

M.VideoEldorado

1H 2022 FINANCIAL & OPERATIONAL RESULTS UPDATE



DISCLAIMER

The information contained herein has been prepared by PJSC "M.video" (the "company"). The information and opinions presented herein are based on information gathered at the time of its publication and are therefore subject to change without notice. While the company relies on information obtained from sources believed to be reliable, it does not guarantee accuracy or completeness of such information. The contents of this presentation have not been independently verified by or on behalf of the company or any of its advisers (the "advisers"), or by any other independent third party. No reliance may be placed for any purposes whatsoever on the information contained in this presentation or on its completeness, accuracy or fairness. No representation or warranty, express or implied, is made or given by or on behalf of the company or any of its subsidiaries, shareholders, directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation. Accordingly, none of the company, any of its subsidiaries, any of the company's or its subsidiaries' advisers, or any of the company's respective subsidiaries, affiliates, advisers, representatives or any other person shall have any liability whatsoever (in negligence or otherwise) for any loss whatsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation.

The information and opinions contained in this presentation (including without limitation any forward-looking statements as referred to below) are provided as at the date of this presentation and are subject to change without notice. Matters discussed in this presentation may constitute forward-looking statements.

This presentation contains statements about future events and expectations. Any statement in these materials that is not a statement of historical fact including, without limitation, those regarding the company's or its group's financial position, business strategy, plans and objectives for future operations, outlook and growth prospects, future plans and potential for future growth; growth in demand for products, economic outlook and industry trends and developments of markets, involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company or its group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the company's or its group's present and future business strategies and the environment in which the company or its group will operate in the future. These assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are

beyond its control and it may not achieve or accomplish these expectations, beliefs or projections. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. These forward looking statements speak only as at the date as of which they are made, and none of the company, the advisers or any of their respective members, directors, officers, employees, agents or advisers intend or have any duty or obligation to supplement, amend, update or revise any of the forward looking statements contained in this presentation, or to reflect actual results, changes in assumptions or changes in factors affecting these statements, any change in the company's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statements are based or to update or to keep current any other information contained in this presentation.

Certain financial information included in this presentation including, but not limited to, non-IFRS financial information, may not have been audited, reviewed or verified by an independent accounting firm. The inclusion of such financial information in this presentation or any related presentation should not be regarded as a representation or warranty by the company, the advisors, any of their respective affiliates or any of their or their affiliates' respective members, directors, officers or employees as to the accuracy or completeness of such information's portrayal of the financial condition or results of operations of the company or its group.

Some numerical figures included in this presentation have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables or graphs may not be an arithmetic aggregation of the figures that preceded them.

This presentation does not constitute an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever.

This presentation is not directed to, or intended for distribution to, directly or indirectly, or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such publication, availability or use would be contrary to law or regulation or which would require any registration, licensing or other permission within such jurisdiction.

In any European economic area member state that has implemented regulation (EU) 2017/1129, as amended (together with any applicable

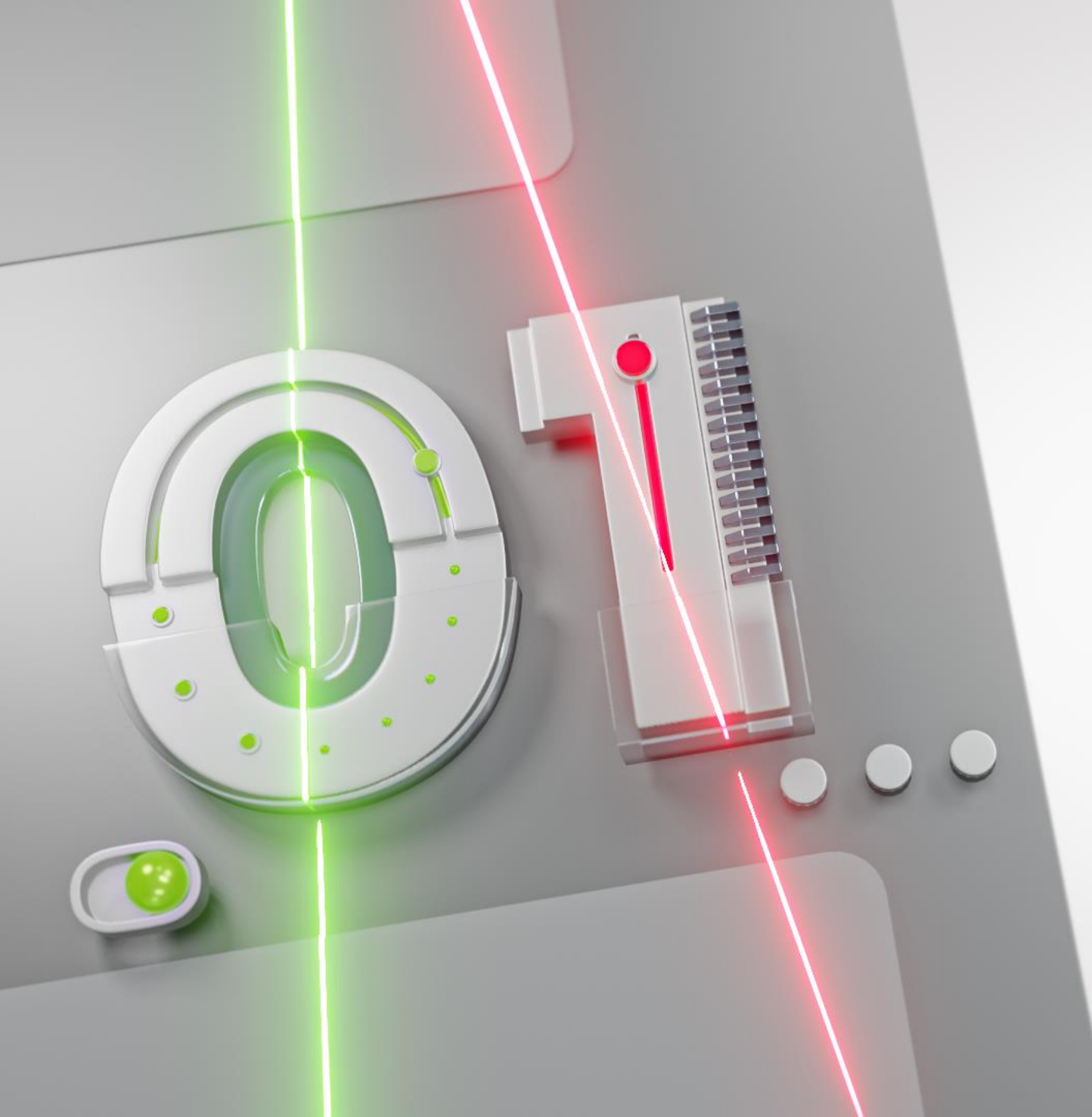
implementing measures in any member state, the "prospectus regulation"), this presentation is addressed solely to qualified investors (within the meaning of article 2(e) the prospectus regulation) in that member state. In addition, in the united kingdom, this presentation is only being distributed to and directed at (i) persons who are outside the united kingdom or (ii) investment professionals falling within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within article 49(2)(a) to (d) of the order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this communication relates will only be available to and will only be engaged in with relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents. Neither this presentation nor any part or copy of it may be taken or transmitted into Australia, Canada or Japan or distributed directly or indirectly in Canada or distributed or redistributed in Japan or to Canadian persons or to any securities analyst or other person resident in any of those jurisdictions.

