

4.2. GENERAL MEETING OF SHAREHOLDERS

In accordance with Clause 5 of the Regulations on the Management of the Federally Owned Shares of Open Joint-Stock Companies and Exercising the Special Right for the Participation of the Russian Federation in the Management of Open Joint-Stock Companies (the "Golden Share") approved by Russian Government Resolution No. 738 dated 3 December 2004, the rights of the shareholder – the Russian Federation – are exercised by the Federal Agency for State Property Management, as agreed with the Russian Ministry of Transport.

On 29 June 2018, the PAO Sovcomflot Annual General Meeting of Shareholders was held (Instructions No. 519-r of the Federal Agency for State Property Management dated 29 June 2018), which adopted the following resolutions:

- Approve the 2017 annual report of PAO Sovcomflot;
- Approve the annual accounting (financial) statements of PAO Sovcomflot for 2017;
- Approve the following distribution of the net profit of PAO Sovcomflot for 2017 amounting to RUB 3,391,390 thousand:
 - > for payment of dividends on the shares of PAO Sovcomflot for 2017: RUB 1,696,000 thousand;
 - > earnings to be retained by PAO Sovcomflot: RUB 1,695,390 thousand;
- Pay the dividends on the ordinary shares of PAO Sovcomflot based on 2017 performance in the amount of RUB 1,696 million, which equates to 0.86235949 roubles per ordinary registered share of PAO Sovcomflot, and set the 10th day following the date of the decision to pay dividends as the dividend record date;
- Elect members of the PAO Sovcomflot Board of Directors and Auditing Commission.
- Pay compensation to the members of the PAO Sovcomflot Board of Directors who are non-government officials in the amount determined in accordance with the Company's internal documents;
- Approve Ernst & Young LLC as the auditor of PAO Sovcomflot for 2018.
- Approve amendments to the Charter of PAO Sovcomflot and the revised version of the Regulations on the PAO Sovcomflot Board of Directors.

At the extraordinary general meeting of shareholders of PAO Sovcomflot held on 1 March 2018 (Instructions No. 95-r of the Federal Agency for State Property Management dated 1 March 2018) it was decided to cancel the placement of equity securities of an additional issue - 280,956,743 ordinary registered uncertified shares with a nominal value of 1 rouble each - registered by the Bank of Russia on 12 March 2015 (state registration number of the issue: 1-01-10613-A). It was also decided again to increase the authorised capital of PAO Sovcomflot by placing additional ordinary registered shares (the "Shares") on the previous terms:

- number of securities to be placed: 280,956,743;
- nominal value: 1 rouble each;
- procedure for determining the placement price of the shares: the placement price of the additional shares (one Share), which shall not be below the nominal value, shall be determined by the Board of Directors of PAO Sovcomflot no later than the shares placement commencement date in accordance with Articles 36 and 77 of Federal Law No. 208-FZ "On Joint-Stock Companies" dated 26 December 1995 after the state registration of the additional issue of securities. The placement price of the Shares shall be disclosed in the manner to be established in the decision on additional issue of securities and the securities prospectus in accordance with Federal Law No. 39-FZ "On Securities Market" dated 22 April 1996 and applicable regulations;
- method of placement: public subscription;
- payment method: the shares shall be paid for in Russian roubles and/or US dollars (if payments in foreign currency are allowed by regulations at the time of payment) in a cashless way.