Corporate action notice/Insider information disclosure

"Information on resolutions taken by the Board of Directors of IDGC of the South, PJSC"

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| 1. General | | | | | | |
| 1.1. Full corporate name of the Issuer: | | | | **Public Joint Stock Company "Interregional Distribution Grid Company of the South”** | | |
| 1.2. Abbreviated corporate name of the Issuer: | | | | **IDGC of the South, PJSC** | | |
| 1.3. Location of the Issuer: | | | | **Rostov-on-Don, Russian Federation** | | |
| 1.4. OGRN of the Issuer: | | | | **1076164009096** | | |
| 1.5. TIN of the Issuer: | | | | **6164266561** | | |
| 1.6. Unique code of the Issuer, assigned by the registering authority: | | | | **34956-Е** | | |
| 1.7. The address of the Internet page used by the Issuer for information disclosures | | | | [**http://www.mrsk-yuga.ru**](http://www.mrsk-yuga.ru/)  [**http://www.e-disclosure.ru/portal/company.aspx?id=11999**](http://www.e-disclosure.ru/portal/company.aspx?id=11999) | | |
| 1.8. Event effective date (material fact) of which the message is composed (if applicable): | | | | **April 30, 2019** | | |
| 2. Notice content | | | | | | |
| 2.1. Quorum for a meeting of the Issuer's Board of Directors and the results of voting on decision-making issues: ***11 out of 11 members of the Board of Directors participated in the meeting, a quorum is present.***  Voting results:  **on issue No. 1 of the** agenda:  "PRO" is 9 votes;  "CON" is 1 vote;  "ABSTAIN" is 1 vote;  On the agenda issue No. 1 of the meeting of the Board of Directors of IDGC of the South, PJSC, a Special Opinion of Andrey Vladimirovich Morozov, Member of the Board of Directors of the Company was received (attached to the minutes).  **on issue No. 2 of the** agenda:  "PRO" is 9 votes;  "CON" is 1 vote;  "ABSTAIN" is 1 vote;  On the agenda issue No. 2 of the meeting of the Board of Directors of IDGC of the South, PJSC, a Special Opinion of Andrey Vladimirovich Morozov, Member of the Board of Directors of the Company was received (attached to the minutes).  **on issue No. 3 of the** agenda:  "PRO" is 9 votes;  "CON" is 1 vote;  "ABSTAIN" is 1 vote;  **on issue No. 4 of the** agenda:  "PRO" is 9 votes;  "CON" is 1 vote;  "ABSTAIN" is 1 vote; | | | | | | |
| **on issue No. 5 of the** agenda:  "PRO" is 8 votes;  "CON" is 1 vote;  "ABSTAIN" is 1 vote.  In accordance with Clause 3 of Article 83 of the Federal Law "On Joint-Stock Companies", a resolution on this issue is to be passed by the Board of Directors of the Company by a majority vote of the Directors who are not interested in the transaction.  Boris Borisovich Ezseev, a member of the Board of Directors who is a person performing the functions of the single executive body (General Director) and a member of the collegial executive body (Chairman of the Management Board) of the Company within one year, shall not participate in voting on this issue. | | | | | | |
| **Insider information disclosure on issue No. 1: On participation of IDGC of the South, PJSC**  **in Volgograd Interdistrict Electricity Networks Public Joint-Stock Company.** | | | | | | |
| 2.2.1. Resolution content adopted by the Issuer's Board of Directors:  Approve the participation of IDGC of the South, PJSC  in Volgograd Interdistrict Electricity Networks Public Joint-Stock Company (hereinafter referred to as "VMES", PJSC) on the following material terms and conditions:   * category, type, nominal value of the share - an ordinary nominal non-documentary share, nominal value of 1 (one) ruble 00 kopecks; * state registration number of the share issue: 1-01-09439-Р; * number of acquired shares, their share in the authorized capital - 2,300,000,000 (two billion three hundred million), which is 100% of the authorized capital of "VMES", PJSC; * the owner of 100% of "VMES", PJSC shares is Municipal Unitary Production Enterprise "Volgograd Interregional Electric Networks" (MUPP   "VMES");   * method of acquisition - conclusion of a share purchase agreement following the results of participation in the open tender for sale of "VMES", PJSC shares; * acquisition price - in accordance with the price determined by an open tender, but not more than the market value of shares determined by an independent appraiser in the amount of 2,700,000,000 RUB; * procedure (term) for payment for shares - in cash within 30 (thirty) calendar days from the date of signing the share purchase agreement; * the ownership of the shares is transferred to the buyer from the moment of making an entry in the register   of holders of the issuer's registered securities on crediting the securities to the buyer's personal account. | | | | | | |
