

STRATEGIC REPORT



INDUSTRY REVIEW, STRATEGY, RISKS AND KPIS

MACROECONOMIC AND INDUSTRY REVIEW, MARKET SHARE

Macroeconomic and Industry Review

According to the Russian Ministry of Economic Development*, global economic conditions remained challenging in 2025. At the start of the year, instead of the anticipated gradual recovery, the world economy was hit by a fresh shock — a surge in uncertainty driven by the U.S. administration's assertive protectionist stance and possible countermeasures from key trading partners. Looking ahead to 2028, the IMF projects a slow return of global growth to 3.2% (1.7% for advanced economies and 4.1% for emerging markets), as businesses adapt to new trade realities, inflation eases, and softening of financial conditions. According to the Russian Ministry of Economic Development, GDP grew 1.0% in 2025 (4.9% in 2024). The main drag on the economy was a cooling of domestic demand—both consumer and investment—amid tight monetary conditions.

Under the 2026–2028 socioeconomic forecast, domestic demand is expected to remain the principal driver of medium-term growth. In 2026, investment activity is seen contracting by 0.5% under persistent monetary tightening. However, as policy easing starts to take effect, investment growth is projected to rebound to 3.8% in 2027 and 3.3% in 2028. Sustained consumer demand will be supported by rising real disposable incomes—up 2.1% in 2026 and by 3.5% and 3.0% in 2027 and 2028, respectively. Real incomes are forecast to increase by an average of 3% annually, driven mainly by labor and entrepreneurial earnings, alongside the full implementation of adopted social support measures.

Updated forecast of the Bank of Russia on macroeconomic fundamentals for 2026–2028 (market consensus based on the March 2026 polling of market insiders)

Indicator	2025 (actual)	2026	2027	2028
CPI (% YoY)	5.6	5.3	4.1	4.0
Key rate (% p.a., year average, non-working days included)	19.2	14.0	10.3	8.9
GDP (% YoY)	1.0	1.0	1.6	1.8

Source: https://cbr.ru/statistics/ddkp/mo_br/

Demand outlook for 2026–2028

Electricity demand outlook in the Company's areas of service for 2026–2028, billion kWh

Energy system	2025E	2026F	2027F	2028F
Perm region	24,227.0	25,369.0	26,061.0	26,706.0
Sverdlovsk region	42,093.0	44,555.0	45,845.0	46,395.0
Chelyabinsk region	37,142.0	39,493.0	40,797.0	41,568.0
Total	103,462.0	109,417.0	112,703.0	114,669.0

Source: Scheme and program of the UES of Russia's development for 2026–2031¹

The projected dynamics of electricity consumption in the Perm Region are driven by expansion of existing industrial consumers (with the most significant growth expected in metallurgy, chemical production, woodworking, and construction materials manufacturing); increasing energy demand from railway infrastructure; rising residential construction volumes and household electricity consumption. The forecast for electricity consumption in the Sverdlovsk Region reflects similar catalysts: development of existing manufacturing enterprises (with the strongest growth anticipated in metallurgy and mechanical engineering); expanding housing construction and the corresponding uptick in residential demand. The projected electricity consumption trends in the Chelyabinsk Region are shaped by growth of existing manufacturing facilities (led by the metallurgical sector); commissioning of the data center operated by OOO TMK Energoresurs; rising household electricity use.

Pricing and tariffs in the Energy Sector for 2026–2028

According to the official forecast for the socio-economic development of the Russian Federation for 2026–2028, the government has revised its projections for inflation and wholesale gas price indexation across all consumer categories. This adjustment, combined with major investment projects in the power sector—such as the construction and modernization of backbone grid infrastructure to bolster the Moscow energy system and the deployment of energy storage systems in southern Russia—will drive tariffs for electricity transmission through the Unified National Electric Grids upward by 16.0% in 2026, 14.7% in 2027, and 12.0% in 2028.

A key factor behind tariff indexation for grid operators remains the need to finance the distribution network and implement a benchmark-based framework for managing operating expenses. In 2027–2028, to curb the growth of cross-subsidization within the power sector, the government plans to raise electricity transmission tariffs for households at a faster rate than for other consumer categories.

* https://economy.gov.ru/material/directions/makroec/prognozy_socialno_ekonomicheskogo_razvitiya/



Given current policy decisions, transmission tariffs for all users will rise by 15.2% in 2026; in 2027, by 15.3% for households and 13.0% for other consumers; and in 2028, by 11.2% and 8.9%, respectively. Consequently, final electricity prices for households are expected to grow by 11.3% in 2026, 8.6% in 2027, and 9.1% in 2028.

These projected indexation rates do not account for individual decisions of the Russian Government aimed at addressing local regulatory imbalances in specific regions, nor for rulings of the Federal Antimonopoly Service approving agreements on regulated business activities or authorizing regional regulators to set tariffs that differ from the federal caps established by FAS.

Projected indexation rates for electricity for 2026-2028

Indicator	2025E	2026F	2027F	2028F
Electricity — indexation of tariffs for electricity transmission through the UNES ^{*,**}	14.0% 01 July	16.0% ^{***} 01 October	14.7% ^{***} 01 July	12.0% ^{**} 01 July
Indexation of gridco tariffs for all consumer categories				
· for households ^{**}	11.6% 01 July	15.2% 01 October	15.3% 01 July	11.2% 01 July
· for other consumers ^{**}	11.6% 01 July	15.2% 01 October	13.0% 01 July	8.9% 01 July
Indexation of electricity rates for households	12.6% 01 July	11.3% 01 October	8.6% 01 July	9.1% 01 July

Source: Outlook of the socio-economic development of the Russian Federation for 2026 and 2027-2028 (Ministry of Economic Development), <https://economy.gov.ru/>

* Excluding the incremental adjustment for the phased capacity expansion of consumers connected to the Unified National Electric Grids, applied through 2025 inclusively, at an annual rate of 2.5%

** Excluding any individual decisions of the Government of the Russian Federation, agreements governing the terms of regulated activities, and rulings by the Federal Antimonopoly Service approving applications by regional regulators to set tariffs deviating from the established ceiling levels

*** Including an additional 1.0% annual surcharge to fund the construction of energy storage systems in Southern Russia

Company's Market Share

The Company, as a systemically important regional grid organization, carries out its principal operations in the Perm, Sverdlovsk and Chelyabinsk regions under conditions of a natural monopoly, which is regulated by the state with respect to the setting of tariffs for electricity transmission services and technological connection services. In the regions served by the Company, electricity transmission services are also provided by other regional grid organizations. Their areas of responsibility predominantly comprise medium- and low-voltage distribution networks. In 2025, the market share of PAO Rosseti Ural in electricity transmission services, including its subsidiary AO EESK, based on required gross revenue, amounted to 82%, while the share of RGOs amounted to 18%.

Share of PAO Rosseti Ural in terms of GRR

