

**М.ВИДЕО | ЭЛЬДОРАДО**

Chief electronics  
expert

# Expertise Quality Service

Annual report 

2024



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# Reshaping the industry

Over 30 years ago, we pioneered consumer electronics and home appliance retail in Russia. Today, as the leader in the Russian market, we continue to maintain a strong growth momentum.

**1,226**

stores nationwide  
(+100 new stores  
opened in 2024)



**+25**

new cities





# Expertise Quality Service

The main priority and the foundation of M.Video-Eldorado's business is quality in everything we do. On our shelves there are only high-quality and sought-after goods, guaranteeing our customers reliability and durability of their use. Quality service and personalized customer interaction bring us closer to being the first choice for any need in household appliances.

We are the foremost  
experts **in quality...**





## We are chief experts in quality...



### ...of household appliances and electronics

At M.Video-Eldorado we pride ourselves on the fact that all appliances and electronics are original certified goods with a quality guarantee.

We thoroughly check our suppliers and are confident in the quality of the goods they offer. This enables us not only to expand our product range, but also to be responsible for the quality of every item on our shelves.

# 21%



of our assortment consists of our private labels, brands, and product lines available only at M.Video and Eldorado. This makes us even more attractive for customers looking for exclusive products.

See [the Assortment Management](#) for details.



### ...of service

We pride ourselves on offering our customers expert support when purchasing any product, allowing them to make informed decisions based on professional advice and guidance.

Our team of experts not only helps you choose the right equipment, but also provides full support throughout its life cycle, including installation, setup, regular maintenance and support. This approach ensures that each customer receives not only the desired appliance, but also confidence in its reliability.

See [the One-Stop Service Center](#) for details.



### ...of customer experience

We offer our customers a seamless cross-channel customer experience based on a personalized approach through a single ONE RETAIL technology platform. Channels of interaction with us are changing (retail stores, websites and mobile applications of the M.Video and Eldorado brands), but the main thing – contact with the customer – is still there.

Our approach is based on personification – every customer interaction is unique and we aim to tailor our services to meet everyone's individual needs. We are actively expanding our presence in digital channels and developing chatbots for shoppers to resolve all issues quickly and efficiently.

See [the Best Customer Experience](#) for details.



### ...of communication

M.Video-Eldorado's key executives regularly participate in major industry and investor conferences, where they share their experience and discuss current challenges related to structural changes in the retail market and their impact on the Company's business. Among them in 2024:

- ▶ Retail 2024Forbes Conference;
- ▶ Russian Retail Show – 2024;
- ▶ 10<sup>th</sup> International Forum of Business and Government Russian Retail Week;
- ▶ Smart-Lab Conf 2024;
- ▶ Ecom Retail Week;
- ▶ PLUS-Forum;
- ▶ New Retail Forum, etc.

The Company is present in all major customer communication channels, experimenting with bloggers, meta-universes and social media.

See [Marketing Communications](#) for details.

# 1.1. M.Video-Eldorado Company Profile <sup>[2-1]</sup>



"In the current macroeconomic environment, our key focus will be on further improving the Company's efficiency, developing customer service to the highest standards and implementing the Company's long-term strategy to improve operational and financial performance. All our efforts will be aimed at, as before, delighting our customers with the widest range of goods and services, quality support, accessibility of our stores for consumers, and unique advantages. All of this will allow us to continue to confirm our status as the Chief Electronics Expert."

Felix Lib, CEO of M.Video-Eldorado

M.Video-Eldorado is a leading Russian company, the founder of the household appliances and electronics retail market, combining the M.Video and Eldorado brands.

For more than three decades of successful work in the Russian market, the Company has come a long way. During this time, the household appliances and electronics retail industry has changed dramatically, both in terms of technology and

customer needs. At every stage of its development, M.Video-Eldorado has followed the path of innovation and has been one of the most technologically advanced retailers, be it in terms of advanced IT solutions, marketing, operational efficiency, or customer service.

See [the Decades of Experience](#) for details.

The Company brings together all market areas in the household appliances and electronics trade and e-commerce:

## IT COMPANY M.TECH –

development and  
implementation  
of advanced retail solutions



## DIRECT CREDIT –

a fintech platform with  
a wide range of financial  
services available



## SERVICE CENTER M.MASTER –

one-stop service for taking care  
of electronics and home, including  
delivery, installation, repair, and  
maintenance of appliances by seasoned  
experts, as well as buy-back, trade-in,  
and sale of refurbished devices;



## ONE RETAIL –

a technology platform  
that integrates M.Video  
and Eldorado mobile apps,  
websites, and stores to create  
personalized customer  
experience



M.Video-Eldorado's hybrid business model is based on combining the advantages of two brands, an online platform and mobile technology with an extensive network of stores

IN **376** CITIES,  
and a strong nation-wide logistics infrastructure.

This gives us an important competitive advantage over online players and brick-and-mortar retailers. By developing expertise and best-in-class service, and expanding its geographic footprint, M.Video-Eldorado opens up new opportunities for its customers, partners, employees, and communities.

<sup>1</sup> Total M.Video and Eldorado customer mobile app installations as at December 31, 2024.  
<sup>2</sup> As at December 31, 2024.

SALES



CUSTOMERS



ASSORTMENT



RETAIL





## 1.2. Geography



The Company effectively manages its retail network and is flexible in its approach to finding new locations for opening stores, while prioritizing customer convenience, traffic metrics, and most favorable leasing terms. The compact store format enables the Company to explore a wider range of locations, including street retail, expand in existing regional markets, and enter new cities with populations of up to 100,000 people.

In 2025, the Company also plans to continue opening new stores, primarily in the compact format, and implement a program to optimize underperforming stores.

In 2024, about 89% of orders were fulfilled using store infrastructure. M.Video-Eldorado's developed logistics infrastructure covers 1,226 stores<sup>1</sup>. The Company's wide geographical presence along with full online coverage in the cities of operation allows our customers to get around 75% of our assortment within 24 hours and 43% – within 15 minutes. Our customers continue to benefit from our signature services, including same-day delivery and installation, disposal of old equipment, and much more.



<sup>1</sup> As at December 31, 2024.

<sup>2</sup> For 12M 2024.

## 1.3. Decades of Experience

For more than three decades, M.Video-Eldorado has remained one of the leaders in the Russian household appliances and electronics market. We are trusted by more than 75 million customers who appreciate a wide range of products and a consistently high level of service.

We actively invest in the development of e-commerce and our own marketplace, pay significant attention to improving retail network efficiency and customer service quality to be the number one choice for customers and make every purchase a pleasant and comfortable experience.

We are committed to providing a seamless customer journey at every stage, from product search and purchase to installation and after-sales service. M.Video-Eldorado experts are always ready to help customers choose the best solution, and our cooperation with leading manufacturers enables us to offer the most sought-after products at competitive prices.

M.Video-Eldorado's market leadership is evidenced not only by the scale of its business, but also by its commitment to innovation and improvement. In response to the changing demands of consumers, particularly young people, we are constantly evolving and introducing new technologies and services.

Adapting to new challenges, M.Video-Eldorado makes a special focus on finding and developing young talent. This is how the Company is taking steps towards a future full of opportunity and success.

### 1993–1999

- ▶ Opening of the first seven stores in Moscow.
- ▶ Launch of the country's first specialized service center.
- ▶ Launch of the first trade-in program.

### 2000–2006

- ▶ Launch of the online store.
- ▶ Expansion into 48 cities across Russia.

### 2007–2010

- ▶ First-ever IPO of a non-food retailer in Russia.
- ▶ 2x growth in store number, making M.Video one of the fastest growing chains.

### 2011–2015

Transformation into the omnichannel model with consistent assortment, service and pricing both online and offline.

### 2016

- ▶ Launch of new formats of digital equipment stores.
- ▶ Launch of a mobile platform to improve customer experience.
- ▶ Launch of a credit broker.

### 2017–2019

- ▶ Integration of Eldorado and MediaMarkt to cover all market price segments.
- ▶ Ranking among the world's Top 10 consumer electronics retailers.

### 2020–2021

- ▶ Digital transformation and transition to product approach in IT development.
- ▶ Acquisition of Direct Credit and fintech development.
- ▶ Successful placement of exchange-traded bonds.

### 2022–2023

- ▶ Start of import operations.
- ▶ Successful launch of new brands on the Russian market, development of a private label and differentiating assortment.
- ▶ Scaling of a proprietary specialized marketplace.
- ▶ Development of a new format of compact stores.
- ▶ Establishment of M.Tech, our own IT company.
- ▶ Launch of M.Master, a one-stop service center.

### 2024

- ▶ Improving the efficiency of the business model by opening new compact-format stores and optimizing inefficient locations.
- ▶ Launching new fintech products.
- ▶ Development of the M.Master service stream.
- ▶ Combining M.Video and Eldorado loyalty programs into a single M.Club system.
- ▶ Expansion to 25 cities in Russia where the Company had not been present before.

## 1.4. Value-Based Leadership



### Our mission

We bring people  
a new experience  
of comfortable living  
through our expertise  
and caring service.

### Our values



#### CUSTOMER FOCUS

My customer,  
my responsibility:  
Delivering customer peace  
of mind through exceptional care.



#### PARTNERSHIP

Strength in teamwork.  
All as one, towards  
a common goal.



#### DRIVE FOR RESULTS

From words to action.  
Together, we take responsibility  
for the result.



#### HONESTY

Open processes, open people.  
We do what is right, not what  
is easy.



#### FLEXIBILITY

We listen, we hear, we change.  
Thinking today about what we  
can change tomorrow.