This presentation does not constitute an offer of securities for sale in the United States of America. Accordingly, neither this presentation nor any part or copy of it may be taken or transmitted into the United States of America, its territories or possessions, any state of the United States and the District of Columbia or distributed, directly or indirectly, in the United States of America, its territories or possessions, any state of the United States and the District of Columbia, except in reliance on an exemption from the registration requirements of the U.S. Securities act of 1933 (the "securities act"). The company's securities have not been and will not be registered under the securities act and may not be offered or sold in the United States of America except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the securities act.

This presentation is not a public offer or advertisement of securities or any other kind of advertisement, in the Russian Federation, and is not an offer, or an invitation to make offers, to purchase, sell, exchange or transfer any securities in the Russian Federation.

No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This presentation does not constitute a recommendation regarding the securities of the company.

By viewing this presentation, you agree to be bound by the foregoing limitations and conditions and, in particular, will be taken to have represented, warranted and undertaken that you have read and agree to comply with the contents of this disclaimer.



- **BUSINESS UPDATE**

- FINANCIAL HIGHLIGHTS

- APPENDIX

KEY 1H 2022 OPERATING AND FINANCIAL HIGHLIGHTS



Total

262 bn RUB

GMV¹

+1 %

GMV growth
year-on-year



Online

67 %

Share of Total online sales

46 %

Share of mobile
platform sales



Retail chain

1,248

Stores

93 %

Share of sales made
using store infrastructure



Gross margin

20.6 %

Gross margin in 1H 2022

+16 %

Gross profit growth
year-on-year²



EBITDA

7.0 bn RUB

IAS 17-based EBITDA

+3.9 pp

Adjusted EBITDA Margin
growth year-on-year³

(1) Gross merchandise value (GMV) includes purchases in retail stores (including pickup orders), orders paid for online and delivered, paid shipments to legal entities from warehouses. Purchases made in stores and online orders may be made by individuals and legal entities. GMV includes sales of goods and services, which may be owned by the Company or agents. GMV includes VAT and excludes returns and discounts offered to customers for the reporting period. GMV is not revenue of the Company; (2) To ensure correct presentation of the Group's semi-annual financial results, the 2021 financial statements were adjusted to exclude from the 1H 2021 results the estimated accruals of supplier bonuses that were not confirmed later, with the simultaneous exclusion from the 2H 2021 results of the reversal adjustments of these accruals; (3) Adjusted EBITDA for 1H 2021 is based on restated figures and excludes the one-off transactions: income from the sale of goods.ru marketplace and income from the write-off of the subsidized loan obtained in 2020 as part of the government program to support companies most affected by COVID-19. The total value of the one-off transactions is RUB 6.1 bn. Note: Company financials in accordance with IAS 17 accounting standard, unless stated otherwise. Source: Company data. 4

1H 2022: GMV REMAINED SLIGHTLY POSITIVE YOY

GMV

(RUB bn)

■ Share of Total online sales (TOS) □ Share of sales on mobile platform

22%

42%

46%

208

258

262

56%

67%

67%

Annual growth

Sales on mobile platform

+12%

Share of sales on Mobile Platform

+4pp

1H 2020

1H 2021

1H 2022

Identified active customers (IAC)¹

(mn people)

■ OneRetail² ■ Non-OneRetail □ Share of OneRetail customers

44%

57%

64%

17.4

19.8

18.9

9.7

8.5

6.9

7.7

11.3

12.1

Annual growth

OneRetail customers

+7%

Share of OneRetail customers

+7pp

June 2020

June 2021

June 2022

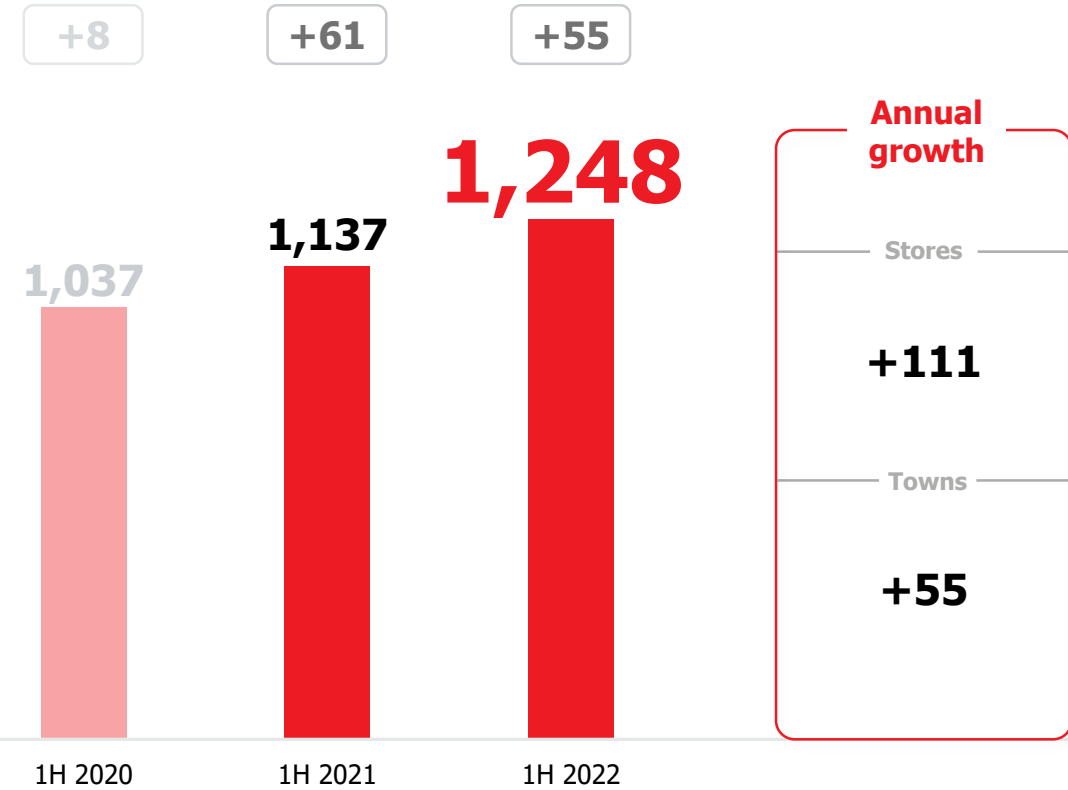
(1) The Company defines identified active customers as those who have logged in and made at least one purchase through any sales channel during the year; (2) The Company defines One Retail customers as those who signed in and made at least one purchase during the year through the web platform or mobile platform, including customer and consultant apps. Source: Company data.

93% OF ORDERS WERE FULFILLED USING STORE INFRASTRUCTURE, THE MOST COST-EFFICIENT OPTION

Number of stores

(by the end of the period)

