

ITEM № 2 ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT (DECLARATION)) FOLLOWING THE RESULTS OF 2020



ITEM Nº 2 «ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT (DECLARATION)) FOLLOWING THE RESULTS OF 2020»

Explanatory information on the item (justification of the proposed distribution of net profit)

ROSSETI

Public Joint-Stock Company

EXTRACT FROM MINUTES of meeting of the Board of Directors of IDGC of Centre, PJSC (in the form of absent voting

«29» April 2021 No. 16/21

Form of the meeting; absent voting.

Form of the meesing, assure it vous.

Total number of members of the Board of Directors II people.
Farticipants of the voting A.V. Gebrton, V.Y. Zarkhin, A.I. Kazakov, D.V. Krainskiy, A.V. Mayorov, I.V. Makovskiy, K.A. Mikhalik, A.I. Pavlov, V.V. Robbon, L.A. Romanovskoya, A.V. Shevdusk.

sembers who did not provide questionnaires: none.

The quorum is present.

Date of the minutes: 29.04.2021.

Voting results

Item 4. On recommendations on the distribution of profit (loss) of the Company following the results of 2020.

To recommend that the Annual General Meeting of Shareholders of the Company approve the following profit (loss)

Name	(thous, RUB)
Retained earnings (loss) for the reporting period: To be distributed to:	2 829 650
Reserve fund	0
Profit for development	1 415 311
Dividends	1 414 339
Repayment of losses of previous years	0

- «FOR»

1.	Alexander Viktorovich Golovtsov	- «FOR»
2	Vitaly Yuryevich Zarkhin	- «ABSTAINED»
3.	Alexander Ivanovich Kazakov	- «FOR»
4.	Daniil Vladimirovich Krainskiy	- «FOR»
5.	Andrey Vladimirovich Mayorov	- «FOR»

FOR FOR» Igor Vladimirovich Makovskiy Konstantin Alexandrovich Mikhailik «FOR» Alexey I gorevich Pavlov Vasiliy Vladimirovich Ro «FOR» «FOR» Larisa Anatolievna Romanovskava - «FOR» "ABSTAINED"

Alexander Viktorovich Shevchuk «FOR» «AG AINST» «ABSTAINED»

Decision is taken. A dissenting opinion was received on this item from a member of the Board of Directors of the Company, A.V. Shevchui (Appendix #7).

Appendix: The dissenting opinion of the member of the Board of Directors of the Company, A.V. Shevchuk, on items == 1-2, 4-5, 8 of the agenda of the Board of Directors of the Company (Appendix = 7).

Minutes signed by: Chairnerson of the Board of Directors

A.V. Mayorov Corporate Secretary S.V. Lapinskaya

Extract is correct: S.V. Lapinskaya Comorate Secretar of IDGC of Centre, PJSC

In accordance with Federal Law dated 26.12.1995 № 208-FZ "On Joint-Stock Companies", the agenda of the Annual General Meeting of Shareholders of the Company should include questions on the distribution of profits (including the payment (declaration) of dividends) based on the results of the reporting year, and on the date on which the persons entitled to receive dividends are determined.

These decisions are made by the shareholders' meeting only on the recommendation of the Board of Directors of the Company.

In accordance with paragraph 2 of Art. 42 of the Federal Law "On Joint Stock Companies", and the Regulation on the dividend policy of IDGC of Centre, PJSC, approved by the Board of Directors of the Company on 02.02.2018 (Minutes # 03/18), with amendments approved on 10.08.2018 (Minutes # 27/18), the Company focuses on the payment of dividends based on the results of the reporting period when the following criteria are met simultaneously:

- availability of net profit, determined according to financial statements, compiled in accordance with RAS, based on results of the reporting period;
- availability of net profit, determined according to financial statements, compiled in accordance with RAS, based on results of the reporting period, excluding income and expenses associated with revaluation of shares of subsidiaries circulating on the securities market.

At the same time, the specific amount of funds allocated for dividends depends on the degree of influence of the factors defined in the Company's Regulation on the dividend policy.

When deciding on the recommendation to the General Meeting of Shareholders on the amount of dividends on shares, the Board of Directors of the Company took into account Resolution of the Government of the Russian Federation No. 1094-r of 29.05.2018, Resolution of the Government of the Russian Federation No. 393-r of 07.03.2018, the provisions of the Regulation on Dividend Policy of the Company, as well the financial results of the Company's activities.