#### CARE

With excitement to work,  
with respect to each other.  
We do care.



## 1.5. Market Positioning and Brand Descriptor

### Chief Electronics Expert

M.Video-Eldorado positions itself as the Chief Electronics Expert, empowering customers to find the best solutions for their needs purchasing household appliances and electronics.

The main difference of M.Video-Eldorado, which is valued by customers, is the Company's strong expertise in the segment of household appliances and electronics<sup>1</sup>. Customers have the opportunity to visit stores, see the technology first-hand and have a live chat with consultants who are experts in technology. The role of brick-and-mortar stores continues to hold a high position in customers' purchasing decisions, given the large range of products available.

The Company keeps strengthening its OneRetail approach in customer interactions. We aim to reflect this transformation in the visuals as well. In addition to the M.Video anchor brand with a capital M with a dot, we added brands of our complementary services: M.Finance, M.Master, M.Combo, M.Game, M.Club, etc. All this allows us to unite a series of streams into a single visual model. The changes in the corporate identity are also designed to strengthen M.Video's brand image, make it more technologically advanced and up-to-date, relevant to the digital environment, as well as to support the top-of-mind awareness.



<sup>1</sup> Source: research by ARMI-Marketing Business LLC, which found that 66% of household appliances and electronics shoppers agreed with the statement "When I shop here, I feel like I'm buying from experts in tech and electronics" relative to M.Video stores, which is the leading value in the category.

# 1.6. 2024 Milestones and Highlights

## Milestones

January

▶ M.Video-Eldorado started opening M.Master service centers with a full range of repair and maintenance services in its stores.

March

▶ Expert RA reaffirmed M.Video-Eldorado's rating at ruA upgrading the outlook to stable.

Expert

РЕЙТИНГОВОЕ АГЕНТСТВО

May

▶ M.Video-Eldorado started selling refurbished appliances in M.Master zones.  
▶ The Company was recognized as a data-driven company, which is in line with leaders in the global financial sector.  
▶ The Company opened Russia's first multi-brand foldable and flip smartphone zones.  
▶ M.Video-Eldorado set up a new structure, the e-commerce function, headed by Alexandra Ivanchenko.

February

▶ ACRA reaffirmed M.Video-Eldorado's rating at A(RU) upgrading the outlook to positive.

AKPA

April

▶ The Company successfully redeemed its Series 001P-01 bonds in the amount of RUB 4.2 billion

June

▶ M.Video-Eldorado became the first in the market to launch a discount program for appliances bought in installments.  
▶ The Company offered an equipment rent program for corporates.



## Key events (continued)

### July



- ▶ M.Video-Eldorado opened Russia's first multi-brand M.Premium zone with premium household appliances in a retail store.

### September



- ▶ A large-scale project was completed to unite the loyalty programs of two brands, M.Video and Eldorado.
- ▶ The Company launched new financial services for lending and insurance in M.Video and Eldorado retail stores.
- ▶ In partnership with Yandex Market, the Company launched 24-hour delivery within 1–2 hours after making an order on the marketplace.



### November



- ▶ Issue-grade securities of PJSC M.video were included in the list of securities admitted to trading on the SPB Exchange.
- ▶ M.Video-Eldorado launched an updated trade-in program for smartphones with the option to buy any appliance.
- ▶ The Company, in partnership with Sber, introduced paying for purchases through facial recognition.



## Key events after the reporting date



- ▶ The Board of Directors of PJSC M.video approved Felix Lib as Chief Executive Officer of the Company.
- ▶ The process of M.Video-Eldorado capital top-up in the amount of RUB 30 billion was started in 1H 2025 to implement the new strategy.
- ▶ M.Video-Eldorado launched self-service terminals in 28 stores in Moscow and the Moscow Region.
- ▶ M.Video-Eldorado, in addition to its own buy-back service and trade-in program, together with Avito launched a pilot service for buying back smartphones on the classifieds website.
- ▶ On 23 April 2025, MV Finance LLC repurchased 5,152,298 bonds of Series 001P–04 for almost RUB 5.2 billion; the remaining debt is RUB 1.8 billion.
- ▶ On 16 April 2025, the Company announced, and on 29 April, placed two-year exchange-traded Series 001P–06 bonds for RUB 2 billion with a coupon rate of 26.0%.

### August



- ▶ M.Video-Eldorado fully redeemed its Series 001P–02 bonds in the amount of RUB 9 billion

### October



- ▶ M.Video-Eldorado was the first non-food retailer to announce the launch of M.Combo subscription with a package of privileges for customers.
- ▶ Lyasan Utiasheva became a new ambassador of M.Video-Eldorado.

### December



- ▶ M.Video-Eldorado launched a smartphone buy-back service, developing its sales of refurbished equipment stream.
- ▶ The Company offered a new fast loan service within its fintech stream based on Direct Credit.
- ▶ M.Video-Eldorado opened two new smartwatch zones in its Moscow stores: a multi-brand zone for premium models, and a corner fully dedicated to Garmin watches.



## Awards and achievements

### Mobile Commerce Awards

M.Video is the best app for selling household appliances and electronics according to the Mobile Commerce Awards. Electronics Apps Rank.

### Top 5 of PIM.Index 2024

M.Video-Eldorado was included in Top 5 of the PIM. Index 2024 ranking, which evaluates logistics offerings in Russian e-commerce and reflects the level of delivery services.

### Silver Mercury Awards

The Company won silver in Best Modern Technologies for its M.Video: Russia's First Commercial AI Stream project and was shortlisted in Branded Content in E-Commerce of Silver Mercury Awards

### Ecom Awards 2024

M.Video-Eldorado won the first place in Best Content Marketing Campaign and the second place in Niche B2C Marketplace of the Year of Ecom Awards 2024.

### Leaders in Skolkovo's retail research

The Company was ranked among the leaders of digital transformation of customer experience in retail according to the results of a study conducted by the Skolkovo Foundation.

### Top 3 Best Company Awards 2025

M.Video-Eldorado was ranked among Top 3 of Best Company Awards 2025 in Multi-Category Retail Companies with its internship program.

### Results of the Year 2024 Award from Sostav.ru

The Back To School advertising campaign with Ruzil Minekayev was nominated for Results of the Year 2024 Award from Sostav.ru.

### PIM.Index Top 5

M.Video-Eldorado became the first in Household Appliances and Electronics and entered Top 5 of the PIM.Index ranking.

### T-Bank's Gain Award

M.Video-Eldorado was recognized as the winner in the Mega Shopper category of T-Bank's annual Gain Award.

### Retail Week 2024

At Retail Week 2024, M.Video-Eldorado became the best in Best Social Projects in Russia and took the second place in the ESG Project of the Year in Retail nomination.

### Best ESG Projects in Russia

M.Video-Eldorado became the winner of the Best ESG Projects of Russia program in the Responsible Consumption and Production. Reducing Environmental Impact category.

### HR Brand 2023 Awards

In HR Brand 2023 Awards, M.Video-Eldorado won in the special category For People of Business with its Warehouse with a Human Face project.

### Smart-Lab's Top 20 Issuers

M.Video-Eldorado joined Smart-Lab's Top 20 issuer ranking.

### E+ Awards

The M.Video brand became a winner of E+ Awards for the best technology solutions.

### Proxima Awards

The Company was honored with a Proxima Award with the case of our branded media M.Click and Eldoblog.

### POP! Russia Awards

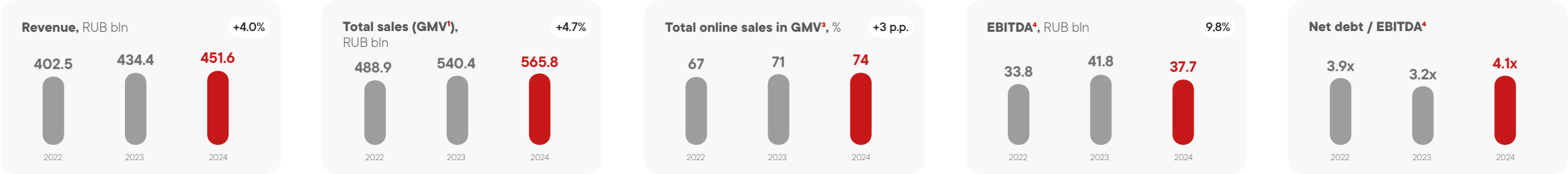
M.Video-Eldorado took the first place in the shop-in-shop category of the POP! Russia Awards.

## OMNI RATING AWARDS 2024

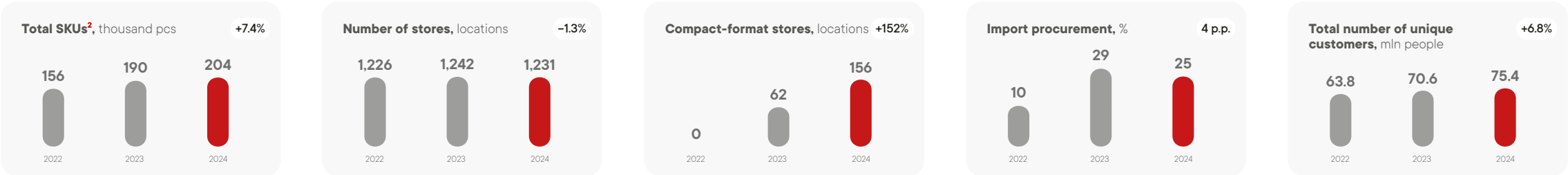
"M.Video is the leader in the Electronics and Household Appliances category according to OMNI RATING AWARDS 2024.

