

SALE OF 44.33 MILLION ORDINARY SHARES IN PUBLIC JOINT STOCK COMPANY “M.VIDEO”

27.07.2017 07:19

Not for publication, distribution or release directly or indirectly, in whole or in part, in or into the United States, Australia, Canada, Japan, or Republic of South Africa or in any other jurisdiction in which offers or sales would be prohibited by applicable law.

SALE OF 44.33 MILLION ORDINARY SHARES IN PUBLIC JOINT STOCK COMPANY “M.VIDEO”

Moscow, 27 July 2017 – Further to the announcement released on July 26 regarding a proposed sale of shares by way of an accelerated bookbuilding, Public Joint Stock Company M.video (the “Company”; Moscow Exchange ticker: MVID) has been informed by its shareholder Lagranolia Holdings Limited which belongs to SAFMAR Group (the “Selling Shareholder”) that the Selling Shareholder has agreed to sell approximately 44.33 million ordinary shares of the Company (the “Shares”), which amounts to approximately 24.66% of the Company’s share capital (the “Sale”). The Shares were placed in an accelerated private placement to international institutional investors outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and within the United States to qualified institutional buyers in private placements exempt from, or not subject to, the registration requirements of the Securities Act.

The Sale was priced at RUB 405 per Share. VTB Capital acted as the Sole Global Coordinator and Bookrunner in the associated accelerated bookbuilding process.

Following the completion of the Sale, the ownership interest of SAFMAR Group in the Company is expected to decrease to approximately 57.68% of the share capital of the Company.

Subject to certain exceptions, the Selling Shareholder and SAFMAR Group have agreed to a lock-up period of 90 days following the closing of the Sale with respect to their ownership of the Company shares.

The contents of this announcement have been prepared by PJSC “M.video”. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy, any securities to any person in the United States, Australia, Canada or Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Shares referred to herein may not be offered or sold in the United States unless registered under the U.S. Securities Act of 1933 (the “Securities Act”) or offered in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The offer and sale of the Shares referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Shares referred to herein may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan.

In member states of the European Economic Area (“EEA”) (each, a “Relevant Member State”), this announcement and any offer if made subsequently is directed only at persons who are “qualified investors” within the meaning of the Prospectus Directive (“Qualified Investors”). For these purposes, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU. In the United Kingdom this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise lawfully be communicated, and any investment activity to which it relates will only be engaged in with such persons and it should not be relied on by anyone other than such persons. Persons in the United Kingdom who are not relevant persons and persons in other Relevant Member States who are not Qualified Investors should not take any action on the basis of this announcement and should not act or rely on it.

The information in this announcement is subject to change.

The Sole Global Coordinator and Bookrunner is acting exclusively for the Selling

Shareholder and no-one else in connection with the Sale. It will not regard any other person as its clients in relation to the offering of the Shares and will not be responsible to anyone other than the Selling Shareholder for providing the protections afforded to its respective clients, nor for providing advice in relation to the Sale, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Sale, the Sole Global Coordinator and Bookrunner and any of its affiliates may take up a portion of the Shares as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Shares and other securities of the Company or related investments in connection with the offering or otherwise. In addition, the Sole Global Coordinator and Bookrunner and any of its affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the Sole Global Coordinator and Bookrunner and any of its affiliates may from time to time acquire, hold or dispose of shares. The Sole Global Coordinator and Bookrunner does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Neither the Sole Global Coordinator and Bookrunner nor any of its directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Selling Shareholder or the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

This announcement and information contained herein does not constitute an advertisement of any securities, or any other kind of advertisement, in the Russian Federation.