

Consolidated interim condensed financial statements
(unaudited)
Public Joint-stock Company
"Rosseti Moscow Region"
and its affiliate organizations
for three and nine months ended on 30 September 2020

November 2020.

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PJSC "Rosseti Moscow Region"
Consolidated interim Condensed Statement of Profit or Loss and Other
comprehensive Income (unaudited)
for the 3 and 9 months ended on 30 September 2020
(in thousands Russian Rubles, unless otherwise stated)

		For 3 months		For 9 months	
		Ended on 30 september			
		2020	2019	2020	2019
Note.		(unaudited data)			
Revenue from contracts with customers	6	37 696 800	37 293 324	116 158 411	115 661 181
Rental Income		97 417	76 585	257 026	214 980
Revenue		37 794 217	37 369 909	116 415 437	115 876 161
Operating expenses	7	(36 223 831)	(34 771 612)	(106 998 799)	(104 745 507)
Provision for expected credit losses		(35 767)	(224 889)	208 896	(647 937)
Impairment reversal of property, plant and equipment in the form of right-of-use assets	11	93	-	93	31
Other operating expenses	8	1 677 361	346 695	3161 717	2 775 642
Operating profit		3 212 073	2 720103	12 787 344	13 258 390
Financial income	9	85 566	79 238	292 171	259119
Financial costs	9	(1 112 972)	(1 336 940)	(3 744486)	(4 388 424)
Profit before tax		2184 667	1 462 401	9 335 029	9 129 085
Income tax expense	10	(644 708)	(661 619)	(2 182 245)	(2 442 564)
Profit for the period		1 539 959	800 782	7 152 784	6 686 521
Profit attributable to: PJSC "Rosseti Moscow Region" shareholders		1 539 959	800 782	7 152 784	6 686 521
Other comprehensive income					
Items that will not be subsequently reclassified to profit or loss					
Profit/ (loss) on revaluation of defined benefit pension plan liability				-	(374 562)
		82 225	(108 494)		(374 562)
Income tax related to liabilities on defined benefit pension plan		(14 927)	19 688	-	68 019
Other comprehensive profit/ (loss) for the period, net of income tax		67 298	(88 806)		(306 543)
Total comprehensive income for the period, net of income tax		1 607 257	711 976	7 152 784	6 379 978
Comprehensive income attributable to: PJSC "Rosseti Moscow Region" shareholders		1 607 257	711 976	7 152 784	6379 978
Earnings Per Share					
Basic and diluted earnings per common share (RUB)					

18 0.0317 0.0164 0.1469 0.1373

/stamp/: Public Joint-stock Company "Rosseti Moscow Region"; 115114. Russian Federation, Moscow,
2nd Paveletsky Proezd, 3. b. 2; Rosseti; Moscow region

/signature/

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The accompanying notes are an essential part of this consolidated interim condensed financial statement.

PJSC "Rosseti Moscow Region"
Consolidated interim condensed financial position statement
(unaudited)
as at September 30, 2020
(in thousands Russian Rubles, unless otherwise stated)

		September, 30 2020	December 31, 2019
	Note.	(unaudited data)	(audited data)
Assets			
Non-current assets			
Basic assets	11	315 111 367	312 916 945
Assets in the form of right of use	13	3 700 349	4 038 272
Intangible assets	12	4 073 131	3 614 040
Long-term trade and other account receivables	14	220 342	270 721
Assets related to benefit obligations to employee		223 663	204 341
Other non-current non-financial assets	15	2 399 223	1 702 725
Total Non-Current Assets		325 728 075	322 747 044
Current Assets			
Stocks		3 838 718	3 772 848
Income tax advance payment		355 423	13 323
Short-term trade and other account receivables	14	12 125 822	12 543 620
Other current non-financial assets	15	6 059 448	5 642 559
Cash & cash equivalents	16	7 899 942	1 991 498
Total current assets		30 279 353	23 963 848
Total assets		356 007 428	346 710 892
Equity capital and obligations			
Equity capital			
Share capital	17	24 353 546	24 353 546
Reserves		155 494 412	149 581 711
Total shareholders' equity		179 847 958	173 935 257
Long-term liabilities			
Long-term loans and borrowings	19	89 007 312	71 803 571
Employee benefit obligations		3 186 042	3 243 421
Deferred tax liabilities		16 001 506	15 790 679
Long-term obligations under the contract	21	14 962 656	10 862 863
Long-term trade and other account receivables	20	2 144 518	426 692
Total Long-Term assets		125 302 034	102 127 226
Short-term liabilities			
Short-term loans and borrowings and the short-term portion of long-term borrowings	19	1 635 610	21 263 765
Current income tax debt		49	126 747

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Other taxes payable		2 906 874	1 013 368
Short-term obligations under the contract	21	24 328 050	19 887 749
Short-term trade and other account receivables	20	18 311 644	25 265 276
Estimated liabilities	22	3 675 209	3 091 504
Total current liabilities		50 857 436	70 648 409
Total equity and liabilities		356 007 428	346 710 892

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2019	24 353 546	147 052 592	171 406 138
Profit for the period	-	6 686 521	6 686 521
Other comprehensive expense	-	(306 543)	(306 543)
Total comprehensive income for the period	-	6 379 978	6 379 978
Dividends to shareholders	-	(2 845 089)	(2 845 089)
Balance as at 30 September 2019 (unaudited data)	24 353 546	150 587 481	174 941 027
Balance as at January 1, 2020	24 353 546	149 581 711	173 935 257
Profit for the period	-	7 152 784	7 152 784
Total comprehensive income for the period	-	7 152 784	7 152 784
Dividends to shareholders	-	(1 240 083)	(1 240 083)
Balance as at September 30, 2020 (unaudited data)	24 353 546	155 494 412	179 847 958

PJSC "Rosseti Moscow Region"
Consolidated interim condensed statement on cash flows
(unaudited)
for 9 months ended on 30 September 2020
(in thousands Russian Rubles, unless otherwise stated)
for 9 months ended on 30 September

	2020 2019	
	(unaudited data)	
Cash flows from operating activities		
Net profit for the period	7 152 784	6 686 521
<i>Adjustments:</i>		
Depreciation of property, plant and equipment in the form of right-of-use assets and intangible assets (Note 7)	17 175 272	17 061 961
Financing costs (Note 9)	3 744 486	4 388 424
The property received in the order of the agreements on losses compensation	(1 254 945)	(1 089 925)
Provision for expected credit losses	(208 896)	647 937
Allowance charge for impairment of advances issued	(68 538)	(5 208)
Accrual of estimated liabilities (Note 7, 22)	1 740 803	678,496

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Income tax expense (Note 10)	2 182 246	2 442 564
Loss on basic assets disposal	61 822	989 253
Finance income (Note 9)	(292 171)	(259 119)
Provision charge for inventory impairment	6 128	8 842
Profit from the inventory sale	9 763	7 869
Trade liabilities amortization	(368 634)	(10 449)
Impairment loss on basic assets recovery in the form of the right of use (Note 7, 12 (a))	(93)	(31)
Other non-monetary items	(30 006)	82 029
Adjustments total impact	29 850 021	31 629 163
Change in assets related to compensation obligations to employee	(17 253)	(589)
Change in employee benefit obligations	(196 815)	(248 803)
Change in long-term trade and other account receivables	(646 119)	127 452
Change in long-term non-financial assets	68 911	12 502
Changes in long-term trade and other payables receivables	1 738 452	(270 173)
Change in long-term contractual obligations	4 099 793	(489 568)
Cash flows from operating activities before changes in operating expenses in working capital	34 896 990	30 759 984
<i>Changes in operating assets and liabilities</i>		
Changes in trade and other account receivables	731 324	(3 273 883)
Change in advances issued and other assets	(484 273)	264 266
Change of stocks Production	(54 520)	(403 206)
Changes in trade and other account payables	(3 634 694)	(65 927)
Change in short-term contractual obligations	4 440 301	463 239
Change in estimated liabilities	(1 157 098)	(55 172)
Change in the amount of taxes payable, other than income tax	1 893 507	386,831
Cash flows from operating activities before tax and interest payment	36 631 537	28 076 132
Interest paid	(4 858 985)	(5 390 249)
Interest paid on rental contract	(230 655)	(292 664)
Income tax paid	(2 440 218)	(2 541 805)
Net cash flows from operating activities	29 101 679	19 851 414

PJSC "Rosseti Moscow Region"

*Consolidated interim condensed statement on cash flows
(unaudited)*

*for 9 months ended on 30 September 2020
(in thousands Russian Rubles, unless otherwise stated)*

for 9 months ended on 30 September

	2020	2019
	(unaudited data)	
Cash flows from investing activities		
Basic assets purchase	(16 782 818)	(15 727 825)
Purchase of intangible assets	(808 044)	(218 887)
Interest received	269 542	257,285
Proceeds from basic assets sale	-	7 805

