

MINUTES
of the Meeting of the Board of Directors of PJSC Rosseti South

Rostov-on-Don

30.12.2022

No. 509/2022

Form of the meeting: absentee (by poll)**Members of the Board of Directors who participated in the absentee voting:** Krainskiy D.V., Dokuchaeva M.A., Zarkhin V.Yu., Kazakov A.I., Klinkov O.Yu., Korotkova M.V., Kravchenko K.Yu., Nikitchanova E.V., Tikhonova M.G., Polinov A.A., Ebseev B.B.**Persons who did not submit polling sheets and did not participate in the voting:** no.**A quorum is present.****Date of the minutes:** 30.12.2022.**AGENDA**

1. *On review of the report on the execution of PJSC ROSSETI South business plan for 9 months of 2022.*
2. *On review of the report on the results of energy sales activities of PJSC ROSSETI South, including the report on accounts receivable for 9 months 2022.*
3. *On approval of the report on the implementation of the key performance indicator (KPI) "Innovation Efficiency" of the General Director of PJSC ROSSETI South for 2021.*
4. *On granting consent to a related party transaction.*
5. *On granting consent to a related party transaction.*

ISSUE NO. 1: On review of the report on the execution of PJSC ROSSETI South business plan for 9 months of 2022.**RESOLUTION:**

To take note of the report on the execution of PJSC Rosseti South business plan for 9 months of 2022 according to Appendix 1 to this resolution of the Company's Board of Directors.

Voting results:

Krainski D.V.	-	"FOR"	Klinkov O. Yu.	-	"FOR"
Dokuchaeva M.A.	-	"FOR"	Kravchenko K.Yu.	-	"FOR"
Zarkhin V.Yu.	-	"FOR"	Nikitchanova E.V.	-	"FOR"
Korotkova M.V.	-	"FOR"	Tikhonova M.G.	-	"FOR"
Kazakov A.I.	-	"FOR"	Ebseev B.B.	-	"FOR"
Polinov A.A.	-	"FOR"			

Resolution passed.**ISSUE NO. 2: On review of the report on the results of energy sales activities of PJSC ROSSETI South, including the report on accounts receivable for 9 months 2022.****RESOLUTION:**

1. To take note of the report on the results of energy sales activities of PJSC Rosseti South, including receivables report for 9 months 2022 according to Appendix 2 to the resolution of the Company's Board of Directors.

2. To approve the action plan of PJSC Rosseti South to decrease overdue accounts receivable for supplied energy and settlement of disputes as of 01.10.2022, according to Appendix 3 to the resolution of the Company's Board of Directors.

3. To take note of the report on execution of the action plan-schedule for reduction of overdue debts for supplied energy and settlement of differences as of 01.07.2022, according to

Appendix 4 to the resolution of the Company's Board of Directors.

Voting results:

Krainski D.V.	-	"FOR"	Klinkov O. Yu.	-	"FOR"
Dokuchaeva M.A.	-	"FOR"	Kravchenko K.Yu.	-	"FOR"
Zarkhin V.Yu.	-	"ABSTRAINED"	Nikitchanova E.V.	-	"FOR"
Korotkova M.V.	-	"FOR"	Tikhonova M.G.	-	"FOR"
Kazakov A.I.	-	"FOR"	Ebseev B.B.	-	"FOR"
Polinov A.A.	-	"FOR"			

Resolution passed.

ISSUE NO. 3: On approval of the report on the implementation of the key performance indicator (KPI) "Innovation Efficiency" of the General Director of PJSC ROSSETI South for 2021.

RESOLUTION:

1. To approve the report on the implementation of the key performance indicator (KPI) "Innovation Efficiency" of the General Director of PJSC ROSSETI South for 2021 (hereinafter – the "Report") according to Appendix 5 to this resolution of the Company's Board of Directors.

2. To pay annual bonuses to the General Director of PJSC Rosseti South in accordance with the approved Report according to clause 1 of this resolution in the amount of 9% of the maximum annual remuneration for the fulfillment of all KPIs.

Voting results:

Krainski D.V.	-	"FOR"	Klinkov O. Yu.	-	"FOR"
Dokuchaeva M.A.	-	"FOR"	Kravchenko K.Yu.	-	"FOR"
Zarkhin V.Yu.	-	"FOR"	Nikitchanova E.V.	-	"FOR"
Korotkova M.V.	-	"FOR"	Tikhonova M.G.	-	"FOR"
Kazakov A.I.	-	"FOR"	Ebseev B.B.	-	"FOR"
Polinov A.A.	-	"FOR"			

Resolution passed.

