# Sber and M.Video-Eldorado to jointly develop goods.ru

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28 January 2021, Moscow, Russia. PJSC M.Video (M.Video-Eldorado Group, the Company, or the Group; MOEX: MVID), Russia's leading consumer electronics multichannel retail company, and part of the SAFMAR Group owned by Mikhail Gutseriev, has signed a memorandum of intent with Sber and founder and co-owner of goods.ru Alexander Tynkovan. The three sides confirmed their intent to develop the goods.ru marketplace together. The parties expect to conclude a binding agreement in 1H 2021 following completion of due diligence and after all necessary approvals and permits have been granted by corporate governance bodies and the Federal Antimonopoly Service of Russia.

As part of the transaction, Sber intends to invest about RUB 35 billion. Most of these funds will be invested into the further development of goods.ru (Marketplace LLC). Sber also plans to acquire a portion of M.Video-Eldorado Group's stake in goods.ru. As a result, Sber's ownership of goods.ru will amount to 85%, with the holdings of M.Video-Eldorado Group and Alexander Tynkovan at 10% and 5%, respectively. All three parties are to be represented in the board of directors of the marketplace.

The partners expect that the integration of goods.ru into the Sber ecosystem, combined with Sber's capabilities, expertise and strong experience in e-commerce, as well as synergies with other projects in the Sber ecosystem, such as SberMarket, SBER EAPTEKA (Sber ePharmacy), SberLogistics and Samokat, will transform goods.ru into one of Russia's key e-commerce companies. Goods.ru will become the main multi-category e-commerce platform for Sber, where 18 main categories with 2.5 million products are already represented today, and their number will increase in the future.

M.Video-Eldorado Group will focus on developing its core business while remaining a partner in the joint venture. M.Video-Eldorado Group plans to continue diversifying its own marketplace offering under the third-party model (3P: sales of partner products without accumulating inventory) using goods.ru infrastructure on its own platform (on a white label basis) and to cooperate with goods.ru on other projects.

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

The development of goods.ru to date confirms M.Video-Eldorado's vast expertise in e-commerce and its ability to quickly adapt to new digital models and practices, even as the business environment changes rapidly. This partnership

with Sber will fuel the marketplace’s growth and enable it to be part of a leading ecosystem project in Russian e-commerce.

Lev Khasis, First Deputy Chairman of the Executive Board at Sberbank:

Presenting our three-year strategy during the latest Sber Investor Day, we paid much attention to the evolution of e-commerce services and set ourselves some ambitious goals in this industry. The partnership with M.Video-Eldorado Group and Alexander Tynkovan is a vital step to achieving our goals. Our competencies, the invaluable experience, and the extensive expertise of the founder and shareholders of M.Video-Eldorado Group will position us to create an attractive service meeting today’s customer demands.

Alexander Tynkovan, founder and co-owner of goods.ru:

It took goods.ru only three years to evolve from the first prototype into one of the leading Russian e-commerce companies. The team was able to bring our vision of a true marketplace to life – it is an open platform with no inventory that connects sellers and buyers. Its strength is that it is an easily scalable model that it is complementary for any other platforms. We see great potential in combining the vast expertise of goods.ru in non-food online retail with Sber’s experience in e-grocery and logistics, including last mile delivery services. Investments and integration into Sber’s ecosystem will enable goods.ru to offer the best services for customers and partnership terms for sellers.