

APPENDIX 2

ON RELATED-PARTY TRANSACTIONS MADE BY ROSSETI KUBAN IN 2020

REPORT ON THE TRANSACTIONS MADE BY ROSSETI KUBAN IN 2020 AND RECOGNIZED AS RELATED- PARTY TRANSACTIONS UNDER THE RUSSIAN LAW

Report on the Transactions Made by Rosseti Kuban in 2020 and Recognized as Related-Party Transactions Under the Russian Law

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
1	Energy Service Contract	04.03.2020	<p>Parties of the Contract:</p> <p>Kubanenergo PJSC — Customer,</p> <p>Energoservice Kuban JSC — Energy Service Company.</p> <p>Subject of the Contract:</p> <p>The energy service company renders services aimed at energy saving and increasing the energy efficiency of the use of energy resources (including reducing the technological consumption (losses) of electricity in power grids) by identifying and reducing losses in the Customer's power grids, and the Customer pays for the services of the energy service company by saving the cost of paying for the consumption of energy resources (including the cost of compensating for electricity losses) through these initiatives.</p> <p>Contract price:</p> <p>The contract price has been determined in accordance with the protocol for agreeing on the contract price and amounts to RUB 54,396,054.00, including VAT at the rate of 20%.</p> <p>Contract validity:</p> <p>The contract comes into force from the moment it is signed by both parties and is valid within the contract term.</p> <p>The contract term is 4 years since the commencement of services under the contract</p>	<ol style="list-style-type: none"> The Company's controller is Rosseti, which is also the controller of Energoservice Kuban JSC, a party of the transaction; Edgar. G. Armaganyan, member of the Management Board of the Company, also member of the Board of Directors of Energoservice Kuban JSC, a Party of the transaction; Oleg F. Nishchuk, member of the Management Board of the Company, also member of the Board of Directors of Energoservice Kuban JSC, a Party of the transaction 	No. KE/1200/25 dated February 4, 2020	No requests for holding a meeting of the Board of Directors of the Company to resolve the issue of obtaining consent for making the related-party transaction by entities listed in Clause 1 of Article 83 of the Federal Law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995 have been received

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
2	Supply Contract	14.05.2020	<p>Parties of the Contract:</p> <p>Kubanenergo PJSC — Buyer,</p> <p>VOLS-VL Management JSC — Supplier.</p> <p>Subject of the Contract:</p> <p>The Supplier, under the Contract terms, undertakes to supply electricity metering devices within the time period stipulated by the Contract (in the context of the Federal Law No. 522-FZ dated December 27, 2018) in the Power Grids of Adygea, Armavir, Krasnodar, Labinsk, Sochi, Ust-Labinsk and South-West of Kubanenergo in 2020 (hereinafter - the Goods), and the Buyer undertakes to accept and pay for the Goods.</p> <p>Contract price:</p> <p>The ceiling price of the Contract is RUB 155,510,308.12 including VAT at the rate of 20%.</p> <p>Contract validity:</p> <p>The Contract is valid since the signing and until full implementation of the obligations by the Parties</p>	The Company's controller is Rosseti, which is also the controller of VOLS-VL Management JSC, a party of the transaction	No. KE/1200/128 dated April 24, 2020	No requests for holding a meeting of the Board of Directors of the Company to resolve the issue of obtaining consent for making the related-party transaction by entities listed in Clause 1 of Article 83 of the Federal Law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995 have been received