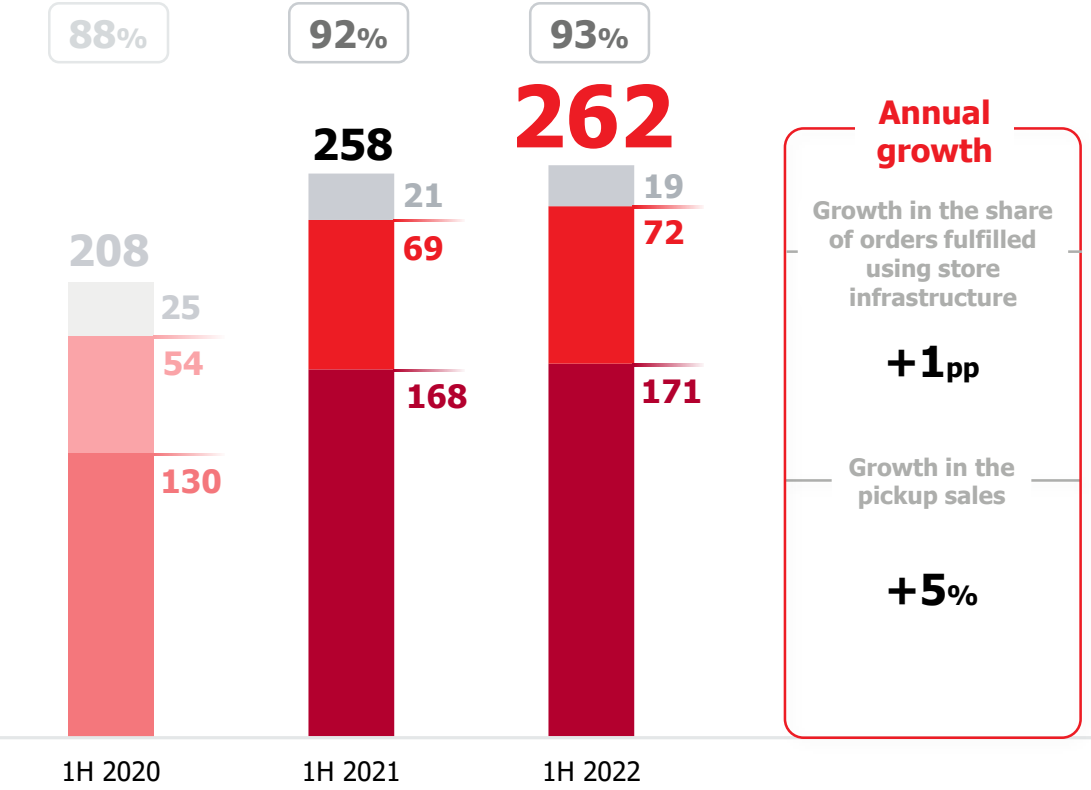
□ The number of new towns entered



GMV split by fulfillment channel

(RUB bn)

■ In-store ■ Pickup ■ Delivery □ Share of orders fulfilled using store infrastructure



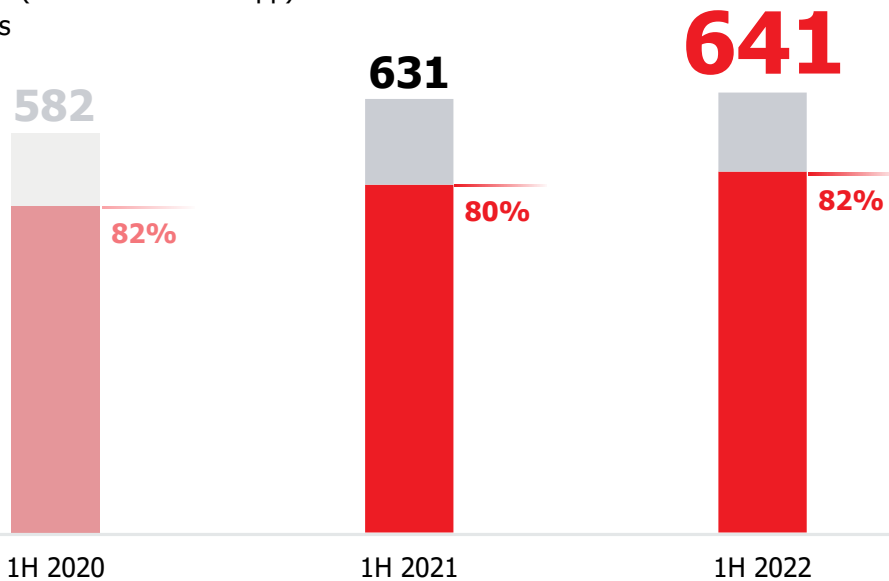
Source: Company data.

WITH 80% GROWTH YOY CUSTOMER APP WAS A KEY CONTRIBUTOR TO THE TRAFFIC GROWTH IN 1H

Traffic

(mn visits)

- Online (Web + Customer App)
- Stores



Customer app traffic	Group average ticket	Average ticket growth
+80%	RUB 10,967	+22%

- The Group generated +10 mn traffic (+2%) in 1H 2022. The traffic structure continues to change towards online channels reaching 82% share in the total number of visits. In 2Q 2022 traffic decrease was just about 3%
- Customer App was a top-performer during the whole 1H: a growth +80% enabled the channel to occupy 1/3 share in total traffic
- Group average ticket increased +22% YoY to RUB 10,967 due to a spike in demand recorded in 1Q following macroeconomic uncertainty and FX volatility

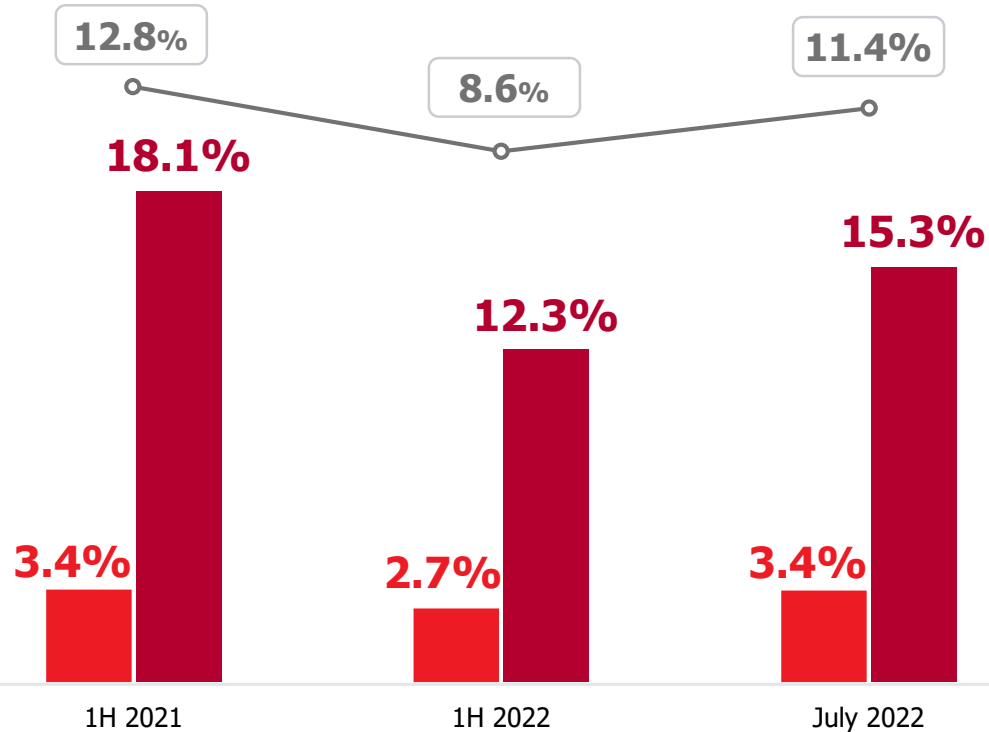
Source: Company data.

SERVICES AND CREDIT SALES SHOW STRONG SIGNS OF RECOVERY

Services and Credit sales¹

(%)

■ Share of services in GMV ■ Share of credit sales in GMV
 □ Share of service in Gross profit²



- Services and credit sales are important components of the Group profitability: in 1H 2022 services made up to 9% of the gross profit, while credit sales tend to stimulate extra demand on high-margin products such as TV's and large appliances
- In 1H 2022 sales of services decreased to 2.7% share in GMV mainly affected by 1Q high demand characterized by purchases of high-value products. Sales started to recover in May and in July reached prior year share in GMV 3.4%
- In 1H 2022 credit sales accounted to 12.3% in GMV with a minimum 4.6% in March caused by volatility in the CBR³ key rate. Since May, credit sales have been recovering following a decrease in the key rate and reaching 15.3% share in July.