The source of payment of annual dividends is the profit of the Company after taxation (net profit), determined according to the data of the financial statements of the Company, drawn up in accordance with the requirements of the legislation of the Russian Federation.

Following the results of activities of IDGC of Centre, PJSC in 2020, The company received a net profit under RAS in the amount of RUB 2 829 650 thous. ROIC at the end of 2020 was 5.84%, WACC was 9.03%. The net profit of IDGC of Centre, PJSC following the results of activities in 2020 according to IFRS amounted to RUB 2 156 322 thous.

According to para, 9.3 of the Company's Regulation on the dividend policy, the materials submitted to shareholders for making a decision on the payment of dividends at the General Meeting of Shareholders shall contain the following information:

- substantiation of the proposed distribution of net profit and assessment of its compliance with the dividend policy adopted in the Company, including for the payment of dividends and the Company's own needs, with explanations and economic justification of the need to channel a certain part of the net profit for its own needs (this information is attached to this explanatory note);
- information on corporate actions that led to the deterioration of dividend rights of shareholders and (or) dilution of their shares, as well as on court decisions that established the facts of the use by shareholders of other, in addition to dividends and liquidation value, methods of earning income at the expense of the Company*.

When distributing profits, the Board of Directors of the Company took into account the need to form the Company's Reserve Fund through annual deductions in the amount of 5% of the Company's net profit until the Reserve Fund reaches the established size. At the end of the reporting period, the size of the Company's Reserve Fund was fully formed and amounted to RUB 211 090 thous., which corresponds to the standard level (5% of the Company's authorized capital). Thus, at the end of 2020, additional funds are not allocated for the Company's Reserve Fund.

^{*}There is no information on corporate actions that resulted in the deterioration of shareholders' dividend rights and (or) dilution of their shares, as well as on court decisions that established the facts of the use by shareholders of other, in addition to dividends and liquidation value, methods of earning income at the expense of the Company.



ITEM № 2 «ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT (DECLARATION)) FOLLOWING THE RESULTS OF 2020»



Interregional Distribution Grid Company of Centre, Public Joint-Stock Company

EXTRACT FROM MINUTES

of meeting of the Board of Directors of IDGC of Centre, PJSC (in the form of absent voting)

«29» April 2021 Moscow No. 16/21

Form of the meeting: absent voting.

Total number of members of the Board of Directors: 11 people.

Participants of the voting: A.V. Golovtsov, V.Y. Zarkhin, A.I. Kazakov, D.V. Krainskiy, A.V. Mayorov, I.V. Makovskiy, K.A. Mikhailik, A.I. Pavlov, V.V. Rozhkov, L.A. Romanovskaya, A.V. Shevchuk.

Members who did not provide questionnaires: none. The quorum is present.

Date of the minutes: 29.04.2021.

Item 5. On recommendations on the amount of dividends on shares of the Company for 2020, their payment procedure and proposals to the Annual General Meeting of Sharebolders of determining the record date of persons entitled to receive dividends.

To recommend that the Annual General Meeting of Shareholders take the following decision:

To pay dividends on common stocks of the Company following the results of 2020 in the amount of RUB 0.0335009 per ordinary share of the Company in cash.

The dividend payment period to a nominal holder and a beneficial owner being a professional securities market participant is no more than 10 working days, to other registered shareholders - 25 working days from the record date of the list of persons entitled to receive dividends.

To define the record date of the list of persons entitled to receive dividends as 11 June 2021

Voting results:

 1.
 Alexander Viktorovich Golovtsov
 - «FOR»

 2.
 Vitaly Yuryevich Zarkhin
 - «ABSTA INED»

 3.
 Alexander Ivanovich Kazakov
 - «FOR»

 4.
 Daniil Vladimirovich Krainskiy
 - «FOR»

Andrey Vladimirovich Mayorov «FOR»
Igor Vladimirovich Makovskiy «FOR»
Konstantin Alexandrovich Mikhailik «FOR»
Alexey Igorevich Pavlov «FOR»

Vasliy Vladimirovich Rozhkov - «FOR»
Larisa A natolievna Romanovskaya - «FOR»
Alexander Viktorovich Shevchuk - «ABSTA INED»

«ABSTAINED» -«2»

Decision is taken.

