

Sales of computer accessories hit 5-year high in Russia during lockdown

16 June 2020, Moscow, Russia. M.Video-Eldorado Group (PJSC M.Video, MOEX: MVID), Russia's largest consumer electronics retailer by revenue and part of SAFMAR Group owned by Mikhail Gutseriev has analysed the demand for peripherals, networking hardware, and webcams in January-April 2020. Users spent a record RUB 8.5 billion on keyboards, headsets, mice, webcams, and routers for home offices, e-learning and gaming. Sales in volume terms hit a five-year high of about 5.8 million devices.

According to M.Video-Eldorado Group, in January-April 2020, the sales of peripherals, webcams and networking hardware that include keyboards, mice, and hands-free kit amounted to 5.8 million devices and RUB 8.5 billion, a year-on-year increase of over 10% and 25% in volume and value terms, respectively. The demand was at its highest in March and April, driven by mass transition to remote working and e-learning in the wake of lockdown restrictions. Gaming accessories account for approximately 30% of the total sales, which testifies to the increased popularity of PC games during the lockdown period. **M.Video-Eldorado saw demand for the above categories outpace the market average, growing at 12% and 35% in volume and value terms, respectively.**

Alexey Pomezov, Head of Home Office at M.Video-Eldorado Group: *'During lockdown, the need for computer hardware and accessories became more than evident, with users increasingly working and studying from home. A major trend has been the growing popularity of computer games that helped boost sales in the peripherals segment. Mindful of the overall environment and the shifting consumption patterns, we have fully switched to our online platform as we sought to give our customers a quick and safe access to the equipment they need. All of these initiatives, combined with efficient logistics and sufficient inventories helped the Company to meet the demand and show a higher than average growth in sales.'*

Webcams have emerged as the fastest growing home office accessories

Over 4M 2020, webcam sales increased by 85% year-on-year in volume terms and 2.4 times in value terms. In April, 3.4 times more webcams were sold than in April 2019. The average ticket rose by 25% to RUB 2,500 with users opting for more expensive HD cameras to ensure higher quality video conferencing for their remote working, distance learning, and vlogging needs. Among the best-selling were devices by Logitech, Defender, Sven, A4 Tech, and Canyon. Twenty percent of all webcams in the market were sold at M.Video and Eldorado stores, which saw their webcam sales soar 2.4 times and 3.4 times in volume and value terms, respectively. **In April alone, the number of webcams sold by the Group surged 5x, which is 50% higher than the market average growth rate.**

Wireless routers have gained in popularity during lockdown

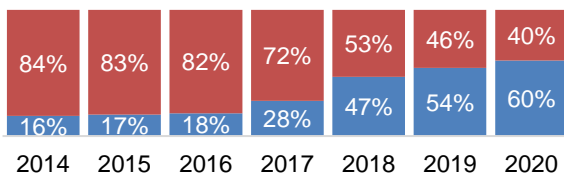
The networking hardware for fast and reliable internet access recorded a 20% growth in volume terms in January-April 2020 and a 28% increase in terms of value. The demand peaked in March and even to a greater extent in April. Routers accounted for 85% of sales in the category, followed by Wi-Fi boosters and wireless access points. 60% of all routers sold support the most common and affordable 802.11n wireless-networking standard. About half of all routers use the 2.4 GHz frequency (with dual-band devices taking up about a third of the market), and deliver data speeds of 150–300 Mbps. TP-Link, Keenetic, ASUS, Huawei and Mikrotik were among the best-selling brands. **M.Video-Eldorado Group outperformed the market with sales in the category growing by 23% in volume and 50% in value terms.**

Almost a third of all peripherals were bought for gaming and entertainment

Gaming peripherals are increasingly competing with office devices, supported by advances in technology and design, as well as the growing popularity of esports. In January-April, gaming keyboards, mice and headsets accounted for 29% of all peripheral devices sold. In value terms, their share was 53% of the market. Revenue from gaming devices has exceeded sales of office accessories for the second year in a row. In every segment, Bloody leads as the most popular gaming brand, while Logitech remains the brand of choice in classic accessories.

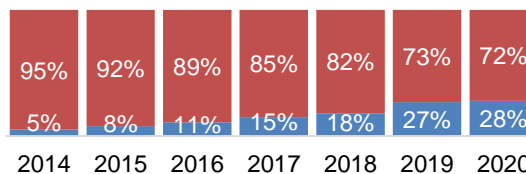
In 4M 2020, the demand for gaming peripherals went up by 19% in volume and 26% in value, while conventional accessories added 2% and 12%, accordingly. The average ticket for gaming models was RUB 2,000, which is 2.7 times higher than the ticket for office models. **M.Video-Eldorado Group saw the demand for all types of peripherals rise by a total of 7% in volume terms and 24% in value terms.**

Customer demand by types of hands-free sets



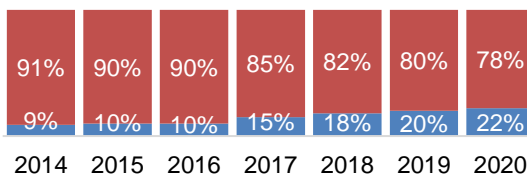
■ Gaming ■ Non-gaming

Customer demand by types of computer keyboards



■ Gaming ■ Non-gaming

Customer demand by types of computer mice



■ Gaming ■ Non-gaming

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About M.Video-Eldorado Group

About M.Video-Eldorado Group (PJSC M.video) is Russia's largest consumer electronic retailer uniting the M.Video and Eldorado brands in the market for home appliances and electronics. The companies' total annual turnover exceeds RUB 430 billion, including VAT (FY 2019). The M.Video-Eldorado Group is the only Russian publicly-traded company in the electronics retail sector. The company's shares are currently traded on Moscow Exchange (ticker: MVID).

The Group operates Russia's largest online platform for consumer electronics and household appliances commanding a market share of over 30%. As of March 31, 2020, the Group also operates 514 stores under the M.Video brand, 504 stores under the Eldorado brand and 20 m_mobile stores in more than 250 cities across Russia with a total selling space of 1,451 thousand square meters. The Group has 100% online coverage in all cities of operation.

Investor Relations:

Maxim Novikov, IR Director,
Maxim.Novikov@mvideo.ru
Tel: +7 (495) 644 28 48, ext. 1425

Media Contacts:

Valeriya Andreeva, Head of PR
valeriya.andreeva@mvideo.ru
Tel: +7 (495) 644 28 48, ext. 7386