

Consumer demand for grid connection in 2023

In 2023, Rosseti Kuban signed 32,368 grid connection agreements for a total capacity of 860 MW with a total value

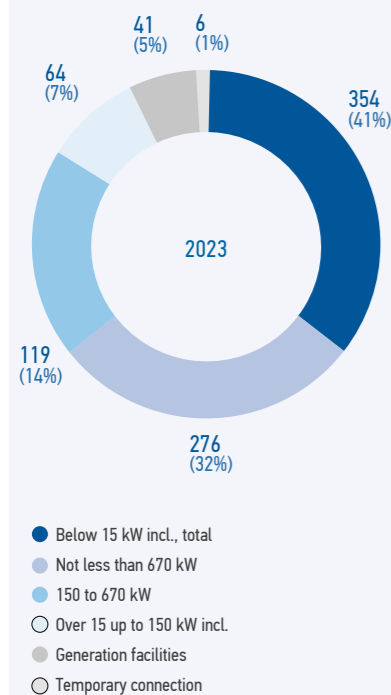
of RUB 10.7 billion, excluding VAT. Grid connection demand has been steadily increasing since 2021. On average, about

40,000 applications are received per year and at least 32,000–35,000 contracts are concluded.

Number of signed grid connection agreements

Connection categories	agreements	total power (MW)
Up to 15 kW inclusive, total	29,793	354
incl. individuals up to and including 15 kW	26,955	320
Over 15 kW to 150 kW inclusive	1,988	119
Over 150 kW and up to 670 kW	269	64
At least 670 kW	113	276
Power generation facilities	70	41
Total, excluding temporary grid connection	32,233	854
Temporary connection	135	6
Total, including temporary grid connection	32,368	860

Structure of Rosseti Kuban agreements signed in 2023, by connected capacity (MW)



Amounts of revenue generated and money collected

Revenue for grid connection services for the reporting year amounted to RUB 2,438 million (excluding VAT), which is 107% of the plan and 90% below the revenue for 2022 (RUB 1,282 million). The revenue growth is attributable to the execution of a number of large contracts in 2023, as well as to an increase in the fee rates for the grid connection service for applicants in the category of up to 150 kW after the changes in legislation came into effect on 1 July 2022, resulting in an increase in the average cost of contracts.

In 2023, monetary funds received for grid connection services amounted to RUB 15,206 million (including VAT), which is 13 times higher than the plan and 3 times higher than in 2022 (RUB 4,865 million including VAT). Over-fulfilment of the indicator on cash receipt is associated with receipt of large advances from applicants under grid connection contracts concluded in the fourth quarter of 2022 and payment received earlier than the schedule established by the contracts.

2.44 RUB bln
revenue for grid connection services (excl. VAT, +107 to plan, +90% vs. 2022)

15.20 RUB bln
monetary funds for grid connection services (incl. VAT, x13 vs. plan, x3 vs. 2022)

Grid connection plans for 2024

In 2024, it is scheduled to perform such significant and large-scale grid connection facilities as:

- construction of the Adler Bypass highway under the construction project for the new Goryachiy Klyuch — Adler highway, which will become a high-speed alternate route of the A-147 Dzhubga — Sochi highway, with a capacity of 16.6 MW and a grid connection cost of RUB 1.33 billion, excluding VAT
- New high-speed highway to the Kerch Strait transport crossing with a total capacity of 4.6 MW, the cost of grid connection is RUB 2.22 billion, excluding VAT

- Establishment of the Yablonovsky Industrial Park on the territory of the industrial zone of the Takhtamukaisky District to provide SMEs with preferential access to production space and premises for the purpose of establishing and developing production and innovation companies, the total amount of requested capacity is 50 MW, the cost of grid connection is RUB 485 million, excluding VAT

Planned revenue in 2024 is RUB 4,443 million (excluding VAT).

4.44 RUB bln
planned revenue in 2024 (excl. VAT)

Grid Connection of Generation Facilities

In the reporting period, there were 98 contracts for grid connection of power generation facilities for a total requested maximum capacity (excluding previously connected capacity) of 249.22 MW with a total value of RUB 1,046.94 million, excluding VAT (including 68 contracts for microgeneration facilities). A total of 67 contracts for grid

connection of generation facilities were discharged (for 108.64 MW at a cost of RUB 325.39 million), including 53 contracts for microgeneration facilities.

98 contracts
were in progress during the reporting period