**Report on the material fact/Disclosure of Insider Information
Information on Decisions Made by the Board of Directors of IDGC of the South, PJSC**

|  |
| --- |
| 1. General information |
| 1.1. Full legal name of the Issuer: | **Public Joint-Stock Company Interregional Distribution Grid Company of the South** |
| 1.2. Short company name of the issuer | IDGC of the South, PJSC |
| 1.3. Location of the issuer | **Rostov-on-Don, Russian Federation** |
| 1.4. PRSN code of the issuer | **1076164009096** |
| 1.5. TIN code of the issuer | **6164266561** |
| 1.6. Unique issuer code assigned by the registering authority | **34956-Е** |
| 1.7. Internet pages used by the Issuer to disclose information | **http://www.mrsk-yuga.ru****http://www.e-disclosure.ru/portal/company.aspx?id=11999** |
|
|
| 2. Message content |
| 2.1. Quorum of the meeting of the Issuer’s Board of Directors and voting results on decision-making issues: 11 out of 11 members of the Board of Directors took part in the meeting, the quorum is available.Voting results: **on agenda item 1:**“In favor”, 11 votes“Against”, 0 votes“Abstained”, 0 votes **on agenda item 2:**“In favor”, 11 votes“Against”, 0 votes“Abstained”, 0 votes **on agenda item 3:**“In favor”, 11 votes“Against”, 0 votes“Abstained”, 0 votes **on agenda item 4:**“In favor”, 11 votes“Against”, 0 votes“Abstained”, 0 votes **on agenda item 5:**“In favor”, 9 votes“Against”, 0 votes“Abstained”, 2 votes **on agenda item 6:**“In favor”, 8 votes“Against”, 0 votes“Abstained”, 3 votes **on agenda item 7:**“In favor”, 11 votes“Against”, 0 votes“Abstained”, 0 votes**on agenda item 8:**“In favor”, 9 votes“Against”, 2 votes“Abstained”, 0 votes |
| Insider Information Disclosure on agenda item 1: **Approval of the scenario conditions of drafting the Company’s business plan for 2018 and the forecast indicators for 2019/2011** |
| 2.2.1 Content of the resolution adopted by the issuer’s board of directors:Postpone consideration of the issue. |
| **Insider Information Disclosure on agenda item 2: Approval of the action play of of the Board of Directors of IDGC of the South, PJSC for 2H 2017/ 1H 2018** |
| 2.2.2 Content of the resolution adopted by the issuer’s board of directors:That the action plan of the Board of Directors of IDGC of the South, PJSC for 2H 2017/ 1H 2018 be approved, according to Appendix 1 to this resolution of the Company’s Board of Directors. |
| Insider Information Disclosure on agenda item 3: **Approval of the List of Targeted Programs on the Production Operations of IDGC of the South, PJSC for 2018/2022** |
| 2.2.3 Content of the resolution adopted by the issuer’s board of directors:1. Postpone the review of the approval of the target programs on the production operations of IDGC of the South, PJSC for 2018/20222. The sole executive body of IDGC of the South, PJSC should arrange for the repeated submission of the items to the Company’s Board of Directors for review. |
| Insider Information Disclosure on agenda item 4: **Fulfillment of the Action Plan for the Company’s achievement of the no-shortage level of the concluded technological connection contracts, excluding the subsidized category of the applicants.”** |
| 2.2.4 Content of the resolution adopted by the issuer’s board of directors:Take note of the report on Action Plan for the Company’s achievement of the no-shortage level of the concluded technological connection contracts for each event for 1H 2017, according to Appendix 2 to this resolution of the Company’s Board of Directors. |
| Insider Information Disclosure on agenda item 5: **Company’s insurance protection in 2H 2017** |
| 2.2.5 Content of the resolution adopted by the issuer’s board of directors:Take note of the Report of the Company’s General Manger on insurance protection in 2Q 2017, according to Appendix 3 to this resolution of the Company’s Board of Directors. |
| Insider Information Disclosure on agenda item 6: **Determination the amount of the service charge of IDGC of the South PJSC Auditor** |
| 2.2.6 Content of the resolution adopted by the issuer’s board of directors:The remuneration of the auditing services rendered by “RSM RUS” LLC, the auditor of IDGC of the South, PJSC, is defined by the Board of Directors under the Auditor Services Contract on the audit of the accounting report prepared in accordance with Russian Accounting Standards (RAS) and the audit of consolidated financial statements prepared under International Financial Reporting Standards (IFRS) for the year ended on 31/12/2017 (the audited period: January 1, 2017, to December 31, 2017 ), in the amount of RUB 2,177,796.74 (two million one hundred and seventy seven thousand seven hundred ninety six rubles 74 kopecks), including VAT (18 %). |
| Insider Information Disclosure on agenda item 7: **Approval of IDGC of the South, PJSC General Manager’s report on fulfillment of the target key performance indicators (KPIs) of the Company’s General Manager for 1Q 2017** |
| 2.2.7 Content of the resolution adopted by the issuer’s board of directors:Postpone consideration of the issue. |
| Insider Information Disclosure on agenda item 8:Fulfillment of the Facilities Construction Plan under the 2018 World Football Championship Preparatory Program as approved by the Russian Government Resolution No. 518 dd June 20, 2013, for 2Q 2017 |
| 2.2.8 Content of the resolution adopted by the issuer’s board of directors:Take note of the report of the sole executive body on fulfillment of the Facility Construction Schedule under the 2018 World Football Championship Program, as approved by the Russian Government Resolution No. 518 dated June 20, 2013, for 1Q 2017 according to Appendix 4 to this resolution of the Company’s Board of Directors. |
| 2.3. Date of the meeting of the Issuer’s Board of Directors, at which the respective resolutions were adopted: August 15, 20172.4. Date of drafting and number of the minutes of the meeting of the Issuer’s Board of Directors, at which the respective resolutions were adopted: on August 18, 2017, minutes No. 243/2017. |
| 3. Signature |
|  |
| 3.1. Head of Department Corporate Secretary (power of attorney of December 30, 2016 No. 215-16) |  | E. N. Pavlova |
| (Signature) |  |
|  |  |
|  |
| 3.2. Date: August 18, 2017 | Seal |  |