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Net cash flows used in investing activities	(17 321 320)	(15 681 622)
Cash flows from financing activities		
Loans and borrowings obtaining	67 573 477	8 000 000
Loans and borrowings repayment	(69 868 641)	(11 844 926)
Payment of dividends to PJSC "Rosseti Moscow Region" shareholders	(1 681 790)	(1 462 857)
Dividend payments to non-controlling shareholders	(1 608 036)	(1 401 411)
Lease obligations principal amount payments	(286 925)	(260 471)
Net cash flows used in financing activities	(5 871 915)	(6 969 665)
Net increase/(decrease) in cash and cash equivalents	5 908 444	(2 799 873)
Cash and cash equivalents at the beginning of the period	1 991 498	7 093 564
Cash and cash equivalents at the end of the period (Note 16)	7 899 942	4 293 691

PJSC "Rosseti Moscow Region"
Consolidated interim condensed statement on cash flows
(unaudited)
for 9 months ended on 30 September 2020
(in thousands Russian Rubles, unless otherwise stated)

1. General

(a) The group and its activities

Public Joint Stock Company "Moscow United Electric Grid Company" (hereinafter - PJSC "MOESK", or "the Company») was established on April 1, 2005 through the transfer of assets and electricity transmission activities of "Mosenergo", a subsidiary of OJSC "Joint Stock Company of Russia", as part of the Russian Electric Power Industry Reform Program (Protocol No. 1, dated June 29, 2004, Annual General Meeting of Shareholders of OJSC "Mosenergo"). The Company's shares are freely traded on the open securities market.

July 24, 2020 Public joint-stock company "Moscow United electric grid company" was renamed to Public joint-stock company "Rosseti Moscow region", after the recording about changes in State registration documents of the legal entity associated with changes in Uniform State Register of Legal Entities for State number 2207706755584.

The consolidated interim condensed financial statements of the Company and its subsidiaries (collectively, the "Group") include the following subsidiaries:

Name	Percentage of ownership as at September 30, 2020, %	Percentage of ownership as at December 31, 2019, %
JSC " MOESK-Engineering»	100%	100%
JSC "Plant for electrical equipment repair"	100%	100%
JSC "Energocenter"	100%	100%

The final beneficiary of the Group is the Russian Federation, and the parent company is PJSC "Rosseti".

As at 30 September 2020, the Russian Federation, represented by the Federal Agency for State Property Management, owned 88.89% of the voting ordinary shares and 7.01% of the preference shares of PJSC "Rosseti" (31 December 2019: 88.89% and 7.01%, respectively), which in turn owned 50.9% of the Company's shares (31 December 2019: 50.9%).

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Legal and actual address of the Company: 115114, Russian Federation, Moscow, 2nd Paveletsky proezd, 3/2.

The main activity of the Group is the paid service delivery for the electric energy transmission in the city of Moscow and the Moscow region. The main activities of the Group also include the provision of services for technical connection to electric networks.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

2. General information (continued)

(6) The economic environment in which the Group operates

The Group operates in the Russian Federation and is therefore exposed to risks related to the State of the economy and financial markets of the Russian Federation.

The economy of the Russian Federation exhibits some emerging markets characteristics. The country's economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory system continues to evolve and is subject to frequent changes, as well as the possibility of different interpretations. Ongoing political tensions, as well as international sanctions against some Russian companies and individuals, continue to have a negative impact on the Russian economy.

The coronavirus (COVID-19) pandemic in 2020 caused financial and economic tensions in global markets, as well as a decline in consumer spending and business activity. The decrease in demand for oil, natural gas and petroleum products, together with an increase in oil supply as a result of the cancellation of the OPEC+ production agreement in March 2020, led to a drop in world prices for hydrocarbons. Since March 2020, there has been a significant volatility in the stock, currency and raw-material markets.

Many countries, including the Russian Federation, introduced quarantine measures. Social distancing and isolation measures have led to the companies activities termination in the field of retail, transport, travel and tourism, catering and many other areas.

The pandemic impact on the economy development at the level of individual countries and the global economy as a whole has no historical analogues with other periods when governments adopted packages to save the economy. Forecasts on changes in macroeconomic parameters in the short and long term, the extent of the pandemic impact on companies in various industries, including estimates of the duration of the crisis period and the pace of recovery, differ significantly.

The Group assesses the impact of the above events on the Group's operations as limited, taking into account the following assumptions:

- ▶ the strategic nature and position in the industry in which the Group operates, ensuring uninterrupted transmission of electricity to consumers and connecting power;
- ▶ the tariffs State regulation for the main operating activities, which allows forecasting within the approved tariffs for the Group's services;
- ▶ the lack of changes in the methods and volumes of use of the Group's production assets in the current period;
- ▶ the lack of currency risk (most of the Group's income and expenses, as well as monetary assets and liabilities, are denominated in Russian rubles);
- ▶ the lack of direct negative impact on the main operating activities of the Group Legislative (regulatory) changes aimed at limiting the spread of COVID-19.

PJSC "Rosseti Moscow Region"

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

1. General information (continued)

b) The economic environment in which the Group operates (continued)

At the same time, uncertainty about the Group future operating conditions and its counterparties remains. The possibility of assessing the pandemic impact in the medium and long term, in the event of new waves of the coronavirus infection spread and the tightening of measures aimed at containing it, is currently difficult.

The Group continues to monitor and evaluate the development of the situation and respond accordingly:

- to work in contact with the authorities at the federal and regional levels to
- control the spread of the coronavirus and take all necessary measures to ensure the safety, employees and contractors life and health protection.
- to carry out the measures to ensure the reliable energy supply, to implement
- the priority investment projects.
- to track forecast and actual information on the pandemic impact on
- the economy of the Russian Federation, the Group activities and the main Group counterparties.
- to adapt the Group's operations to meet new market opportunities,
- to take measures to neutralize the possible negative pandemic impact, to ensure the Group financial stability.

2. Financial statements preparation general principles

(a) Preparation basis

These consolidated interim condensed financial statements for three and nine months ended on 30 September 2020 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Separate notes are included to explain events and transactions that are material to the understanding the changes in the Group's financial position and operations since the date of the last annual consolidated financial statements. These consolidated interim condensed financial statements should be considered in conjunction with the consolidated financial statements for the year ended on 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Principles of assessing

The key judgments made by management in the preparation of these condensed consolidated interim financial statements regarding the Group's accounting policies and significant sources of estimation uncertainty are consistent with those made in the preparation of the consolidated financial statements for the year ended on 31 December 2019 and as at that date.

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

2. Basic principles for the preparation of financial statements (continued)

(c) Business continuity

The accompanying consolidated interim condensed financial statements have been prepared on the basis of an assumption on operations continuity, under which assets are realized and liabilities are settled in the normal course of the Group business.

As at 30 September 2020, the Group's current liabilities exceeded its current assets by 20 578 083 thousand rubles. (December 31, 2019: exceeded by

46 684 561 thousand rubles). The net amount of short-term liabilities as at 30 September 2020 is mainly represented by accounts receivable. As at 30 September 2020, the Group is provided with sufficient unused credit limits to finance the working capital deficit (Note 19). In addition, the Group's management believes that the measures it is taking to reduce costs, along with the

gradual increase in tariffs for electricity transmission services and technical connection to the power grid, are aimed at a positive effect on the Group financial results in future. The Group's management believes that due to the above circumstances, the Group will have sufficient liquidity to continue operating in the foreseeable future. Accordingly, the accompanying consolidated interim condensed financial statements do not include the adjustments that would have to be made if the Group could not continue as a going company.

(d) Functional and presentation currency

The national currency of the Russian Federation is the ruble, which is used by the Group as the functional currency and the presentation currency of these consolidated interim condensed financial statements. All numerical indicators are presented in rubles and rounded to the nearest thousand.

(e) The use of professional judgments, estimates and assumptions

The consolidated interim condensed financial statements preparation in accordance with IFRS requires management requires to make judgments, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Subject to the disclosures in note "The economic environment in which the Group operates" in key estimates and assumptions used by the Group in preparing these consolidated interim condensed financial statements in respect to impairment of receivables, long-term liabilities employee benefits, recognition of deferred tax assets, determining the lease term of contracts with an indefinite term or a term contract for 1 year with the possibility of annual renewal, they correspond to those described in the audited consolidated financial statements for the year ended on 31 December 2019.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

3. Basic principles for the preparation of financial statements (continued)

(д) The use of professional judgments, estimates and assumptions (continued)

The judgments made by the Group in preparing these consolidated interim condensed financial statements regarding the measurement of non-current assets, including the sources of uncertainty associated with the estimated recoverable amounts of basic assets are set out in Note 11, "Basic assets".

The management continually reviews the estimates and assumptions made on the basis of experience and other factors that have been used to determine the carrying amounts of assets and liabilities. The changes in estimates and assumptions are recognized in the period in which they were made if the change affects only that period, or are recognized in the period to which the change relates and in subsequent periods if the change affects both this and future periods.

(e) Comparative data reclassification

Some comparative figures of the consolidated interim condensed statement of cash flows and selected notes for the prior period have been restated to present them in accordance with the classification of the Group's consolidated financial statements for 2019. All the reclassifications made are insignificant.

