

EXPLANATORY NOTE AND DRAFT RESOLUTION OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF IDGC OF SOUTH, PJSC

QUESTION NO. 4: Introduction of amendments to the Company's Charter requiring an application to the Ministry of Justice of the Russian Federation for permission to include a word derived from the official name "Russian Federation" or "Russia" in the new company name of the Company.

In accordance with Article 48 of the Federal Law "On Joint-Stock Companies", Sub-clause 1 of Clause 10.2 of the Charter of IDGC of the South, PJSC (hereinafter referred to as the Charter of the Company), amendments and addenda to the Charter of the Company are referred to the competence of the General Meeting of Shareholders of the Company.

The agenda of the Extraordinary General Meeting of Shareholders includes the issue "On introducing amendments to the Charter of the Company requiring an application to the Ministry of Justice of the Russian Federation for permission to include a word derived from the official name "Russian Federation" or "Russia" in the new company name of the Company.

The Board of Directors of IDGC of the South, PJSC, held on 28 June 2019 (Protocol No. 326/2019 of 01 July 2019), decided to join the Uniform Corporate Style Standard of «ROSSETI South», PJSC and the organizations of the ROSSETI Group of Companies, approved by a resolution of the Board of Directors of «ROSSETI South», PJSC (Protocol dated 30 July 2019, No. 353, issue 5), as well as approve the Roadmap for the Company's transition to the Uniform Corporate Style Standard of «ROSSETI South», PJSC and the organizations of the ROSSETI Group.

The Company's accession to the Uniform Corporate Style Standard of «ROSSETI South», PJSC and the organizations of the ROSSETI Group of Companies provides for bringing the Company's name into compliance with the Uniform Corporate Style Standard of «ROSSETI South», PJSC and the organizations of the ROSSETI Group of Companies, as well as for the transition of the ROSSETI Group of Companies to the Uniform Brand Architecture.

As part of this transition, it is planned to take measures to amend the charters of «ROSSETI South», PJSC subsidiaries to change their brand names.

Article 54 of the Civil Code of the Russian Federation establishes that the inclusion of the official name "Russian Federation" or "Russia" in the name of a legal entity, as well as words derived from this name, is allowed in cases provided for by law, decrees of the President of the Russian Federation or acts of the Government of the Russian Federation, or with a permit issued in accordance with the procedure established by the Government of the Russian Federation.

In accordance with clause 2 of the Rules of inclusion in the corporate name of the legal entity of the official name "Russian Federation" or "Russia", as well as words derived from this name (approved by the Decree of the Government of the Russian Federation dated

03.02.2010 No. 52, hereinafter - the Rules), permission to include in the corporate name of the legal entity of the official name "Russian Federation" or "Russia", as well as words derived from this name, issued by the Ministry of Justice of the Russian Federation.

DRAFT RESOLUTION:

To introduce amendments into the Company's Charter related to the change of the Company's name to «ROSSETI South», Public Joint-Stock Company, according to the Annex posted on the Company's official website at the address: <https://mrsk-yuga.ru/aktsioneru-investoru/vosa-2019/>.

To apply to the Ministry of Justice of the Russian Federation with an application for permission to include the word derived from the official name "Russian Federation" or "Russia" in the new company name of the Company.

These amendments to the Company's Charter shall come into effect from the moment of registration in the Uniform State Register of Legal Entities after the receipt of the relevant permission of the Ministry of Justice of the Russian Federation to change the name of the Company.