Highlights

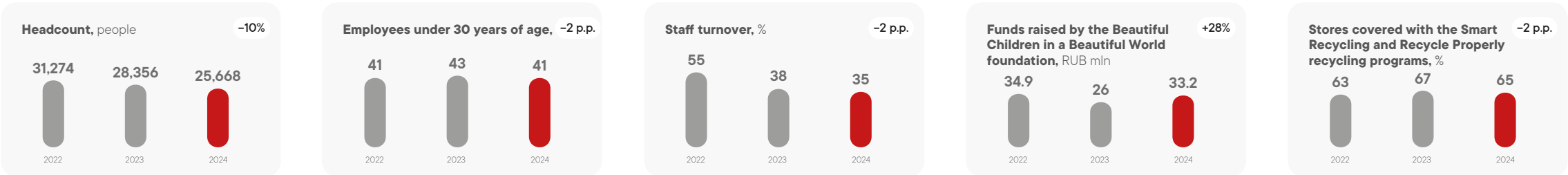
Financial



Operational



ESG



<sup>1</sup> GMV (gross merchandise value) comprises in-store purchases (including those from pickup points), paid and delivered online orders, and paid orders shipped from warehouses to corporate customers. Offline and online purchases can be made by both individuals and legal entities. GMV includes the Company's own and agency sales of goods and services. GMV includes VAT and is net of discounts granted to customers and returns made during the reporting period. GMV does not constitute the Company's revenue.

<sup>2</sup> The average value for the 12 months of the reporting year is presented.

<sup>3</sup> Total online sales of the Company, in line with its ONE RETAIL strategy, include all sales to authorized customers via the Internet spanning home delivery, self-pickup, and sales made to customers in-store via the consultant app. As at December 31, 2024 sales through the consultant app were only available at M.Video stores.

<sup>4</sup> Hereinafter, M.Video–Eldorado's financial results are presented in accordance with IAS 16 unless otherwise indicated.

## 1.7. Investment Case

### Growing household appliances and electronics market ↗

We offer investors access to the household appliances and electronics and E-commarkets, which are showing positive growth dynamics even amid high interest rates.

- ▶ In 2024, the turnover of the household appliances and electronics market increased 7% y-o-y.
- ▶ Growing demand for new brands of household appliances and electronics. Promotion of domestic brands and private labels.
- ▶ Entering 25 new cities (including those in Siberia and the Far East) where M.Video-Eldorado historically had limited presence

### No. 1 experts in electronics ↗

We provide quality service in delivery, installation, maintenance, and repair of appliances, with strong expertise of our employees as its pillar.

- ▶ M.Master service center: more than 32 maintenance and repair zones in eight major Russian cities.
- ▶ Expert support of the purchase and a full range of services provided throughout the product's entire life cycle.
- ▶ Own fleet of 215 branded trucks for prompt delivery and installation of household appliances and electronics

### Synergies with marketplaces ↗

We provide the best customer experience across all channels, both in-house and external, not through competition, but through synergies with marketplaces.

- ▶ An additional showcase and sales channel for M.Video-Eldorado products.
- ▶ A combination of high average ticket, warehouse capacity, stock of goods, and expertise makes us an important partner for marketplaces.
- ▶ Development of internal competencies in delivery quality and service

### ONE RETAIL development leader ↗

We are focusing key efforts on building truly omnichannel customer experience – our core competitive advantage that other market players cannot organically deliver.

- ▶ M.Video-Eldorado mobile apps, websites, and stores are united under a single ONE RETAIL technology platform.
- ▶ Seamless cross-channel customer experience based on a personalized approach.
- ▶ M.Combo: round-the-clock support from the best electronics experts and favorable conditions for M.Master service center support.
- ▶ M.Club: a shared loyalty system of two brands – M.Video and Eldorado – with more than 75 million customers

### Unique assortment ↗

We aim to be the first choice for customers when shopping for household appliances and electronics, with an assortment that covers 100% of their relevant needs.

- ▶ Continuous assortment expansion: a 7% increase in unique SKUs y-o-y.
- ▶ 21.7% – share of the differentiating assortment of household appliances and electronics in the total turnover.
- ▶ Assortment containing brands exclusive for the market: Carrera, Lunacy, Grundig, Thunderobot, etc.
- ▶ 3P model: supplementing the core assortment with complementary items and products on our own marketplace

### ONE RETAIL development leader ↗

We are focusing key efforts on building truly omnichannel customer experience – our core competitive advantage that other market players cannot organically deliver.

- ▶ Achieving an optimal level in terms of net debt / EBITDA.
- ▶ New store openings: 100 openings in 2024.
- ▶ Optimizing stores inefficient in terms of EBITDA and location.
- ▶ Improving the IT infrastructure: automation of store routines.
- ▶ Efficient use of AI-based models for demand forecasting



# 1.8. Business Model

## BUSINESS FOCUS AREAS

As a leading expert in consumer electronics, M.Video stands as the ultimate destination for fulfilling all customer needs in selecting, purchasing, and servicing household appliances and electronics

## INFRASTRUCTURE AND LOGISTICS

- ▶ New formats for fulfilment processes and storage of goods
- ▶ **43%** of the stock is in stores, ready for delivery/pickup within 15 minutes
- ▶ **8 central** and **54 regional** distribution warehouses
- ▶ In-house fleet of **> 200 vehicles**
- ▶ **> 400 service technicians and forwarders**

## M.TECH, OUR OWN IT COMPANY

- ▶ Digitalization and in-house development of IT products
- ▶ **> 100 IT products** built on cutting-edge microservices architecture, leveraging big data, biometrics, AI, and machine learning

## ESG FOCUS AREAS

Commitment to observing sustainability principles and integrating them into all aspects of operations

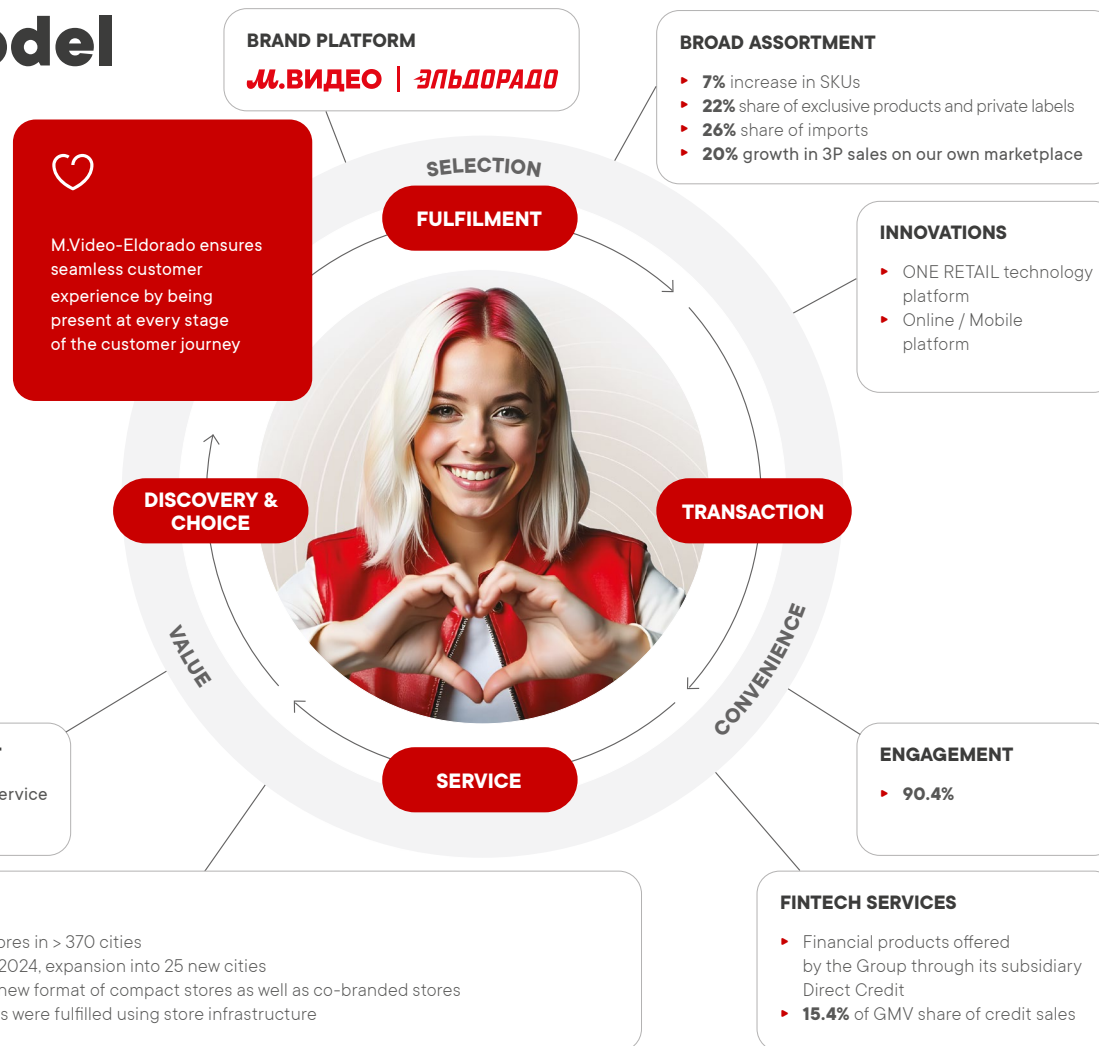


## SERVICE SUPPORT

M.Master, one-stop service center

## RETAIL NETWORK

- ▶ **> 1.2 thousand** stores in **> 370** cities
- ▶ **100** new stores in 2024, expansion into 25 new cities
- ▶ Development of a new format of compact stores as well as co-branded stores
- ▶ **~ 89%** of the orders were fulfilled using store infrastructure



