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): | | | | **October 14, 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 10 votes;  "CON" is 1 vote;  "ABSTAIN" is 0 votes.  Voting results **on issue No. 2** of the agenda:  "PRO" is 9 votes;  "CON" is 0 vote;  "ABSTAIN" is 2 votes. | | | | | | |
| **Insider information disclosure on issue No. 1: On approval of the report on the implementation of the Program of measures to reduce electric power losses in the grid complex of IDGC of the South, PJSC for 2019 and for the period up to 2023 for the**  **Q2 2019.** | | | | | | |
| 2.2.1. Resolution content adopted by the Issuer's Board of Directors:   1. Take into consideration the report of the Single Executive Body of the Company on the implementation in the first half of 2019 of the Program of Measures for Reduction of Electric Power Losses in the Grid Complex of IDGC of the South, PJSC for 2019 and for the period up to 2023 as per Annex No. 1 hereto. 2. Note:   2.1 Non-compliance with the planned indicators of the volume of loss reduction for the following branches of the Company:   * Astrakhanenergo (plan 46.7 million kWh, fact 35.3 million kWh); * Volgogradenergo (plan 26.1 million kWh, fact 20.5 million kWh) in terms of measures to modernize electricity metering systems (energy service contract); * Rostovenergo (plan 6.5 million kWh, fact 2.3 million kWh) in terms of organizational measures; * Rostovenergo (plan 30.5 million kWh, fact 0.5 million kWh) in terms of technical measures under the IP; * Kalmenergo (plan 1.0 mln kWh, fact 0.4 mln kWh) in terms of measures for modernization of electricity metering systems (energy service contract).   1. Non-fulfillment of the planned indicator of level of losses of electric energy on branch of IDGC of the South, PJSC - Astrakhanenergo (plan 17,52 %, fact 18,73 %) and on branch of IDGC of the South, PJSC - Kalmenergo (plan 17,59 %, fact 21,13 %).   2. Information on deviations from the level of electric power losses provided for in the business plan for 2019, in accordance with Annex 2 to this resolution of the Company's Board of Directors.   3. The single executive body of the Company shall take measures to ensure implementation of the plan in terms of the volume of reduction of electric power losses in all branches over 9 months and 2019 as a whole. | | | | | | |
| **Insider information disclosure on issue No. 2: Consideration of a plan of measures to maintain and develop an effective internal control system of the Company.** | | | | | | |
| 2.2.2. Resolution content adopted by the Issuer's Board of Directors:   1. Approve the Plan of measures for maintenance of efficiency and development of the internal control system of IDGC of the South, PJSC (hereinafter referred to as the Plan) according to Annex No. 3 to this Board of Directors resolution. 2. The single executive body of IDGC of the South, PJSC shall ensure that the Company's Board of Directors is annually informed on the progress of the Plan as part of the Report of the single executive body and the Management Board of the Company on the organization and functioning of the internal control system (hereinafter - the Report) for the corresponding year, starting with the Report for 2019. | | | | | | |
| * 1. Date of the meeting of the Issuer's Board of Directors at which the relevant resolutions were adopted: **October 9, 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: **October 14, 2019, Minutes. No. 337/2019.** | | | | | | |
| 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 | October | "14", | 2019 | | | |