ISSUE NO. 4: On granting consent to a related party transaction.

RESOLUTION:

1. To determine that the price of the agreement on debt redemption under supply contract No. UVV-02-1032-1/100021010124 dated 28.04.2021 between PJSC Rosseti South and JSC Rosseti Digital (hereinafter – the "Agreement"), being the interested party transaction, shall be as follows:

- the amount owed as of 01.07.2022 by Party 2 to Party 1 for the goods delivered under supply contract No. UVV-02-1032-21/10002101000124 dated 28.04.2021 including all annexes and additional agreements thereto between PJSC ROSSETI South and JSC ROSSETI Digital (hereinafter – the "Contract") in the amount of 219,220,894 (two hundred and nineteen million two hundred and twenty thousand eight hundred and ninety-four) roubles 72 kopecks, including 20% VAT in the amount of 36,536,815 (thirty six million five hundred thirty six thousand eight hundred fifteen) roubles 77 kopecks;

- the instalment payment interest amount at the weighted average interest rate of Party 2's debt portfolio as of 01.02.2022 of 9.15% (nine point fifteen hundredths) %, and after the bank has extended the credit facilities to Party 1 at the weighted average interest rate of Party 1's debt portfolio, to be determined upon opening the credit facility line and receipt of the credit tranche.

To determine that the price of the Agreement shall not exceed 10% or more of the book value of assets of PJSC Rosseti South according to its accounting statements as of the last reported date.

2. To provide consent to the transaction – agreement on debt redemption under supply contract No. UVV-02-1032-1/100021010124 dated 28.04.2021 between PJSC Rosseti South and JSC Rosseti Digital (hereinafter – the "Agreement"), being the interested party transaction, on the following material terms and conditions:

Parties to the Agreement:

PJSC Rosseti South (Party 2);

JSC Rosseti Digital (Party 1).

Subject of the Agreement:

Settlement of arrears deadlines under supply contract No. UVV-02-1032-21/100021010124 dated 28.04.2021 taking into account all annexes and additional agreements thereto (hereinafter – the "Contract").

The price of the Agreement:

The price of the Agreement consists of:

- the amount owed as of 01.07.2022 by Party 2 to Party 1 for goods supplied under the Contract, in the amount of 219,220,894 (two hundred and nineteen million two hundred and twenty thousand eight hundred and ninety-four) roubles 72 kopecks, including 20% VAT in the amount of 36,536,815 (thirty six million five hundred thirty six thousand eight hundred fifteen) roubles 77 kopecks;

- the instalment payment interest amount at the weighted average interest rate of Party 2's debt portfolio as of 01.02.2022 of 9.15% (nine point fifteen hundredths) %, and after the bank has extended the credit facilities to Party 1 at the weighted average interest rate of Party 1's debt portfolio, to be determined upon opening the credit facility line and receipt of the credit tranche.

The price of the Agreement shall not exceed 10% or more of the book value of assets of PJSC Rosseti South according to its accounting statements as of the last reported date.

Other material terms and conditions of the Agreement:

The Parties agree and confirm that as of 01.07.2022 Party 2 is indebted to Party 1 for Goods supplied under the Contract in the amount of 219,220,894 (two hundred and nineteen million two hundred and twenty thousand eight hundred and ninety-four) roubles 72 kopecks, including 20% VAT in the amount of 36,536,815 (thirty six million five hundred thirty six thousand eight hundred fifteen) roubles 77 kopecks.

Party 2 undertakes to repay the arisen debt for the goods delivered under the Contract in accordance with the amount and terms stipulated by the Payment Schedule (Appendix 6 hereof) based on the Minutes of the meeting of the Collegial Working Body (CWB) for review of disputes and conflicts of interest in the Rosseti Group No.2 dated 01.07.2022.

For providing instalment payments, Party 2 shall pay interest at the weighted average interest rate on Party 2's debt portfolio as of 01.02.2022 of 9.15% (nine point fifteen hundredths) %, and after the bank has extended the credit facilities to Party 1 at the weighted average interest rate of Party 1's debt portfolio, to be determined upon opening the credit facility line and receipt of the credit tranche.