## Value creation for stakeholders in 2024

### Shareholders and investors

- ▶ **> 20%** free float
- ▶ **RUB 24.6 bln** in coupon payments on all bonds issues
- ▶ Successful placement of the fifth issue of bonds, attracting broad market participation
- ▶ **RUB 565.8 bln** GMV

### Customers

- ▶ **> 6.3 million** orders delivered
- ▶ **100%** online coverage in cities of operation
- ▶ **> 75 million** total number of unique customers

### Suppliers and partners

- ▶ Greater number of suppliers and more new brands brought to the Russian market
- ▶ Partners from **17 countries**
- ▶ **~ 4 thousand brands**
- ▶ **935 sellers** on the marketplace, with SMEs accounting for a **third**

### Employees

- ▶ Maintaining a zero incident safety culture
- ▶ **34** average hours of training per employee
- ▶ **84.2%** – satisfaction

### Society

- ▶ Prices for socially significant consumer electronics frozen amid the Ruble exchange rate volatility
- ▶ **2.6 thousand tonnes** of electronics collected and sent for proper recycling

# Delivering stronger results

We are consolidating our market position, fostering partnerships with consumer electronics manufacturers, and launching new store formats to be closer to our customers.

**565.8** <sup>↑</sup> RUB BLN  
M.Video-Eldorado

**75.4** <sup>↑</sup> MILLION MEMBERS  
in the unified M.Club loyalty program



## 2.1. CEO Statement [2-22]

### Dear shareholders, investors, colleagues and partners!

The past year 2024 was full of challenges for both M.Video-Eldorado and the entire household appliances and electronics industry. Nevertheless, we managed to adapt to a highly volatile consumer market, revolutionize our business model, establish partnerships with hundreds of new suppliers, and provide more than 75 million customers with a consistently wide range of products and top-quality service. All this allowed the Company to retain its market share in core segments and successfully implement an anti-crisis plan aimed at improving business margins and optimizing operating costs.

### Market trends and financial results

At the end of the reporting year, all players in the household appliances and electronics market recorded a significant drop of consumer demand, which began in the previous May and had a pronounced negative impact on M.Video-Eldorado's financial performance. This trend is primarily due to a 1.5-fold increase in the Bank of Russia's key rate to a record high 21%, attractive interest rates on deposits, and a decline in bank lending to households. As a result, Russians postponed large purchases and switched from consumption to saving.

Despite the challenging market conditions, our gross merchandise value (GMV) increased by 5% to RUB 566 billion thanks to the unprecedented expansion of our product range, sales tools and channels, as well as the opening of new stores mostly in the compact format. We were also able to deliver excellent results in terms of total online sales, which went up 9% to RUB 420 billion. The growth in the share of online sales was fueled by the strengthening of partnerships with all major marketplaces and our own channels – mobile applications and the websites of M.Video and Eldorado.

### Improving the efficiency of the retail network

In 2024, we focused on improving the efficiency of our retail infrastructure. Thanks to the well-coordinated efforts of our team amid the challenges of the past year, we were able to fulfil our ambitious plan to open 100 new stores, mostly compact-format, in different cities of the country, from Slavyansk-on-Kuban to Vladivostok.

These stores boast a significant advantage over traditional formats as they accommodate around 70% of the standard M.Video assortment at an almost twice as small area of 500–600 sq. m. Importantly, compact stores require three times less investment to open and secure a faster payback. This format also unlocks additional opportunities for selecting retail spaces, while prioritizing customer convenience, traffic metrics, and most favorable leasing terms.

In the reporting year, the Company entered 25 new locations allowing its customers to around 75% of the assortment within 24 hours and 43% – within 15 minutes thanks to its broad geographical presence and full online coverage in the cities of operations.

Today M.Video-Eldorado is a network of traditional stores offering household appliances and electronics as well as exclusive services. At our store, the customer can check out the latest gadgets, apply to the service center for repair and maintenance, dispose of the gadget as part of the trade-in or buy-back program, buy refurbished equipment, and use eco-friendly recycling. This is what makes us stand out from our competitors and enables us to be the number one choice for the customer in everything that has to do with household appliances and electronics.

### Assortment

An efficient assortment management and unwavering attention to customer needs help us cement our standing of the Chief Electronics Expert and maintain a high level of service. In 2024, we continued to strengthen our positions and expanded our product range to a record 204 thousand SKUs as a result of closer partnerships with the existing and new suppliers, including through our own marketplace. Thanks to the expanded domestic market assortment, the share of M. Video-Eldorado's direct imports shrank to 26% compared to 30% a year earlier.

We differentiate our assortment from the market by offering private labels and products available exclusively through our sales channels, with M.Video Only goods accounting for as much as 21% of total sales in 2024. The expansion of the differentiating assortment was supported by steady customer demand for new brands, including exclusive solutions presented at our network only.

### Exceptional customer experience

Our success is directly tied to creating an exceptional shopping experience for each and every customer. We are focusing key efforts on building a truly omnichannel customer proposition – our core competitive advantage that other players cannot organically deliver. This proposition is rooted in our seamless omnichannel model integrating offline and online touchpoints to ensure consistent convenience at every stage of the customer journey, from product selection and payment to delivery and after-sales support. The retail infrastructure remains central to the omnichannel customer experience and the primary location for customer orders, accounting for approximately 89% of all orders. This approach allows us to strengthen customer loyalty, gain a deeper understanding of their needs, and provide a truly personalized service based on years of expertise.

The key milestone in 2024 was the merger of M.Video and Eldorado loyalty programs under a single M.Club brand. The new program combines M.Video and Eldorado bonus rubles in one account and enables customers to fully leverage

the infrastructure of both brands. Our total customer base exceeded 75 million, adding 5 million new customers over the past year.

Another important focus area in the reporting year was the development of our service offering, one of our core strengths. We launched 30 branded M.Master zones in M.Video and Eldorado stores across eight major Russian cities to provide comprehensive repair and after-sales services. They offer a wide range of services, including repairs of appliances purchased from any Russian retailer, available either in-store or through a technician visit. In 2024, M.Video stores began selling refurbished appliances repaired by M.Master specialists or sourced through trade-in and buyback programs.

In 2024, M.Video-Eldorado launched a brand new product – M.Combo subscription with a unique range of service options and benefits. This solution was highly appreciated by our customers, with around 100 thousand people becoming subscription holders at the year-end.

### Sustainable development

Sustainability and ESG agenda are our traditional focus areas. In our operations, we endeavor not only to achieve business success, but also to strike a balance between commercial, social and economic interests.

We create a workplace environment that fosters growth and development of our people. In 2024, 76% of vacancies were filled by internal candidates, with employee engagement reaching a record 90.4%. I would like to highlight that these strong results were delivered, in part, thanks to our ecosystem of technology solutions for in-store personnel and customer service divisions. The ecosystem enhances the efficiency of internal HR processes and employee engagement, motivating team members to achieve high performance standards.

In 2024, we advanced projects to minimize the environmental impact of our business. The results are indeed inspiring: our e-waste recycling program covered 40% of the regions and 50% of chain stores, while e-waste collection and recycling volumes exceeded 1.6 thousand tonnes. Today, M.Video-Eldorado operates Russia's largest e-waste collection infrastructure and runs an appliance removal service, reducing its carbon footprint.

### New growth vectors

At the time of publishing this Report, M.Video-Eldorado is developing a new three-year strategy, the key directions of which have already received support from the Company's shareholders – by the end of May 2025, they will allocate RUB 30 billion for its implementation.

We expect positive changes in the household appliances and electronics market as early as in the second half of 2025, which will allow accumulated pent-up demand to materialize and lead to sales growth. We are We are actively investing our efforts

in improving margins and reducing inefficient costs, but most importantly, we are rethinking our strategic positioning and business model. Our goal is to build a full-fledged ecosystem of products and services, combining an improved customer experience in retail and online, as well as launching a new line of fintech solutions to complement the familiar M.Video-Eldorado perimeter.

I thank the Board of Directors, management team and all employees of the Company for their joint contribution to the 2024 results. These achievements have been possible thanks to the concerted work of our team of professionals, whose experience, expertise and dedication are key to our growth and development, as well as to maintaining our leadership in years to come.



Sincerely yours,

**Felix Lib**  
CEO of M.Video-Eldorado

## 2.1 Market overview

### Macroeconomic situation in Russia in 2024<sup>1</sup>

[2-22]

In 2024, Russia's GDP grew by 4.1%, exceeding RUB 200 trillion and reaching a historical high<sup>2</sup>.

Consumer activity remained robust throughout 2024. Rising domestic demand, coupled with insufficient production capacity and challenges in foreign trade, drove price increases and inflation. In 2024, the consumer price index (CPI) rose by 9.5%. At year-end, inflation expectations among the Russian population surged to 13.9%, the highest level since December 2023. The annual inflation observed by households climbed to 15.9% – the highest since February 2024<sup>3</sup>.

To curb growth in consumer lending, the Bank of Russia raised its key rate three times during 2024, bringing it to 21% by year-end. These measures stabilized the CPI at 9.0% in Q4 2024. Non-food inflation in the same quarter stood at 5.9%.

The Bank of Russia raised its key rate three times during 2024, bringing it to a record high of 21% by year-end.