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
3	Loan Agreement	22.05.2020	<p>Parties of the Agreement:</p> <p>Lender — Rosseti PJSC;</p> <p>Borrower — Kubanenergo PJSC.</p> <p>Subject of the Agreement:</p> <p>The Lender provides the Borrower with a loan in an amount not exceeding</p> <p>RUB 1,500,000,000.00 (hereinafter - the Loan Amount), and the Borrower undertakes to return the received Loan Amount to the Lender and pay interest to the Lender for the use of funds, in conformity with the procedure and terms stipulated in the Agreement.</p> <p>Provision of funds:</p> <p>The Lender transfers the Loan Amount to the Borrower, current account on the basis of the Application signed by the Borrower. The date of fund transfer is the date of loan charging-off from the current account of the Lender.</p> <p>Application - an application for the use of a loan sent by the Borrower to the Lender to receive the Loan Amount in accordance with the terms of the Loan Agreement. The application is drawn up by the Borrower in the form specified in the Loan Agreement.</p> <p>Lending purpose:</p> <ol style="list-style-type: none"> 1. Refinancing of debt to credit institutions. 2. Financing of operating activities. 3. Repayment of accounts payable (including overdue). <p>Loan Amount: RUB 1,500,000,000.00 maximum.</p> <p>Interest rate:</p> <p>Starting from the date following the date of granting the Loan Amount and until the date of the final repayment of the loan, inclusive, the Borrower undertakes to pay the Lender interest on the loan accrued on the actual debt outstanding on the principal debt per each calendar day at the rate specified in the Application, but not exceeding 7.5% per annum.</p>	<ol style="list-style-type: none"> 1. The Company's Controller is Rosseti, which is also a party to the transaction; 2. Olga A. Sergeeva, member of Board of Directors of Kubanenergo also member of the Management Board of Rosseti, which is the party to the transaction 	No. KE/1200/141 dated May 6, 2020	Board of Directors, Minutes No. 387/2020 dated May 15, 2020

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
			<p>Interest is calculated by the following formula:</p> $Ni = R * D * IP(i) / (365 * 100\%),$ <p>where</p> <p>Ni — the amount of interest accrued for the i-th interest period;</p> <p>D — the actual debt outstanding on the principal debt;</p> <p>R — interest rate in percent per annum;</p> <p>IP(i) — number of days of the i-th interest period.</p> <p>i — the sequential number of the interest period (i = 1, 2, 3...n), where n is the number of interest periods under the Agreement.</p> <p>Ni is calculated with an accuracy of two decimal places (the second decimal place is rounded according to the rules of mathematical rounding: if the third decimal place is greater or equal to 5, the second decimal place is increased by one, if the third decimal place is less than 5, the second decimal place does not change).</p> <p>Interest payment:</p> <p>Interest payments are made in accordance with the schedule for calculating and paying interest under the Agreement presented in the Appendix herein.</p> <p>If the date of interest payment falls on a non-working holiday or day off, regardless of whether it is a public holiday or a day off for settlement transactions, the interest payment is made on the last business day preceding the date of interest repayment.</p> <p>Maturity of the Loan Amount:</p> <p>The Borrower undertakes to repay the actually received Loan Amount on April 22, 2025.</p> <p>Agreement price:</p> <p>The Loan Agreement price consists of the loan amount provided to the Borrower by the Lender in an amount not exceeding RUB 1,500,000,000.00 and the amount of interest accrued at the interest rate.</p> <p>Other essential terms of the Agreement / the procedure for their determination:</p> <p>The Lender has the right to refuse to provide the Loan Amount in case of disagreement with the conditions set forth in the Application.</p>			