| **Insider information disclosure on issue No. 2: On determining the Company's position on the agenda of the meetings of the Boards of Directors of IDGC of the South, "PSKh Sokolovskoe", JSC and "Energoservice of the South", JSC "On the Company's participation in YugStroyMontazh, LLC through the acquisition of a stake".** | | | | | | |
| 2.2.2. Resolution content adopted by the Issuer's Board of Directors:  1.1. Entrust representatives of IDGC of the South, PJSC to the Board of Directors of "PSKh Sokolovskoe", JSC with the issue of the agenda of the meeting of the Board of Directors of "PSKh Sokolovskoe", JSC: "On participation of "PSKh Sokolovskoe", JSC in Yugstroymontazh, LLC by purchasing the share" vote "PRO" making the following resolution:  Approve the participation of "PSKh Sokolovskoe", JSC in the Limited Liability Company YugStroyMontazh (OGRN 1176196033804) by way of acquisition of a share in the amount of 1 (one) percent of the charter capital with a nominal value of 1,130,100 (one million one hundred and thirty thousand) roubles 00 kopecks on the following material terms:  Parties to the agreement:  Citizen of the Russian Federation Svetlana Nikolaevna Borisova - "The Seller"; "PSKh Sokolovskoe", JSC - "The Buyer".  Acquisition cost:  The cost of the share in the charter capital of YugStroyMontazh, LLC acquired by the Buyer in the amount of 1 (one) percent shall be determined by the Board of Directors of "PSKh Sokolovskoe", JSC based on the market value determined by an independent appraiser and shall not exceed 1,592,470 (one million five hundred and ninety-two thousand four hundred and seventy) rubles 00 kopecks.  Mode of acquisition:  Conclusion of the Share Purchase and Sale Agreement.  Mode of payment:  Payment for the acquired stake shall be made by the Buyer by setting off counter-uniform (monetary) claims of "PSKh Sokolovskoe", JSC against Svetlana Nikolaevna Borisova in the amount of 1,592,470 roubles (one million five hundred ninety-two thousand four hundred and seventy) 00 kopecks for electric power (capacity) transmission services under Agreement No. 442/01/11/170296/25/12 of November 25, 2011.  Procedure and term for transfer of the ownership interest:  The share in the charter capital of YugStroyMontazh, LLC is transferred to the Buyer from the moment the relevant entry is made in the Unified State Register of Legal Entities.  1.2. Entrust the representatives of IDGC of the South, PJSC with the task to participate in the Board of Directors of  "Energoservice of the South", JSC on the agenda item of the meeting of the Board of Directors of "Energoservice of the South", JSC: "On participation of "Energoservice of the South", JSC in YugStroyMontazh, LLC by purchasing the share" vote "PRO" making the following resolution:  Approve participation of "Energoservice of the South", JSC in the YugStroyMontazh, LLC (OGRN 1176196033804) by way of acquisition of 99 (ninety nine) percent of the share capital with the nominal value of 111,879,900 (one hundred and eleven million eight hundred and seventy-nine thousand nine hundred) roubles 00 kopecks on the following material terms and conditions:  Parties to the agreement:  Citizen of the Russian Federation Svetlana Nikolaevna Borisova - "The Seller"; "Energoservice of the South", JSC - "The Buyer".  Acquisition cost:  The share cost in the charter capital of YugStroyMontazh, LLC acquired by the Buyer in the amount of 99 (ninety-nine) percent shall be determined by the Board of Directors of "Energoservice of the South", JSC based on the market value determined by an independent appraiser in the amount not exceeding 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) rubles 00 kopecks.  Mode of acquisition:  Conclusion of the Share Purchase and Sale Agreement. Mode of payment:  Payment for the acquired stake shall be made by the Buyer by offset of counter-uniform (monetary) claims of "Energoservice of the South", JSC against Svetlana Nikolaevna Borisova in the amount of 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) roubles 00 kopecks for services in electric power (capacity) transmission under Agreement No. 442/01/11/170296/25/12 of November 25, 2011.  Procedure and term for transfer of the ownership interest:  The share in the charter capital of YugStroyMontazh, LLC is transferred to the Buyer from the moment the relevant entry is made in the Unified State Register of Legal Entities. | | | | | | |
| **Insider information disclosure on issue No. 3: On determining the Company's position on the agenda item of the General Meeting of Shareholders of "Energoservice of the South", JSC: "On consent to a major transaction".** | | | | | | |