The total turnover of retail trade, HoReCa and paid retail services in 2024 grew by 6.4% compared to the previous year. The retail trade turnover alone increased by 7.2% y-o-y in real terms, with the non-food segment rising by 8.3%.

The labor market remained highly resilient, marked by significant wage growth amid low unemployment. The average annual unemployment rate fell to 2.5% in 2024 vs. 3.2% in 2023, reaching a historical low. In the reporting period<sup>4</sup>, nominal wages went up by 17.8% (8.7% in real terms). In 2024, real household cash income rose by 8.4% y-o-y, accelerating compared to 2023 (+6.5%) and peaking in Q4 2024 at +8.6%. Real disposable income increased by 7.3% y-o-y in 2024 and by 4.1% y-o-y in Q4 2024.

**9.5%**  
CPI in 2024

<sup>1</sup> Russia's macroeconomic data in this section are sourced from the Russian Ministry of Economic Development's report On the Current Situation in the Russian Economy available at [https://economy.gov.ru/material/file/195754c7897bff1c50dc164890f91407/o\\_tekushchey\\_situacii\\_v\\_rossiyskoy\\_ekonomike\\_itogi\\_2024\\_goda.pdf](https://economy.gov.ru/material/file/195754c7897bff1c50dc164890f91407/o_tekushchey_situacii_v_rossiyskoy_ekonomike_itogi_2024_goda.pdf).

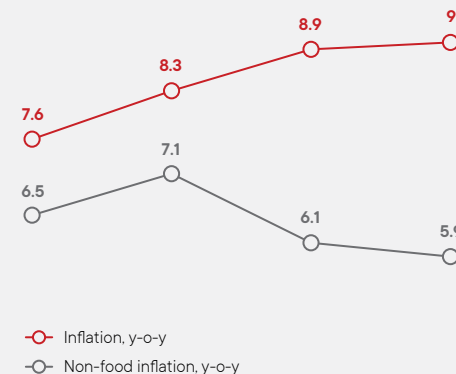
<sup>2</sup> GDP in 2024 is based on Rosstat's estimate dated February 7, 2025, available at <https://rosstat.gov.ru/folder/313/document/254129>.

<sup>3</sup> Source: [https://www.cbr.ru/Collection/Collection/File/54940/Infl\\_exp\\_24-12.pdf](https://www.cbr.ru/Collection/Collection/File/54940/Infl_exp_24-12.pdf).

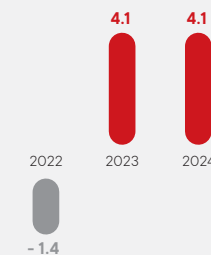
<sup>4</sup> January–November 2024.

<sup>5</sup> Source: Rosstat, Russian Ministry of Economic Development

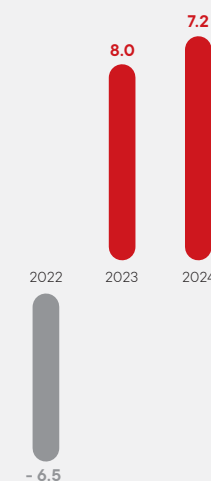
#### Quarterly CPI and non-food inflation in 2024, %<sup>5</sup>



#### GDP growth, %



#### Retail trade turnover growth, %







### Changes and key trends in the Russian household appliances and electronics market

In 2024, Russia's retail trade turnover reached RUB 56 trillion, up 7% y-o-y. The non-FMCG<sup>1</sup> market grew faster at 8%, outpacing the FMCG market, which expanded by 6%.

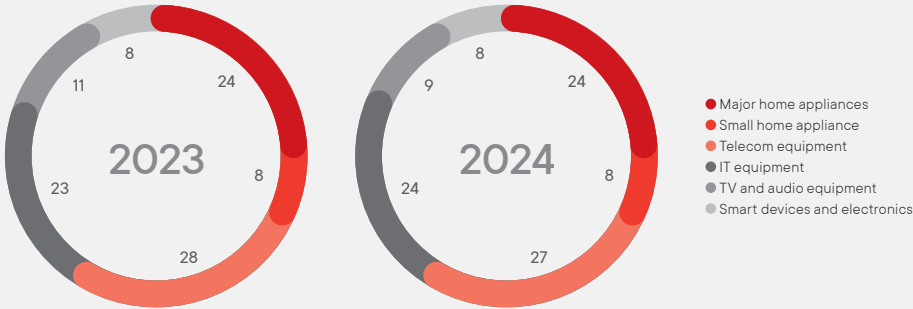
Chinese brands accounted for approximately 40% of the household appliances and electronics turnover in value terms.

Brands from Russia and CIS countries demonstrated positive growth in market share. Sales of domestic brands of household appliances and electronics in Russia surged by 164% in 2024 compared to 2023<sup>2</sup>. Sales of retailers' private labels also continued to grow.

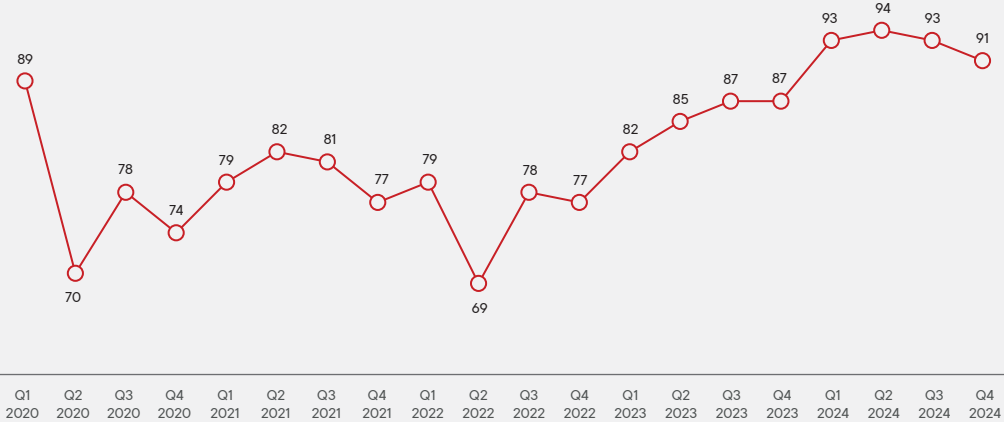
Since 2022, consumers have adapted to new brands of household appliances and electronics, maintaining a positive response to the evolving brand landscape. Buyers remained open to purchasing unfamiliar brands, prioritizing quality, technical features, and price. Throughout 2024, the consumer sentiment index<sup>3</sup> consistently exceeded 100%, supporting strong sales growth across the Russian market.

<sup>1</sup> Products not categorized as FMCG.  
<sup>2</sup> Based on GfK data.  
<sup>3</sup> Based on analyst estimates and Company data.  
<sup>4</sup> Source: Rosstat.

Structure and changes of the house hold appliances and electronics market in value terms<sup>3</sup>, %



Consumer confidence index<sup>4</sup>, %





Currently, all players in the household appliances and electronics market are observing a significant cooling of consumer demand, which began in May 2024.

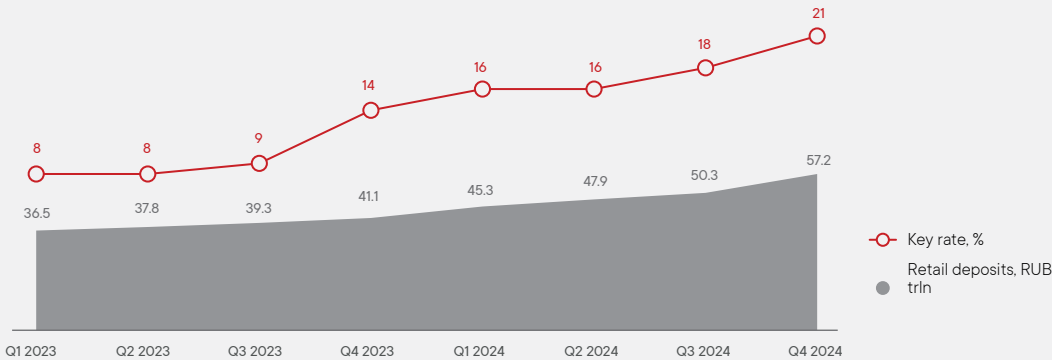
This shift from consumption to saving is primarily attributed to the rise in the Bank of Russia's key rate, attractive deposit interest rates, and reduced bank lending volumes. The Company anticipates a reversal of this trend in the second half of 2025, driving realization of accumulated pent-up demand.

In 2024, the household appliances and electronics market turnover grew by 10% compared to the previous year. Key growth drivers included rising household incomes and an improved consumer sentiment index. As in previous years, pricing strategies, such as promotional campaigns, along with the development of financial instruments, remained significant factors in driving growth and will continue to play a crucial role going forward. M.Video-Eldorado, through its initiatives in these areas and the development of an updated business model, is well-positioned to capitalize on this market trend and further strengthen its position.

Despite the growing prevalence of online product search and selection, 90% of M.Video-Eldorado customers visited its physical stores in 2024 to collect orders, examine products and their features, consult with sales staff, or access additional services. Consumers exhibited an overall pragmatic approach, prioritizing discounts and sales, while also continuing to purchase longer-life high-end products, including premium ones, favoring their advanced features, high quality, and stylish design. A parallel trend emerged in the heightened importance of product quality, warranty coverage, and post-warranty repair services. This focus on reliability and long-term value distinguishes M.Video-Eldorado from online competitors, which often offer products of inadequate quality or unsuited to Russian market conditions.