3. Accounting policy general principles

The principal accounting policies and accounting policies used by the Group are consistent with those described in the audited consolidated financial statements for the year ended on 31 December 2019, except for the amendments to existing standards set out below, which are mandatory for annual periods beginning on or after 1 January 2020 and are applicable to the Group's operations.

Amendments to IFRS 3 "Business Merger".

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

These amendments change the definition of business in order to simplify its application in practice. In addition, an optional "asset concentration test" is introduced, in which further analysis to determine the presence of a business is possible not to carry out. When applying the asset concentration test, if virtually all of the acquired assets fair value is concentrated in a single asset (or in a group of similar assets), such assets will not be considered a business.

Conceptual framework for financial reporting.

The revised financial reporting framework contains a new chapter on measurement, recommendations for reporting financial results, improved definitions and recommendations (in particular, the definition of liabilities) , and clarifications on selected issues, such as the role of management, caution and measurement uncertainty in the financial statements preparation.

Amendments to IAS 1 and IAS 8 "Materiality Definition".

These amendments clarify the definition of materiality and the application of this concept by including the definition recommendations that were previously presented in other IFRS standards, and ensure consistency in the materiality definition

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

3. Accounting policy basic principles (continued)

in all IFRS standards. Information is considered material if it is reasonably expected that its omission, misrepresentation or difficulty in understanding could affect the decisions made by the main users of general-purpose financial statements based on such financial statements that present financial information about a particular reporting entity.

The adoption of these standards and interpretations did not have a material impact on these interim condensed consolidated financial statements of the Group.

4. Fair value determination

Certain provisions of the Group accounting policies and a number of disclosures require the measurement of the fair value of both financial and non-financial assets and liabilities.

Fair value is the price that would have been received on the asset sale or paid on the transfer of a liability in a normal transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability materializes on the market, which is the main for the asset or liability; or, in the absence of a principal market, in the market, the most advantageous in respect of that asset or liability.

In assessing of the fair value asset or liability, the Group applies, to the extent possible, observable market data. Fair value estimates relate to different levels of the fair value hierarchy, depending on the inputs used in the respective valuation methods:

- Level 1: Active markets price quotes (uncorrected) for identical assets or liabilities.
- Level 2: Valuation models that are significant for the measurement of fair value measurement, which belong to the lowest level of the hierarchy, are directly or indirectly observable in the market.
- Level 3: Valuation models that are significant for the measurement of fair value measurement, at the lowest level of the hierarchy, are not observable in the market.

If the initial data used to measure the fair value of an asset or liability can be assigned to different levels of the fair value hierarchy, then the fair value measurement as a whole refers to the level of the hierarchy that corresponds to the lowest level of inputs that are significant for the entire measurement.

The Group recognizes transfers between the levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

5. Business segment

The Group determines the operating segments based on the nature of their activities and geographic location. The main activity of the Group is the provision of services for the electricity

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

transmission and distribution, technological connection to electric networks. The results of the segments responsible for the main areas of activity are regularly reviewed by the Group's management.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

4. Operating segments (continued)

The management has identified the following reportable segments:

- Electric power transmission in Moscow;
- Electric power transmission in Moscow region;
- electric grid connection services in Moscow;
- electric grid connection services in Moscow region;

Other activities primarily include leasing operations and services for the electrical equipment installation, repair and maintenance, which are included in the "Other" section. None of the other activities listed above meets the quantitative threshold for determining reportable segments for three and nine months ended on September 30, 2020, or for three and nine months ended on September 30, 2019.

The PJSC ROSSETI Moscow Region Board of Directors, as the highest decision-making body for the Group's operating activities, regularly analyzes the information related to the reporting segments in order to make decisions on the allocation of resources to the segments and evaluate the results of their activities.

The results of the segments activities are estimated on the basis of the segment revenue and operating profit, which are estimated on the basis of accounting statements prepared in accordance with Russian accounting standards.

The segment information also contains the amount of borrowed funds, as this indicator is analyzed by the Group's management responsible for making operational decisions.

The reconciliation of the reported segment indicators to similar indicators in these consolidated interim condensed financial statements includes reclassifications and adjustments that are necessary for the presentation of financial statements in accordance with IFRS.

The information about the reporting segments is presented below.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

5. Operating segments (continued)

Segment revenue and profit before tax for 3 months ended on 30 September 2020 was as follows (unaudited data):

	Electric power transmission	- Services for connection to electric networks	Other	Total
Revenue from external sales	34 861 948	1 506 359	1 425 910	37 794 217
Moscow	16 062 017	1 023 211	1 002 844	18 088 072
Moscow region	18 799 931	483 148	423 066	19 706 145
Revenue from operations between - segments	-	-	701 327	701 327
Moscow	-	-	558 479	558 479

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Moscow region	-	-	142 848	142 848
Depreciation and Amortization	(6 087 433)	-	(21 386)	(6 108 819)
Moscow	(3 576 456)	-	(21 386)	(3 597 842)
Moscow region	(2 510 977)	-	-	(2 510 977)
Financing costs by reportable segment	(1 043 577)	-	-	(1 043 577)
Moscow	(532 746)	-	-	(532 746)
Moscow region	(510 831)	-	-	(510 831)
Financial income by reportable segment	-	-	82 073	82 073
Moscow	-	-	80 668	80 668
Moscow region	-	-	1 405	1 405
Operating results by reportable segment	1 556 843	1 358 956	484 212	3 400 011
Moscow	490 233	921 323	324 894	1 736 450
Moscow region	1 066 610	437 633	159 318	1 663 561

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

5. Operating segments (continued)

Segment revenue and profit before tax for the 3 months ended on 30 September 2019 was as follows (unaudited data):

	Electric power - transmission	Services for connection to electric networks	Other	Total
Revenue from external sales	34 168 846	2 040 454	1 160 609	37 369 909
Moscow	16 193 637	1 554 359	830 020	18 578 016
Moscow region	17 975 209	486 095	330 589	18 791 893
Revenue from operations between - segments	-	-	666 808	666 808
Moscow	-	-	537 520	537 520
Moscow region	-	-	129 288	129 288
Depreciation and Amortization	(6 209 462)	-	(19 417)	(6 228 879)
Moscow	(3 627 519)	-	(19 417)	(3 646 936)
Moscow region	(2 581 943)	-	-	(2 581 943)
Financing costs by reportable segment	(1 237 778)	-	-	(1 237 778)
Moscow	(659 859)	-	-	(659 859)
Moscow region	(577 919)	-	-	(577 919)
Financial income by reportable segment	-	-	79 317	79 317
Moscow	-	-	63 360	63 360
Moscow region	-	-	15 957	15 957
Operating results by reportable segment	1 682 183	1 847 056	734 368	4 263 607
Moscow	590 612	1 464 388	486 785	2 541 785
Moscow region	1 091 571	382 668	247 583	1 721 822

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

5. Operating segments (continued)

Segment revenue and profit before tax for the 9 months ended on 30 September 2020 was as follows (unaudited data):

	Electric power - transmission	Services for connection to electric networks	Other	Total
Revenue from external sales	108 314 075	5 166 916	2 934 446	116 415 437
Moscow	49 649 903	3 784 324	1 928 137	55 362 364
Moscow region	58 664 172	1 382 592	1 006 309	61 053 073
Revenue from operations between segments	-	-	1 794 376	1 794 376
Moscow	-	-	1 367 164	1 367 164
Moscow region	-	-	427 212	427 212
Depreciation and Amortization	(18 704 447)	-	(61 578)	(18 766 025)
Moscow	(10 898 631)	-	(61 578)	(10 960 209)
Moscow region	(7 805 816)	-	-	(7 805 816)
Financing costs by reportable segment	(3 443 377)	-	-	(3 443 377)
Moscow	(1 757 844)	-	-	(1 757 844)
Moscow region	(1 685 533)	-	-	(1 685 533)
Financial income by reportable segment	-	-	269 542	269 542
Moscow	-	-	258 973	258 973
Moscow region	-	-	10 569	10 569
Operating results by reportable segment	6 155 454	4 687 473	897 817	11 740 744
Moscow	2 450 202	3 475 446	486 251	6 411 899
Moscow region	3 705 252	1 212 027	411 566	5 328 845

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

5. Operating segments (continued)

Segment revenue and profit before tax for the 9 months ended on 30 September 2019 was as follows (unaudited data):

	Electric power - transmission	Services for connection to electric networks	Other	Total
Revenue from external sales	108 697 076	4 787 364	2 391 721	115 876 161
Moscow	51 756 496	3 206 443	1 702 989	56 665 928
Moscow region	56 940 580	1 580 921	688 732	59 210 233
Revenue from operations between segments	-	-	1 609 212	1 609 212
Moscow	-	-	1 223 307	1 223 307
Moscow region	-	-	385 905	385 905
Depreciation and Amortization	(18 657 043)	-	(60 012)	(18 717 055)

