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): | | | | **August 2, 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 5 votes;  "CON" is 2 votes;  "ABSTAIN" is 1 vote.  *In accordance with p. 3, Article 83 of the Federal Law "On Joint Stock Companies", members of the Board of Directors Pavel Vladimirovich Grebtsov, Olga Andreevna Sergeeva, Boris Borisovich Ebzeev do not take part in voting on this issue.*  *On the agenda issue No. 1 of the meeting of the Board of Directors of IDGC of the South, PJSC, a Special Opinion of Vitaly Yurievich Zarhin, Member of the Board of Directors of the Company was received (Annex No. 10 to the Minutes of the Company's Board of Directors).*  Voting results **on issue No. 2** of the agenda:  "PRO" is 8 votes;  "CON" is 1 vote;  "ABSTAIN" is 2 votes.  Voting results **on issue No. 3** of the agenda:  "PRO" is 11 votes;  "CON" is 0 votes;  "ABSTAIN" is 0 votes. | | | | | | |
| **Insider information disclosure on issue No. 1: On consent to execution of an interested party transaction.** | | | | | | |
| 2.2.1. Resolution content adopted by the Issuer's Board of Directors:  1. Determine the price of the property to be alienated under a sale and purchase agreement between IDGC of the South and FGC UES, PJSC, being an interested party transaction, in the amount of 285,981,234 (two hundred and eighty-five | | | | | | |
| million nine hundred and eighty-one thousand two hundred and thirty-four) roubles and 65 kopecks, plus VAT in accordance with the current legislation of the Russian Federation.  2. Give consent to the interested party transaction - property sale and purchase agreement between IDGC of the South, PJSC and FGC UES, PJSC (hereinafter - the Agreement), on the following material terms and conditions:  Parties to the Agreement:  Vendor - Public Joint Stock Company "Interregional Distribution Grid Company of the South”;  Consumer - Public Joint Stock Company “Federal Grid Company of the Unified Energy System”.  Subject matter of the Agreement:  In accordance with the terms and conditions of the Agreement, the Vendor undertakes to transfer the property, and the Consumer undertakes to accept and pay the price of immovable and movable property to the Vendor.  Composition of disposed property: power grid facilities included in the register of facilities of the Unified National (All-Russian) Electric Network:   * Air line (AL) 220 kV "Zimovniki-Elista-Severnaya" is located at the address: Rostov region, Zimovnikovsky, Dubovsky, Remontnensky districts, Republic of Kalmykia, Tselinny district, Elista; * "Elista-Severnaya" 220/110/10 kV substation, incl. Closed switchgear (CSD) 10 kV, located at: Republic of Kalmykia, Elista, 10 microdistrict, No. 88; * Air line (AL) 220 kV "Cherny Yar - Bolshoy Tsaryn" is located at the address: Republic of Kalmykia, Maloderbetovsky, Oktyabrsky districts, Astrakhan region, Chernoyarsky district; * "Bolshoy Tsaryn" 220/110/10 kV substation is located at: Republic of Kalmykia, Oktyabrsky district, Bolshoy Tsaryn, North-West industrial area, 1.   The complete list of power grid property with indication of the equipment included in these objects is presented in Annex 1 to this resolution.  Quantum of estate:  The Quantum of the Estate under the Agreement is 285,981,234 (two hundred eighty-five million nine hundred eighty-one thousand two hundred and thirty-four) roubles and 65 kopecks, plus VAT in accordance with the Tax Code of the Russian Federation.  Property transfer procedure: the property and all accessories necessary for its full operation, as well as all documentation related to the property, shall be transferred by the Vendor to the Consumer under the act of acceptance and transfer of property within 5 (five) working days from the date of conclusion of the contract of sale of a property.  Procedure for payment for the property: The Consumer pays the price of the property by transferring money to the Vendor's current account within 30 (thirty) working days from the date of the Vendor's invoice.  Person(s) interested in the transaction and grounds for interest:  Rosseti, PJSC is a controller of IDGC of the South, PJSC and at the same time a controller of FGC UES, PJSC, being a party to the transaction.  Pavel Vladimirovich Grebtsov is a member of the Board of Directors of IDGC of the South, PJSC, and at the same time is a member of the Board of Directors of FGC UES, PJSC, a party to the transaction.  Olga Andreyevna Sergeeva is a member of the Board of Directors of IDGC of the South, PJSC and at the same time is a member of the Board of Directors of FGC UES, PJSC, which is a party to the transaction. | | | | | | |
| **Insider information disclosure on issue No. 2: On recommendations to the executive bodies of the Company on conclusion of Compensation Agreements.** | | | | | | |
| 2.2.2. Resolution content adopted by the Issuer's Board of Directors: | | | | | | |
| Recommend to the General Director of the Company to conclude:   1. Agreements on compensation (monetary form) between IDGC of the South, PJSC and SEZ Lotus, PJSC in accordance with Annexes 2, 3, 4 to this resolution of the Company's Board of Directors. 2. Agreement on compensation (monetary form) between IDGC of the South, PJSC and the Federal Budget Institution "Administration of the Volga-Don Basin of Inland Waterways" according to Annex No. 5 to this resolution of the Company's Board of Directors. 3. Agreements on compensation (monetary form) between IDGC of the South, PJSC and Stroytransgaz, JSC in accordance with Annexes 6, 6,7 to this resolution of the Company's Board of Directors. 4. Agreement on compensation (monetary form) between IDGC of the South, PJSC and Diapazon, LLC in accordance with Annex No. 8 to this resolution of the Company's Board of Directors. | | | | | | |
| **Insider information disclosure on issue No. 3: On consideration of the format of external independent evaluation of internal audit activities.** | | | | | | |
| 2.2.3. Resolution content adopted by the Issuer's Board of Directors:   1. Take into consideration the format of the external assessment (terms of reference) as per Annex 9 to this resolution of the Company's Board of Directors. 2. Entrust the Audit Committee of the Board of Directors of IDGC of the South, PJSC with the approval of the candidate of the organization for external evaluation of the internal audit activity selected by the winner based on the results of the centralized procurement procedure. 3. Instruct the Single Executive Body of IDGC of the South, PJSC to submit to the Board of Directors for consideration a report on the results of an external independent assessment of the internal audit activity with preliminary consideration by the Audit Committee of the Board of Directors.   Deadline: December 31, 2019. | | | | | | |
| * 1. Date of the meeting of the Issuer's Board of Directors at which the relevant resolutions were adopted: ***July 31, 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: ***August 2, 2019, Minutes No. 328/2019.*** | | | | | | |
| 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 | August | "02", | 2019 | | | |