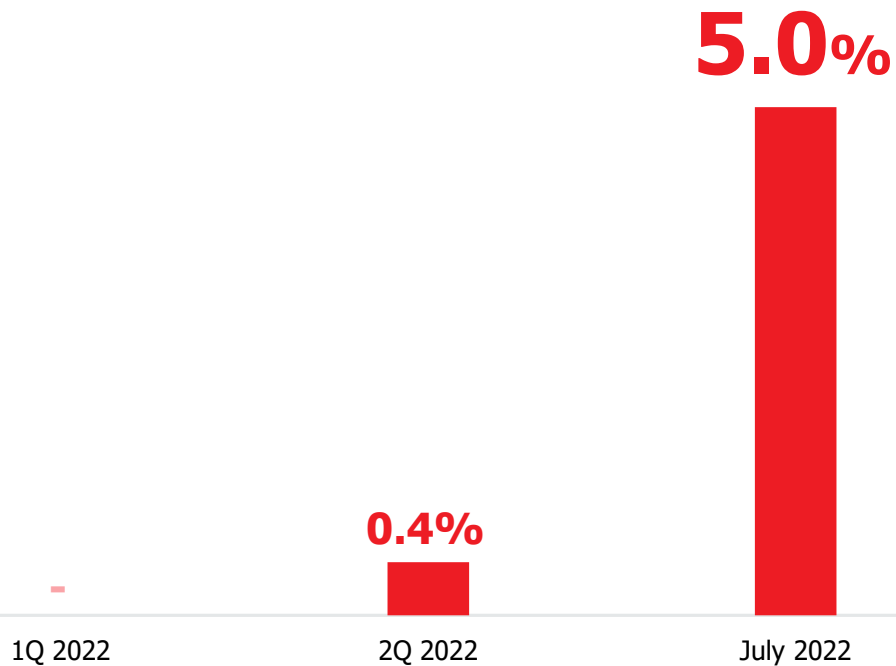
(1) Credit sales include POS credit sales and installment cards sales; (2) To ensure correct presentation of the Group's semi-annual financial results, the 2021 financial statements were adjusted to exclude from the 1H 2021 results the estimated accruals of supplier bonuses that were not confirmed later, with the simultaneous exclusion from the 2H 2021 results of the reversal adjustments of these accruals; (3) CBR denotes Central Bank of Russia. Note: Company financials in accordance with IAS 17 accounting standard, unless stated otherwise. Source: Company data.

IMPORTS HAVE BEEN RISING REACHING 5% SHARE IN TOTAL GMV IN JULY

Imported goods dynamics

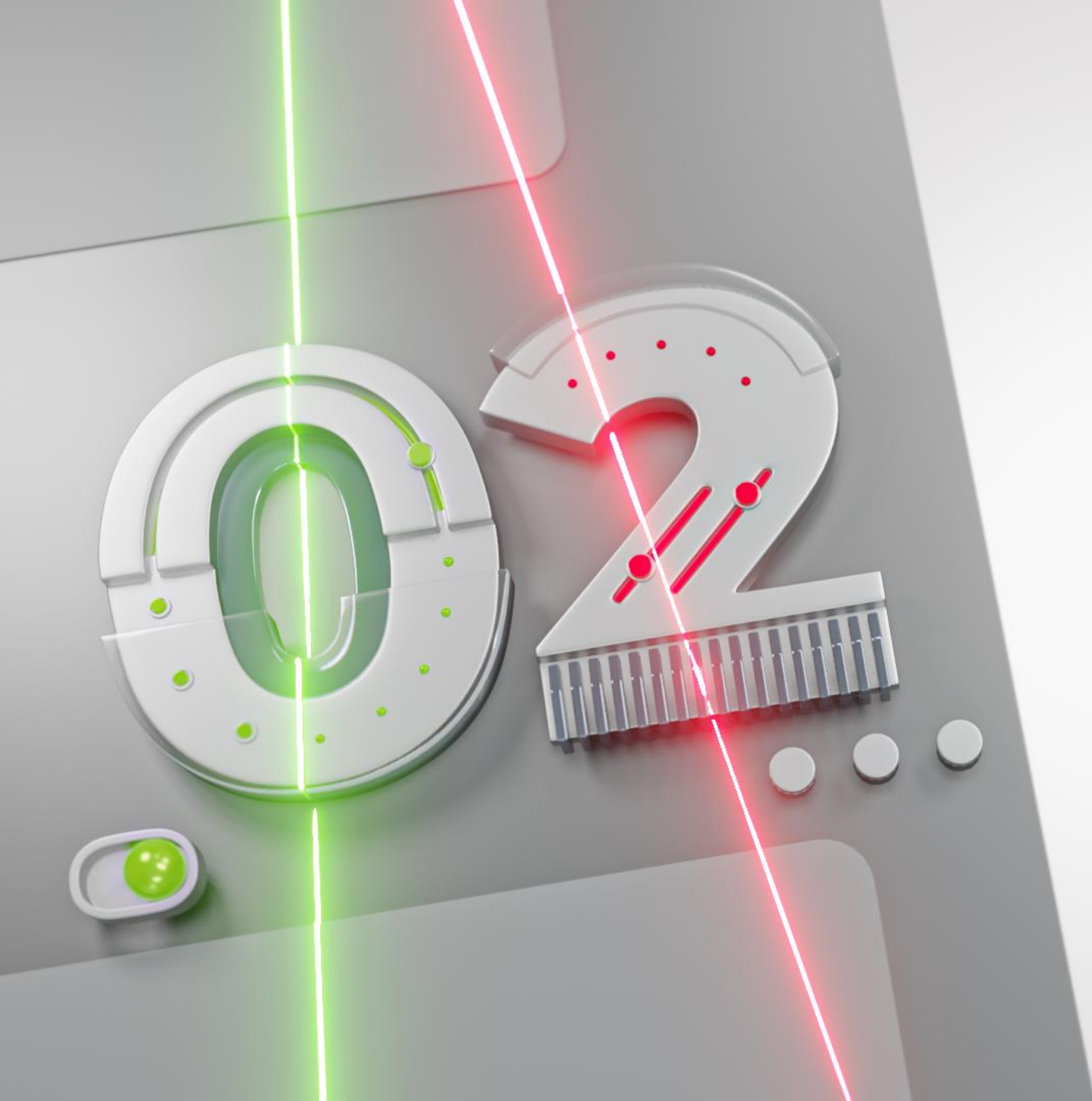
(%)

■ Share of imported goods in total sales



Source: Company data.

- By the end of 2Q 2022 the Group had import contracts with suppliers from China, UAE, Turkey, Uzbekistan, Kazakhstan shipping high-liquid products from domestic appliances to digital electronics
- In July sales of imported goods grew 4.5x month-to-month reaching 5% share in total GMV and expected to grow further
- Imports allow the Group to compensate for the sales of brands officially left the market. The Company will continue to develop imports and expects further upside on margins due to economies of scale and better commercial terms



- BUSINESS UPDATE

- **FINANCIAL HIGHLIGHTS**

- APPENDIX

1H 2022 GROUP REVENUE AND GROSS PROFIT

Group revenue (net of VAT)

(RUB bn)

215.6

218.8

% of online
in total sales

1H 2022

67%



1H 2021

67%

⊕ **1.5%**

1H 2022 /
1H 2021

1H 2021

1H 2022

Group gross profit¹

(RUB bn)

