2. Grigory Gladkovsky — the Deputy Chief Engineer at PJSC Rosseti
3. Yuri Goncharov — the Chief Advisor at PJSC Rosseti
4. Alexander Kazakov — the Chairman and Member of the Board of Directors at PJSC IDGC of Centre, the Chairman and Member of the Board of Directors at PJSC Rosseti Centre and Volga Region, the Member of the Board of Directors at PJSC Rosseti Volga, the Chairman of the Personnel and Remuneration Committee at PJSC Rosseti Kuban
5. Madina Kaloyeva — the Director for Corporate Governance — Head of Corporate Governance Department at PJSC FGC UES
6. Mikhail Medvedev — the Advisor to the General Director at JSC Avangard
7. Aleksey Molsky — the Deputy General Director for Investment, Capital Construction and Service Sales, the Member of the Management Board at PJSC Rosseti
8. Aleksey Polinov — the Deputy General Director for Economics and Finance at PJSC Rosseti Lenenergo, the Chief Advisor to the General Director at PJSC Rosseti
9. Boris Ebzeev — the Chairman of the Management Board, the General Director at PJSC Rosseti South, the Acting General Director at PJSC Rosseti Kuban
10. Viktor Yavorsky — the President of LLC AKG OSBI KLASS
11. Konstantin Mikhaylik — the Deputy General Director for Digitalisation at PJSC Rosseti

The Board of Directors, which had been elected at the Annual General Meeting on 3 June 2021 and acting until a new Board of Directors was elected on 31 August 2021 (the positions below are at the time of election):

1. Daniil Krainskiy — the Deputy General Director for Legal Support at PJSC Rosseti
2. Grigory Gladkovsky — the Deputy Chief Engineer at PJSC Rosseti
3. Aleksandr Kazakov — the Chairman and Member of the Board of Directors at PJSC Rosseti Centre and Volga Region, the Chairman of the Personnel and Remuneration Committee at PJSC Rosseti Kuban
4. Mikhail Medvedev — the Advisor to the General Director at JSC Avangard
5. Aleksey Molsky — the Deputy General Director for Investment, Capital Construction and Service Sales, the Member of the Management Board at PJSC Rosseti
6. Aleksey Polinov — the Deputy General Director for Economics and Finance at PJSC Rosseti Lenenergo, the Chief Advisor to the General Director at PJSC Rosseti
7. Viktor Yavorsky — the President of LLC AKG OSBI KLASS
8. Natalya Ozhegina — the Deputy Chairman of the Management Board for Personnel at PJSC FGC UES

9. Egor Prokhorov — the Deputy General Director for Strategy at PJSC Rosseti
10. Sergey Sergeev — the Deputy General Director for Investments at JSC TsIUS UES
11. Maria Tikhonova — Deputy General Director for Corporate Governance at PJSC FGC UES

The Board of Directors, which had been elected at the Annual General Meeting on 29 May 2020 and acting until a new Board of Directors was elected on 3 June 2021 (the positions below are at the time of election):

1. Alexander Gavrilov — the Member of the Krasnodar Regional Scientific and Technical Association of Power and Electrical Engineers;
2. Igor Alyushenko — the Director of the Situation Analysis Centre — Deputy Chief Engineer at PJSC Rosseti
3. Aleksandr Varvarin — the Vice President — Managing Director for the Corporate Relations and Legal Support Office of the Russian Union of Industrialists and Entrepreneurs
4. Vasily Varseev — the Director of the Security Department at PJSC Rosseti
5. Denis Guryanov — the Director of the Corporate Governance Department at PJSC Rosseti
6. Andrey Logatkin — Director of the International Cooperation Department at PJSC Rosseti
7. Ivan Terekhov — the Head of the Insurance Division of the Strategy Department at PJSC Rosseti
8. Irina Shagina — the Director of the Tariff Policy Department at PJSC Rosseti
9. Sergey Sergeev, General Director of PJSC Kubanenergo
10. Mikhail Medvedev — the Advisor to the General Director at JSC Avangard
11. Viktor Yavorsky — the Member of the Presidium of the Management Board of the All-Russian Non-Governmental Organisation of Small and Medium Business OPORA RUSSIA

#### AUDITOR DETAILS

Full title	Ernst & Young Limited Liability Company
Abbreviated title	Ernst & Young LLC
Resolution of the Annual General Meeting of Shareholders to approve the auditor	The Auditor was approved by the Resolution of the Annual General Meeting of Shareholders of PJSC Rosseti Kuban (Minutes No. 45 dated 4 June 2021)
Address	77/1 Sadovnicheskaya naberezhnaya st., Moscow, Russian Federation, 115035
State Registration Number	1027739707203
Membership of self-regulatory organisations	Self-Regulatory Organisation of Auditors Association "Sodruzhestvo" Main Record Number (ORNZ) 12006020327
Contract for Audit Services	Contract for Audit Services for the year 2021 No. 407/30-