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Moscow	(10 846 032)	-	(60 012)	(10 906 044)
Moscow region	(7 811 011)	-	-	(7 811 011)
Financing costs by reportable segment	(4 056 857)	-	-	(4 056 857)
Moscow	(2 162 710)	-	-	(2 162 710)
Moscow region	(1 894 147)	-	-	(1 894 147)
Financial income by reportable segment	-	-	257 106	257 106
Moscow	-	-	200 433	200 433
Moscow region	-	-	56 673	56 673
Operating results by reportable segment	8 933 202	4 194 284	754 930	13 882 416
Moscow	5 292 564	2 924 559	336 587	8 553 710
Moscow region	3 640 638	1 269 725	418 343	5 328 706

Segment assets amounted to:

	Moscow	Moscow region	Total
September 30, 2020 (unaudited data)			
Total Assets	246 241 211	128 672 083	374 913 294
Basic assets	215 110 354	112 307 109	327 417 463
Receivables	8 789 002	7 649 626	16 438 628
Unallocated items	22 341 855	8 715 348	31 057 203
December 31, 2019 (audited data)			
Total Assets	239 286 264	127 019 727	366 305 991
Basic assets	213 293 924	112 759 650	326 053 574
Receivables	8 058 443	6 677 747	14 736 190
Unallocated items	17 933 897	7 582 330	25 516 227

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

6. Operating segments (continued)

Segment liabilities amounted to:

	Moscow	Moscow region	Total
September 30, 2020 (unaudited data) Total amount of liabilities	104 720 737	74 821 362	179 542 099
Borrowed funds	43 255 685	42 780 930	86 036 615
Unallocated items	61 465 052	32 040 432	93 505 484
December 31, 2019 (unaudited data) Total amount of liabilities	101 515 573	76 001 650	177 517 223
Borrowed funds	45 015 805	43 560 222	88 576 027
Unallocated items	56 499 768	32 441 428	88 941 196

Below there is a reconciliation of the profit indicators of the reporting segments:

For 3 months, **For 9 months,**

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

	ended on 30 september			
	2020	2019	2020	2019
	(unaudited data)			
Reporting segments profit	2 935 891	3 529 239	10 887 312	13 127 486
Other profits or losses	464 120	734 368	853 432	754 930
Unallocated items	(464 400)	(2 510 477)	(1 392 123)	(5 224 053)
Total profit before Russian Accounting Standards tax	2 935 611	1 753 130	10 348 621	8 658 363
Capitalized borrowing costs	50 095	54 500	146 709	135 126
Rental expenses for basic assets	129 739	152 793	297 511	236 795
Loss on basic assets disposal	4 033	(357 029)	15 616	(376 875)
Depreciation and Amortization	421 813	398 173	1 590 753	1 651 789
Estimated liabilities for court cases	23 032	422	(66 471)	2 841
Provision for expected credit losses	(43 974)	(291 564)	98 423	(241 542)
The result of the loan discounting	(15 875)	(8 511)	(47 453)	(30 878)
Impairment of	93	-	93	(31)
The obligation to compensation plans to employee	45 541	56 595	76 699	104,926
Provision for the payment of the annual premium	(293 633)	(238 742)	(886 756)	(780 511)
Income received without compensation basic assets	(74 616)	(57 403)	(215 320)	(157 243)
Income from loss compensation agreements	(900 876)	-	(1 739 412)	-
Other articles	(96 316)	37	(283 984)	(73 675)
Consolidated profit before tax under IFRS	2 184 667	1 462 401	9 335 029	9 129 085

Segment disclosures are made in accordance with the disclosures for the financial statements as at 31 December 2019. However, for the purposes of preparing the consolidated interim condensed financial statements, the Group does not present a reconciliation of segment assets and segment liabilities to the consolidated interim condensed financial statements in accordance with the IFRS requirements 8 "Operating Segments".

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*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

5. Operating segments (continued)

The results of the segments operating activities, which are reported to the Group's management level, which makes operational decisions, are determined on the basis of income and expenses determined in accordance with Russian Accounting Standards (RAS). The operating results of the segments represent the profit received by each segment, without the distribution of financial income and expenses and other income and expenses, which are included in the "Unallocated items" component.

The biggest buyer

During nine months ended on 30 September 2020, the revenue from a single customer of the Group classified in the electricity transmission segment was approximately 85% (98 873 477 thousand rubles) of the total Group revenues (for nine months ended on September 30, 2019: 89%; 99 314 216 thousand rubles).

During three months ended on 30 September 2020, the revenue from a single customer of the Group classified in the electricity transmission segment was approximately 85% (31 758 393

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

thousand rubles) of the total Group revenues (for three months ended September 30, 2019: 84%; 31 216 025 thousand rubles).

6. Revenue from contracts with customers

	For 3 months, For 9 months, ended on 30 september			
	2020	2019	2020	2019
(unaudited data)				
Electric power transmission	34 861 948	34 168 873	108 314 016	108 697 076
Technical connections to the networks	1 506 359	2 040 454	5 166 916	4 787 364
Electricity and capacity resale	208 214	-	410 299	-
Other revenue	1 120 279	1 083 997	2267 180	2 176 741
	37 696 800	37 293 324	116 158 411	115 661 181

Other revenue includes revenue from services for installation and maintenance of electrical equipment.

Since April 1, 2020, the Company performs the functions of a Guaranteeing Supplier (GS) on the territory of Krasnogorsk. Revenue from electricity transmission includes revenue from sales as GSs in the amount of 379,943 thousand rubles, and revenue from resale of electricity and capacity in the amount of 410,299 thousand rubles.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

7. Operating expenses

For 3 months,

	For 9 months, ended on 30 september			
	2020	2019	2020	2019
(unaudited data)				
Staff costs	(4 918 964)	(4 839 467)	(15 781 993)	(14 810 159)
Depreciation and Amortization <i>Material expenses, incl.</i>	(5 687 005)	(5 827 400)	(17 175 272)	(17 061 961)
Electricity to compensate for technological losses	(3 435 255)	(3 046 959)	(11 456 059)	(12 555 594)
Purchased electricity and heat for own needs	(42 178)	(38 358)	(228 931)	(241 992)
Electricity for sale	(188 122)	-	(365 914)	-
Other material expenses <i>Work and services of a production nature, including</i>	(1 073 569)	(805 768)	(2 632 791)	(2 038 274)
Electricity transmission services	(15 665 082)	(15 266 833)	(48 058 802)	(46 685 856)
Installation, repair and maintenance services	(1 068 095)	(1 204 766)	(2 513 896)	(2 250 180)
Other work and services of an industrial nature	(773 705)	(637 873)	(1 859 586)	(1 763 910)
Provision for advances devaluation issued	5 713	3 053	68 538	5 208
Taxes other than income tax	(242 711)	(247 437)	(728 723)	(765 471)

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Short-term rent	(2 237)	44 344	(15 072)	(29 799)
Insurance	(111 591)	(111 504)	(335 062)	(327 608)
Other services of third-party organizations, including				
Consulting, legal and audit services	(338 601)	(464 142)	(991 502)	(750 342)
Security	(163 717)	(159 319)	(481 270)	(453 707)
Travel services	(156 634)	(101 818)	(333 449)	(296 357)
Communication Services	(159 876)	(261 294)	(416 013)	(533 362)
Other services	(290 239)	(114 984)	(616 031)	(486 472)
Change in estimated liabilities (Note 22)	(1 547 308)	(132 146)	(1 740 803)	(678 496)
Other Costs	(364 655)	(1 558 941)	(1 336 168)	(3 021 175)
	(36 223 831)	(34 771 612)	(106 998 799)	(104 745 507)

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

8. Other operating income

	For 3 months, ended on 30 september		For 9 months, ended on 30 september	
	2020	2019	2020	2019
(unaudited data)				
Income from identified non-contractual electricity consumption	306 493	128 764	461 587	612 884
Income from compensation of losses in connection with the electric grid property liquidation	1 158 710	96 525	1 806 867	1 269 186
Other income	212 158	121 406	893 263	893 572
	1 677 361	346 695	3 161 717	2 775 642

9. Financial income and financial costs

	For 3 months, ended on 30 september		For 9 months, ended on 30 september	
	2020	2019	2020	2019
(unaudited data)				
Financial income	171 293	161 340	290 102	257 106
Interest income				
Interest income on assets related to employee benefit obligations	2 069	1 834	2 069	1 834
Other financial income	-	164	-	179
	173 362	163 338	292 171	259 119
Financing costs				
Interest expense on loans and borrowings	(2 221 300)	(2 614 845)	(3 301 586)	(3 921 730)

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Interest on employee benefit obligations	(91 800)	(97 267)	(139 436)	(146 300)
Interest on lease agreements	(157 265)	(212 832)	(230 655)	(292 664)
Amortisation of the discount on financial liabilities carried at amortised cost	(28 504)	(2 076)	(42 110)	425
Other financial expenses	(29 235)	(9 386)	(30 699)	(28 155)
	(2 528 104)	(2 936 406)	(3 744 486)	(4 388 424)

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

10. Income tax

The main components of income tax expense for three and nine months ended on 30 September 2020 and 2019 are presented in the table below:

