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M.Video-Eldorado Free Float Increases to 24% After the SPO

March 12, 2021, Moscow, Russia.

PJSC M.video (the “Company” and together with its subsidiaries the “M.Video-Eldorado Group” or the Group; MOEX: MVID), a leading Russian e-commerce and consumer electronics retailer and part of the SAFMAR Group, has been informed by the SAFMAR Group that the secondary placement of 24,279,174 shares of the Company (the “**Sale Shares**”) by ERICARIA Holdings Ltd., owned by the SAFMAR Group (the “**Selling Shareholder**”), has priced at RUB 725.00 per share (the “**Offering**”).

Said Gutseriev, Chairman of M.Video-Eldorado Group’ Board of Directors:

“We are extremely pleased to see the strong interest in the Offering from domestic and international investors. I believe this is an endorsement of M.Video-Eldorado Group’s achievements as a leading consumer electronics retailer and one of the largest e-commerce players in Russia, as well as of our Strategy going forward. I have no doubt that the additional 13.5% of free float will further enhance the Company’s investment case and help make its shares accessible to a wider range of investors and improve trading liquidity.”

“We have recently announced a number of other changes that investors certainly welcome. First, under the new dividend policy we aim to pay out at least 100% of net profit as dividends on a semi-annual basis, meaning investors will be able to participate in our success as we implement our strategy of profitable growth. Second, we aim to increase the share of Independent Directors on the Board of Directors, thus helping to ensure we have a wide range of expertise as well as balanced representation of the interests of different groups of shareholders at the Board level.”

“We welcome leading international and Russian investors, as well retail investors, and are happy to share the Company’s success with them.”

Alexander Izosimov, CEO of M.Video-Eldorado Group:

“As the team and I work hard to implement our ambitious strategic goals, we are confident that the Company’s commitment to sharing the results of its success with shareholders, combined with the potential increased liquidity following this Offering, will continue to attract new investors to our shares.”

“In recent years we have built a strong business that leverages our proprietary OneRetail technology to offer customers a seamless online and offline shopping experience. We will continue developing our mobile platform and scaling OneRetail across our unmatched nationwide network of stores and distribution centers as we work to implement our ambitious strategy. By further scaling our best-in-class online platform, augmented by a consumer electronics marketplace, and growing our digital sales of both products and value-added services, we aim to double the size of the business to a GMV of RUB 1 trillion by 2025.”

Prior to completion of the Offering, the SAFMAR Group held an aggregate 132,140,111 ordinary shares, representing 73.5% of the Company's share capital. Following the completion of the Offering by the Selling Shareholder, the SAFMAR Group retains an aggregate shareholding of approximately 60% of the Company's share capital.

The Company will not receive any proceeds from the Offering. The Selling Shareholder's sale of the Sale Shares will not result in dilution of the Company's issued and outstanding shares.

BofA Securities, J.P. Morgan, UBS Investment Bank and VTB Capital acted as Joint Global Coordinators and Joint Bookrunners in connection with the Offering (the "Joint Global Coordinators"). Renaissance Capital acted as Adviser to the Company in connection with the Offering.

About the Group

M.Video-Eldorado Group (PJSC M.video) is a leading Russian e-commerce and consumer electronics retailer that unites the M.Video and Eldorado brands. The Group's GMV exceeded RUB 500 billion including VAT at the end of 2020, and it is currently the only Russian consumer electronics retailer whose shares are publicly traded. The Company's shares are listed on Moscow Exchange (Ticker: MVID).

As of December 31, 2020, the Group had stores across more than 250 Russian cities, with 542 and 532 stores under the M.Video and Eldorado brands, respectively. Overall selling space was 1,475 thousand square meters, while total floor space was 2,015 thousand square meters.

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Each of the Company, J.P. Morgan Securities plc, Merrill Lynch International, UBS Europe SE and VTB Capital plc and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revised any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Any purchase of Sale Shares in the Offering should be made solely on the basis of the information contained in the final Offering Memorandum to be issued by the Company in connection with the Offering. The information in this announcement is subject to change.

Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the Offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.

Each of Merrill Lynch International, J.P. Morgan Securities plc and VTB Capital plc is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated in the United Kingdom by the PRA and the Financial Conduct Authority. UBS Europe SE is authorised under German Banking Law (competent authority: the European Central Bank (the “**ECB**”)) and is subject to supervision by the ECB and by BaFin, Germany’s Federal Financial Supervisory Authority. The Joint Global Coordinators are acting exclusively for the Selling Shareholder and no-one else in connection with the Offering and will not regard any other person as a client in relation to the Offering and will not be responsible to any other person for providing the protections afforded to their respective clients or for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Joint Global Coordinators and any of their respective affiliates acting as an investor for its or their own account or accounts may purchase Sale Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account or accounts in such Sale Shares, any other securities of the Company or other related investments in connection with the Offering or otherwise.

Accordingly, references in the Offering Memorandum, once published, to the Sale Shares being offered, sold, purchased or otherwise dealt with should be read as including any offer or sale to, or purchase or dealing by, the Joint Global Coordinators and any of their respective affiliates acting as an investor for its or their own account or accounts. In addition, the Joint Global Coordinators and any of their respective affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with the Offering. The Joint Global Coordinators and any of their respective affiliates may from time to time acquire, hold or dispose of Sale Shares, any other securities of the Company or other related investments in connection with the Offering. The Joint Global Coordinators do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

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