

**Invitation to Submit Bids (Offers)
with Respect to the Shares Placed by
Public joint stock company of power industry and electrification of Kuban
hereinafter, the “The Invitation to Offer”**

This is an invitation for the general public to submit bids (Offers) with respect to the acquisition of the additional uncertified registered ordinary shares placed by Public joint stock company of power industry and electrification of Kuban (hereinafter also, Kubanenergo PJSC, the Company or the Issuer), having its registered address at: Krasnodar, Russia.

This Invitation is published by the Issuer in accordance with the requirements set forth in paragraph 8.3 of the Decision on the Additional Securities Issue registered by the Bank of Russia on 18.07.2019.

State Registration Number of the additional issue of uncertified registered ordinary shares covered by this Invitation: 1-02-00063-A of 18.07.2019.

The quantity of additional uncertified registered ordinary shares of Kubanenergo JSC left for public floatation after the authorized persons have exercised their pre-emptive right to purchase the shares: 37 477 392 (thirty-seven million four hundred seventy-seven thousand three hundred ninety-two) shares.

Deadline for submitting the Offers to acquire placed shares (hereinafter, also Offers):

The Offers may be submitted to the Issuer within 10 (ten) business days after the later of the following acts done by the Issuer: publication of the Invitation to Offer on the newswire or posting of the Invitation to Offer on the Internet at: <http://kubanenergo.ru/> and <http://www.e-disclosure.ru/portal/company.aspx?id=2827> (hereinafter referred to as the “Offer Collection Deadline”).

Offering price:

The offering price of one additional share: 100 (one hundred) rubles.

This offering price of securities is determined in accordance with the requirements of the Federal Law “On Joint-Stock Companies” by the decision adopted by the Board of Directors of Kubanenergo PJSC adopted on 13.03.2019 (minutes of the meeting No.333/2019 of 14.03.2019).

Procedure and terms for submitting the Offers:

The Offers are accepted daily on working days from 9 a.m. till 5 p.m. (Moscow time), at: Kubanenergo PJSC, office 108, 2A Stavropolskaya str., Krasnodar.

Any potential acquirer of placed securities (hereinafter also, the “Acquirer”) may deliver the Offer personally or by the representative having a duly executed power of attorney or other document confirming the representative’s authority.

The Offer may also be sent by the Acquirer by post to: Corporate Governance and Shareholder Relations Department, Kubanenergo PJSC, 2A Stavropolskaya str.,350033, Krasnodar, Russian Federation.

Each Offer shall contain the following information:

1. Title: “Offer to acquire additional uncertified registered ordinary shares of Kubanenergo PJSC”.
2. State registration number and date of the issue’s state registration;

3. Full corporate name (name) of the Acquirer (for legal entities); surname, name, patronymic of the Acquirer (for individuals); Taxpayer Identification Number of the Acquirer (if any).

4. Registered address (for legal entities), place of residence (for individuals) of the Acquirer;

5. For individuals: passport particulars (date and place of birth; series, number and date of issue of the passport (or other identity document); issuing authority; passport expiration date (or other identity document), if applicable);

6. For legal entities: information on state registration of a legal entity and entry into the Unified State Register of Legal Entities (main state registration number and/or other registration number, if applicable, date, registration authority, number of the certificate);

7. Consent of the person submitting the Offer to the acquisition of placed shares in the quantity specified in the Offer at the offering price set forth in the Decision on the Additional Securities Issue.

8. Quantity of acquired securities that may be expressed in one of the following ways:

- as the exact number of shares that the Acquirer undertakes to acquire;
- as the minimum number of shares that the Acquirer undertakes to acquire. Where the minimum number of shares is specified, this means that the Acquirer submitting the Offer has offered to acquire any number of placed shares in the quantity that is not less than the specified minimum number of shares;
- as the maximum number of shares that the Acquirer undertakes to acquire. Where the maximum number of shares is specified, this means that the Acquirer submitting the Offer has offered to acquire any number of placed shares in the quantity that is not more than the specified maximum number of shares;
- as the minimum and maximum number of shares that the Acquirer undertakes to acquire. Where the minimum and maximum number of shares is specified, this means that the Acquirer submitting the Offer has offered to acquire any number of placed shares in the quantity that is not less than the specified minimum number of shares and not more than the specified maximum number of shares.

9. number of the personal account of the Acquirer in the register of holders of registered securities of the issuer;

10. in the event that the Acquirer has a custody account with the Central Securities Depository and the shares to be placed must be credited to the Customers' custody account with the Central Securities Depository, the full company name shall be indicated on it - Non-Bank Credit Organization Joint-Stock Company National Settlement Depository, the number of the custody account of the Purchaser at the Central Securities Depository, the number and date of the deposit agreement concluded between the Central Securities Depository and the Acquirer.