	For 3 months,		For 9 months,	
	ended on 30 september			
	2020	2019	2020	2019
(unaudited data)				
Current income tax				
Current income tax expense	(721 886)	(552 903)	(1 966 179)	(1 963 594)
Income tax adjustment for prior periods	3	-	(5 241)	25 415
	(721 883)	(552 903)	(1 971 420)	(1 938 179)
Deferred income tax				
Charge and recovery of temporary tax differences	77 175	(108 716)	(210 825)	(504 385)
	77 175	(108 716)	(210 825)	(504 385)
Income tax expense recognized in the statement of profit or loss				
	(644 708)	(661 619)	(2 182 245)	(2 442 564)

The income tax rate in the Russian Federation is 20%.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

10. Income tax (continued)

According to the Law of the Moscow Region of 24 November 2004 No. 151/2004-OZ "On Preferential taxation in the Moscow Region", the Group has realized the right to a benefit granted to investors who have made capital investments in fixed assets for newly constructed and commissioned fixed assets in the form of a reduction in the corporate income tax rate by 4.5 percentage points. Thus, the Group's deferred tax assets and liabilities as at 30 September 2020 were calculated at a reduced rate of 18.15% (30 September 2019: 18.16%). The following is a reconciliation of the amount of income tax expense calculated at the current tax rate to the amount of actual income tax expense:

	For 3 months,	For 9 months,
	ended on 30 september	

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

	2020	2019	2020	2019
				(unaudited data)
Profit before tax	2 184 667	1 462 401	9 335 029	9 129 085
The income tax calculated at the current income tax rate of 18.15% (2019: 18.16%)	(396 443)	(265 154)	(1 694 536)	(1 657 464)
The adjustment of income tax for previous periods	3	-	(5 241)	25 415
The cancellation of deferred tax asset	(47 872)	(25 015)	(94 479)	(166 640)
The effect of the profit tax-free from rate change	1 509	3 928	654	36 230
The effect on the amount of tax of items that do not reduce taxable profit	(201 905)	(375 378)	(388 643)	(680 105)
Income tax	(644 708)	(661 619)	(2 182 245)	(2 442 564)

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements (unaudited) (continued)

11. Fixed assets

	Land and buildings	The transmission - lines network	Transformers and transformer substations	Other	Unfinished construction	Total
Initial cost as at 31 December 2018	51 539 192	236 704 152	94 526 857	92 656 541	38 619 643	514 046 385
Transfer to assets in the form of right of use	(155 548)	(324 573)	(330 127)	(29 742)	-	(839 990)
As at January 1, 2019	51 383 644	236 379 579	94 196 730	92 626 799	38 619 643	513 206 395
Income	120 416	881 212	124 597	324 555	13 048 494	14 499 274
Outcome	(10 999)	(293 144)	(30 411)	(90 660)	(910 279)	(1 335 493)
Transfer to basic assets	192 614	5 154 022	258 951 8	812 504	(8 748 658)	-
As at September 30, 2019 (unaudited data)	51 685 675	242 121 669	96 880 434	93 673 198	42 009 200	526 370 176
Accumulated depreciation and impairment						
As at 31 December 2018	(14 047 493)	(87 675 132)	(43 262 819)	(63 277 028)	(551 223)	(208 813 695)
Transfer to assets in the form of right of use	13 689	78 637	54 340	10 039	-	156 705
As at January 1, 2019	(14 033 804)	(87 596 495)	(43 208 479)	(63 266 989)	(551 223)	(208 656 990)
Accumulated depreciation	(1 161 225)	(6 994 739)	(3 906 345)	(4 261 897)	-	(16 324 206)
Outcome	9 054	142 857	26 372	88 675	7 704	274 662
Transfer to basic assets	(1 354)	(7 767)	(9 429)	(482)	19 032	-
As at September 30, 2019 (unaudited data)	(15 187 329)	(94 456 144)	(47 097 881)	(67 440 693)	(524 487)	(224 706 534)
Depreciation value as at 31 December 2018	37 491 699	149 029 020	51 264 038	29 379 513	38 068 420	305 232 690
Transfer to assets in the form of right of use	(141 859)	(245 936)	(275 787)	(19 703)	-	(683 285)
As at January 1, 2019	37 349 840	148 783 084	50 988 251	29 359 810	38 068 420	304 549 405
As at September 30, 2019 (unaudited data)	36 498 346	147 665 525	49 782 553	26 232 505	41 484 713	301 663 642
Initial cost as at January 1, 2020	55 762 313	249 196 029	99 695 694	98 725 904	39 498 322	542 878 262
Income	14 947	1 077 489	166 524	284 623	17 199 635	18 743 218
Outcome	(4 817)	(128 051)	(35 248)	(77 319)	(26 339)	(271 774)
Transfer to basic assets	85 384	6 769 435	2 765 185	1 971 463	(11 591 467)	-

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

As at September 30, 2020 (unaudited data)	55 857 827	256 914 902	102 592 155	100 904 671	45 080 151	561 349 706
Accumulated depreciation and impairment						
As at January 1, 2020	(15 576 396)	(96 726 475)	(48 425 957)	(68 824 400)	(408 089)	(229 961 317)
Accumulated depreciation	(1 293 791)	(7 079 304)	(3 877 392)	(4 166 466)	-	(16 416 953)
Outcome	2 368	44 155	18 741	74 571	96	139 931
Transfer to basic assets	16	(8 198)	(2 881)	4 417	6 646	-
As at September 30, 2020 (unaudited data)	(16 867 803)	(103 769 822)	(52 287 489)	(72 911 878)	(401 347)	(246 238 339)
Depreciation value as at 1 January 2020	40 185 917	152 469 554	51 269 737	29 901 504	39 090 233	312 916 945
As at September 30, 2020 (unaudited data)	38 990 024	153 145 080	50 304 666	27 992 793	44 678 804	315 111 367

PJSC "Rosseti Moscow Region" Notes to the Consolidated Interim Condensed Financial Statements
(unaudited) (continued)

11. Basic assets (continued)

Capitalized interest

The amount of borrowing costs capitalised during a period of 9 months ended on 30 September 2020, amounted to 1 513 746 thousand rubles at an annual capitalization rate of 6.84% (9 months ended on 30 September 2019: 1,440,341 thousand rubles) at an annual capitalization rate of 8.00%). The specified amount was included in the cost of basic assets.

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

12. Intangible assets

	Software	Patents and licensing	R&D	Other	Total
Initial cost as at January 1, 2019	3 442 882	19 974	594 400	345 037	4 402 293
Reclassifications	33 250	-	(233 678)	200 428	-
Income	305 099	1 021	-	-	306 120
Outcome	(61 956)	-	(30 868)	-	(92 824)
As at September 30, 2019 (unaudited data)	3 719 275	20 995	329 854	545 465	4 615 589
Depreciation as at January 1, 2019	(544 935)	(15 184)	(143 169)	(80 881)	(784 169)
Depreciation	(288 343)	(3 218)	(55 036)	(37 951)	(384 548)
Reclassifications	(8 867)	-	9 404	(537)	-
Outcome	61 875	-	-	-	61 875
As at September 30, 2019 (unaudited data)	(780 270)	(18 402)	(188 801)	(119 369)	(1 106 842)
Depreciation value as at 1 January 2019	2 897 947	4 790	451 231	264 156	3 618 124
As at September 30, 2019 (unaudited data)	2 939 005	2 593	141 053	426 096	3 508 747
Initial cost as at January 1, 2020	3 810 424	22 850	380 638	545 464	4 759 376

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Reclassifications	-	-	(34 849)	34 849	-
Income	813 985	9 850	48 309	-	872 144
Outcome	(57 433)	(20 465)	-	-	(77 898)
As at September 30, 2020 (unaudited data)	4 566 976	12 235	394 098	580 313	5 553 622
Depreciation as at January 1, 2020	(788 651)	(19 453)	(204 383)	(132 849)	(1 145 336)
Depreciation	(318 906)	(2 501)	(46 887)	(44 759)	(413 053)
Reclassifications	-	-	331	(331)	-
Outcome	58 555	19 343	-	-	77 898
As at September 30, 2020 (unaudited data)	(1 049 002)	(2 611)	(250 939)	(177 939)	(1 480 491)
Depreciation value as at 1 January 2020	3 021 773	3 397	176 255	412 615	3 614 040
As at September 30, 2020 (unaudited data)	3 517 974	9 624	143 159	402 374	4 073 131

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*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

12. Intangible assets (continued)

Capitalized interest

The amount of borrowing costs capitalized during 9 months ended on 30 September 2020 was 4 587 thousand rubles at the annual capitalization rate of 6.84% (9 months ended on 30 September 2019: 21,219 thousand rubles at an annual capitalization rate of 8.00%). This sum was included in the value of intangible assets.

