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

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| 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** |
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| 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”, 9 votes“Against”, 2 votes“Abstained”, 0 votes **on agenda item 2:**“In favor”, 9 votes“Against”, 2 votes“Abstained”, 0 votes **on agenda item 3:**“In favor”, 9 votes“Against”, 2 votes“Abstained”, 0 votes **on agenda item 4:**“In favor”, 9 votes“Against”, 2 votes“Abstained”, 0 votes |
| Insider Information Disclosure on agenda item 1:*On making amendments to the Resolution on additional issue of securities in Interregional Distribution Grid Company of the South, Public Joint-Stock Company* |
| 2.2.1 Content of the resolution adopted by the issuer’s board of directors:Make the following amendments to the Resolution on additional issue of securities in Interregional Distribution Grid Company of the South (state registration number of additional issue 1-01-34956-E dd June 1, 2017):1. Paragraph “Period, during which the offers to purchase placed securities can be submitted”, in sub-paragraph 8.3: “Securities Placement Procedure” in Clause 8, Conditions of and Procedure for Placing Securities of Additional IssueResolution as to the additional securities issueThe period of time, during which the offers for purchase of placed securities can be submitted: offers for additional shares (hereinafter “Offers”) may be submitted to the Issuer within Ten (10) calendar days from the issuer’s performance of the last of the said steps: publication by the issuer of the Invitation to make offers in the news wire of Interfax information agency, publication by the issuer of the Invitation to make offers on the Issuer’s pages in the Internet (http://www.e-disclosure.ru/portal/company.aspx?id=11999 и [http://www.mrsk-yuga.ru/](http://www.e-disclosure.ru/portal/company.aspx?id=11999)).To replace for:The period of time, during which the offers for purchase of placed securities can be submitted: offers for additional shares (hereinafter “Offers”) may be submitted to the Issuer within One Hundred and Eighty Five (185) calendar days from the issuer’s performance of the last of the said steps: publication by the issuer of the Invitation to make offers in the news wire of Interfax information agency, publication by the issuer of the Invitation to make offers on the Issuer’s pages in the Internet (http://www.e-disclosure.ru/portal/company.aspx?id=11999 и [http://www.mrsk-yuga.ru/](http://www.e-disclosure.ru/portal/company.aspx?id=11999)).2. After the paragraph “Period, during which the offers to purchase placed securities can be submitted”, in sub-paragraph 8.3: Add the following wording after the “Securities Placement Procedure” in Clause 8, Conditions of and Procedure for Placing Securities of Additional Issue, of the Resolution on Additional Securities Issue: “Procedure for notifying potential buyers on extension of the period of time, during which the offers for purchase of placed securities can be placed:The notice to potential buyers as to the extension of the period of time, during which the offers for purchase of placed securities can be submitted (hereinafter “Notice of Offer Submission Period Extension”), shall be sent within Five (5) business days from publishing the information on registration of amendments to the Resolution on Additional Securities Issue and/or the Issuer’s Securities Prospectus,which envisage the extension of the said period of time, on the page of the registering authority in the Internet, by publishing the Notice of Offer Submission Period Extension in the newswire of Interfax information agency and on the issuer’s pages in the Internet [(http://www.e-disclosure.ru/portal/company.aspx?id=11999](http://www.e-disclosure.ru/portal/company.aspx?id=11999) и [http://www.mrsk-](http://www.mrsk-yuga.ru/%29.) [yuga.ru/).»](http://www.mrsk-yuga.ru/%29.)3. After paragraph “8. For the purposes of entering into the Share Purchase Contracts, the issuer shall publish the request for offers to purchase additional shares, addressed to an indefinite number of persons (hereinafter the “Request for Offers”) in the newswire of the Internet information agency as well as in the issuer’s webpages [(http://www.e-disclosure.ru/portal/company.aspx?id=11999](http://www.e-disclosure.ru/portal/company.aspx?id=11999) и [http://www.mrsk-yuga.ru/)](http://www.mrsk-yuga.ru/) The Issuer shall publish the Request for Offers on the first business day immediately following the day when the issuer, in the manner specified in Clauses 8.5 and 11 of the Resolution on Additional Issue, disclosed the information on the results of exercising of the pre-emptive right to purchase shares”. After