| 2.2.3. Resolution content adopted by the Issuer's Board of Directors:  Instruct the representatives of IDGC of the South, PJSC to vote "PRO" at the General Meeting of Shareholders of Energoservis of the South, PJSC on the agenda item "On consent to a major transaction":  Give the consent to the fulfillment of the large transaction - the contract of purchase and sale of a share in the authorized capital between "Energoservice of the South", JSC and citizen Svetlana Nikolaevna Borisova, on following material terms:  Parties to the Agreement:  Citizen of the Russian Federation Svetlana Nikolaevna Borisova - the Seller; "Energoservice of the South", JSC - the Buyer.  Subject matter of the Agreement:  The Seller transfers to the Buyer the Seller's ownership interest in the amount of 99 (ninety-nine) percent of the charter capital of the Limited Liability Company YugStroyMontazh (YugStroyMontazh, LLC), address (location): 344022, Russian Federation, Rostov-on-Don, Nizhnebulvarnaya street, 47, Liter A, office 166, OGRN 1176196033804, and the Buyer accepts and undertakes to pay the specified share.  Cost of the acquired share:  Value of the acquired stake is 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) roubles 00 kopecks; the nominal value of the stake in YugStroyMontazh, LLC charter capital is 111,879,900 (one hundred and eleven million eight hundred and seventy-nine thousand nine hundred) roubles 00 kopecks.  Mode of payment:  Payment for the acquired stake shall be made by the Buyer by offset of counter-uniform (monetary) claims of "Energoservice of the South", JSC against Svetlana Nikolaevna Borisova in the amount of 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) roubles 00 kopecks for services in electric power (capacity) transmission under Agreement No. 442/01/11/170296/25/12 of November 25, 2011.  Procedure for transfer of the ownership interest:  The share in the charter capital of YugStroyMontazh, LLC is transferred to the Buyer from the moment the relevant entry is made in the Unified State Register of Legal Entities. At the same time, all rights and obligations of YugStroyMontazh, LLC participant are transferred to the Buyer.  Different material conditions:  Costs of authentication of the Agreement, as well as of authenticating the signature on the application for making an entry on the changes in the Unified State Register of Legal Entities, transfer of the application to the tax authority shall be borne by the Seller. | | | | | | |
| **Insider information disclosure on issue No. 4: On determining the Company's position on the agenda item of the General Meeting of Shareholders of "Energoservice of the South", JSC: "On consent to a major transaction".** | | | | | | |
| 2.2.4. Resolution content adopted by the Issuer's Board of Directors:  Instruct the representatives of IDGC of the South, PJSC to vote "PRO" at the General Meeting of Shareholders of Energoservis of the South, PJSC on the agenda item "On consent to a major transaction":  1. Give consent to the execution of a major transaction - an agreement on assignment of a right (claim) (cession) between IDGC of the South, PJSC and "Energoservice of the South", JSC on the following material conditions:  Parties to the Agreement:  IDGC of the South, PJSC - Initial creditor (assignor); "Energoservice of the South", JSC - New creditor (assignee); Subject of Agreement:  The original creditor (assignor) cedes, and the new creditor (assignee) accepts the right (claim) to TNS Energo Rostov-on-Don, PJSC (TIN 6168002922), hereinafter referred to as the "Debtor" under Contract No. 442/01/11/170296/25/12 of November 25, 2011, for the provision of electric power (capacity) transmission services, as regards debt repayment for the period of January 2019, in the amount of 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) RUB, including 20% VAT of 26,275,755 (twenty-six million two hundred and seventy-five thousand seven hundred and fifty-five) RUB.  The right (demand) of the Initial creditor (assignor) shall pass to the New creditor (assignee) in the amount and on those conditions which existed on the date of signing this Agreement.  The right (claim) of the Initial creditor (assignor) passes to the New creditor (assignee) at the moment of signing the Agreement.  Procedure for assignment of a right (claim):  The initial creditor (assignor) within 3 (three) working days from the moment of signing the Agreement undertakes to transfer to the New creditor (assignee) all documents certifying the assigned right (claim).  The original creditor (assignor) undertakes to notify Debtor in writing about the transfer of rights within 3 (three) working days from the moment of signing the Agreement and submit a copy of the corresponding notification to the New creditor (assignee).  The price of the assignee's right (claim):  The new creditor (assignee) shall pay to the Original creditor (assignee) the amount of 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) RUB as payment for the assigned right (claim).  No interest is charged or paid on the amount of payment under the Agreement. Due date:  The amount on payment for the assigned right (claim) is payable by the New Creditor to Cedent until April 1, 2020.  Different material conditions:  The Agreement shall enter into force upon its signing by the Parties. | | | | | | |