13. Right-of-use assets

	Land and buildings	The transmission lines network	Transformers and transformer substations	Other	Total
Initial cost as at January 1, 2019	3 716 942	330 745	335 298	29 741	4 412 726
Income	265 579	101 737	26 041	778	394 135
Outcome	-	-	-	(5 406)	(5 406)
As at September 30, 2019 (unaudited data)	3 982 521	432 482	361 339	25 113	4 801 455
Accumulated depreciation and impairment As at January 1, 2019	(13 689)	(78 637)	(54 340)	(10 039)	(156 705)
Accumulated depreciation	(315 104)	(22 487)	(33 165)	(1 534)	(372 290)
Outcome	-	-	-	68	68
As at September 30, 2019 (unaudited data)	(328 793)	(101 124)	(87 505)	(11 505)	(528 927)
Depreciation value as at 1 January 2019	3 703 253	252 108	280 958	19 702	4 256 021
As at September 30, 2019 (unaudited data)	3 653 728	331 358	273 834	13 608	4 272 528

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Initial cost as at January 1, 2020	3 928 590	352 367	344 775	24 596	4 650 328
Income	213 084	19 904	123	330	233 441
Changes in the terms of the contract	(204 824)	(1 944)	(1 429)	-	(208 197)
Outcome	(90 276)	(1 020)	(155)	869	(90 582)
As at September 30, 2020 (unaudited data)	3 846 574	369 307	343 314	25 795	4 584 990
Accumulated depreciation and impairment	(394 470)	(112 271)	(95 060)	(10 255)	(612 056)
As at January 1, 2020					
Accumulated depreciation	(299 232)	(26 013)	(30 738)	(1 890)	(357 873)
Outcome	84 410	1 020	714	(856)	85 288
As at September 30, 2020 (unaudited data)	(609 292)	(137 264)	(125 084)	(13 001)	(884 641)
Depreciation value as at 1 January 2020	3 534 120	240 096	249 715	14 341	4 038 272
As at September 30, 2020 (unaudited data)	3 237 282	232 043	218 230	12 794	3 700 349

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*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

14. Trade and other account receivables

	September, 30 2020	December 31, 2019
	(unaudited data)	(audited data)
Long-term trade and other account receivables		
Other account receivables	404 339	442 329
Estimated allowance for expected credit losses on other account receivables	(183 997)	(171 608)
	220 342	270 721
Short-term trade and other account receivables		
Trade account receivables	14 028 169	14 316 063
Estimated allowance for expected credit losses on trade account receivables	(4 199 331)	(4 450 205)
Other account receivables	6 419 270	7 290 935
Estimated allowance for expected credit losses on other account receivables	(4 122 286)	(4 613 173)
	12 125 822	12 543 620

15. Other non-financial assets

September, 30 2020	December, 31 2019
(unaudited)	(audi

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

	data)	data)
Other non-current non-financial assets		
Advances issued	7 136 010	7 204 921
Provision for impairment of advances issued	(7 136 010)	(7 204 921)
VAT on the buyers and customers advances	2 399 223	1 702 725
	2 399 223	1 702 725
Other current non-financial assets		
Advances issued	1 634 150	1 810 651
Provision for impairment of advances issued	(67 572)	(67 531)
VAT recoverable	255 189	263 489
VAT on the buyers and customers advances	4 154 635	3 545 288
Prepayments for other taxes other than income tax and VAT	83 046	90 662
	6 059 448	5 642 559

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*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

16. Cash and cash equivalents

	September, 30 2020	December, 31 2019
	(unaudited)	(audited data)
Cash balances on current accounts in the bank	7 728 915	1 520 725
Cash for the intended use under a government contract	171 013	470 742
Cash on hand	14	31
	7 899 942	1 991 498

Cash on current accounts
the following ratings:

is placed in banks

and structures that have

	Rating	Rating Agency	30 September 2020	December, 31 2019
JSC "AB Rossiya"	ruAA	RA Expert	4 568 716	199 093
PJSC "Gazprombank"*	Ba1	Moody's	2 332 499	57 266
NCO " National Clearing Center"	BBB	Fitch	500 000	-
PJSC "Sberbank"*	Baa3	Moody's	230 473	1 215 008
Moscow Financial Department	-	-	171 013	470 742
JSC "Severgazbank"	ruA-	RA Expert	51 593	34
JSC ALFA-BANK	Ba1	Moody's	15 687	48 797
PJSC " VTB Bank"*	Baa3	Moody's	736	30
CJSC "CB Citibank"	-	-	-	48
Other banks	-	-	29 211	449
Cash on hand	-	-	14	31
			7 899 942	1 991 498

*A bank connected to the state.

17. Equity capital

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

(a) Shareholders' equity

The ordinary shares holders have the right to receive the declared dividends and the right to one vote per share when making decisions at the Company's annual and general shareholders meetings.

(6) Equity shares

As at 30 September 2020 and 31 December 2019, the Group did not have its own shares repurchased from shareholders.

	Ordinary shares	
	September, 30 2020	December, 31 2019
Ordinary shares with the nominal value of 0.50 rubles each, pieces	48 707 091 574	48 707 091 574

The ordinary shares holders have the right to receive the declared dividends and the right to one vote per share when making decisions at the Company's annual and general shareholders meetings.

(b) Equity shares

As at 30 September 2020 and 31 December 2019, the Group did not have its own shares repurchased from shareholders.

PJSC "Rosseti Moscow Region"
Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

17. Equity capital (continued)

(c) Dividends

In January 2020, the Company paid dividends for 9 months of 2019 in the amount of 2 055 166 thousand rubles, which were declared in December 2019 in the amount of 2 063 719 thousand rubles (0.04237 rubles per share).

On May 29, 2020, the General Meeting of Shareholders decided to pay dividends for 2019 in the amount of 1 240 083 thousand rubles (0.02546 rubles per share), which were paid in the amount of 1 234 660 thousand rubles.

On June 14, 2019, at the annual general meeting of shareholders, it was decided to declare dividends for 2018 in the amount of 2 873 717 thousand rubles (0.059 rubles per ordinary share).

18. Earnings per share

Earnings per share are calculated based on earnings for the year and the weighted average number of ordinary shares in circulation during the year. The Company does not have any instruments with a potential dilutive effect.

For the 9 months ended on 30 September

	2020	2019
	(unaudited data)	
Number of shares in circulation (pcs.)	48 707 091 574	48 707 091 574
Profit of PJSC "Rosseti Moscow Region" shareholders for the period (thousand rubles)	7 152 784	6 686 521
Basic and bifurcated earnings per share (RUB)	0.1469	0.1373

PJSC "Rosseti Moscow Region"

Notes to the consolidated interim condensed financial statements
(unaudited) (continued)

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

19. Loans and borrowings

	September, 30 2020	December 31, 2019
	(unaudited data)	(audited data)
Long-term		
Unsecured bank loans	47 152 316	44 658 345
Unsecured bond loans	39 131 414	44 220 125
Lease obligations	4 067 592	4 188 866
Minus: current part of unsecured bank loans	(32 971)	(39 000)
Minus: current part of unsecured bond loans	(943 780)	(20 970 861)
Less: current part of lease obligations	(367 259)	(253 904)
	89 007 312	71 803 571
Short-term		
Unsecured bank loans	291 600	-
Current part of unsecured bank loans	32 971	39 000
Current part of unsecured bond loans	943 780	20 970 861
Current part of lease obligations	367 259	253 904
	1 635 610	21 263 765
These include:		
Interest payable on loans and borrowings	32 971	39 000
Outstanding interest payable on bond obligation borrowings	884 300	917 682
	917 271	956 682

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

	Interest rate	Maturity date	Amount
Unsecured bond loan	6,15%	2023	10 000 000
Unsecured bond loan	5,55%	2023	5 000 000
Unsecured bank loans*	6,45%	2023	44 619 345
Unsecured bank loans*	6,69%	2023	4696 144
Unsecured bank loans*	5,55%	2023	2 500 000
Unsecured bank loans*	8,24%	2020	230 910
Unsecured bank loans*	7,00%	2020	187 602
Unsecured bank loans*	10,00%	2020	56 000
Unsecured bank loans*	9,00%	2020	56 000
Overdraft*	7,30%	2021	227 476
			67 573 477

* *Loans received from banks connected with the State.*

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Loans received from banks connected with the State for nine months ended on 30 September 2020, the Group repaid the following bonds and bank loan:

	Interest rate	Maturity date	Nominal value
Unsecured bond loan	9,15%	2020	10 000 000
Unsecured bond loan	9,65%	2020	5 000 000
Unsecured bond loan	8,30%	2020	5 000 000
Unsecured bank loans*	6,69%	2022	39 923 201
Unsecured bank loans*	6,69%	2023	4696 144
Unsecured bank loans*	6,95%	2021	4696 144
Unsecured bank loans*	8,24%	2020	238 910
Overdraft*	7,30%	2021	227 476
Unsecured bond loan	-	2024	86 766
			69 868 641

**Loans received from banks connected with the State.*

During the first 9 months in 2020, the Group performed refinancing operations on previously received loans in order to reduce the interest rate and revise the terms of the debt portfolio. As at 30 September 2020, the Group had open but unused credit lines in the amount of 124 389 053 thousand rubles. (31 December 2019: 133 655 380 thousand rubles).