The weighted average interest rate changes as follows:

- Party 1 shall notify Party 2 of the credit rate within 7 working days of the agreement with the bank and the disbursement of the credit;

- Party 2 shall, within 15 working days, send to Party 1 a draft supplementary agreement signed by it on the change of the interest rate to the weighted average interest rate of Party 1's loan portfolio, which shall apply to the Parties' relations arising from the receipt by Party 1 of the loan funds from the bank;

- Party 1 shall, upon receipt of a draft supplementary agreement on the above terms and conditions, send Party 2 the supplementary agreement signed (accepted) by it within 15 working days.

If Party 2 fails to send a draft additional agreement within the term specified in this clause, sends a draft additional agreement on different terms, sends a draft additional agreement signed by an unauthorised person (not signed, without proof of authority, etc.), or if Party 2 otherwise avoids entering into the said additional agreement on the terms and conditions agreed in this clause, the condition regarding the payment of interest at the weighted average rate of Party 1's loan portfolio shall be deemed to have been unconditionally agreed by the Parties without any exceptions.

Party 2 hereby certifies to Party 1 that it is aware of and accepts its obligation to pay interest on the instalment plan provided under the Agreement at the weighted average interest rate of Party 1's loan portfolio upon receipt of the notice referred to in this clause.

If Party 1 decreases or increases the weighted average rate on its loan portfolio, Party 1 shall give Party 2 7 working days' notice of the change in that rate. These amendments shall apply to the Parties' relations as from the date of the change in the weighted average rate for Party 1's loan portfolio.

The procedure for concluding a supplementary agreement on changing the interest rate is similar to the procedure set out in clause 3.1 of the Agreement.

Should Party 2 fail to comply with the payment deadlines set out in the Payment Schedule (Appendix 6 to this resolution), Party 1 reserves the right to take legal action to recover the amount owed.

In the event of proper performance of the obligations under the Agreement, Party 1 acknowledges Party 2's compliance with the terms of the Contract in relation to the due dates and amounts of the debt, specified in clause 1 of the Agreement and waives any claim against Party 2 in that respect.

The Parties agree that the Agreement is not a supplementary agreement to the Contract and does not modify any of the terms of the Contract, and is concluded solely for the purpose of settling the maturity of the debt under the Contract.

Term of Agreement:

The Agreement shall enter into force from the date of its signing by the Parties, shall remain in force until the Parties perform their obligations under the Agreement in full and shall apply to the relations of the Parties arising from 01.08.2022.

Persons with an interest in a transaction and the grounds for the interest:

Related Party	Grounds for a person's interest in a transaction
Public Joint Stock Company Russian Grids	Controlling entity – PJSC Rosseti South and JSC Rosseti Digital.
Kravchenko Konstantin Yurievich	Member of the Board of Directors of PJSC Rosseti South, concurrently acting General Director and member of the Board of Directors of JSC Rosseti Digital.
Krainski Daniil Vladimirovich	Member of the Board of Directors of PJSC Rosseti South, concurrently member of the Board of Directors of JSC Rosseti Digital.
Polinov Aleksey Aleksandrovich	Member of the Board of Directors of PJSC Rosseti South, concurrently member of the Board of Directors of JSC Rosseti Digital.

Pursuant to clause 3, Article 83 of the Federal Law "On Joint-Stock Companies", the decision on this issue shall be made by the Company's Board of Directors by a majority vote of the directors who have no interest in the transaction.

When adopting the resolution, the vote of Krainski Daniil Vladimirovich, Chairman of the Board of Directors, and members of the Board of Directors Kravchenko Konstantin Yuryevich and Polinov Aleksey Alexandrovich, as related parties, are not taken into account. In addition, the vote of Ebseev Boris Borisovich, a member of the Board of Directors, who is the person performing the functions of the sole executive body (General Director) and a member of the collegial executive body (Chairman of the Management Board) of the Company during one year, is not counted.

Voting results:

Dokuchaeva M.A.	-	"FOR"	Klinkov O. Yu.	-	"FOR"
Zarkhin V.Yu.	-	"AGAINST"	Nikitchanova E.V.	-	"FOR"
Korotkova M.V.	-	"FOR"	Tikhonova M.G.	-	"FOR"
Kazakov A.I.	-	"FOR"			

Resolution passed.