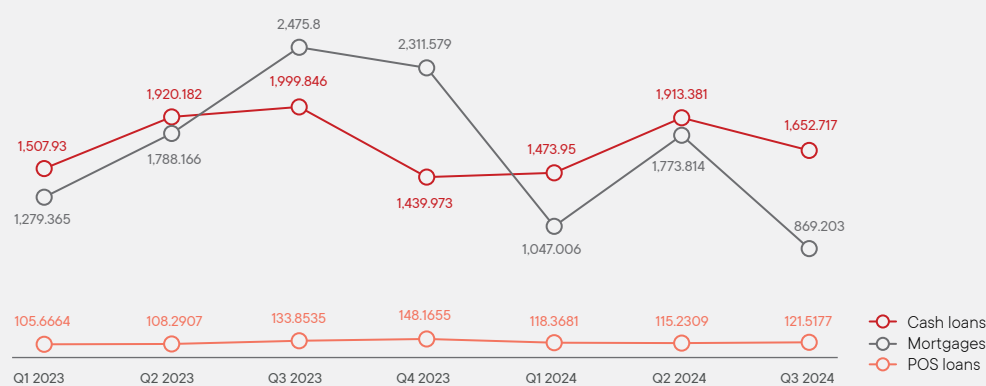
Key rate and deposits

Source: Bank of Russia.



Consumer lending market, RUB bln<sup>1</sup>

Source: Frank RG.



## Electronics market

The telecom segment, accounting for over 25% of the household appliances and electronics market turnover in 2024, continued to show positive growth in value terms, rising by 5% y-o-y<sup>1</sup>. Russian consumers purchased 29.8 million devices totaling RUB 720 billion

This growth was driven by expanded product assortments, particularly through increased presence of Chinese manufacturers, new product launches, and the availability of goods from departed brands via parallel import mechanisms.

By the end of 2024, the share of Chinese smartphone manufacturers reached its all-time high in the Russian market: nearly 80% in volume terms and 50% in value terms. Unit sales leaders included Xiaomi and Tecno, with Samsung ranking third. In value terms, Apple retained first place, followed by Xiaomi, Samsung, Tecno, and Honor in the top five. Huawei, with its HMS

operating system offering excellent flexibility for installing and using any Android apps, secured eighth place by turnover. The diversification of brands' product ranges to meet varied consumer needs, coupled with expanded offerings in the flagship niche, drive broader adoption of advanced technologies and features, including those powered by AI.

In response to user demand for increased usable screen area for content consumption and everyday tasks, manufacturers continued to prioritize large-screen devices. The demand for larger screens also reflects the rapidly growing popularity of foldable smartphones with screens of up to 8 inches, offering tablet-like versatility.

Foldables evolved further in 2024, becoming more technologically refined and appealing to a broader audience seeking stylish devices with large displays that offer new experiences and comfort for daily tasks or content consumption. Sales of foldables have surged exponentially

**In 2025, competition among Chinese brands is expected to intensify as they expand their model ranges across popular price segments, including the premium one.**

**~6.5 INCHES**  
average smartphone  
diagonal in 2024 (same as in 2023)

in recent years, with new players entering the market and more models available in both form factors. Clamshell foldable phones accounted for some 60% of all foldables purchased by Russian consumers, unchanged from the previous year.

Smartphone cameras also continued to evolve in 2024, remaining an important factor in device selection for Russian shoppers. Manufacturers enhanced photo quality, introduced new camera features, increased the number of lenses in camera modules, and pursued collaborations with technology partners like Leica to further elevate camera capabilities. Over 60% of smartphones purchased in 2024 featured one front-facing and three or four rear cameras. Approximately two-thirds of devices had a primary camera module exceeding 50 MP.

The share of smartphones with NFC chips in total unit sales remained stable at 70% throughout the year. Despite restrictions on banking apps in official app stores, NFC functionality remained a key consideration for buyers.

**By the end of 2024, the share of Chinese smartphone manufacturers reached its all-time high in the Russian market: nearly 80% in volume terms and 50% in value terms.**

Other market trends included the broader adoption of fast charging by manufacturers and growing consumer interest in smartphones with larger internal storage and RAM capacities. Over 60% of smartphones sold in 2024 featured 8 GB or more of RAM. The gaming devices and accessories segment showed significant growth, with unit sales rising by 10% and revenue increasing by 25% y-o-y.

Bluetooth-enabled headphones remained highly popular, accounting for approximately 80% of total unit sales of headphones. The most sought-after type continued to be True Wireless Stereo (TWS) earbuds, capturing around 70%. Their sales were boosted by a recovery in consumer activity, the expansion of wireless accessories, especially in the entry and mid-range segments with lower production costs, emergence of new products and establishment of import processes, popularity of Chinese brands and launch of in-house electronics ecosystems by key manufacturers.

<sup>1</sup> Based on GfK data.

<sup>1</sup> Based on GfK data.



## Computer hardware / office equipment

The laptop category accounted for more than a third of turnover in this segment, which posted a 10% increase in turnover in 2023, with the upward trend continuing in 2024. M.Video-Eldorado maintained its strong position, selling one in every five laptops in the Russian market. Market leaders by units sold included ASUS (over 15% share), Huawei, and Lenovo (each holding approximately 10% of the market).

Demand remained high for select peripherals and printing equipment, with printer and MFP (multifunction printer) categories growing by around 15% y-o-y.

The tablet segment also continued to expand in Russia, rising by roughly 10% in units and 20% in revenue compared to the previous year. Huawei led unit sales with a 15% market share, followed by Honor, Samsung, and Redmi, each capturing over 10%.

Product selection and inventory continued to expand, with Chinese brands gaining influence through diverse offerings, high quality, advanced technology, and competitive pricing.

Overall, 2024 saw continued popularity of mid-priced products (e.g., laptops and tablets), accounting for nearly half of the segment's demand in value terms. These devices offer functionality and performance comparable to premium models while outlasting budget-friendly alternatives in terms of lifespan and relevance.

Consumers continued to prioritize large storage capacity, screen size, camera quality, and performance. Tablets were used for watching videos, socializing, playing games, learning and working – both independently and paired with keyboard cases or styluses. In 2024, over 10-inch screen tablets dominated sales in Russia (compared to the average smartphone screen size of 6.5 inches). Wi-Fi-only models accounted for around 50% of unit sales, outpacing LTE-enabled devices. Demand surged for tablets with 64 GB and 128 GB+ storage.



## Major household appliances

In 2024, the major household appliances segment grew by over 10% y-o-y in value terms.

Unit sales also increased by approximately 10%. The drivers included pent-up demand, growth in the residential real estate market, and expanded activity from established and new brands from China, Turkey, Russia, and Belarus, which ensured stable product availability through robust logistics or localized production.

**~3.5 MLN**  
refrigerators sold in Russia  
in 2024, up ca. 5% y-o-y  
(M.Video-Eldorado estimates)

In value terms, the market exceeded RUB 145 billion, up 10% from 2023. The top-selling brands in Russia in volume terms were Haier, Indesit, Candy, Beko, and ATLANT.



Washing machine sales in the country rose by over 15% in volume and value terms, reaching 4 million units and over RUB 120 billion respectively. Customers favored brands such as Haier, Indesit, Beko, Biryusa, and ATLANT.

Dishwashers gained massive popularity, ranking fourth in terms of turnover within the segment. Haier led unit sales with a 15% market share, with approximately half of its models sold through M.Video-Eldorado.

Unit sales of dishwashers in Russia rose by 5% to over 1.2 million units, while in value terms, sales went up by 10% to around RUB 40 billion. Haier claimed first place in unit sales, followed by WEISSGAUFF and Midea.

Demand for induction model cooktops continued on the rise, with extendable heating zones and programmed turn on/off becoming new popular features. Washer-dryers are also gaining traction.

As premium technologies become more refined and accessible, the Russian market sees a growing influx of mid-priced appliances responding to consumer needs and offering functionalities previously reserved for higher-end models.

As per our estimates, M.Video-Eldorado sells roughly every third major household and kitchen appliance and accounts for around a half of higher-price segment sales.

## Small household appliances

The small household appliances segment maintained positive growth in 2024, rising by 15% in value terms and 5% in unit terms.

Most categories within the segment saw increased sales compared to the last year. Notable sales growth was observed in coffee machines and razors (over 20%), hair care appliances (stylers up 20%, hairdryers +10%), and electric toothbrushes (+20%). Leading brands in this segment included Oral B, Revyline, and Mijia.







## TV and audio equipment / consumer electronics

Televisions remained the primary sales driver in the TV and audio segment. The category's turnover grew by 10% y-o-y, with M.Video-Eldorado capturing approximately one-third of this volume.

The popularity of digital services, diverse video content, and expanded TV assortments across various price segments – fueled in particular by the entry of new manufacturers, Chinese brands, and private labels – all drive mass adoption of Smart TVs.

Demand was positively impacted by the expansion of choice in the basic and mid-price segments, the growing availability of technology, the popularity of video content, and the development of content platforms. Around 20% of all TVs sold in Russia featured voice assistants and content platforms from Russian developers (applications for watching videos, entertainment, games, etc.) – Yandex or Sber.

In turn, the ever wider range of high quality content on services and online cinemas, popularity of home leisure formats including gaming, improved picture quality and smaller TV

Haier, Samsung and Xiaomi were the leaders in TV sales.

In 2024, the gaming console category saw continued growth in sales.

frames have had a positive impact on the growing popularity of TVs with 4K (Ultra HD) resolution and diagonals of over 55 inches. 4K TV models accounted for over 50% of total unit sales, with sales of 55-inch and larger TVs increasing by nearly 30%. Approximately half of all TVs sold were 30–45 inch models.