38.7

45.0

Gross
margin¹

1H 2022

20.6%



1H 2021

18.0%

⊕ **16.2%**

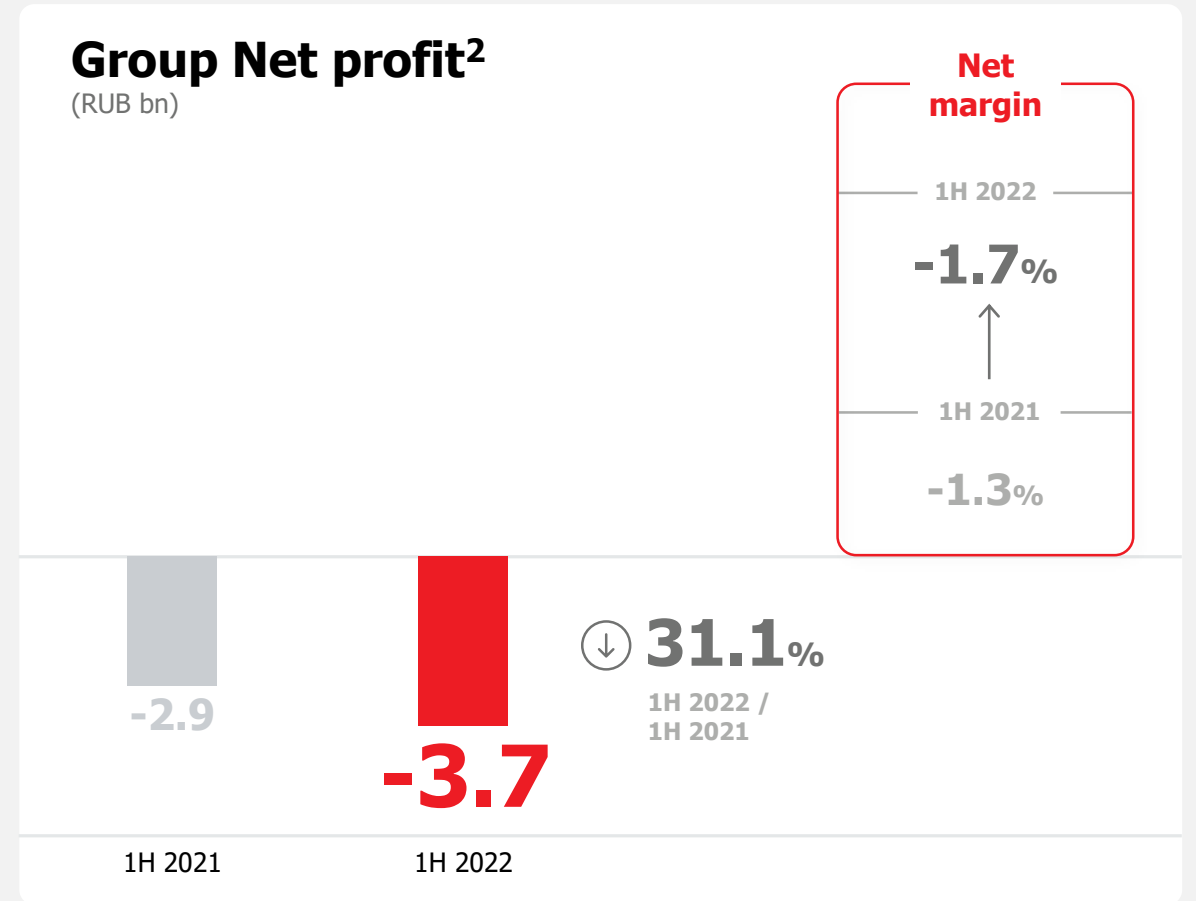
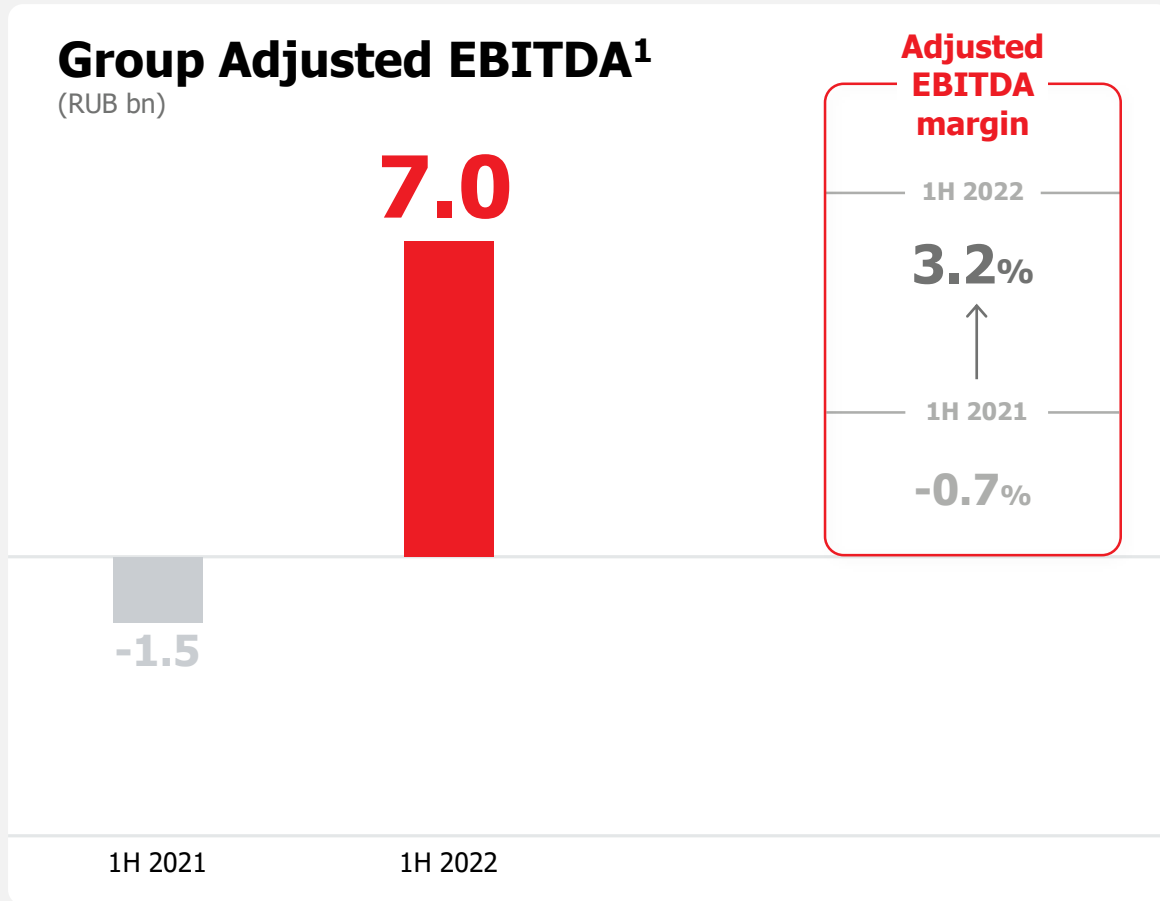
1H 2022 /
1H 2021

1H 2021

1H 2022

(1) To ensure correct presentation of the Group's semi-annual financial results, the 2021 financial statements were adjusted to exclude from the 1H 2021 results the estimated accruals of supplier bonuses that were not confirmed later, with the simultaneous exclusion from the 2H 2021 results of the reversal adjustments of these accruals. Note: Company financials in accordance with IAS 17 accounting standard unless stated otherwise. Source: Company data.

1H 2022 GROUP ADJUSTED EBITDA AND NET PROFIT



(1) Adjusted EBITDA for 1H 2021 is based on restated figures and excludes the one-off transactions: income from the sale of goods.ru marketplace and income from the write-off of the subsidized loan obtained in 2020 as part of the government program to support companies most affected by COVID-19. The total value of the one-off transactions is RUB 6.1 bn; (2) Net profit for 1H 2021 is based on restated figures. Note: Company financials in accordance with IAS 17 accounting standard, unless stated otherwise. Source: Company data.

