SAFMAR GROUP ANNOUNCES RESULTS OF VOLUNTARY TENDER OFFER TO MINORITY SHAREHOLDERS OF PJSC M.VIDEO FOR THE PURCHASE OF SHARES IN THE COMPANY

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· As part of voluntary tender offer to minority shareholders SAFMAR Group purchased 44 331 429 uncertificated registered ordinary shares of PJSC M.video, approximately equal to 24.66% of share capital

· Current free float of uncertificated registered ordinary shares of PJSC M.video is 31 754 562 shares, approximately equal to 17.66% of share capital

Moscow, 26 July 2017 – SAFMAR Group announces results of voluntary tender offer to minority shareholders of PJSC M.video (the “Company”) for the acquisition of uncertificated registered ordinary shares (the “Shares”) in the Company. 44 331 429 shares for a total amount of RUB 17 668.5 million, approximately equal to 24.66% of share capital, were tendered.

PJSC M.video will remain a public company with shares traded in Level 1 list of the Moscow Exchange, and approximately 17.66% of share capital of the Company will remain a public float. The Company will continue to adhere to best practice corporate governance.

28 April 2017 SAFMAR Group made voluntary tender offer to minority shareholders of PJSC M.video for the purchase of shares of the Company (the “Voluntary Tender Offer”) at a price of USD 7 per share. The Voluntary Tender Offer was made as part of the acquisition of approximately 57.68% stake in PJSC M.video from Alexander Tynkovan and his partners. Earlier the transaction was approved by FAS.

All payments related to the Voluntary Tender Offer were completed before its due time in full accordance with the Russian law. A total of RUB 17 668.5 million was paid to minority shareholders.

SAFMAR Group intends to rename PJSC M.video to PJSC Safmar Retail and

establish a management company on its basis. Eldorado Group, controlled by SAFMAR Group, will also be part of a new company. At the same time, Safmar Retail will continue developing M.video and Eldorado chains as independent businesses, retaining separate management teams. As previously announced, 7 August 2017 PJSC M.video will hold Extraordinary general shareholders' meeting for the elections to the Board of the Company.

Mikail Gutseriev, founder of SAFMAR Group, commented on the Voluntary Tender Offer: "As a majority shareholder we intend to keep PJSC M.video as a public company and believe that the Company has appealing growth potential and is attractive to investors. M.video and Eldorado are leading consumer electronic retailers and have significant synergy potential as well as capabilities and expertise for new ambitious projects".

Alexander Tynkovan, the President and Founder of M.video, commented: "The Voluntary tender offer by SAFMAR Group to minority shareholders of M.video is in line with best practice corporate governance. Management of the Company and myself fully support the decision to remain public newly established Safmar Retail holding. We will put all our effort into further growth of market capitalization of the Company and strengthening its market position".

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