**Corporate action statement**

**“On decisions adopted by the Issuer’s Board of Directors”**

**(disclosure of inside information)**

|  |
| --- |
| 1. General data
 |
| 1.1 Issuer’s full name | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Issuer’s short name | “Kubanenergo” PJSC |
| 1.3. Issuer’s location | Krasnodar, Russian Federation |
| 1.4. Issuer’s PSRN | 1022301427268 |
| 1.5. Issuer’s TIN | 2309001660 |
| 1.6. Issuer’s unique code given by registering authority | 00063-A |
| 1.7. Web-page for information disclosure  | [www.kubanenergo.ru](http://www.kubanenergo.ru)<http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Statement content |
| **2.1 Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions:**Number of BoD members: 11 personsMembers participated in the meeting: 9 persons Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.Voting results:

|  |  |
| --- | --- |
| **No.** | **Votes** |
| **FOR** | **AGAINST** | **ABSTAINED** |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |
|  | **9** |  |  |

 |
| **Disclosure of insider information/approval of internal documents** **on item No. 1 “On selecting agenda items for the annual meeting of Shareholders of the Company”** |
| 2.2.1. Decision adopted by issuer’s Board of Directors:To approve the following agenda for the general meeting of participants (shareholders) of the issuer:1. On approval of Company’s annual report.2. On approval annual accounting (financial) report, including the profit and loss statement (income statement).3. On approval of distribution of profit of the Company by the results of 2015.4. On the amount, terms and form of paying the dividends by the results of 2015.5. On election of Company’s Board of Directors (supervisory board) members.6. On election of Company’s Auditing commission (controllers) members.7. On approval of Company’s Auditor.8. On approval of restated Regulations for the Board of Directors of the Public Joint-Stock Company of Power Industry and Electrification of Kuban. |
| **Disclosure of insider information on item No. 2 “On preliminary approval of annual report of the Company for 2015”** |
| 2.2.2. Decision adopted by issuer’s Board of Directors:To preliminary approve the annual report of the Company for 2015, in accordance with Annex 1 to the resolution of the Company’s Board of Directors.To recoomend the annual general meeting of shareholders to approve the annual report. |
| **Disclosure of insider information on item No. 3“On taking into consideration the annual accounting report for 2015 including recommendation on allocation of profits and losses of the Company by the results of 2015 fiscal year”** |
| 2.2.3 Decision adopted by issuer’s Board of Directors:1. To submit annual accounting report of the Company for 2014 for consideration by Company’s annual general meeting of shareholders, in accordance with Annex 2 to the resolution of the Company’s Board of Directors.
2. To instruct the annual general meeting of shareholders of the Company to approve the following allocation of profits (losses) of the Company for 2015 fiscal year

|  |  |
| --- | --- |
|  | (thousand rubles) |
| Undistributed profit (losses) of the reporting period: | 1 452 479 |
| To distribute for: Reserve fund | 72 624 |
|  Profit for development | - |
|  Dividends | 1 144 797 |
|  Repayment of undistributed deficit of prior years | 235 058 |

1. To instruct director general of Kubanenergo PJSC to take in account the parameters of distribution of profit (loss), approved by the AGM, when amending business-plan of the Company for 2016-2020
 |
| **Disclosure of insider information on item No. 4 “On recommendations on dividend amount on shares, its paying by the results of 2014 and in terms of setting the date on which persons who are entitled to receive dividends are defined”** |
| 2.2.4 Decision adopted by issuer’s Board of Directors:1. It is recommended by the results of 2015 to pay out dividends on ordinary shares of the Company in amount 4.047105 rubles in monetary form per one ordinary share of the Company.

