**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> |
| 1.8. Date of the event (material fact) that is disclosed in the statement (if applicable) | 14.03.2019 |
| 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: 11 members  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present*.*  Voting results**:**   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | | **1** | **11** |  |  | | **2** | **11** |  |  | | **3** | **11** |  |  | | **4** | **11** |  |  | | |
| **Disclosure of insider information**  **Item No. 1 “On Concept “Digital Transformation 2030””** | |
| 2.2.1. Decision adopted by the issuer’s Board of Directors:  1. It is decided to join the Concept “Digital Transformation 2030” approved by the resolution of the Board of Directors of Rosseti PJSC on 21.12.2018 (minutes of meeting No.336 of 21.12.2018), in accordance with Annex 1 to the present resolution of the Company’s Board of Directors.  2. Director General of Kubanenergo PJSC shall ensure preparation of the Programme of Digital Transformation of Kubanenergo PJSC for the purpose of development of Rosseti’s concept “Digital Transformation 2030” and its submission for the review of the Board of Directors of Kubanenergo PJSC.  Deadline: 2nd quarter of 2019 | |
| **Disclosure of insider information**  **Item No. 2 “On convening Extraordinary General Meeting of Shareholders”** | |
| 2.2.2. Decision adopted by the issuer’s Board of Directors:  1. Convene the Extraordinary General Meeting of Shareholders in the form of absentee voting.  2. Set the date of the Extraordinary General Meeting of Shareholders (deadline for submission of voting ballots): 17.04.2019.  3. The filled-in voting bulletins should be sent to one of the following addresses:  Kubanenergo PJSC, 2A Stavropolskaya street, Krasnodar 3350033, Russian Federation  Independent Registrar Company (IRC) – R.O.S.T. (Registrar of the Company), mail box 9, 18 Stromynka street, Moscow 107996.  Apart from that the owner of securities, exercising rights through a nominee holder or a foreign nominee, is entitled to take part in the Meeting personally or by instructing the nominee/foreign nominee to vote in a certain way, if it is allowed by the contract between the owner and nominee/foreign nominee. Voting ballot signed with electronic signature shall be submitted by the owner of securities to the nominee/foreign nominee.  4. Approve the following agenda of the EGM:  1. Increase of the authorized capital of Kubanenergo PJSC by offering additional shares  5. Set the date of making the list of persons authorized to participate in the General Meeting of Shareholders: **24.03.2019**  6. 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 the Extraordinary General Meeting of Shareholders of the Company.  7. Decide that following information (materials) will be provided to persons entitled to participate in the Extraordinary General Meeting of Shareholders:  - recommendations of the Board of Directors concerning the increase of the Company’s authorized capital by offering additional shares  - draft resolution on agenda of the Extraordinary General Meeting of Shareholders of the Company  - extract from the minutes of meeting of the Board of Directors concerning the price of additional shares  -- information on shareholder agreements concluded within a year before the date of the General Meeting of Shareholders  - sample of the power of attorney that a shareholder can provide for its representative and procedure of its verification  8. Decide that persons entitled to participate in the Extraordinary General Meeting may find the information concerning the agenda of the Meeting within the period of 18 March 2019 – 17 April 2019 (except weekends and holidays) from 9:00 a.m. to 15:00 p.m. at:   * Kubanenergo PJSC, 2A Stavropolskaya street, Krasnodar 3350033, Russian Federation * Independent Registrar Company (IRC) – R.O.S.T. (Registrar of the Company), mail box 9, 18 Stromynka street, Moscow 107996 * Official webpage of the Company [www.kubanenergo.ru](http://www.kubanenergo.ru) (starting from 18.03.2019)   If a person registered in the register of company shareholders is a nominal holder of shares, the information (materials) to be provided to the persons entitled to participate in the general meeting of shareholders when preparing for the general meeting of shareholders shall be provided by 18.03.2019 in compliance with the rules of the Russian laws on securities for the provision of information and materials to entities exercising rights under securities.  9. Approve the form and content of ballots for voting at the Extraordinary General Meeting of Shareholders of the Company, as specified in Annex 2 to the present resolution  Use the wording of decisions specified in the voting ballots for sending in electronic form (in the form of electronic documents) to nominal holders of shares registered in the register of shareholders.  10. Determine that voting ballots should be sent by registered mail (handed out against receipt) to the persons entitled to participate in the Extraordinary General Meeting of Shareholders of the Company by 27.03.2019.  Voting ballots for voting by electronic means (in the form of electronic documents) shall be sent to the Registrar by 27.03.2019 so that they further submit them to nominal holders registered in the registry of the Company’s shareholders.  