A dissenting opinion was received on this item from a member of the Board of Directors of the Company, A.V. Shevchuk (Appendix # 7).

Appendix: The dissenting opinion of the member of the Board of Directors of the Company, A.V. Shevchuk, on items ## 1-2, 4-5, 8 of the agenda of the Board of Directors of the Company (Appendix # 7).

Minutes signed by:

Chairperson of the Board of Directors A.V. Mayorov

Comorate Secretary S.V. Lapinskava

Extract is correct:
Coporate Secretary
of IDGC of Centre, PISC

of IDGC of Centre, 20.04.2021 As part of increasing the investment case of IDGC of Centre, PJSC, respecting the rights and legitimate interests of the Company's shareholders, taking into account the previously mentioned factors affecting the specific amount of the net profit allocated for dividends, as well as taking into account the Regulation on the dividend policy of IDGC of Centre, PJSC, it is proposed to pay dividends on ordinary shares of the Company in the amount of 50% of the net profit under RAS (excluding income and expenses related to the revaluation of shares of subsidiaries traded on the securities market) in the amount of RUB 1 414 339 thous.

It is planned to spend the rest of the profit in the amount of RUB 1 415 311 thous. on development, including financing of investment projects of the Company.

Based on the results of the implementation of the Investment Program in 2020, the Company achieved the following main goals:

- reliable and uninterrupted power supply to customers in the service area of the Company;
- fulfillment of the obligations of the Company for connection of customers to power grid facilities of the Company in accordance with the current legislation.

Based on the foregoing, the following distribution of the net profit of IDGC of Centre, PJSC under RAS is proposed for the 2020 reporting year:

- profit for development RUB1 415 311 thous.;
- for the payment of dividends RUB 1 414 339 thous.

Consequently, the estimated amount of dividends per share (taking into account rounding to seven decimal places) will be RUB 0.0335009 per one ordinary share of the Company. The dividend yield on the Company's shares will be 11.46%.

The term for the payment of dividends to shareholders depends on the date on which the persons entitled to receive them are recorded. Such a date cannot be set earlier than 10 days from the date of adoption by the General Meeting of Shareholders of the decision to pay dividends and later than 20 days from the date of such decision. Thus, it is proposed to set 11 June 2021 as the date on which the persons entitled to receive dividends are recorded.

The period for the payment of dividends to the nominee holder and the trustee, who are registered in the register of shareholders, must not exceed 10 days from the date on which the persons entitled to receive dividends are recorded.

Payment working of dividends to persons entitled to receive them, registered in the register of shareholders, is carried out no later than 25 working days from the date on which the persons entitled to receive dividends are recorded.

The Company confirms that on the day of the decision on the payment of dividends and on the day of payment of dividends, the Company will not meet the signs of insolvency (bankruptcy) and these signs will not appear in the Company as a result of the payment of dividends in the amount recommended by the Board of Directors, and the net asset value of the Company will not be less than its authorized capital and the Reserve Fund and will not become less than their size as a result of the decision by the General Meeting of Shareholders to pay (declare) dividends.

For reference: The net asset value of IDGC of Centre, PJSC as of 31.12.2020 is RUB 58 593 787 thous., and the authorized capital is RUB 4 221 794 thous. Thus, the value of the Company's net assets exceeds the amount of the authorized capital by RUB 54 371 993 thous.



ITEM № 2 «ON DISTRIBUTION OF PROFITS AND LOSSES OF THE COMPANY (INCLUDING THE DIVIDEND PAYMENT (DECLARATION)) FOLLOWING THE RESULTS OF 2020»

Draft resolution on item № 2

1. To approve the following profit (loss) distribution of the Company for the reporting year of 2020:

Name	(thous. RUB)
Retained earnings (loss) for the reporting period: To be distributed to:	2 829 650
Reserve fund	0
Profit for development	1 415 311
Dividends	1 414 339
Repayment of losses of previous years	0

^{2.} To pay dividends on common stocks of the Company following the results of 2020 in the amount of RUB 0.0335009 per ordinary share of the Company in cash.

The dividend payment period to a nominal holder and a beneficial owner being a professional securities market participant is no more than 10 working days, to other registered shareholders - 25 working days from the record date of the list of persons entitled to receive dividends.

To define the record date of the list of persons entitled to receive dividends as 11 June 2021.