**Statement of material fact**

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

**(disclosure of inside information)**

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| 1. General data | |
| 1.1 Full business name of the issuer | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Abbreviated business name of the issuer | “Kubanenergo” PJSC |
| 1.3. Location of the issuer | Krasnodar, Russian Federation |
| 1.4. PSRN of the issuer | 1022301427268 |
| 1.5. TIN of the issuer | 2309001660 |
| 1.6. The issuer’s unique code assigned by the registering body | 00063-A |
| 1.7. Website used by the issuer 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 the issuer’s BoD and the results of voting on the proposed decisions:**  Number of the BoD members: 11 members  Members participated in the meeting: 10 members  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | |  | **10** |  |  | | |
| **Disclosure of insider information**  **Item No. 1 “Approval of quarterly performance indicators of the General Director of Kubanenergo PJSC for 2018”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  To approve the quarterly performance indicators of the General Director of Kubanenergo PJSC for 2018 as per Annex 1 to this resolution of the Company’s Board of Directors. | |
| **Disclosure of insider information**  **Item No. 2 “Discussion of a report on implementation of the RAS and IFRS based business plan of Kubanenergo Group for 2018”** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  To take into consideration the report on implementation of the RAS and IFRS based business plan of Kubanenergo Group for 2018 as per Annexes 2-3 to this resolution of the Company’s Board of Directors. | |
| **Disclosure of insider information**  **Item No. 3 “Discussion of a report submitted by the General Director of Kubanenergo PJSC on the Company’s insurance in the 1st quarter of 2018”** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  1. To take into consideration the report submitted by the General Director of Kubanenergo PJSC on the Company’s insurance in the 1st quarter of 2018 as per Annex 4 to this resolution of the Company’s Board of Directors.  2. To note that the issue was submitted for consideration of the Board of Directors with a delay. | |
| **Disclosure of insider information**  **Item No. 4 “Discussion of a report submitted by the General Director of Kubanenergo PJSC on the Company’s credit policy in the 1st quarter of 2018”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  1. To take into consideration the report submitted by the General Director of Kubanenergo PJSC on the Company’s credit policy in the 1st quarter of 2018 as per Annex 5 to this resolution of the Company’s Board of Directors.  2. To note the exceeding of the limit for debt coverage and debt service coverage limit as of March 31, 2018.  3. To agree upon a temporary excess of the limit for debt coverage and debt service coverage limit as of March 31, 2018.  4. To instruct the General Director of the Company to ensure compliance with the requirements of the Regulations on Credit Policy approved by the Board of Directors of the Company. | |
| **Disclosure of insider information / approval of the issuer’s internal documents**  **Item No. 5 “Approval of restated Regulations on Insider Information of Kubanenergo PJS”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  1. To approve the restated Regulations on Insider Information of Kubanenergo PJSC as per Annex 6 to this resolution of the Company’s Board of Directors.  2. To consider as no longer valid the Regulations on Insider Information of Kubanenergo PJSC that were approved by the Board of Directors on 02.08.2013 (minutes of the meeting NO.168/2013 of 05.08.2013) | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **30 July 2018**  2.4. Date of making and number of minutes of meeting which adopted the resolutions: **31 July 2018, minutes of meeting No.315/2018.** | |

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| 3. Signature | | |
| 3.Head of the Corporate Governance and Shareholder Relations Department (by power of attorney No.119/10-946 dated 22.02.2018) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Didenko Ye.Ye. |
| 3.2 Date: 1 August 2018 | seal |  |