| **On consent to a transaction recognized as an interested party transaction under the law/Insider information disclosure on issue No. 5: On consent to execution of an interested party transaction.** | | | | | | |
| * + 1. Resolution content adopted by the Issuer's Board of Directors:        1. Determine that the value of the assigned right (claim) under the agreement on assignment of the right (claim) (cession) between IDGC of the South, PJSC and "Energoservice of the South", JSC, being an interested party transaction, is 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) RUB.        2. Give consent to the transaction - agreement on assignment of right (claim) (cession) between IDGC of the South, PJSC and "Energoservice of the South", JSC, being an interested party transaction, on the following material terms and conditions:   Parties to the Agreement:  IDGC of the South, PJSC - Initial creditor (assignor); "Energoservice of the South", JSC - New creditor (assignee); Subject of Agreement:  The original creditor (assignor) cedes, and the new creditor (assignee) accepts the right (claim) to TNS Energo Rostov-on-Don, PJSC (TIN 6168002922), hereinafter referred to as the "Debtor" under Contract No. 442/01/11/170296/25/12 of November 25, 2011, for the provision of electric power (capacity) transmission services, as regards debt repayment for the period of January 2019, in the amount of 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) RUB, including 20% VAT of 26,275,755 (twenty-six million two hundred and seventy-five thousand seven hundred and fifty-five) RUB.  The right (demand) of the Initial creditor (assignor) shall pass to the New creditor (assignee) in the amount and on those conditions which existed on the date of signing this Agreement.  The right (claim) of the Initial creditor (assignor) passes to the New creditor (assignee) at the moment of signing the Agreement.  Procedure for assignment of a right (claim):  The initial creditor (assignor) within 3 (three) working days from the moment of signing the Agreement undertakes to transfer to the New creditor (assignee) all documents certifying the assigned right (claim).  The original creditor (assignor) undertakes to notify Debtor in writing about the transfer of rights within 3 (three) working days from the moment of signing the Agreement and submit a copy of the corresponding notification to the New creditor (assignee).  The price of the assignee's right (claim):  The new creditor (assignee) shall pay to the Original creditor (assignee) the amount of 157,654,530 (one hundred and fifty-seven million six hundred and fifty-four thousand five hundred and thirty) RUB as payment for the assigned right (claim).  No interest is charged or paid on the amount of payment under the Agreement. Due date:  The amount on payment for the assigned right (claim) is payable by the New Creditor to Cedent until April 1, 2020.  Different material conditions:  The Agreement shall enter into force upon its signing by the Parties.  Persons interested in the transaction and grounds for interest:  Rosseti, PJSC is a controlling entity of IDGC of the South, PJSC and at the same time a controlling entity of Energoservice of the South, JSC, which is a party to the transaction.  Pavel Viktorovich Goncharov is a member of the Management Board of IDGC of the South, PJSC and at the same time is a member of the Board of Directors of Energoservice of the South, JSC, a party to the transaction. | | | | | | |
| * 1. Date of the meeting of the Issuer's Board of Directors at which the relevant resolutions were adopted: ***April 29, 2019.***   2. Date and number of the minutes of the meeting of the Issuer's Board of Directors at which the relevant resolutions were adopted: ***April 3***0, ***2019, Minutes No. 315/2019.*** | | | | | | |
| 3. Signature | | | | | | |
| 3.1. Head of Corporate Governance and Shareholder Relations Department (by proxy No. 86-19 dated January 1, 2019) | | | | |  | Pavlova E.N. |
| (signature) L.S. |  |
| 3.2. Date | May | "06", | 2019 | | | |