	1003 dated 5 August 2021
Auditor's Opinion	Independent Auditor's Opinion on the Accounting (Financial) Statements of Public Joint Stock Company Rosseti Kuban for 2021 (signed on 25 February 2022)

## II. ANALYTICS

The audit examined the Company's compliance with the legislation of the Russian Federation and the local regulations of the Company.

The Auditing Commission selectively audited a number of financial and business transactions of the Company for accurate and timely recording of the facts of business life in the accounting and financial statements for 2021, the reliability and completeness of information disclosure in the annual report for 2021, in the Report on the transactions concluded in 2021 and recognized as related-party transactions. Based on the Company's accounting (financial) statements, an analysis of the Company's financial position and standing has been carried out.

In assessing the accuracy of the accounting (financial) statements for 2021, the Auditing Commission relied on the opinion of the Company's auditor, as expressed in the Auditor's Opinion compiled by Ernst & Young LLC dated 25 February 2022.

In the opinion of the Company's auditor, Ernst & Young LLC:

*“the accounting (financial) statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, as well as its financial performance and cash flows in 2021, in compliance with the Russian Federation rules for accounting (financial) statements”.*

In the reporting year, a range of accounting methods used by the Company and constituting the Accounting Policy of PJSC Rosseti Kuban for 2021, approved by Order No. 755-od dated 29 December 2020 (as amended by Order No. 171-od dated 29 March 2021), generally complied with the accounting legislation of the Russian Federation and federal standards.

The stocktake of the Company's property and liabilities for 2021 was performed in accordance with the requirements of the legislation of the Russian Federation.

The statements are prepared in accordance with the laws and regulations of the Russian Federation (Russian Accounting Standards — RAS) and local regulations of the Company, in all material respects.

The book value of the Company's assets and liabilities as at 31 December 2021 amounted to RUB 79,554.1 mn — an increase of 2.8% or RUB 2,173.8 mn as compared to data as at 31 December 2020.

Non-current assets account for 85.5% of the property structure, and as at 31 December 2021 amounted to RUB 68,013.5 mn, or 4.2% more than non-current assets as at 31 December 2020. The increase in total non-current assets was mainly influenced by a growth of the following: construction in progress, advances issued for capital construction and acquisition of property assets, cost of raw materials and materials to be used in the creation of property assets.

As at 31 December 2021, current assets accounted for 14.5% of all assets, or RUB 11,540.5 mn, of which receivables (56.7%) and inventories (17.8%) accounted for the largest share. The value of current assets decreased by 4.5% compared to

31 December 2020, mainly due to the reduced balance of the accounts receivable.

As at 31 December 2021, the amount of receivables (line 1230 of the balance sheet) decreased by 23.4% to RUB 6,547.4 mn, as compared to 31 December 2020. The decrease in the value of accounts receivable at the end of the reporting year was significantly affected by a 23.4% decrease in total short-term accounts receivable, also due to an increase in the allowance for doubtful receivables.

Total amount of receivables recorded under the terms of contracts decreased by 14.2% in 2021 and as at 31 December 2021 amounted to RUB 9,037.7 mn, of which 30.7% is overdue accounts receivable, 27.6% debts are recognized as doubtful receivables by the Company and thus the allowance for doubtful receivables was created. During the reporting year, overdue receivables (under the terms of contracts) decreased by 35.6%. The allowance for doubtful receivables (excluding the allowance for doubtful receivables for advances for construction and installation work) has increased by 25.1%, compared to its value as at 31 December 2020.

As at 31 December 2021, equity capital represents 50.5% of the equity and liabilities structure, amounting to RUB 40,173.4 mn. In the reporting year, shareholders' equity increased by 6.2%, which is due to the Company's net profit in the reporting period and an increase in total equity (before registration of changes) in connection with the additional issue of shares.

Non-current liabilities as at 31 December 2021 amounted to RUB 19,966.5 mn and decreased by RUB 1,563.7 mn or 7.3% in the reporting year, mainly due to the repayment of long-term borrowings.