The period of payment of dividends to a nominee holder and a trustee holder, being a professional participant of securities market, is limited to 10 business days; period for other holders registered in the registry of shareholders is limited to 25 business daysfrom the dated of making the list of persons/entities entitled to receive dividends.1. To fix the dated of making the list of persons/entities entitled to receive dividends – 13 July 2016.
 |
| **Disclosure of insider information on item No. 5 “On consideration of Company’s auditor candidate”** |
| 2.2.5 Decision adopted by issuer’s Board of Directors:To offer the AGM to appoint “RSM RUS,” LLC as Company’s Auditor. |
| **Disclosure of insider information on item No. 6 “On determining the type (-s) of preferred shares whose owners are entitled to vote on agenda items of Company’s annual meeting of shareholders”** |
| 2.2.6 Decision adopted by issuer’s Board of Directors:Taking into consideration that preferred shares of Company have not been issued, do not adopt the decisions on determining the type (-s) of preferred shares whose owners are entitled to vote on agenda items of Company’s annual meeting of shareholders. |
| **Disclosure of insider information on item No. 7 “On determining the information list (materials) provided to Company’s shareholders during the preparation of Annual General Meeting of Shareholders of the Company and receiving of specified information by shareholders”** |
| 2.2.7 Decision adopted by issuer’s Board of Directors:1. Information (materials) provided to persons entitled to participate in the annual general meeting of shareholders:annual accounting statements, as well as auditors opinion, report of Company’s Auditing Committee by the results of check of accounting statements;abstract of decision of the BoD on issues related to approval of annual reports by the AGM and recommendations to the AGM on distribution of profit (loss) of the Company in 2015 fiscal year;company’s annual report;abstract of decision of the BoD on issues related to preliminary approval Company’s annual report 2015 and recommendations to AGM on its approval;report of the Auditing Committee on reliability of data contained in the annual report; information candidates to the Company’s BoD;information candidates to the Company’s Auditing Committee;information on Auditor;information on presence or absence of written consent of candidates for election to the BoD and Auditing Committee;recommendation of the BoD on the amount dividends on Camping’s shares, procedure of their payment and fixing the date of making the list of persons entitled to receive the dividends; evaluation made by the Audit Committee under the Board of Directors of effectiveness of external audit;evaluation made by the Audit Committee of the auditor proposed by the BoD;current Regulations on the Board of Directors of the Companydraft Regulations on the Board of Directors of the Company in the new edition;information on shareholders agreements concluded within the year up to the date of holding the AGM;draft decisions of the Annual General Meeting of Shareholders;driving details to get to the place of holding the AGM;a sample of form of power of attorney that a shareholder can provide for its representative and procedure of its verification.2. Persons entitled to participate at annual General meeting Company’s shareholders can find the information within the period of 24 May 2016 – 23 June 2016 (except weekends and holydays) from 9:00 a.m. to 15:00 p.m., as well as on June 24, 2016 at:* “Kubanenergo” PJSC, 2A Stavropolskaya str., Krasnodar;
* “R.O.S.T. Registrar” mail box 9, 18 Stromynka str, Moscow 107996 (the Company’s registrar);
* Official webpage of the Company [www.kubanenergo.ru](http://www.kubanenergo.ru)