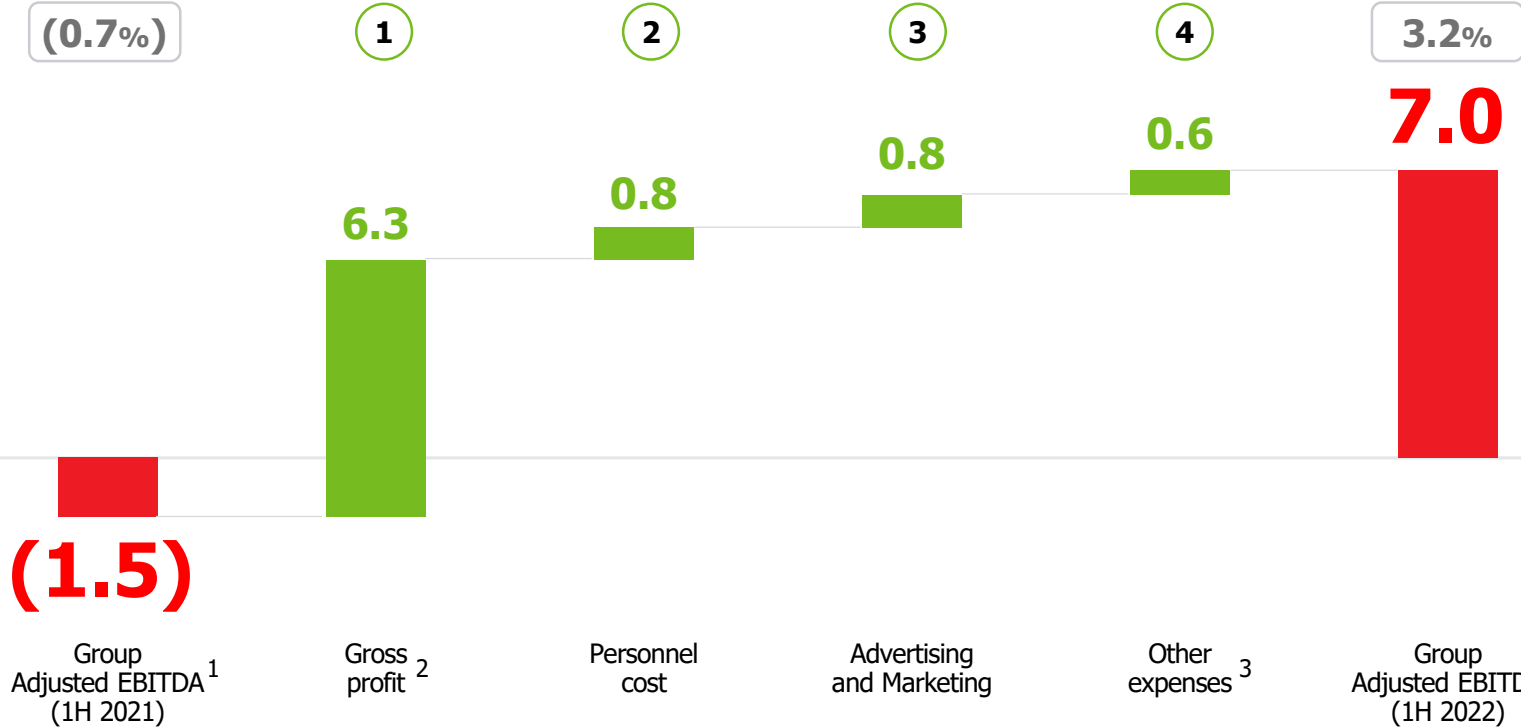
1H 2022 ADJUSTED EBITDA EVOLUTION

Adjusted EBITDA evolution

(RUB bn)

Adjusted EBITDA margin

(0.7%)



- 1 **A growth in Gross profit supported by:**
 - New commercial terms with suppliers & increased degree of supplier engagement in business
 - Increased efficiency of warehouse logistics and last mile processes
- 2 Savings in personnel cost are obtained by an optimization in the organizational hierarchy and automation of processes
- 3 A decrease in expenses on advertising caused by refocus on more efficient marketing channels and development of communication via own mobile platform
- 4 A decrease in other expenses in caused by an implementation of an optimization program

(1) Adjusted EBITDA for 1H 2021 is based on restated figures and excludes the one-off transactions: income from the sale of goods.ru marketplace and income from the write-off of the subsidized loan obtained in 2020 as part of the government program to support companies most affected by COVID-19. The total value of the one-off transactions is RUB 6.1 bn; (2) To ensure correct presentation of the Group's semi-annual financial results, the 2021 financial statements were adjusted to exclude from the 1H 2021 results the estimated accruals of supplier bonuses that were not confirmed later, with the simultaneous exclusion from the 2H 2021 results of the reversal adjustments of these accruals; (3) Including savings in expenses reflected in "Other Operating Expenses" line item. Note: Company financials in accordance with IAS 17 accounting standard, unless stated otherwise. Source: Company data.

1H 2022 GROUP LEVERAGE

Net debt / Adjusted EBITDA¹

(x)

□ Weighted average interest rate

7.7% 7.8% 10.6%

5.3x

2.7x

2.3x

30.06.2021

31.12.2021

30.06.2022

Net debt

30.06.2022

67.9

↑

31.12.2021

57.1

↑

30.06.2021

64.0

Group gross debt by maturity period

(RUB bn)