ISSUE NO. 5: On granting consent to a related party transaction.

RESOLUTION:

1. To determine that the price of the agreement on debt redemption under supply contract No. UVV-02-1234-21/10002101000149 dated 19.05.2021 between PJSC Rosseti South and JSC Rosseti Digital (hereinafter – the "Agreement"), being the interested party transaction, shall be as follows:

- amounts owed by Party 2 to Party 1 as of 01.07.2022 for goods delivered under the supply contract dated 19.05.2021 № UVV-02-1234-21/10002101000149 including all annexes and additional agreements thereto between PJSC ROSSETI South and JSC ROSSETI Digital (hereinafter – the "Contract") in the amount of 475,360,261 (four hundred and seventy-five million three hundred and sixty-one thousand two hundred and sixty-one) roubles 41 kopecks, including 20% VAT in the amount of 79,226,710 (seventy nine million two hundred and twenty six thousand seven hundred and ten) rubles 24 kopecks;

- the instalment payment interest amount at the weighted average interest rate of Party 2's debt portfolio as of 01.02.2022 of 9.15% (nine point fifteen hundredths) %, and after the bank has extended the credit facilities to Party 1 at the weighted average interest rate of Party 1's debt portfolio, to be determined upon opening the credit facility line and receipt of the credit tranche.

To determine that the price of the Agreement shall not exceed 10% or more of the book value of assets of PJSC Rosseti South according to its accounting statements as of the last reported date.

2. To provide consent to the transaction – agreement on debt redemption under supply contract No. UVV-02-1234-21/10002101000149 dated 19.05.2021 between PJSC Rosseti South and JSC Rosseti Digital (hereinafter – the "Agreement"), being the interested party transaction, on the following material terms and conditions:

Parties to the Agreement:

PJSC Rosseti South (Party 2);

JSC Rosseti Digital (Party 1).

Subject of the Agreement:

Settlement of arrears deadlines under supply contract No. UVV-02-1234-21/10002101000149 dated 19.05.2021 taking into account all annexes and additional agreements thereto (hereinafter – the "Contract").

The price of the Agreement:

The price of the Agreement consists of:

- amounts owed by Party 2 to Party 1 as of 01.07.2022 for goods delivered under the contract, in the amount of 475,360,261 (four hundred and seventy-five million three hundred and sixty-one thousand two hundred and sixty-one) roubles 41 kopecks, including 20% VAT in the amount of 79,226,710 (seventy nine million two hundred and twenty six thousand seven hundred and ten) rubles 24 kopecks;

- the instalment payment interest amount at the weighted average interest rate of Party 2's debt portfolio as of 01.02.2022 of 9.15% (nine point fifteen hundredths) %, and after the bank has extended the credit facilities to Party 1 at the weighted average interest rate of Party 1's debt portfolio, to be determined upon opening the credit facility line and receipt of the credit tranche.

The price of the Agreement shall not exceed 10% or more of the book value of assets of PJSC Rosseti South according to its accounting statements as of the last reported date.

Other material terms and conditions of the Agreement:

The Parties agree and confirm that as of 01.07.2022 Party 2 is indebted to Party 1 for Goods supplied under the Contract in the amount of 475,360,261 (four hundred and seventy-five million three hundred and sixty-one thousand two hundred and sixty-one) roubles 41 kopecks, including 20% VAT in the amount of 79,226,710 (seventy nine million two hundred and twenty six thousand seven hundred and ten) rubles 24 kopecksю

Party 2 undertakes to repay the arisen debt for the goods delivered under the Contract in accordance with the amount and terms stipulated by the Payment Schedule (Appendix 7 hereof) based on the Minutes of the meeting of the Collegial Working Body (CWB) for review of disputes and conflicts of interest in the Rosseti Group No.2 dated 01.07.2022.

For providing instalment payments, Party 2 shall pay interest at the weighted average interest rate on Party 2's debt portfolio as of 01.02.2022 of 9.15% (nine point fifteen hundredths) %, and after the bank has extended the credit facilities to Party 1 at the weighted average interest rate of

Party 1's debt portfolio, to be determined upon opening the credit facility line and receipt of the credit tranche.