If person/entity registered in registry of Company’s shareholders is a nominee holder, the specified information will be sent by 24 May 2016 in e-form (electronic documents with digital signature) to such nominee holder.To establish that the mentioned information (materials) shall be available to persons entitled to participate in the Annual General Meeting of Shareholders of the Company on the day of the Annual General Meeting of Shareholders at the place of the meeting. |
| **Disclosure of insider information on item No. 8 “On approving the form and text of bulletins for voting at annual general meeting of shareholders of the Company”** |
| 2.2.8 Decision adopted by issuer’s Board of Directors:To approve the form and text of bulletins for voting at annual general meeting of shareholders of the Company, in accordance with Annexes 3-5 to the resolution of the BoD. |
| **Disclosure of insider information on item No. 9 “On setting the deadline of sending the voting bulletins to persons entitled to participate in annual general meeting of shareholders of the Company, specifying the address for sending the voting bulletins, deadline for receiving the filled-in voting bulletins”** |
| 2.2.9 Decision adopted by issuer’s Board of Directors:1. To determine that voting bulletins should be sent by registered mail (hand out against receipt) to persons entitled to participate in annual general meeting of shareholders of the Company no later than 3 June 2016.2. To determine that filled-in voting bulletins can be sent at one of the following addresses:- “Kubanenergo” PJSC, 2A Stavropolskaya street, Krasnodar, Russian Federation 350033;- “Registrar ROST” JSC, post office box 9, 18, Stromynka street, Moscow 107996.In addition, the owner of the securities, the rights of which are considered by a nominal holder or foreign nominee holder is entitled to attend the Meeting personally or by giving instructions to the nominal holder or foreign nominal holder to vote in a certain way, if it is stipulated by the contract concluded with the nominal holder or foreign nominal holder. Electronic document on voting signed with digital signature should be sent by security holder to nominal holder or foreign nominal holder.3. For the purposes of quorum and summing up the results of voting only those votes will be accounted that were submitted via voting bulletins to the Company no later than 21 June 2016.4. To instruct sole executive body of the Company to provide sending of voting bulletins to Company’s shareholders in accordance with present decision of Company’s BoD. |
| **Disclosure of insider information on item No.10 “On determining the procedure of informing shareholders on holding the annual general meeting of shareholders of the Company, including approving the form and text of message”** |
| 1. To approve the form and text of message on holding the annual general meeting of shareholders of the Company in accordance with Annex 6 to present resolution of Company’s BoD.2. To provide the posting of message on holding Company’s annual general meeting of shareholders on web-site of the Company: [www.kubanenergo.ru](http://www.kubanenergo.ru) no later than 24 May 2016.If person/entity registered in registry of Company’s shareholders is a nominee holder, the specified information will be sent by 24 May 2016 in e-form (electronic documents with digital signature) to such nominee holder. |
| **Disclosure of insider information on item No.11 “On electing secretary of annual general meeting of shareholders of the Company”** |
| 2.2.11 Decision adopted by issuer’s Board of Directors:To elect Russu Olga Vladimirovna, corporate secretary of the Company for the position of secretary of Company’s annual general meeting of shareholders. |
| **Disclosure of insider information on item No.12 “On approving cost estimate connected with preparation and holding of annual general meeting of shareholders of the Company”** |
| 2.2.12 Decision adopted by issuer’s Board of Directors:1. To approve cost estimate connected with preparation and holding of annual general meeting of shareholders of the Company in accordance with Appendix 8 to present decision.2. To instruct Director General of the Company to represent report to Company’s BoD on expenditures on preparation and holding of annual general meeting of shareholders of the Company no later than two months after holding of annual general meeting of shareholders. |
| **Disclosure of insider information on item No.13 “On approving terms of Contract with the registrar of the Company”** |
| 2.2.13 Decision adopted by issuer’s Board of Directors:1. To approve the terms of service contract on holding of general meeting of security holders including performing of functions of counting commission with registrar of the Company in accordance with Annex 8 to present decision of Company’s BoD.2. To instruct Director General of the Company to sign service contract on organization, calling and holding of general meeting of security holders including the performance of the functions of the counting commission with the registrar of the Company in accordance with the conditions of Annex 8 to present decision of Company’s BoD. |
| **Disclosure of insider information on item No.14 “On consideration of the project of internal document of the Company: redrafted Regulation on Company’s BoD”** |
| 2.2.14 Decision adopted by issuer’s Board of Directors:To offer to annual meeting of shareholders of “Kubanenergo” PJSC to approve the redrafted Regulation on Company’s BoD in accordance with Appendix 9 to present decision of Company’s BoD. |
| 2.3. Date of holding the meeting of Board of Directors: 17 May 20162.4. Date of making and number of minutes of meeting: 19 May 2016, minutes of meeting No.239/2016**.** |
| 3. Signature |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 3.1 Head of corporate management and shareholders relations department (acting under letter of attorney 119/10-2849 dated 17.03.2016) |  |  | Didenko Ye.Ye. |  |
| (signature) |  |  |  |
| 3.2 Date: 20 May 2016 |  |  |
|  | seal  |  |