22.4

29.6

19.0

2022

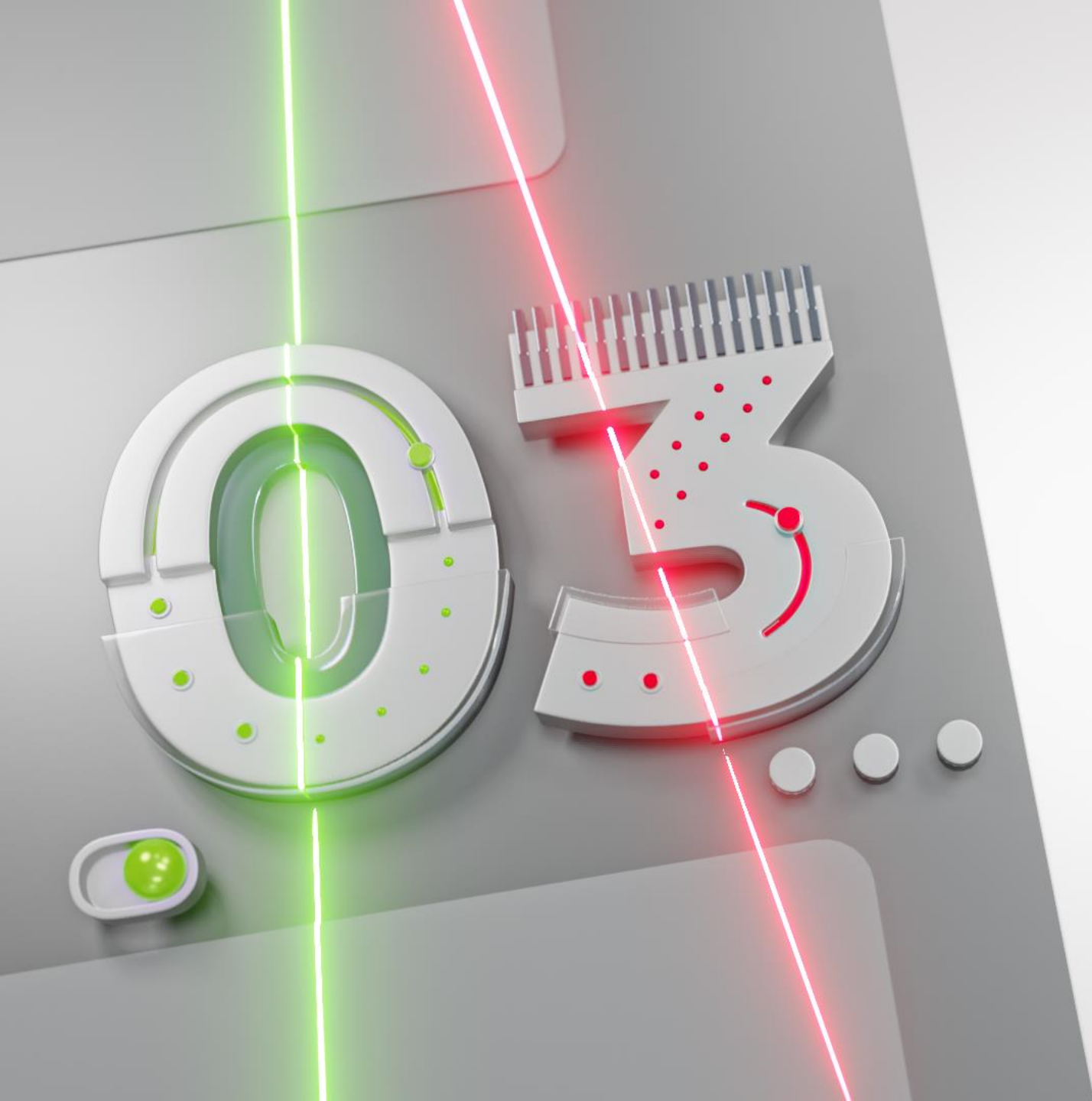
2023

2024

- The coefficient of Net debt to adjusted EBITDA¹ decreased by 3.0x YoY and by 0.4x since the end of 2021

- Net debt was slightly higher than prior year level due to recovery of working capital and investments in import operations

(1) Adjusted EBITDA for 1H 2021 is based on restated figures and excludes the one-off transactions: income from the sale of goods.ru marketplace and income from the write-off of the subsidized loan obtained in 2020 as part of the government program to support companies most affected by COVID-19. The total value of the one-off transactions is RUB 6.1 bn. Note: Company financials in accordance with IAS 17 accounting standard, unless stated otherwise. Source: Company data.



- BUSINESS UPDATE

- FINANCIAL HIGHLIGHTS

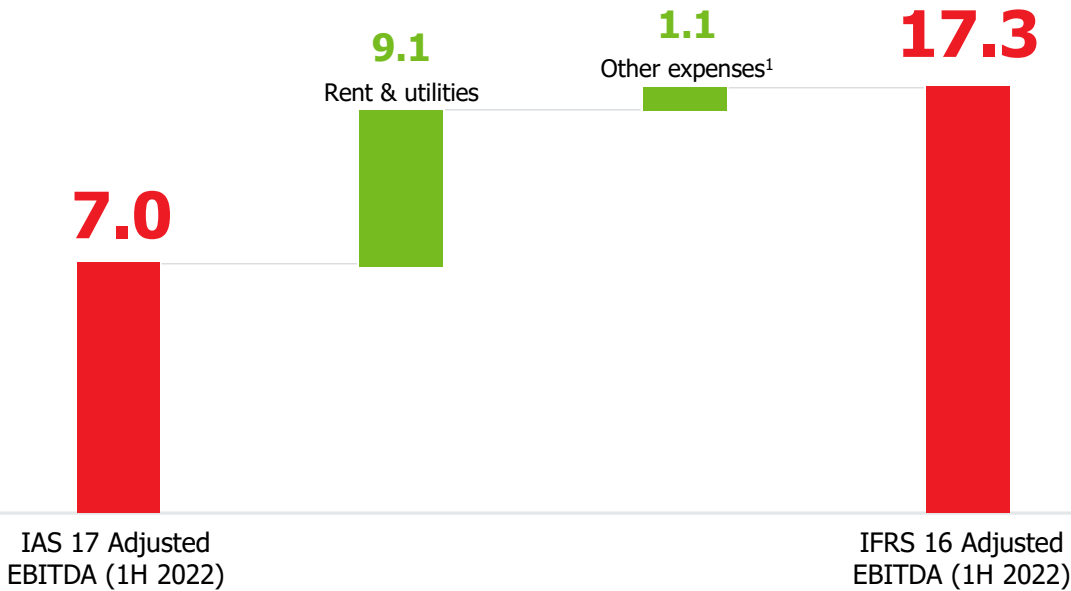
- **APPENDIX**

IFRS 16 VS IAS 17 ADJUSTED EBITDA AND NET PROFIT OVERVIEW

IFRS 16 EBITDA higher

due to changes in recognition of long-term lease expenses

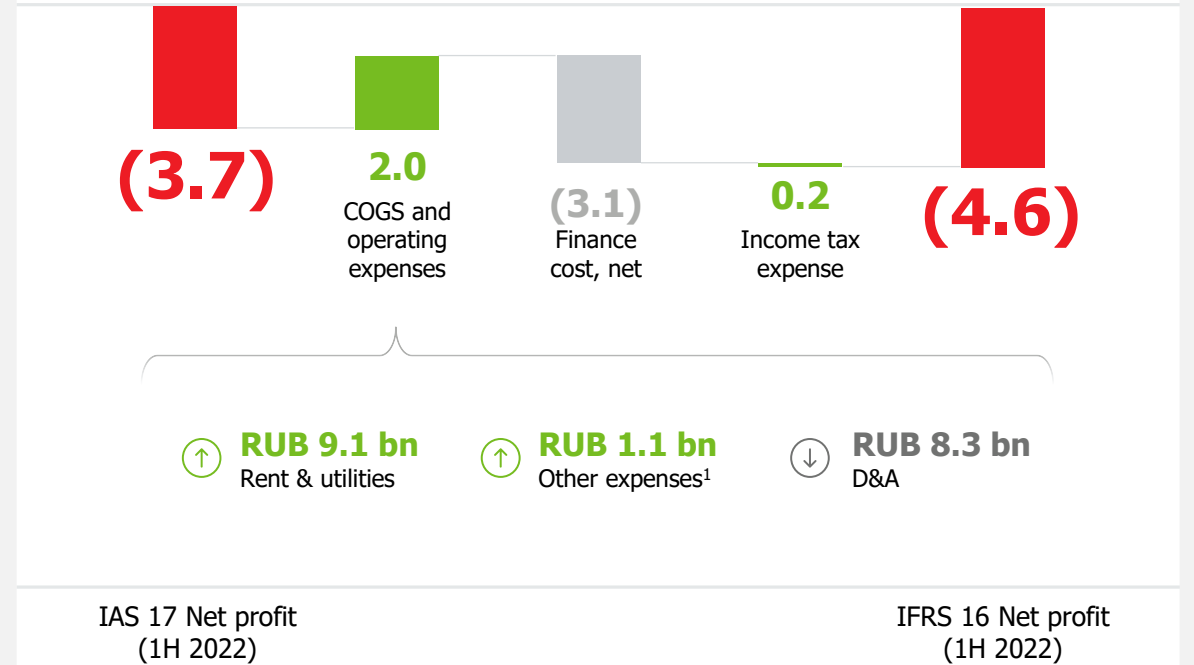
(RUB bn)



IFRS 16 net profit lower

mainly due to changes in finance cost

(RUB bn)



(1) Includes changes in cost of sales, advertising and marketing expenses, warehouse services expenses, other operating expenses. Source: Company data.