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
			<p>The Borrower undertakes the obligation to repay the loan debt and pay interest and penalties accrued on the date of repayment within 10 (ten) business days from the date of receipt of the Lender's claim for early repayment of the loan in accordance with the Agreement.</p> <p>Agreement validity:</p> <p>The Agreement is valid since the signing and until full implementation of the obligations under the Agreement by the Parties</p>			
4	Loan Agreement	30.06.2020	<p>Parties of the Agreement:</p> <p>Lender — Rosseti PJSC;</p> <p>Borrower — Kubanenergo PJSC.</p> <p>Subject of the Agreement:</p> <p>The Lender provides the Borrower with a loan not exceeding the debt limit, and the Borrower undertakes to return the received funds to the Lender and pay interest to the Lender for the use of funds, in conformity with the Loan Agreement.</p> <p>The aggregate debt limit is the maximum lump sum of the Borrower's debt under the Loan Agreement.</p> <p>Tranche is funds provided by the Lender to the Borrower under the terms set forth in the Application.</p> <p>Application - an application for the use of a loan sent by the Borrower to the Lender to receive the Tranche in accordance with the terms of the Loan Agreement. The application is drawn up by the Borrower in the form specified in the Loan Agreement.</p> <p>Lending purpose:</p> <p>Replenishment of current capital, financing of investment activities, refinancing of the debt portfolio of the Borrower, as well as other purposes as agreed with the Lender.</p> <p>Aggregate debt limit:</p> <p>RUB 5,400,000,000.00</p> <p>Loan type: loan at interest.</p>	The Company's Controller is Rosseti, which is also a party to the transaction	No. KE/1200/202 dated June 23, 2020	Board of Directors, Minutes No. 391/2020 dated June 26, 2020

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
			<p>Interest rate:</p> <p>Interest is accrued on the provided Tranches amount since the moment of receiving the fund by the Borrower from the Lender and until the implementation of the obligations under the Loan Agreement by the Borrower. The interest rate is set when the Tranche is granted under the Application of the Borrower agreed with the Lender, in the amount determined taking into account the simultaneous observance of the following conditions:</p> <ol style="list-style-type: none"> The interest rate shall not exceed the Key rate of the Bank of Russia, i.e. + 2% per annum. The interest rate shall not be less than the interest rate available to the Lender for placing funds for a comparable period in deposit accounts in credit organizations. <p>The procedure for paying interest is determined in the Borrower's Application.</p> <p>Term of the loans:</p> <p>The final maturity date under the Loan Agreement and for each of the Tranches is no later than 5 years from the date of the Loan Agreement conclusion.</p> <p>The term of each Tranche under the Loan Agreement is determined at the time of granting the Tranche under the Borrower's Application agreed with the Lender, but it shall not exceed 3 years from the date of granting the Tranche and the term of the Loan Agreement.</p> <p>Agreement price:</p> <p>The Loan Agreement price consists of the loan amount provided to the Borrower by the Lender in an amount not exceeding RUB 5,400,000,000.00 within the aggregate debt limit and the amount of interest accrued at the interest rate.</p> <p>Other essential terms of the Agreement / the procedure for their determination:</p> <p>Provision of funds:</p> <p>Funds are provided by one or several Tranches, without limitation.</p> <p>The total amount of debt by the Tranches (excluding the debt on accrued interest) under the Loan Agreement shall not exceed the aggregate debt limit.</p>			

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
-----	-------------	------------------	-----------------------------------------------------------------------	---------------	---------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------

Additional conditions:

The Lender has a right to unilaterally change the interest rate for the use of borrowed funds for all and/or individual existing and/or newly granted Tranches, including due to the change in market conditions and/or the funding conditions of the Lender and/or the change in the creditworthiness of the Borrower.

The Lender has the right to refuse to grant the Tranche.

The Lender has the right to demand from the Borrower an early full or partial return of the Tranches and payment of accrued interest and penalties if the Borrower violates the terms of the Loan Agreement or the Tranche.

The Borrower undertakes the obligation to repay the Tranche debt within the term set forth in the claim and pay interest and penalties accrued on the date of repayment upon receipt of the Lender's claim for early repayment of the Tranche.

The Borrower has the right, upon agreement with the Lender, to early repay the debt on all or some of the existing Tranches and interest for the use of borrowed funds in compliance with the terms of early repayment of the debt defined in the Agreement. For returning the loan, interest is paid first, and then the amount of the Tranche, unless otherwise agreed by the Parties.