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

20. Trade and other payables

	September, 30 2020 (unaudited data)	December, 31 2019 (audited data)
Long-term trade and other account payables	-	15 283
Trade accounts payable		
Other payables	2 144 518	411 409
	2 144 518	426 692
Short-term trade and other account payables	14 541 371	19 404 792
Trade accounts payable		
Provision for unused vacations	2 216 952	2 937 961
Other payables	1 553 321	2 922 523
	18 311 644	25 265 276
21. Obligations under the contract	September, 30	December, 31
	2020	2019
	(unaudited data)	(audited data)

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

Long-term	14 698 151	10 653 040
Obligations under contracts for technological connection to the electric grid		
Obligations under other contracts	264 505	209 823
	14 962 656	10 862 863
Short-term	21 088 395	18 438 776
Obligations under contracts for technological connection to the electric grid		
Obligations under other contracts	3 239 655	1 448 973
	24 328 050	19 887 749
22. Estimative liabilities	2020	2019
Balance as at January 1	3 091 504	83 331
Estimative liabilities generated during the period	1 975 547	687 458
Estimative liabilities recovered during the period	(234 744)	(8 962)
Estimative liabilities used during the period	(1 157 098)	(55 173)
Balance as at 30 September (unaudited data)	3 675 209	706 655

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

22. Estimative liabilities (continued)

The estimative liabilities are formed to cover the costs of legal actions in which the Group acts as a defendant, and to resolve out-of-court disputes arising in the normal course of operating activities and the provision of electricity transmission services. The existence of disagreements between electric grid, power sales and other companies regarding the volume and cost of electricity transmitted is due to certain specifics of the functioning mechanisms of the electricity market.

For nine months period in 2020 the use of the provision for estimated liabilities in the amount of 1 157 098 thousand rubles (9 months ended 30 September 2019:

55,173 thousand rubles) and a recovery of 234 744 thousand rubles (9 months ended on 30 September 2019: 8 962 thousand rubles) is related to the partial settlement of disputes. The increase in the estimating liabilities for losses that the Group may suffer from due to an adverse outcome of legal proceedings is amounted 1 975 547 thousand rubles (9 months ended on 30 September 2019: 687,458 thousand rubles).

It is expected that the outcome of ongoing legal disputes and out-of-court settlements of disputes will not result in significant losses in excess of the already accrued estimating liabilities.

23. Financial risk management

In the normal course of business, the Group is exposed to a variety of financial risks, including, but not limited to: market risk (currency risk, interest rate risk, and price risk), credit risk, and liquidity risk.

The Group's financial risk and capital management objectives and policies, as well as the fair value determination process, are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2019.

The Group's management takes operational measures to ensure sufficient cash (liquidity) received from operating activities to finance priority projects of investment programs, servicing

short-term and long-term borrowings available at the reporting date. The Group management implements the measures aimed at optimizing the structure of borrowed capital, ensuring the availability of available credit limits, a reserve of liquidity in the form of bank account balances and short-term financial investments, and monitoring the quality of accepted financial security (bank guarantees).

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

23. Financial risk management (continued)

(a) Credit risk

The Group maximum exposure to credit risk is equal to the carrying amount of its financial assets. As at the reporting date, the maximum amount of credit risk was:

	Balance cost	
	September, 30 2020	December 31, 2019
	(unaudited data)	(audited data)
Trade and other account receivable	12 346 164	12 814 341
Cash & cash equivalents	7 899 942	1 991 498
	20 246 106	14 805 839

As at the reporting date, the maximum level of credit risk in terms of trade receivables for groups of buyers was as follows:

	30 September 2020 (unaudited data)		31 December 2019 (audited data)	
	Aggregate nominal value	Provision for expected credit losses	Aggregate nominal value	Provision for expected credit losses
Services customers for electricity sale	340 221	-	-	-
Services customers for electricity transfer	10 174 431	(1 550 661)	11 684 827	(2 930 663)
Buyers of services for technological connection to the power grid	1 139 513	(692 522)	1 247 653	(664 549)
Other customers	2 374 004	(1 956 148)	721 892	(246 640)
	14 028 169	(4 199 331)	13 654 372	(3 841 852)

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

23. Financial risk management (continued)

(a) Credit risk (continued)

The information on trade and other receivables by default period:

30 September 2020 (unaudited data)	31 December 2019 (audited data)
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	Aggregate nominal value	Provision for expected credit losses	Aggregate nominal value	Provision for expected credit losses
Undue debt	10 423 027	(1 045 032)	13 496 474	(1 298 937)
Less than 3 overdue				
month	1 440 272	(168 096)	482 057	(401 476)
Overdue for more than 3 months and less than 6 months	633 276	(137 012)	423 856	(289 688)
Overdue for more than 6 months and less than a year	1 263 156	(984 873)	1 161 185	(1 056 936)
Overdue for more than a year	7 092 047	(6 170 601)	6 485 755	(6 187 949)
	20 851 778	(8 505 614)	22 049 327	(9 234 986)

The changes in the estimated allowance for expected credit losses on trade and other receivables during the reporting period were as follows:

	2020	2019
Balance as at January 1	(9 234 986)	(7 634 682)
Reserves formed during the period	(474 525)	(1 655 612)
Reserves recovered during the period	683 421	1 007 675
Reserves used during the period	520 476	917 742
Balance as at 30 September (unaudited data)	(8 505 614)	(7 364 877)

(b) Liquidity risk

The lack of liquidity risk is the potential inability of the Group to meet its financial obligations when they become due. The purpose of managing the lack of liquidity risk is to continuously maintain a level of liquidity sufficient to meet the Group's obligations in a timely manner, both in normal conditions and in difficult financial situations.

The main influence on the Group's liquidity indicators is a significant proportion of advances received from applicants under technological connection contracts and loss compensation agreements, which are actually long-term sources of funding, since they are related to the implementation of the Group long-term investment program. These obligations do not require the provision of current assets, as they are sources for the formation of non-current assets of the Group and are repaid when providing technological connection services.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

23. Financial risk management (continued)

(b) Liquidity risk (continued)

The Group exercises operational control over the lack of liquidity risk and manages this type of risk by opening credit lines in banks, attracting loans and borrowings (see Note 19).

As at 30 September 2020, the Group is provided with sufficient unused credit limits to finance the working capital deficit. The amount of available credit for the Group is 124 389 053 thousand rubles (31 December 2019: 133 655 380 thousand rubles). In addition, the Group's management believes that the measures it is taking to reduce costs, along with the gradual increase in tariffs for electricity transmission services and technical connection to the power grid, are aimed at a positive effect on the Group financial results in future.

The Group's management believes that due to the above circumstances, the Group will have sufficient liquidity to continue operating in the foreseeable future. Accordingly, the

accompanying consolidated interim condensed financial statements do not include the adjustments that would have to be made if the Group could not continue as a going company.

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

23. Financial risk management (continued)**(b) Liquidity risk (continued)**

The amounts of financial liabilities by contractual maturity are shown below, taking into account the expected interest payments and the offsets impact:

September 30, 2020 (unaudited data)	Balance cost	Cash flow under the agreement	0 - 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years
Non-derivative financial liabilities								
Loans and borrowings	47 443 916	55 466 511	3 352 380	3 016 698	49 097 433	-	-	-
Bond loans	39 131 414	51 678 815	4 092 770	12 818 703	29 161 218	5 606 124	-	-
Lease obligations	4 067 592	10 760 711	609 585	490 934	458 513	366 992	448 959	8 385 728
Trade accounts payable	20 456 162	20 459 495	18 311 656	2 137 019	8	8	10 804	-
	111 099 084	138 365 532	26 366 391	18 463 354	78 717 172	5 973 124	459 763	8 385 728
December 31, 2019	Balance cost	Cash flow under the agreement	0 - 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years
Non-derivative financial liabilities								
Loans and borrowings	44 658 345	53 529 172	3 148 543	7 796 793	42 583 836	—	—	—
Bond loans	44 220 125	50 808 534	23 666 439	2 039 481	19 348 594	502 326	5 251 694	—
Lease obligations	4 188 866	12 416 219	610 996	511 387	480 603	398 275	461 247	9 953 711
Trade account receivables	25 691 968	25 778 971	25 265 277	502 865	9	8	8	10 804
	118 759 304	142 532 896	52 691 255	10 850 526	62 413 042	900 609	5 712 949	9 964 515

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

23. Financial risk management (continued)

(c) Fair value and carrying amount

Management estimates that at the reporting date the fair value of financial assets and liabilities corresponds to the carrying amount. During nine months ended on 30 September 2020, no transfers were made between levels 2 and 3 of the hierarchy.

The following is a comparison of the carrying amounts and fair values of the Group financial instruments presented in the financial statements by category, with the exception of those financial instruments whose carrying amounts are approximately equal to and x fair value:

September 30, 2020		Level of the fair value hierarchy		
(unaudited data)				
Balance cost	Fair value	1	2	3
Bond loans				
38 876 159	38 690 000	38 690 000	-	-
38 876 159	38 690 000	38 690 000	-	-

December 31, 2019		Level of the fair value hierarchy		
(audited data)				
Balance cost	Fair value	1	2	3
Bond loans				
38 872 340	39 017 000	39 017 000	-	-
38 872 340	39 017 000	39 017 000	-	-

24. Contractual obligations of a capital nature

The sum of the Group obligations under contracts for the capital construction of electric grid facilities signed as at September, 30 2020 is 46 669 959 thousand rubles (December 31 2019: 31 665 554 thousand rubles) with VAT.