GROUP PROFIT & LOSS KEY HIGHLIGHTS

In million Russian rubles (excl. VAT)	1H 2022	1H 2021	Change YoY	1H 2022	1H 2021	Change YoY
	IAS 17	IAS 17		IFRS 16	IFRS 16	
Revenue	218,815	215,570	+1.5%	218,815	215,570	+1.5%
Gross profit¹	44,973	38,718	+16.2%	45,006	38,747	+16.2%
Gross margin, %	20.6%	18.0%	+2.6pp	20.6%	18.0%	+2.6pp
Selling general and administrative expenses (excl. D&A)	(37,824)	(39,973)	(5.4%)	(27,580)	(29,627)	(6.9%)
Other operating income, net	(147)	(202)	(27.1%)	(156)	(124)	+26.3%
EBITDA	7,002	4,635	+51.1%	17,270	15,088	+14.5%
EBITDA margin, %	3.2%	2.2%	+1.0pp	7.9%	7.0%	+0.9pp
Adjusted EBITDA²	7,002	(1,456)	-	17,270	8,996	+92.0%
Adjusted EBITDA margin², %	3.2%	(0.7%)	+3.9pp	7.9%	4.2%	+3.7pp
Depreciation and amortization	(5,413)	(4,217)	+28.4%	(13,704)	(12,515)	+9.5%
Finance income / (cost), net	(6,136)	(4,070)	+50.8%	(9,189)	(7,230)	+27.1%
Income tax expense	(802)	(793)	+1.0%	(1,017)	(1,010)	+0.7%
Net loss	(3,747)	(2,859)	+31.1%	(4,606)	(3,647)	+26.3%
Net margin, %	(1.7%)	(1.3%)	(0.4pp)	(2.1%)	(1.7%)	(0.4pp)

(1) To ensure correct presentation of the Group's semi-annual financial results, the 2021 financial statements were adjusted to exclude from the 1H 2021 results the estimated accruals of supplier bonuses that were not confirmed later, with the simultaneous exclusion from the 2H 2021 results of the reversal adjustments of these accruals; (2) Adjusted EBITDA for 1H 2021 is based on restated figures and excludes the one-off transactions: income from the sale of goods.ru marketplace and income from the write-off of the subsidized loan obtained in 2020 as part of the government program to support companies most affected by COVID-19. The total value of the one-off transactions is RUB 6.1 bn. Source: Company data.

GROUP SG&A EXPENSE BREAKDOWN

In million Russian rubles (excl. VAT)	1H 2022	1H 2021	Change YoY	1H 2022	1H 2021	Change YoY
	IAS 17	IAS 17		IFRS 16	IFRS 16	
Payroll expenses	12,955	13,751	-5.8%	12,955	13,751	-5.8%
As % of revenue	5.9%	6.4%	-0.5pp	5.9%	6.4%	-0.5pp
Lease and utility expenses	11,894	11,486	+3.6%	2,747	2,081	+32.0%
As % of revenue	5.4%	5.3%	+0.1pp	1.3%	1.0%	+0.3pp
Advertising & marketing	3,053	3,848	-20.7%	3,001	3,792	-20.9%
As % of revenue	1.4%	1.8%	-0.4pp	1.4%	1.8%	-0.4pp
Bank charges	2,061	2,587	-20.3%	2,062	2,588	-20.3%
As % of revenue	0.9%	1.2%	-0.3pp	0.9%	1.2%	-0.3pp
Warehouse services	2,556	2,547	+0.3%	1,513	1,661	-8.9%
As % of revenue	1.2%	1.2%	-0.0pp	0.7%	0.8%	-0.1pp
Security expenses	1,277	1,076	+18.7%	1,277	1,075	+18.8%
As % of revenue	0.6%	0.5%	+0.1pp	0.6%	0.5%	+0.1pp
Repairs and maintenance	1,123	1,145	-1.9%	1,122	1,145	-2.0%
As % of revenue	0.5%	0.5%	-0.0pp	0.5%	0.5%	-0.0pp
Other expenses	2,905	3,533	-17.8%	2,903	3,534	-17.9%
As % of revenue	1.3%	1.6%	-0.3pp	1.3%	1.6%	-0.3pp
SG&A expenses (excl. depreciation and amortization)	37,824	39,973	-5.4%	27,580	29,627	-6.9%
As % of revenue	17.3%	18.5%	-1.3pp	12.6%	13.7%	-1.1pp
Depreciation and amortization	5,413	4,217	+28.4%	13,704	12,515	+9.5%
As % of revenue	2.5%	2.0%	+0.5pp	6.3%	5.8%	+0.5pp
Total SG&A expenses	43,238	44,190	-2.2%	41,284	42,142	-2.0%
As % of revenue	19.8%	20.5%	-0.7pp	18.9%	19.5%	-0.7pp

Source: Company data.

GROUP STATEMENT OF FINANCIAL POSITION

In million Russian rubles	30.06.2022	31.12.2021	30.06.2022	31.12.2021
	IAS 17	IAS 17	IFRS 16	IFRS 16
Assets				
Non-current assets	106,453	107,543	174,844	182,369
Property, plant and equipment	15,746	17,696	15,625	17,675
Intangible assets and goodwill	78,638	78,226	78,328	77,837
Right-of-use assets	-	-	67,905	74,075
Other non-current assets	12,069	11,621	12,986	12,782
Current assets	152,788	262,937	148,898	261,003
Inventories	110,904	163,840	110,904	163,840
Accounts receivable	18,136	46,716	18,364	46,865
Cash and cash equivalents	2,874	12,053	2,874	12,053
Other	20,874	40,328	16,756	38,245
Total assets	259,241	370,480	323,742	443,372
Equity and Liabilities				
Equity	28,650	32,549	18,456	23,212
Equity attributable to owners of the Company	28,650	32,549	18,456	23,212
Liabilities	230,591	337,931	305,286	420,160
Trade accounts payable	134,316	237,324	134,316	237,324
Current lease liabilities	-	-	15,733	15,797
Other current liabilities	81,392	70,853	76,570	68,776
Non-current lease liabilities	-	-	64,090	68,628
Other non-current liabilities	14,883	29,754	14,577	29,635
Total liabilities and equity	259,241	370,480	323,742	443,372

Source: Company data.

GROUP STATEMENT OF CASH FLOW

In million Russian rubles	1H 2022	1H 2021	1H 2022	1H 2021
	IAS 17	IAS 17	IFRS 16	IFRS 16
Operating activities				
Operating cash flows before movements in WC	6,975	(1,205)	17,259	8,928
(Increase) / Decrease in inventories	52,853	(2,169)	52,853	(2,169)
Decrease in trade accounts payable	(104,091)	(9,005)	(104,091)	(9,006)
Other	41,581	94	41,151	251
Interest paid	(6,368)	(3,162)	(9,824)	(6,056)
Income taxes paid	204	(3,194)	204	(3,194)
Net cash used in operating activities	(8,846)	(18,641)	(2,448)	(11,246)
Investing activities				
CAPEX - Property, plant and equipment	(345)	(1,711)	(345)	(1,712)
CAPEX - Intangible assets	(3,463)	(3,083)	(3,463)	(3,083)
Proceeds from disposal of investment in joint venture	-	4,134	-	4,134
Interest received and other	1,264	79	1,264	79
Net cash used in investing activities	(2,544)	(581)	(2,544)	(582)
Financing activities				
Dividends paid	-	(6,783)	-	(6,783)
Proceeds from borrowings (net of repayment)	2,212	22,546	2,212	22,546
Repayment of lease obligations	(1)	(30)	(6,399)	(7,424)
Net cash (used in) / received from financing activities	2,211	15,733	(4,187)	8,339
Net increase / (decrease) in cash and cash equivalents	(9,179)	(3,489)	(9,179)	(3,489)
Net foreign exchanges difference	-	1	-	1
Cash and cash equivalents, beginning of the period	12,053	7,445	12,053	7,445
Cash and cash equivalents, end of the period	2,874	3,957	2,874	3,957

Source: Company data.