If the Acquirer's depository account is operated by a depository that is a deponent of the Central

Securities Depository (hereinafter, the "Second-Tier Depository") then the Offer shall include the following data on the Second-Tier Depository and all succeeding tiers:

- full corporate name of depository;
- state registration particulars (Principal State Registration Number (OGRN), state registration authority, date of state registration and registration of the Central Custodian on the Uniform State Register of Juridical Persons);

- number and date of the depository agreement between the Second-Tier Depository and the Acquirer (as related to placed securities);
- number and date of the inter-depository agreement concluded between the Depositories.

This information shall be specified about all depositories, beginning with the depository with which the Acquirer has an account and ending with the depository, which is a deponent of the Central Depository.

12. Banking details of the Acquirer that may be used for refund purposes.

13. Contact information (postal address, as well as the e-mail address and/or fax number, telephone with specification of the code of town) for sending a response about acceptance of the Offer (acceptance) and reference (unique identification number required for operations with the personal account of the nominee holder at Central Depository)

14. Date of signing the Offer

The offer shall be signed by the Acquirer (a person authorized, with the original or a notarized copy of a duly executed power of attorney or other document confirming the authority of the representative) and, for legal entities, contain a seal (if any).

The Issuer may determine the recommended form of the Offer and publish it simultaneously with the Invitation to make offers on the on the Internet at <http://kubanenergo.ru/> and <http://www.e-disclosure.ru/portal/company.aspx?id=2827>.

The Offer shall be accompanied:

- in case of a legal entity, by a notarized copy of constitutive documents and documents certifying the authority of the person empowered to act on behalf of the corporate entity without a power of attorney;
- if the person submitting the Offer is required by law to acquire the quantity of shares specified in the Offer with the prior consent of the antimonopoly authority, by a copy of the antimonopoly authority's consent thereto;
- if the person submitting the Offer is required by law to acquire the quantity of shares specified in the Offer with the prior consent of the Acquirer's authorized management body (Board of Directors, General Meeting of Shareholders, etc.), by a copy of the resolution to approve the transaction related to the acquisition of placed securities.

Offers that do not meet the specified requirements are not subject to approval.

The Issuer registers submitted Offers in a special register of Offers on the day they are received.

The decision to accept the Offer (on acceptance) may be made by the Issuer not later than 3 (three) days after the Offer Collection Deadline.

The decision to accept the Offer is taken by the issuer at its discretion from among the persons who sent the Offer, only if it meets the requirements established in the Decision on the additional issue of securities. The response on the acceptance of the proposal (acceptance) is sent to persons determined by the issuer at its discretion from among those who made such proposals (offers).

The submitted Offers, which at the discretion of the issuer are subject to satisfaction, are satisfied by the issuer in full if the number of shares specified in the Offer does not exceed the number of shares remaining for placement after the satisfaction of the Offers of other persons. If the number of shares specified in the Offer exceeds the number of shares remaining for placement after satisfying the Offer of other persons, the Offer may be satisfied in the number of shares remaining for placement, if the Offer of the Acquirer of the Acquirer acquires a smaller number of shares than specified in Offer.

Not later than 3 (three) business days from the date the issuer makes a decision to accept the Offer or refuse to satisfy the Offer, the issuer hands the signature to the Acquirer (the authorized representative) or sends it by registered mail to the mailing address, and (or) email address and (or) the fax indicated in

the Offer, a response on the acceptance (satisfaction) of the Offer (acceptance) or a response on the refusal to satisfy the Offer.

The response to the acceptance of the Offer (acceptance) shall indicate the number of shares in respect of which the Offer is satisfied, the offering price of shares, as well as other material conditions for the placement of securities.

The agreement on the acquisition of shares shall be deemed concluded upon receipt by the Acquirer (authorized representative of the Acquirer who submitted the Offer), who sent the Offer, the issuer's response to accept the Offer (acceptance).

By agreement of the parties, the Share Acquisition Agreement may be executed in the form of a single document signed by the parties. The contract is signed on business days from 09.00 a.m. to 5 p.m. (Moscow time) at the address: Kubanenergo PJSC, office 108, 2A Stavropolskaya str., Krasnodar or by exchange of documents by post at the address: 350033, Russian Federation, Krasnodar, 2A Stavropolskaya str., Department of Corporate Governance and Shareholder Relations of PJSC Kubanenergo.

Shares shall be paid by the Acquirers within the time periods specified in clause 8.6 of the Decision on the additional issue of securities.

If the obligation to pay for the shares is not fulfilled within the specified period, the issuer has the right to refuse to fulfill the counter obligation to transfer the shares to the Acquirer.

In case of partial fulfillment by the Acquirer of the obligation to pay for shares within the specified period, the issuer is entitled to fulfill the counter obligation to transfer the shares to the Acquirer in the amount paid by the Acquirer, or completely refuse to fulfill the counter obligation to transfer the shares to the Acquirer. If the issuer agrees to fulfill the counter obligation to transfer the shares to the Acquirer in the amount paid by the Purchaser, the Share Acquisition Agreement with this Acquirer will be deemed amended from the moment the amount of the shares paid by him is transferred to the Acquirer.