In 2023, demand increasingly shifted from previous leaders (Korean brands) to Chinese manufacturers, offering cutting-edge technologies across basic to premium models, backed by guaranteed product availability and competitive pricing. Another trend is the expansion of the range and the growing popularity of brands from Russia and the CIS, including private labels. Russian consumers are responding positively to the new brand landscape, prioritizing product features, price, build quality, and display performance.

Yandex emerged as a notable domestic player, seeking to expand its range of Smart TVs and offering enhanced technologies and unique models featuring its proprietary voice assistant. The choice of brands on offer continued growing, fueling competition among manufacturers.

Demand for smart home ecosystem devices, including smart speakers with voice assistants, also increased, with such devices representing 95% of all smart speaker sales. Sales traditionally peaked in Q4, driven by heightened demand for smart devices during major sales campaigns and in the run-up to the New Year holidays. Devices featuring Yandex's Alice voice assistant dominated, capturing over 80%. The increased demand for smart speakers is driven by the release of new products with enhanced capabilities, the trend for voice communication, and the rising appeal of smart home ecosystems and technologies, with respective solutions also surging. The most popular devices included smart plugs, lights, motion sensors, curtain, AC and TV control devices, as well as CCTV cameras.

Based on M.Video-Eldorado estimates, the market of smart home devices reached 1.3 million units in 2024, with revenue growing by around 30%. Sony led the category, claiming over one-third of unit sales.

**~1.3 MLN UNITS**  
smart home devices market  
(M.Video-Eldorado estimates)



## 2.2. Strategic priorities

In 2024, the Russian household appliances and electronics market experienced high volatility, impacting M.Video-Eldorado's operational results.

The first half of the year saw growth, continuing the trend from 2023. However, by late summer, the market contracted for the first time in 30 years<sup>1</sup>, despite rising inflation. This decline affected sales in both value and volume terms, without changing the category mix, and was driven primarily by the cooling consumer demand amid attractive bank deposit rates. Overall, the household appliances and electronics market grew in 2024 by 10% y-o-y.

### Key drivers of shifting consumer behavior:

- increased pressure on disposable income from the automotive sector, which saw twofold y-o-y growth;
- growth in bank deposits;
- reduced consumer lending due to the higher key rate and scaled-back bank lending programs;
- tighter credit portfolio quality regulations, lowering permissible debt levels for borrowers;
- sustained high competition among marketplaces for market dominance and expansion into new product categories.

<sup>1</sup> According to GfK.

In 2024, M.Video-Eldorado actively adapted to the new market conditions. Our key objectives included implementing an anti-crisis plan to enhance efficiency, approving and

stabilizing an updated business model, and identifying key areas for sustained growth and drivers of long-term business resilience.

### Strategy implementation

We aim to be the first choice for customers purchasing household appliances and electronics



An assortment covering 100% of customer needs



A unique, seamless shopping experience across all touchpoints



A comprehensive range of financial instruments



M.Master service center for delivery, installation, maintenance, and repairs



M.Video-Eldorado positions itself as the chief electronics expert, empowering customers to find the best solutions for their needs.



In 2024, the Company's strategic development focused on reinforcing core elements of its value proposition.



## Customer experience

A key factor in enhancing customer experience in 2024 was the merger of loyalty programs for the M.Video and Eldorado brands. This allowed customers to use universal bonus points at any store of either brand and gain unrestricted access to the infrastructure and inventory of both brands, with the ability to collect items purchased at any M.Video-Eldorado store.

M.Video-Eldorado became the first non-food retailer to launch a subscription program – M.Combo. It offers multiple service options and benefits, including the annual media service subscription, free delivery and disposal of appliances, 24/7 customer support, discounts on M.Master services, and exclusive purchase terms.

M.Video-Eldorado continued digitalizing the customer journey by enhancing processes across in-store and digital touchpoints to ensure a seamless and positive shopping experience. In 2024, these efforts were recognized in a Skolkovo Foundation study, which named M.Video-Eldorado a leader in retail digitalization<sup>1</sup>.

See [the Best Customer Experience](#), and [Marketing Communications sections](#) for details

## Assortment

M.Video-Eldorado continues to focus on curating an assortment that meets 100% of customer needs while ensuring high product quality for every shopper.

The core assortment features “M.Video only” products available in M.Video-Eldorado stores, including private labels and exclusive brands. M.Video-Eldorado ensures access to parallel import goods for customers prioritizing established brands and the latest electronics. Niche or specialized products are offered via our 3P marketplace, catering to unique or rare consumer demands.

Developing premium offerings is a key focus. In 2024, M.Video-Eldorado was the only federal retailer in Russia providing a complete range of premium appliances and electronics. In the reporting year, we opened the country's first multibrand and multicategory M.Premium zone in a store and launched premium service support.

M.Video-Eldorado's longstanding reputation for quality is reinforced by full warranties on all products. Every item in the updated assortment undergoes rigorous quality and reliability checks.

M.Video-Eldorado also maintains a focus on traditional market-leading products beloved by customers.

See [the Assortment Management section](#) for details

## Accessibility

M.Video-Eldorado is expanding its geographic presence to serve a broader customer base.

In 2024, we opened 100 new stores (94 innovative compact-format and 6 full-format), bringing its total store count to 1,226 and entering 25 new cities.

To improve the accessibility of our offering, M.Video-Eldorado is leveraging alternative sales channels. Our sales on federal marketplaces more than doubled in 2024, catering to both existing customers who prefer these platforms and attracting new buyers.

See [the Retail Network Development](#) and [Assortment Management sections](#) for details

<sup>1</sup> <https://sk.ru/news/v-skolkovo-nazvali-liderov-cifrovoj-transformacii-klientskogo-opyta-v-ritejle/>

Source (study): <https://disk.sk.ru/index.php/s/wRikIST4BAI14Eb>



## Service support

Beyond offering household appliances and electronics, M.Video-Eldorado prioritizes after-sales customer support throughout the entire product lifecycle.

In 2024, the strategic development of the M.Master service network advanced with the opening of service centers at M.Video stores in Moscow, St. Petersburg, Nizhny Novgorod, Krasnodar, Rostov-on-Don, Yekaterinburg, and Novosibirsk. Customers gained the flexibility to repair devices either in-store or through at-home technician visits.

All M.Video-Eldorado stores introduced a buyback service and trade-in program, enabling customers to seamlessly retire old devices and purchase new ones under favorable terms.

As a logical extension of the buyback initiative, we began selling refurbished equipment in our stores, providing access to products not always available at regular prices.

See [the One-Stop Service Center](#) for details

## Financial instruments

Reducing purchase barriers was the primary focus of M.Video-Eldorado's financial instruments development in 2024. Despite significant contraction in consumer lending, we maintained our unique 24-month interest-free installment plan, ensuring affordability for customers without overpayments.



Our stores partnered with leading banks to offer credit and debit cards, complementing standard consumer lending products.

Our mobile app now features the M.Money module, offering unique services for M.Video-Eldorado customers. These include pre-approved revolving credit limits, the ability to make regular payments towards financial obligations to banks (including those not related to M.Video-Eldorado transactions), and instant cash loans with immediate transfers to customer cards.

See [the Fintech section](#) for details

Our mobile app now features the M.Money module, offering unique services for M.Video-Eldorado customers. These include pre-approved revolving credit limits and the ability to make regular payments towards financial obligations to banks (including those not related to M.Video-Eldorado transactions).

## Strategy for 2025–2027

In 2025, a new three-year strategy was developed by M.Video-Eldorado's management and approved by its shareholders.

Key initiatives include:

- ▶ opening new compact-format stores while closing all unprofitable outlets;
- ▶ growing online sales to 70% (particularly through expanded partnerships with marketplaces and converting select stores into showrooms);
- ▶ expanding into new cities.
- ▶ entering CIS markets;
- ▶ establishing private-label production operations, both independently and with partners from China and Belarus;
- ▶ broadening the product and service range, particularly through the development of the M.Master service and a substantial expansion of the financial products offering.

The management's key priorities also include enhancing IT infrastructure efficiency and further refining the quality of customer service.

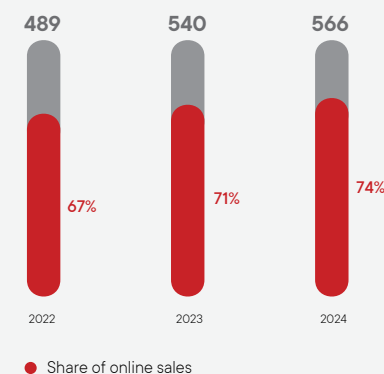
## 2.4. Operational and financial results

### Operational performance

In 2024, despite a decline in purchasing activity in the second half of the year and the population's shift from consumption to savings on the back of attractive deposit rates due to the increase in the key rate of the Bank of Russia, M.Video-Eldorado's gross merchandise value (GMV) showed comparable growth to the market and added 5% year-on-year.