Clause 11 of the Resolution on Additional Securities Issue, to add the following wording:«8.1. “Procedure for notifying potential buyers on extension of the period of time, during which the offers for purchase of placed securities can be placed:The notice to potential buyers as to the extension of the period of time, during which the offers for purchase of placed securities can be submitted (hereinafter “Notice of Offer Submission Period Extension”), shall be sent within Five (5) business days from publishing the information on registration of amendments to the Resolution on Additional Securities Issue and/or the Issuer’s Securities Prospectus,which envisage the extension of the said period of time, on the page of the registering authority in the Internet, by publishing the Notice of Offer Submission Period Extension in the newswire of Interfax information agency and on the issuer’s pages in the Internet [[(http://www.e-disclosure.ru/portal/company.aspx?id=11999](http://www.mrsk-yuga.ru/%29.)](http://www.e-disclosure.ru/portal/company.aspx?id=11999) и http://www.mrsk- yuga.ru/).» |
| **Disclosure of insider information on item No. 2: *On making amendments to the Prospectuses of issue of securities in Interregional Distribution Grid Company of the South, Public Joint-Stock Company*** |
| 2.2.2 Content of the resolution adopted by the issuer’s board of directors:Make the following amendments to the Securities Prospectus of Interregional Distribution Grid Company of the South (state registration number of additional issue 1-01-34956-E dd June 1, 2017):1. Paragraph 10, sub-paragraph “Securities Placement Procedure” (paragraph (b), Main Information on Securities Placed by the Issuer, for Which Prospectus is Registered”, of the Securities Prospectus INTRODUCTION:Offers for additional shares (hereinafter “Offers”) may be submitted to the Issuer within Ten (10) calendar days from the issuer’s performance of the last of the said steps: publication by the issuer of the Invitation to make offers in the news wire of Interfax information agency, publication by the issuer of the Invitation to make offers on the Issuer’s pages in the Internet (http://www.e-disclosure.ru/portal/company.aspx?id=11999 и [http://www.mrsk-yuga.ru/](http://www.e-disdosure.ru/portal/company.aspx?id=11999)).To replace for:Offers for additional shares (hereinafter “Offers”) may be submitted to the Issuer within One Hundred and Eighty Five (185) calendar days from the issuer’s performance of the last of the said steps: publication by the issuer of the Invitation to make offers in the news wire of Interfax information agency, publication by the issuer of the Invitation to make offers on the Issuer’s pages in the Internet (http://www.e-disclosure.ru/portal/company.aspx?id=11999 и [http://www.mrsk-yuga.ru/](http://www.e-disdosure.ru/portal/company.aspx?id=11999)).2. Paragraph “Period, during which the offers to purchase placed securities can be submitted”, in sub-paragraph 8.8.3: “Securities Placement Procedure” in Clause 8.8, Conditions of and Procedure for Placing Securities of Issue ( Additional Issue), in Section VIII, Information on Placed Issue-Grade Securities and the Scope, Volume, Conditions and Procedure for Their Placement, of Securities Prospectus:The period of time, during which the offers for purchase of placed securities can be submitted: offers for additional shares (hereinafter “Offers”) may be submitted to the Issuer within Ten (10) calendar days from the issuer’s performance of the last of the said steps: publication by the issuer of the Invitation to make offers in the news wire of Interfax information agency, publication by the issuer of the Invitation to make offers on the Issuer’s pages in the Internet (http://www.e-disclosure.ru/portal/company.aspx?id=11999 и [http://www.mrsk-yuga.ru/](http://www.e-disclosure.ru/portal/company.aspx?id=11999)).To replace for:The period of time, during which the offers for purchase of placed securities can be submitted: offers for additional shares (hereinafter “Offers”) may be submitted to the Issuer within One Hundred and Eighty Five (185) calendar days from the issuer’s performance of the last of the said steps: publication by the issuer of the Invitation to make offers in the news wire of Interfax information agency, publication by the issuer of the Invitation to make offers on the Issuer’s pages in the Internet (http://www.e-disclosure.ru/portal/company.aspx?id=11999 и [http://www.mrsk-yuga.ru/](http://www.e-disclosure.ru/portal/company.aspx?id=11999)).3. After the paragraph “Period, during which the offers to purchase placed securities can be submitted”, in sub-paragraph 8.8.3: “Securities Placement Procedure” in Clause 8.8, Conditions of and Procedure for Placing Securities of Issue ( Additional