11. Approve the form and text of the message on holding the Extraordinary General Meeting of Shareholders of the Company in accordance with Annex 3 to present resolution of Company’s BoD.  12. Decided that the announcement on convening the EGM shall be posted on the Company’s webpage [www.kubanenergo.ru](http://www.kubanenergo.ru) by 17.03.2019.  The text of the message on holding the Extraordinary General Meeting of Shareholders of the Company shall be additionally sent in electronic form to the shareholders that provided the Company or the Registrar with their e-mails.  If the person registered in the shareholder register of the Company is a nominal holder of shares, a notice of the General Shareholders Meeting is sent no later than 17 March 2019 in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to those exercising securities rights.  13. Appoint Russu Olga Vladimirovna, Corporate Secretary of the Company for the position of the Secretary of the Company’s Extraordinary General Meeting of Shareholders.  14. Approve the costs estimates related to the preparation and conduct of the Extraordinary General Meeting of Shareholders of the Company, in accordance with Annex 4 to the present resolution.  The Director General of the Company shall, not later than two months after the Extraordinary General Meeting of Shareholders of the Company, submit to the Board of Directors a report on the expenditure of the funds allocated for preparation and conduct of the Extraordinary General Meeting of Shareholders  15. The Director General of the Company shall, not later than two months after the Extraordinary General Meeting of Shareholders of the Company, submit to the Board of Directors a report on the expenditure of the funds allocated for preparation and conduct of the Extraordinary General Meeting of Shareholders.  16. Instruct the General Director of the Company to sign a contract with the Company’s registrar on terms and conditions specified in Annex 5 to the present resolution. | |
| **Disclosure of insider information**  **Item No. “On determining the price of offering additional shares of the Company”** | |
| 2.2.3. Decision adopted by the issuer’s Board of Directors:   1. Determine the price of offering of one additional ordinary registered uncertified share of Kubanenergo PJSC (as well as the price for the persons included in the list of persons having the preemptive right to purchase the additional shares) in accordance with Articles 36 and 77 of the Federal Law “On Joint Stock Companies”: 100 (one hundred) rubles 00 kopecks.   2. Instruct the Chief Executive Officer of Kubanenergo PJSC to notify the Federal Agency on Administration of State Property about the decision of the Company’s Board of Directors pertaining to determining the offering price of one ordinary registered uncertified share of Kubanenergo PJSC of additional issue placed by public subscription, including the persons from in the list of persons having the preemptive right to purchase additional shares of Kubanenergo PJSC, no later than three business days after the date of adoption of this resolution with provision of a copy of certificate of Moscow Exchange PJSC. | |
| **Disclosure of insider information**  **Item No. “On submission of proposals to the Extraordinary General Meeting of Shareholders concerning the increase of the authorized capital of Kubanenergo PJSC by offering of additional shares”** | |
| 2.2.4. Decision adopted by the issuer’s Board of Directors:  Propose the Extraordinary General Meeting of Shareholders concerning the increase of the authorized capital of Kubanenergo PJSC by placement of additional shares:  “It is decided to increase the authorized capital of Kubanenergo PJSC by offering additional ordinary registered uncertified shares in amount of 37 477 392 (Thirty-seven million four hundred seventy-seven thousand three hundred ninety-two) pieces with par value of 100 (one hundred) rubles each for the total sum of 3 747 739 200 (three billion seven hundred forty-seven million seven hundred thirty-nine thousand two hundred) rubles, on the following essential conditions:   * placement method: public offering * offering price of one additional ordinary registered uncertified share (including with respect to the persons included on the list of the persons having the preemptive right to acquire placed additional shares): 100 (one hundred) rubles 00 kopecks. * method of payment for additional shares: payment for additional shares is made in cash in Russian rubles by bank transfer” | |
| 2.2.5. Identification codes of securities  type, category (kind): **ordinary registered shares**  state registration number of the issue (additional issue) of securities and the date of its state registration (identification number of the issue (additional issue) of securities and the date of its assignment):  **1-02-00063-A; 08.07.2003**  international security identification number (ISIN) (if any): **RU0009046767** | |
| 2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:  **13 March 2019.**  2.3. Date of holding the meeting of the Board of Directors which adopted the resolutions:**14 March 2019, minutes No.333/2019.** | |

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| 3. Signature | | |
| 3.1 Head of Corporate Governance and Shareholder Relations Department (by power of attorney No.119/10-1406 of 19.12.2018) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Didenko Ye.Ye. |
| 3.2 Date: 15 March 2019 | seal |  |