

# CONSOLIDATION OF POWER GRID ASSETS

Pursuant to the Development Strategy of the Power Grid Complex of the Russian Federation, namely its goal to reduce the number of TGOs, the Company continued consolidating the grid assets in the Krasnodar Krai and the Republic of Adygeya during the reporting year.

Consolidation efforts were primarily focused on TGOs that did not meet the criteria for classifying owners of power grid assets as TGOs<sup>1</sup>. The KKSTRD approved individual transmission tariffs for 32 TGOs for 2024.<sup>2</sup> In accordance with Resolution of the Government of the Russian Federation No. 807 dated 30 April 2022, effective from 2025, 11 TGOs in Rosseti Kuban catchment area will no longer meet the criteria for classification of owners of power grid facilities as TGOs. The Company took active steps to consolidate the power grid assets owned by horticultural and gardening non-profit associations and record them on its balance sheet. The results achieved were sent to the Ministry of Fuel and Energy and Housing and Utilities of the Krasnodar Krai.

Following the granting of STGO status in the reporting year, the Company undertook the following steps:

- Signed agreements on mitigating the consequences of emergencies at power grid facilities:
  - with organisations continuing to operate as TGOs after 1 January 2025 (Yug-Energose LLC, Yugstroy-Elektroset LLC, Kuban Set LLC, Kubanelektroset LLC, EKSTECH LLC, Maykopskaya TPP LLC, Akton LLC, Kedr LLC, Rostekelecroseti LLC, SetEnergogrup LLC, Elektroseti Kubani JSC, and Krasnodarenergo LLC),
  - with Transenergo LLC, which lost its TGO status on 1 January 2025,
- interacted with executive authorities and local government bodies in the Krasnodar Krai and the Republic of Adygea on the conclusion of agreements on the transfer of power grid facilities to the Company's free possession and use, belonging to the constituent entities of the Russian Federation and

municipalities, for the purpose of their operation, renovation, upgrade and retrofitting,

- participated in a meeting of the commission on ensuring the security of power supply in the Krasnodar Krai, in order to perform the functions of the STGO in concluding the above-mentioned agreements.

**In 2024, Rosseti Kuban consolidated 21,144.25 c.u. with a length of 1,780.16 km and a capacity of 1,690.08 MVA, concluded 577 agreements, including:**

- 114 agreements for the transfer of energy facilities on a gratuitous basis from non-commercial organisations and individuals,
- 345 lease agreements, including 13 agreements with TGOs, 13 agreements with municipalities and 319 agreements with other owners,
- 116 transactions for the gratuitous use of property (113 with municipalities and 3 with other owners),
- took ownership of 112 ownerless energy facilities.

<sup>1</sup> Approved by Resolution of the Government of the Russian Federation No. 184 dated 28 February 2015 'On the classification of power grid owners as territorial grid organisations' (as amended).

<sup>2</sup> Order No. 32/2023-e dated 29 November 2023.

## Monitoring of power grid consolidation volumes for 2022–2024

| Indicator  | Power grid assets consolidated over the period |                 |                  |                 |                 |                  |                 |                 |                  |
|--|--|-----------------|------------------|-----------------|-----------------|------------------|-----------------|-----------------|------------------|
|  | 2022   |                 |                  | 2023            |                 |                  | 2024            |                 |                  |
|  | MVA  | km              | c.u.             | MVA             | km              | c.u.             | MVA             | km              | c.u.             |
| <b>Total</b>   | <b>1,498.67</b>                                | <b>1,455.59</b> | <b>17,932.23</b> | <b>1,587.18</b> | <b>1,400.67</b> | <b>19,202.23</b> | <b>1,690.08</b> | <b>1,780.16</b> | <b>21,144.25</b> |
| Acquisition of power grid facilities                       | 0  | 0               | 0                | 0               | 0               | 0                | 0               | 0               | 0                |
| Lease of power grid facilities <sup>1</sup>                | 1,411.68                                       | 938.44          | 16,217.14        | 1,535.75        | 1,094.22        | 18,020.31        | 1,529.24        | 858.88          | 17,719.40        |
| Other (permanent ownership and rights of use) <sup>2</sup> | 61.46  | 427.96          | 1,202.21         | 33.60           | 249.34          | 855.67           | 37.27           | 225.52          | 859.11           |
| Other (temporary ownership and rights of use)              | 25.53  | 89.19           | 512.88           | 17.83           | 57.11           | 326.25           | 123.57          | 695.76          | 2,565.74         |



<sup>1</sup> The amount of leased power grid facilities is shown on an accrual basis from the date the energy facilities are leased to the Company.

<sup>2</sup> The amount of power grid facilities taken into the ownership of the Company is shown for the reporting year.