

In its operating activities, the Company makes use of financial, production, intellectual, human, social and reputational, and natural capitals (resources).

CHANGE IN THE COST OF CAPITALS FOR 2024



PRODUCTION

Total number of 35–220 kV substations, 6–10(35)/0.4 kV transformer substations — 26,570 substations.
Length of PTLs — 96,520 km.
Installed capacity of the substations — 18,387.8 MVA.
System average interruption duration index for point of delivery (I_{saiD}) — 3.3403 h.
System average interruption frequency index, per point of delivery (I_{saiF}) — 1.3099 interruptions

HUMAN

Average headcount — 8,753 people.
Staffing level at the end of the year — 91.6%.
Employees with higher vocational education — 52.6% and with primary/secondary vocational education — 34.4%.
Annual acquisition order for working wear and shoes was fully completed.
The Company's workers received compensation payments, including the provision of voluntary health insurance (VHI) services

CAPITALS
AT THE BEGINNING OF 2024

HOW THE COMPANY CREATED
VALUE IN THE REPORTING YEAR

2024
RESULTS

In its day-to-day operations, the Company balances out interests and creates values for all stakeholders, contributes to the economic growth of the regions where it operates, adheres to the idea of sustainable development, and ensures reliable and affordable energy supply to consumers. The core business of the Company is electricity transmission and distribution (95.5% of the Company's revenue in the reporting year). The Company offers prompt and reasonably priced connections to its power grids in order to guarantee the growth of the Republic of Adygeya and the Krasnodar Krai.



FINANCIAL

Net profit — RUB 6,167 million
Year-end net asset value — RUB 54,950 million
EBITDA — RUB 17,574 million

INTELLECTUAL

Actual value of R&D expenditure (R&D) indicator — 0.15% of own revenue, with the target of 0.15%.
Actual value of the innovative products (goods, works, services) procurement indicator (INNOVATION) — 6.5%, with the target of 4.8%

SOCIAL AND REPUTATIONAL

High degree of social responsibility.
High level of business transparency: Company's website, mass media, Internet, and congress & exhibition events

ENVIRONMENTAL

The Stockholm Convention on Persistent Organic Pollutants' requirements are followed.
Work is underway to conserve biodiversity and provide ornithological safety

RUB 19,368 million of capital investment (excl. VAT) assimilated.

Renewal of the energy assets is underway, involving:

- Commissioning of new, renovated and upgraded facilities, including under grid connection of consumers, renovation and upgrade of equipment
- Consolidation of grid assets within the Company
- Write-off of obsolete equipment
- Transfer to reserve or decommissioning of equipment

The volume of electricity transmission services totalled 24,192.3 million kWh, up 6.9% year-on-year (revenue was RUB 80,126.4 million).

Number of grid connections made in 2024 — over 37,000 with a total capacity of 772 MW (revenue — RUB 6,662 million)

11,902 people trained (141% of average headcount). Training costs amounted to RUB 96.6 million.

Occupational health and safety costs in 2024 amounted to RUB 435.5 million, up 3.0% year-on-year. Comprehensive programmes to reduce the risk of electric shock to employees and third parties at the Company's power grid facilities, scheduled for 2024, were fully delivered.

To preserve workers' health and life, the Company purchased necessary safeguards and safety equipment in 2024

Revenue in 2024 — RUB 88,072 million, up RUB 13,514 million year-on-year.

EBITDA in 2024 — RUB 26,688 million, up RUB 9,114 million year-on-year.

The increase in figures is mainly associated with higher revenue from grid connection and electricity transmission

Delivery of the R&D Programme, integration of equipment and devices developed under R&D. Introduction of innovative technologies and solutions

Raising public awareness of the Company's operations: in 2024, there were around 29,600 publications about the company's operations in the federal, regional, and local media, as well as on social media platforms

The Company set up a phased decommissioning of trichlorodiphenyl-containing equipment with its further safe disposal.

Installation of bird diverters on overhead power lines

Total number of 35–220 kV substations, 6–10(35)/0.4 kV transformer substations — 27,566 substations.

Length of PTLs — 96,140 km.

The installed capacity of the substations totalled 18,953.9 MVA.

System average interruption duration index per point of delivery (I_{saiD}) — 3.2982 h, down 1.3% year-on-year.

System average interruption frequency index per point of delivery (I_{saiF}) — 1.2401 interruptions, down 5.3% year-on-year.

Reliability targets were achieved, within the tolerances.

The number of accidents in the 0.4 kV and above grid dropped by 1.8% year-on-year

Average headcount — 8,466 people.

Staffing level at the end of the year — 89.4%.

Workers with higher vocational education — 52.7% and with primary/secondary vocational education — 34.0%.

Annual acquisition order for working wear and shoes was fully completed.

The Company's workers received compensation payments, including the provision of VHI services

Profit amounted to RUB 10,878 million, up RUB 4,711 million year-on-year, driven by higher revenue from grid connection and electricity transmission, as well as growth in other income.

Year-end net asset value — RUB 64,021 million

The year-on-year increase in net assets totalled RUB 9,071 million and was spurred by the gains in equity attributable to year-end profit, as well as an year-on-year increase in cash balance.

Actual value of R&D expenditure (R&D) indicator — 0.19% of own revenue, with the target of 0.19%.

Actual value of the innovative products (goods, works, services) procurement indicator (INNOVATION) — 5.76%, with the target of 4.9%

Accumulation of reputation capital.

Percentage of positive and neutral news items regarding Rosseti Kuban's operations produced by the Company's PR teams was 91%

In 2024, the Company followed through on its campaign to comply with the Stockholm Convention on Persistent Organic Pollutants, along with the cessation of polychlorinated biphenyls in equipment.

Provisions are in place to ensure shock-hazard protection of birds, protection of birds from injuries caused by overhead power lines, and protection of overhead power lines from the negative impact of bird droppings

In the reporting year, the share of revenue from the sale of electricity transmission and distribution services was 91.0%. Given the region's increasing power consumption and the grid connection of new customers, it is anticipated that the issuer will provide 25,221 million kWh of electricity transmission services in 2029 (104% vs the actual value of 2024).