25. Contingent liabilities

(a) Insurance

The Group has the same requirements regarding the scope of insurance coverage, the reliability of insurance companies and the procedure for organizing insurance coverage. The Group insures assets, civil liability and other insurable risks. The Group main production assets have the insurance coverage, including the coverage for damage or loss of basic assets. However, there are risks of a negative impact on the Group operations and financial position in the event of third parties endamage, as well as as a result of loss or damage to assets that are not covered by insurance or have not been fully implemented.

25. Contingent liabilities (continued)

(b) Legal proceedings

The Group is a party to a number of legal proceedings that are conducted in the normal course of its business. The management believes that these legal proceedings will not have a material adverse impact on the Group's operating results.

(c) Contingent tax liabilities in the Russian Federation

Russian tax legislation allows for different interpretations in relation to the Group's operations and activities. Accordingly, the management tax legislation interpretation and its formal documentation can be successfully challenged by the relevant regional or federal authorities.

Tax administration in Russia is gradually being strengthened. In particular, tax aspects of transactions review risk without a clear business purpose or with contractors who violate the tax laws, is increasing. Tax audits may cover three calendar years preceding the year of the decision on the tax audit. Under certain conditions, earlier periods may also be checked. The Russian tax authorities are entitled to impose additional tax liabilities and penalties based on the rules established by the legislation on transfer pricing, if the price/profitability in controlled transactions differs from the market level. The list of controlled transactions mainly includes the transactions concluded between related parties.

Starting from January 1, 2019, the control over transfer pricing (CTP) for a significant part of domestic transactions was abolished. However, the exemption from price controls may not apply to all transactions made in the domestic market. At the same time, in the case of additional charges, the mechanism of tax liabilities counter-adjustment can be used if certain legal requirements are met. Intra-group transactions that have been out of the CTP control since 2019 can nevertheless be checked by the territorial tax authorities for obtaining unjustified tax benefits, and the CTP methods can be used to determine the amount of additional charges. The federal executive body authorized to control and supervise taxes and fees may verify prices/profitability in controlled transactions and, in case of disagreement with the prices applied by the Group in these transactions, accrue additional tax liabilities, if the Group is unable to justify the market nature of pricing in these transactions, by providing transfer pricing documentation that meets the legal requirements.

As the practice of the tax rules applying continues to develop, the tax authorities and courts may question the criteria for classifying property as movable or immovable property applied by the Group. The Group management does not exclude the resource outflows risk, and the impact of such developments cannot be reliably assessed. Due to management opinion, the legislation relevant provisions have been interpreted correctly, and the Group position can be justified and protected in terms of compliance with tax legislation.

PJSC "Rosseti Moscow Region"

*Notes to the consolidated interim condensed financial statements
(unaudited) (continued)*

25. Contingent liabilities (continued)

(d) Protection of the environment

The Group has been operating in the electric power industry in the Russian Federation for many years. The legislation on environmental protection in the Russian Federation continues to develop, and the responsibilities of the authorized state bodies for monitoring its compliance are being reviewed. Potential environmental obligations arising from changes in existing legislation interpretations, lawsuits, or changes in legislation cannot be assessed. Due to the management opinion, there are no probable liabilities under the current control system and current legislation that could have a material adverse effect on the Group financial position, operations results or cash flows.

26. Transactions with related parties

The Group operates in an area directly or indirectly controlled by the Russian Federation through State-owned companies. The Group also cooperates with other State-owned companies in the sale and purchase of goods and ancillary materials, in providing and receiving services.

Transactions with related parties are carried out on terms that are comparable to transactions with companies without government participation. The Group has established an independent purchase and sales policy, pricing policy, and control procedures for the purchase and sales of goods and services processes, which are applied to all counterparties, regardless of whether they are State-owned companies or not.

(a) Control relations

As at 30 September 2020 and 31 December 2019, the control over the Company was held by PJSC "Rosseti". The ultimate controlling party is the State represented by the Federal Agency for Property Management, which owns a controlling stake in PJSC "Rosseti".

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

26. Transactions with connected parties (continued)**(6) The transactions with the parent company, its subsidiaries and associates**

Transactions with the parent company, its subsidiaries and associates include the transactions with PJSC "Rosseti", its subsidiaries and associates:

	Sum of transactions				Balance of payments	
	For three months, ended		For nine months, ended		as at 30	
	September, 30		September, 30		September	December, 31
	2020	2019	2020	2019	2020	2019
	(unaudited data)					(audited data)
Sales of goods and services	200 791	26 647	206 467	31 757	227 110	661 691
Parent company	795	774	1 193	1 156	26	-
Other revenue	795	774	1 193	1 156	26	-
Other subsidiary enterprises, under control of the parent company	199 996	25 872	205 274	30 601	227 084	661 691
Technical connections to the networks	10 072	-	10 072	-	-	-
Other revenue	189 924	25 872	195 202	30 601	-	-
Goods and services purchase	(10 777 859)	(10 679 136)	(15 944 769)	(15 798 023)	(1 118 700)	(1 522 908)
Parent company	(313 730)	(313 092)	(323 826)	(323 187)	(75 067)	(73 560)
Consulting, legal and audit services	(313 730)	(313 092)	(323 826)	(323 187)	-	-
Other subsidiary enterprises under control of the parent company	(10 464 129)	(10 366 044)	(15 620 943)	(15 474 836)	(1 043 633)	(1 449 348)
Electricity transmission services	(10 368 143)	(10 260 804)	(15 478 561)	(15 324 861)	-	-
Short-term rent	(3 256)	(4 862)	(4 693)	(5 167)	-	-
Other Costs	(92 730)	(100 378)	(137 689)	(144 808)	-	-
Advances issued	-	-	-	-	34 886	36 369
Other subsidiary enterprises under control of the parent company	-	-	-	-	34 886	36 369
Obligations under the contract	-	-	-	-	(106 747)	(118 537)
Other subsidiary enterprises under control of the parent company	-	-	-	-	(106 747)	(118 537)

There is no debt to the parent company for the dividends payment of (as at 31 December 2019: 1 050 530 thousand rubles).

The accompanying notes are an essential part of this consolidated interim condensed financial statement.

26. Transactions with connected parties (continued)

(c) Operations with key management personnel

Key management personnel include the Board of Directors members, the Management Board members, the Audit Commission members, and the Company top management representatives.

The reward to key management personnel, disclosed in the table, represent the current period expenses for key management personnel recorded as part of employee compensation expenses.

		For 3 months,		For 9 months, ended on 30 september
2020		2019	2020	2019
(unaudited data)				
Short-term employee benefits	392 340	116 142	549 852	349 313
Changes in end-of-service obligations and other long-term benefits (including pension plans)	152	906	1 654	2 803
Severance	4 613	-	8 532	3 966
	397 105	117 048	560 038	356 082

The present value of defined benefit obligations reflected in the consolidated interim condensed statement on financial position includes liabilities for key management personnel in the amount of 18,946 thousand rubles. (31 December 2019: 17,293 thousand rubles).

(d) Transactions with State-related companies

In the course of its activities, the Group carries out a significant number of transactions with companies associated with the State. These operations are carried out according to the regulated tariffs or in accordance with market prices.

The revenue from sales to State-related companies for three and nine months ended on 30 September 2020 was 88% and 89% of total revenue, respectively (for three and nine months ended on 30 September 2019: 87% and 88%, respectively), including 92% and 92% of electricity transmission revenue (for three and nine months ended on 30 September 2019: 93% and 92%, respectively).

Electricity transmission costs (including compensation for technological losses) for State-related companies for three and nine months ended on 30 September 2020 accounted for 93% and 93% of total electricity transmission costs, respectively (for three and nine months ended on 30 September 2019: 93% and 94%, respectively).

Interest accrued on loans and borrowings from State-related banks for three and nine months ended on 30 September 2020 amounted to 44% and 42% of the total interest accrued, respectively (for three and nine months ended on 30 September 2019: 43% and 43%, respectively).

PJSC "Rosseti Moscow Region" *Notes to the Consolidated Interim Condensed Financial Statements*
(unaudited) (continued)

26. Transactions with connected parties (continued)

(d) Transactions with State-related companies (continued)

Cash and cash equivalents held in banks, State-related, was 3 063 708 thousand rubles (31 December 2019: 1 272 304 thousand rubles).

The information on loans and borrowings received from State-related banks is disclosed in Note 19. Lease obligations for State-related companies (as part of borrowed funds) was 3,047,433 thousand rubles. (31 December 2019: 3 295 295 thousand rubles).

27. Events after the reporting date

No other material events occurred after the reporting date that would require special explanations or adjustments in the consolidated financial statements.