Agreement validity:

The Loan Agreement is valid since the signing and until full implementation of the obligations under the Agreement by the Parties

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
5	Contractor Agreement	27.07.2020	<p>Parties of the Agreement: Kubanenergo PJSC – Customer, Energoservice Kuban JSC – Contractor.</p> <p>Subject of the Agreement: At the request of the Customer and in accordance with the approved project documentation transferred by the Customer to the Contractor for the performance of work under the Agreement, the summary list of work performance cost and schedule, the Contractor undertakes to carry out construction, installation, and commissioning works at the Power Grids of the South-West and submit the result to the Customer, and the Customer undertakes to accept the result of the work and pay for it in accordance with the procedure laid down in the Agreement.</p> <p>Agreement price: The agreement price is RUB 98,431,226.94, including VAT at the rate of 20%.</p> <p>Work performance deadline: Starting date – upon Agreement signing. Completion date – until 01.08.2020.</p> <p>Agreement validity: The Agreement is valid since the signing by the Parties and until full implementation of the obligations by the Parties</p>	<ol style="list-style-type: none"> The Company's controller is Rosseti, which is also the controller of Energoservice Kuban JSC, a party of the transaction; Edgar. G. Armaganyan, member of the Management Board of the Company, also member of the Board of Directors of Energoservice Kuban JSC, a Party of the transaction; Oleg F. Nishchuk, member of the Management Board of the Company, also member of the Board of Directors of Energoservice Kuban JSC, a Party of the transaction; Vladimir A. Skladchikov, member of the Management Board of the Company, also member of the Board of Directors of Energoservice Kuban JSC, a Party of the transaction; Igor V. Shishigin, member of the Management Board of the Company, also member of the Board of Directors of Energoservice Kuban JSC, a Party of the transaction 	No. KE/1200/229 dated July 10, 2020	No requests for holding a meeting of the Board of Directors of the Company to resolve the issue of obtaining consent for making the related-party transaction by entities listed in Clause 1 of Article 83 of the Federal Law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995 have been received

No.	Transaction	Transaction Date	Essential transaction conditions (parties, subject, price*, validity)	Related party	Related-party transaction notification (letter details)	Authority that made the decision on the authorization of the transaction or its succeeding approval (if available - Minutes details)
6	Communication Service Contract	27.08.2020	<p>Parties of the Contract:</p> <p>Kubanenergo PJSC — Client,</p> <p>VOLS-VL Management JSC — Provider.</p> <p>Subject of the Contract:</p> <p>The Provider undertakes to provide the Client with communication services, and the Client undertakes to accept and pay for the services under the Contract terms. The list of services, as well as additional rights and obligations of the Parties are determined by additional agreements and order forms for services hereto. The particular Service Contract between the Parties is considered to be concluded upon signing an order form to the additional agreement.</p> <p>Contract price:</p> <p>The marginal cost of the Contract, including all and any additional agreements and order forms hereto, shall not exceed RUB 107,101,248.20, including all taxes and charges payable in accordance with the legislation of the Russian Federation.</p> <p>Contract validity:</p> <p>The Contract comes into force upon its signing by both Parties. The Contract covers the relations between the Parties since May 18, 2020, and is valid for 3 years.</p> <p>The service provision term will be stated in additional agreements and/or order forms for services under the Contract. The service provision term specified in the additional agreement (the corresponding order form for services) is automatically prolonged for each subsequent year within the term of the Contract until the Client or the Provider notifies the other Party of the termination of the next one-year term 30 calendar days before the expected date of termination of the services</p>	<ol style="list-style-type: none"> 1. The Company's controller is Rosseti, which is also the controller of VOLS-VL Management JSC, a party of the transaction; 2. Denis L. Guryanov, member of the Board of Directors of Kubanenergo, also member of the Board of Directors of VOLS-VL Management JSC, a party of the transaction 	No. KE/1200/241 dated July 20, 2020	No requests for holding a meeting of the Board of Directors of the Company to resolve the issue of obtaining consent for making the related-party transaction by entities listed in Clause 1 of Article 83 of the Federal Law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995 have been received