In case of partial fulfillment by the Acquirer of their obligation to pay for the acquired shares or a complete refusal of the issuer to fulfill a counter obligation to transfer shares, if the Acquirer did not pay for the shares before the deadline for payment of securities, the funds received as a partial fulfillment of the obligation to pay for shares or, respectively, all funds paid by the Acquirer for the shares are to be returned to the Acquirer by bank transfer at the bank details specified in the Offer, not later than 30 (thirty) business days from the end date of the placement of securities.

The Issuer has the right not to send to the Acquirer a notice of refusal to fulfill a counter obligation to transfer shares, but, at the issuer's discretion, this notification can be delivered to the Buyer in person or through its authorized representative, or sent to the mailing address and (or) fax number, and (or) email address specified in the Offer.

The issuer's obligation to transfer the placed securities to the Acquirer is deemed fulfilled from the moment of making the corresponding credit entry on the personal account of the Acquirer or the personal account of the nominal holder of the Central Securities Depository specified in the Offer of the Acquirer. Amendment or termination of contracts concluded during the placement of shares is carried out on the grounds and in the manner prescribed by Chapter 29 of the Civil Code of the Russian Federation.

Payment terms and procedures:

Payment for additional shares shall be made in monetary terms in Russian rubles by bank transfer into the Issuer's settlement account.

The obligation to pay for the purchased number of shares is deemed fulfilled from the moment of receipt of funds in the issuer's settlement account.

Payment may not be made in cash.

Payment shall be made by bank transfer.

Form of cashless settlement: payment orders, receipts of the bank transfer of funds
Credit institution details

Full corporate name: Gazprombank Yuzhny (South) (Joint Stock Company) (Branch of Gazprombank (Joint Stock Company))

Abbreviated corporate name: GPB Yuzhny (South) JSC

of the credit institution: Moscow

Address of the branch: 11 Dmitrievskaya Damba, Krasnodar, 350033, Krasnodar region

Taxpayer Identification Number (INN): 7744001497

Bank details of accounts to which funds received as payment for securities should be transferred:

BIC (Bank Identification Code): 040349781

Account number: 30101810500000000781

Correspondent account: 40702810060070000191

Due date:

An Acquirer of shares by open subscription pays for the shares after the conclusion of the Share Acquisition Agreement, but no later than 4 (four) business days before the end date for the placement of securities of this additional issue.

The person to whom the Issuer issues (sends) a transfer order which is serving as the ground for making a credit entry in the personal account or custody account of the first owner, deadline and other conditions of issuing a share transfer form:

Full company name of the registrar: Joint-Stock Company "Independent Registration Company R.O.S.T."

Short name: NRK - R.O.S.T. JSC

Location: Moscow

Head office address: 107996, Moscow, 18/13 Stromynka str.

Address for correspondence by post: 107996, Moscow, 18/13 Stromynka str.

License number for maintaining the register of securities owners: No. 045-13976-000001

Date of issue of the license: 03.12.2002

Duration of license: without limitation of validity

Issuing authority: Federal Commission for the Securities Market of Russia

Phone: (495) 780-73-63

The Issuer draws up and sends the Registrar an order on the placement of an appropriate amount of securities in favor of the Acquirer after the Acquirer has paid in full for the acquired securities and no later than 3 (three) business days before the end date for the placement of additional shares.

Receipts on the personal account of the acquirer and (or) nominee holder shall be made no later than the expiration date of the placement of securities of the additional issue.

Additional information:

Information concerning the placement terms and conditions for the securities covered by this Invitation is contained in the Decision on the Additional Securities Issue and the Securities Prospectus disclosed in accordance with the prescribed procedure (including on the Issuer's website at: <http://kubanenergo.ru/> and <http://www.e-disclosure.ru/portal/company.aspx?id=2827>).

In addition, any interested party can get acquainted with the contents of these documents, as well as get their copies for a fee not exceeding the cost of making such a copy, within 7 (seven) days from the date of receipt (submission) of the relevant demand, on working days from 8 a.m. till 5 p.m. (till 3 p.m. on Friday) (Moscow time) at the following address: Kubanenergo PJSC, office 108, 2A Stavropolskaya str., Krasnodar, Russian Federation.

Concerning issues related to acquisition of additional shares being placed, please contact the Corporate Governance and Shareholder Relations Department of Kubanenergo PJSC by phone: +7 (861) 212-25-10, 212-26-72, 212-23-09.

Concerning issues related to opening of personal accounts, making changes to personal account data and performing other operations in the shareholders register of Kubanenergo PJSC, please contact the Company's registrar (Registrar R.O.S.T. Joint Stock Company) by phone: + 7 (495) 780-73-63, +7 (495) 989-76-50.

Director General

_____ Sergeyev S.V.

Kubanenergo PJSC