**Notification on essential fact/Disclosure of insider information
 "The information on the decisions made by the court of directors of IDGC of the South, PJSC"**

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| 1. General information |
| 1.1. Full firm 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. PSRN code of the Issuer | **1076164009096** |
| 1.5. TIN code of the issuer | **6164266561** |
| 1.6. Unique issuer code assigned by the registering authority | **34956-E** |
| 1.7. Web pages used by the Issuer to disclose information | [**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) |
| 2. Message content |
| 2.1. Quorum of issuer court of directors meeting and the voting results on items of decision making: ***11 of 11 members of the Court of directors took part in the Court of directors meeting, the quorum is possessed.***Voting results: **on agenda** item 1:“FOR” – 8 votes;“Against” – 2 votes;“Abstained” - 0 votes.*Member of the Board of Directors of the company Ebzeev B.B. not take part in the voting, because he was in the one year preceding the decision, the person exercising the functions of the sole executive Body of the company (the general Director), member of the collegial executive Body of the company (Chairman of the Board).* |
| **On the approval of transactions recognized in accordance with the legislation of the Russian Federation with large transactions and (or) transactions in the Commission of which there is interest/disclosure of insider information on the issue of № 1: "On consent to the execution of the transaction, in the commission of which there is interest."** |
| 2.2.1. Content of the resolution adopted by the issuer’s board of directors:1. To determine that the cost of the service of PJSC "grids" under the contract of providing services for the organization of functioning and development of the power network between PJSC "IDGC of the South" and PJSC "grids", which is a transaction in which there is interest, for One year is not more than 92 615 956 (ninety two million six hundred fifteen thousand nine hundred fifty six) rubles 89 kopecks, besides VAT (18%) 16 670 872 (sixteen million six hundred seventy thousand eight hundred seventy two) rubles 24 kopecks.The cost of the service of PJCS "Rosseti" under the Contract for the provision of services for the organization of the functioning and development of the power grid complex can be reviewed.To determine that the cost of the service of PJSC "grids" under the contract of provision of services may not be 10 or more percent of the book value of assets of PJSC "IDGC South" according to the data of its accounting reporting on the last reporting date.2. To give consent to the conclusion of the transaction-the contract of rendering services on organization of functioning and development of the network complex between PJSC "IDGC of the South" and PJSC "grids", which is a transaction in which there is an interest, on Following conditions:Parties of the contract:- PJSC "IDGC of the South"-"Customer";- PJSC "grids"-"Executor".Subject of the contract:The executor undertakes to provide the customer with the service of organization of functioning and development of the network in accordance with the terms of the contract, and the customer agrees to accept and pay for the service in accordance with the contractContract price:The cost of the Contractor's service for one year is not more than 92,615,956 (Ninety two million six hundred fifteen thousand nine hundred and fifty six) rubles 89 kopecks, besides VAT (18%) 16,670,872 (Sixteen million six hundred and seventy thousand eight hundred and seventy two) rubles 24 kopecks.The cost of the service of PJCS "Rosseti" under the Contract for the provision of services for the organization of the functioning and development of the power grid complex can be reviewed.Term of rendering of service:Term of service under the Contract - from 01.01.2018 to 31.12.2020.Term of the contract:The contract enters into force from the date of signing of the contract and is valid until December 31, 2020, and in terms of settlements until the parties have fully executed the obligations.Persons interested in the transaction and the grounds of interest:PJSC "Grids" is the controlling person of PJSC "IDGC of the South" and at the same time is a party in the transaction. |
| 2.3. Date of the Issuer’s board of directors meeting, at which the corresponding resolutions were accepted: ***December 28, 2017.***2.4. Date of drafting and number of the minutes of the Issuer’s Board of Directors meeting, at which the corresponding decisions were accepted: ***09 January 2018, Minutes No. 2054/2018.*** |
| 3. Signature |
| 3.1. Head of department - Company Secretary (per procuration of 01.01.2018 №78-18) |  | E. N. Pavlova  |
| (Signature) |  |
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| 3.2. Date: January 9, 2018 | Stamp here. |  |