Issue), in Section VIII, Information on Placed Issue-Grade Securities, as well as Volume, Period, Conditions and Procedure for Their Placement, of the Securities Prospectus, to add the following text:“Procedure for notifying potential buyers on extension of the period of time, during which the offers for purchase of placed securities can be placed:The notice to potential buyers as to the extension of the period of time, during which the offers for purchase of placed securities can be submitted (hereinafter “Notice of Offer Submission Period Extension”), shall be sent within Five (5) business days from publishing the information on registration of amendments to the Resolution on Additional Securities Issue and/or the Issuer’s Securities Prospectus,which envisage the extension of the said period of time, on the page of the registering authority in the Internet, by publishing the Notice of Offer Submission Period Extension in the newswire of Interfax information agency and on the issuer’s pages in the Internet [(http://www.e-disclosure.ru/portal/company.aspx?id=11999](http://www.e-disclosure.ru/portal/company.aspx?id=11999) и [http://www.mrsk-](http://www.mrsk-yuga.ru/%29.%C2%BB) yuga.ru/).»4. After paragraph “8. For the purposes of entering into the Share Purchase Contracts, the issuer shall publish the request for offers to purchase additional shares, addressed to an indefinite number of persons (hereinafter the “Request for Offers”) in the newswire of the Internet information agency as well as in the issuer’s webpages [(http://www.e-disclosure.ru/portal/company.aspx?id=11999](http://www.e-disclosure.ru/portal/company.aspx?id=11999) и http://www.mrsk-yuga.ru/) The Issuer shall publish the Request for Offers on the first business day immediately following the day when the issuer, in the manner specified in Clauses 8.5, 11 and 8.11 of the Resolution on Additional Issue, disclosed the information on the results of exercising of the pre-emptive right to purchase shares”. Clause 8.11, Section VIII. Information on Placed Issue-Grade Securities, as well as Volume, Period, Conditions and Procedure for Their Placement, of the Securities Prospectus, to add the following text:«8.1. “Procedure for notifying potential buyers on extension of the period of time, during which the offers for purchase of placed securities can be placed:The notice to potential buyers as to the extension of the period of time, during which the offers for purchase of placed securities can be submitted (hereinafter “Notice of Offer Submission Period Extension”), shall be sent within Five (5) business days from publishing the information on registration of amendments to the Resolution on Additional Securities Issue and/or the Issuer’s Securities Prospectus,which envisage the extension of the said period of time, on the page of the registering authority in the Internet, by publishing the Notice of Offer Submission Period Extension in the newswire of Interfax information agency and on the issuer’s pages in the Internet [(http://www.e-disclosure.ru/portal/company.aspx?id=11999](http://www.e-disclosure.ru/portal/company.aspx?id=11999) и [http://www.mrsk-](http://www.mrsk-yuga.ru/%29.) [yuga.ru/).»](http://www.mrsk-yuga.ru/%29.) |
| Insider Information Disclosure on agenda item 3:*On approval of amendments to the Resolution on additional issue of securities in Interregional Distribution Grid Company of the South, Public Joint-Stock Company* |
| 2.2.3 Content of the resolution adopted by the issuer’s board of directors:To approve of the following amendments to the Resolution on additional issue of securities in Interregional Distribution Grid Company of the South (state registration number of additional issue 1-0134956-E dd June 1, 2017), according to Appendix 1 to this resolution of the Company’s Board of Directors. |
| Insider Information Disclosure on agenda item 4:*On approval of amendments to the Prospectuses of issue of securities in Interregional Distribution Grid Company of the South, Public Joint-Stock Company* |
| 2.2.4 Content of the resolution adopted by the issuer’s board of directors:To approve of the following amendments to the Securities Prospectus in Interregional Distribution Grid Company of the South (state registration number of additional issue 1-0134956-E dd June 1, 2017), according to Appendix 1 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 04, 2017***2.4. 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 07, 2017, minutes No. 242/2017. |
| 3. Signature |
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| 3.1. Head of Department Corporate Secretary (power of attorney of December 30, 2016 No. 215-16) |  | E. N. Pavlova |
| (Signature) |  |
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| 3.2. Date: August 07 , 2017 | Seal |  |