The weighted average interest rate changes as follows:

- Party 1 shall notify Party 2 of the credit rate within 7 working days of the agreement with the bank and the disbursement of the credit;

- Party 2 shall, within 15 working days, send to Party 1 a draft supplementary agreement signed by it on the change of the interest rate to the weighted average interest rate of Party 1's loan portfolio, which shall apply to the Parties' relations arising from the receipt by Party 1 of the loan funds from the bank;

- Party 1 shall, upon receipt of a draft supplementary agreement on the above terms and conditions, send Party 2 the supplementary agreement signed (accepted) by it within 15 working days.

If Party 2 fails to send a draft additional agreement within the term specified in this clause, sends a draft additional agreement on different terms, sends a draft additional agreement signed by an unauthorised person (not signed, without proof of authority, etc.), or if Party 2 otherwise avoids entering into the said additional agreement on the terms and conditions agreed in this clause, the condition regarding the payment of interest at the weighted average rate of Party 1's loan portfolio shall be deemed to have been unconditionally agreed by the Parties without any exceptions.

Party 2 hereby certifies to Party 1 that it is aware of and accepts its obligation to pay interest on the instalment plan provided under the Agreement at the weighted average interest rate of Party 1's loan portfolio upon receipt of the notice referred to in this clause.

If Party 1 decreases or increases the weighted average rate on its loan portfolio, Party 1 shall give Party 2 7 working days' notice of the change in that rate. These amendments shall apply to the Parties' relations as from the date of the change in the weighted average rate for Party 1's loan portfolio.

The procedure for concluding a supplementary agreement on changing the interest rate is similar to the procedure set out in clause 3.1 of the Agreement.

Should Party 2 fail to comply with the payment deadlines set out in the Payment Schedule (Appendix 7 to this resolution), Party 1 reserves the right to take legal action to recover the amount owed.

In the event of proper performance of the obligations under the Agreement, Party 1 acknowledges Party 2's compliance with the terms of the Contract in relation to the due dates and amounts of the debt, specified in clause 1 of the Agreement and waives any claim against Party 2 in that respect.

The Parties agree that the Agreement is not a supplementary agreement to the Contract and does not modify any of the terms of the Contract, and is concluded solely for the purpose of settling the maturity of the debt under the Contract.

Term of Agreement:

The Agreement shall enter into force from the date of its signing by the Parties, shall remain in force until the Parties perform their obligations under the Agreement in full and shall apply to the relations of the Parties arising from 01.08.2022.

Persons with an interest in a transaction and the grounds for the interest:

Related Party	Grounds for a person's interest in a transaction
Public Joint Stock Company Russian Grids	Controlling entity – PJSC Rosseti South and JSC Rosseti Digital.
Kravchenko Konstantin Yurievich	Member of the Board of Directors of PJSC Rosseti South, concurrently acting General Director and member of the Board of Directors of JSC Rosseti Digital.
Krainski Daniil Vladimirovich	Member of the Board of Directors of PJSC Rosseti South, concurrently member of the Board of Directors of JSC Rosseti Digital.

Polinov Aleksey Aleksandrovich	Member of the Board of Directors of PJSC Rosseti South, concurrently member of the Board of Directors of JSC Rosseti Digital.
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Pursuant to clause 3, Article 83 of the Federal Law "On Joint-Stock Companies", the decision on this issue shall be made by the Company's Board of Directors by a majority vote of the directors who have no interest in the transaction.

When adopting the resolution, the vote of Krainski Daniil Vladimirovich, Chairman of the Board of Directors, and members of the Board of Directors Kravchenko Konstantin Yuryevich and Polinov Aleksey Alexandrovich, as related parties, are not taken into account. In addition, the vote of Ebseev Boris Borisovich, a member of the Board of Directors, who is the person performing the functions of the sole executive body (General Director) and a member of the collegial executive body (Chairman of the Management Board) of the Company during one year, is not counted.

Voting results:

Dokuchaeva M.A.	-	"FOR"	Klinkov O. Yu.	-	"FOR"
Zarkhin V.Yu.	-	"AGAINST"	Nikitchanova E.V.	-	"FOR"
Korotkova M.V.	-	"FOR"	Tikhonova M.G.	-	"FOR"
Kazakov A.I.	-	"FOR"			

Resolution passed.

Chairman of Board of Directors

D.V. Krainski

Corporate Secretary

E.N. Pavlova