In the reporting year, short-term liabilities increased by RUB 1,393.3 mn, or 7.7%, and amounted RUB 19,414.2 mn. The largest share in the structure of short-term liabilities is represented by accounts payable — 58.5% or RUB 11,354.8 mn (an increase of 5.5% in the reporting year), borrowings — 24.9% or RUB 4,834.2 mn (a decrease of 13% in the reporting year), and estimated liabilities — 14.4% or RUB 2,802.9 mn (an increase of 83.5% in the reporting year). As at 31 December 2021, accounts payable are 33.3%; they increased by 1.2% in the reporting year. As at 31 December 2021, the Company's current liabilities exceed its current assets by 1.7 times.

In the reporting year, the Company generated a net profit of RUB 1,711.8 mn (last year's net loss was RUB 1,501.3 mn).

As at 31 December 2021, the net asset value is RUB 40,465.5 mn: it exceeds the authorised capital of the Company. The increase in net asset value was 6.5% in the reporting year.

In the course of the audit, the data of the annual accounting (financial) statements and the data of the Annual Report of the Company for 2021 were verified on a selective basis. As part of this work, the Revision Commission did not find any material misstatements in the financial information contained in the Company's Annual Report for 2021.

The Auditing Commission audited the information disclosure in the Company's

2021 annual report for compliance with the requirements of Bank of Russia Regulation No. 714-P On Information Disclosure by Issuers of Equity Securities dated 27 March 2020.

The Company's Annual Report to be submitted for approval by the Annual General Meeting of Shareholders contains information as required by the Bank of Russia Regulation No. 714-P dated 27 March 2020 On Disclosure of Information by Issuers of Equity Securities.

At the time of issuing this Opinion, the Annual Report 2021, which is to be submitted to the Annual General Meeting of Shareholders for approval, has not been approved by the Company's Board of Directors.

The Auditing Commission has conducted a selective audit of the reliability of information disclosure in the Report on transactions made by PJSC Rosseti Kuban in 2021 that are recognized under Russian law to be related party transactions, as required by Federal Law No. 208-FZ of 26 December 1995 On Joint Stock Companies.

No facts of misrepresentation of information contained in the Report on transactions made by PJSC Rosseti Kuban in 2021 and recognized as related party transactions under the laws of the Russian Federation were identified.

At the time of issuing this Opinion, the Report on the transactions made by PJSC Rosseti Kuban in 2021 and recognised as related-party transactions in accordance with the laws of the Russian Federation has not been approved by the Company's Board of Directors.

No facts of violation of legal acts of the Russian Federation in the course of financial and economic activities, which could materially affect the Company's Statements, were revealed in the course of the selective review.

### III. SUMMARY

Based on the results of the audit of the Company's financial and operating activities and pursuant to Article 88 of Federal Law No. 208-FZ dated 26 December 1995 On Joint Stock Companies, the Auditing Commission hereby expresses the opinion that the information contained in the Company's Annual Report for 2021 and annual accounting (financial) statements for 2021 is accurate in all material respects. No facts of misrepresentation of the information contained in the Report on the transactions made by PJSC Rosseti Kuban in 2021 and recognized as related-party transactions under the laws of the Russian Federation were identified.

The composition of the Company's reporting statements confirmed by the Auditing Commission:

Sl. No.	Description of a reporting document	Date of signing by management	Number of sheets in a document
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Sl. No.	Description of a reporting document	Date of signing by management	Number of sheets in a document
1	Balance Sheet as at 31 December 2021	25 February 2022	2
2	Report on Financial Performance for January to December 2021	25 February 2022	1
3	Statement of Changes in Equity for 2021	25 February 2022	3
4	Cash Flow Statement for January to December 2021	25 February 2022	2
5	Explanatory Note to the Balance Sheet and Financial Performance of PJSC Rosseti Kuban for 2021, in narrative and tabular formats	25 February 2022	77
6	Annual Report of PJSC Rosseti Kuban for 2021 (with appendices, including the Report on transactions made by PJSC Rosseti Kuban in 2021 and recognized as related party transactions in accordance with the laws of the Russian Federation).	—	423

This Opinion of the Revision Commission shall be considered together with all confirmed forms of accounting (financial) statements and Explanatory Notes to the Balance Sheet and Report on Financial Performance for 2021, with the Company's Annual Report for 2021, with the Report on transactions made by PJSC Rosseti Kuban in 2021 and recognized as related-party transactions in accordance with the laws of the Russian Federation

Chairman of the Auditing Commission \_\_\_\_\_ S. Kovalyova

Members of the Auditing Commission:

\_\_\_\_\_ V. Tsarkov

\_\_\_\_\_ S. Trishina

\_\_\_\_\_ O. Pyatakova

\_\_\_\_\_ K. Rogachyov