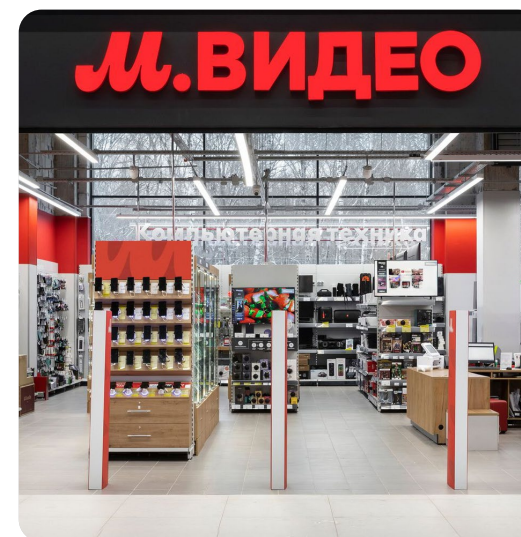
Gross merchandise value (GMV<sup>1</sup>) of M.Video-Eldorado in 2024 increased by 5% to RUB 566 billion. Total online sales<sup>2</sup> accounted for 74% of the Company's GMV, showing growth of 9% to RUB 420 billion. The growth in the share of online sales was driven by the expansion of partnerships with marketplaces and the development of our own channels, such as websites and mobile apps of M.Video and Eldorado brands.

GMV, RUB bln



**74%**  
share of online sales in GMV<sup>2</sup>

In a highly volatile consumer market, the Company was able to effectively leveraged the advantages of the omnichannel business model in 2024, with about 89% of all orders made using in-store infrastructure. Offline stores also maintained their key role in customers' choice of delivery channels, accounting for 73% of all deliveries, including those from pick-up points.



GMV split by delivery channel, %



<sup>1</sup> GMV (gross merchandise value) comprises in-store purchases (including those from pickup points), paid and delivered online orders, and paid orders shipped from warehouses to corporate customers. Offline and online purchases can be made by both individuals and legal entities. GMV includes the Company's own and agency sales of goods and services. GMV includes VAT and is net of discounts granted to customers and returns made during the reporting period. GMV does not constitute the Company's revenue.

<sup>2</sup> Total online sales of the Company, in line with its ONE RETAIL concept, include all sales to authorized customers via the Internet spanning home delivery, pick-up, and sales made to customers in-store via the consultant app. As at December 31, 2024., sales via the consultant mobile app were only available in M.Video stores.

In the reporting year, the share of the Company's credit sales in GMV<sup>1</sup> decreased by only 1.8 p.p. to 15.4%, despite tighter regulation of loan portfolios by the Bank of Russia following the 1.5-fold hike of the key rate to a record high of 21% and reduction of lending programs by banks. The Company sells all financial products offered to customers through its subsidiary, Direct Credit.

The company attracted 5 million new customers, increasing its customer base to 75 million. Customer mobile app traffic gained 4%. Traffic, including the website, app and stores, was down 13% due to a general decline in consumer demand in the market.

M.Video and Eldorado customer mobile app installs totaled 76.1 million, up 13% year-on-year.

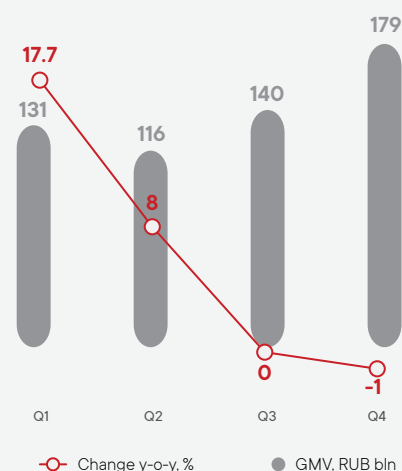
### Key operational drivers in 2024

- ▶ GMV advances in the first half of the year were limited by the cooling of consumer demand starting from May 2024, and the growth in bank deposits due to attractive interest rates and lower bank lending.
- ▶ The growth of the available assortment by 7% to more than 204,000 items came on the back of partnerships with existing and new suppliers, including under our own marketplace. The Company differentiates its offer for customers through products available exclusively in the M.Video and Eldorado chains, with their share, including private labels, reaching 22% of the Company's GMV (vs. 15% in 2023). Sales of brands from China, Turkey, Russia, Belarus and Uzbekistan also continue to grow, driven by increasing demand for such names as Sber, Yandex, Haier, Beko, Candy, Hisense, TCL, Thunderobot and Grundig.

- ▶ We kept developing our own fintech business with a unique offering including installments without down payment or overpayments for up to 24 months, money transfers to card via mobile application, and POS lending from different banks with high approval rates. An extended offering of electronics, coupled with the expansion of fintech services to the external market, allowed the Company to increase its share in the segment of POS lending to 21.2% (+1.3 p.p. year-on-year) and maintain its leadership in the POS lending market. The share of the Company's sales using various installment or credit options, including those featuring a higher average ticket, was over 15%.
- ▶ With 5 million new customers acquired, the customer base increased to more than 75 million.
- ▶ The Company continued expansion in key regions of operation and entered 25 new cities by opening 100 M.Video stores, including 94 in a new efficient compact format. By the end of the year, the number of M.Video-Eldorado stores reached 1,226. In total, there are now more than 150 compact stores that have opened over the past two years. They have an area of 500–600 sq. m (half the size of traditional stores (1–1,500 sq. m) on average), while the assortment available (about 4,500 items, including large household appliances) is comparable to traditional stores due to the arrangement of goods in tiers. Investments in launching such stores are up to three times lower, whereas turnover per square meter is higher. The compact format enables the Company to explore a wider range of locations, including street retail, expand in existing regional markets, and enter new cities with populations of up to 100,000 people.



GMV in 2024 vs. 2023



<sup>1</sup> Excluding third-party marketplaces, B2B and DCs.

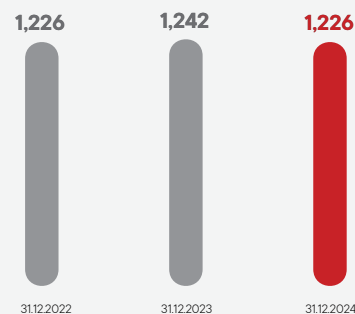


- We develop an omnichannel model that combines the benefits of online and offline spaces to create a seamless customer experience. This approach helps us respond effectively to changes in market needs and strengthen our position in the segments of home appliances and electronics. In 2024, the Company completed the merger of M.Video and Eldorado loyalty programs under a single M.Club brand. This gave customers an opportunity to save and spend the available bonus rubles in any of more than 1,200 M.Video-Eldorado stores, while also benefiting from the cross purchases. Now they can pick up their orders at any convenient store (M.Video or Eldorado), irrespective of where the order was originally made.
- We launched a number of unique products, including the M.Combo subscription with a bunch of services and privileges and partnership programs with other brands.
- In 2024, the trade-in service was expanded to cover more than 3,500 smartphone models, with buyback of used smartphones launched for 15 brands.
- M.Video-Eldorado continued to develop its service business and in 2024 launched 30 branded M.Master zones to provide a full range of repair and maintenance services at M.Video and Eldorado stores in eight major Russian cities. Also, eight M.Video stores in six cities (Moscow, Yekaterinburg, St. Petersburg, Kazan, Krasnodar and Nizhny Novgorod) started selling refurbished equipment, which was repaired by M.Master specialists or handed over by customers as part of trade-in or buyback services. We plan to expand the service to other M.Master service zones

in the future. The new spaces offer a wide range of services, as well as repair of appliances purchased in any Russian store both in its service centers and with on-site technician visits.

- M.Master is a one-stop customer assistance center at M.Video and Eldorado stores, including delivery, installation, setup, repair and other services that can be ordered both online and offline. M.Master accepts appliances and devices for repair, regardless of whether they were purchased from M.Video and Eldorado or from third-party sellers.
- We launched new in-store service formats: multi-brand zones dedicated to foldable and flip smartphones, premium areas for household appliances, and mono- and multi-brand zones dedicated to premium smartwatches.

Number of M.Video-Eldorado's stores



## Financial performance

The financial highlights<sup>1</sup> of M.Video-Eldorado for FY2024:

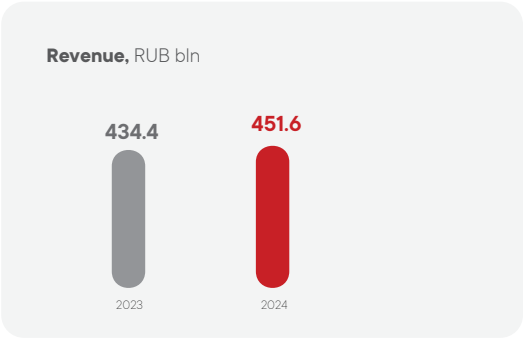
- revenue increased by 4.0% year-on-year to RUB 451.6 billion;
- gross profit decreased by 0.5% year-on-year to RUB 91.0 billion, while gross margin went down by 0.9 p.p. to 20.1%;
- selling, general and administrative expenses (SG&A) excluding depreciation and amortization grew by 1.0 p.p. to 17.1% of revenue and amounted to RUB 77.5 billion (RUB 79.4 billion under IFRS 16);
- selling, general and administrative expenses (SG&A) excluding depreciation and amortization increased by 6.9% to RUB 54.7 billion, or 12.1% of revenue;
- EBITDA decreased by 9.8% year-on-year to RUB 37.7 billion, and EBITDA margin went down by 1.27 p.p. to 8.3%;
- net loss stood at RUB 20.1 billion;
- net debt was RUB 153.4 billion (up RUB 18.8 billion compared to 2023), net debt / EBITDA was 4.1x (compared to 3.2x as at 31 December 2023).



Revenue

M.Video-Eldorado's revenue grew 4.0% year-on-year to RUB 451.6 billion in 2024 on the back of expanded product range, a wider selection of sales tools and channels, as well as new openings(primarily in the compact format), despite a significant cooling in demand for household appliances and electronics.

For more details on revenue growth drivers, see [the Operational Performance](#) section.



Gross profit

In 2024, gross profit decreased by 0.5% year-on-year to RUB 91.0 billion, while gross margin went down by 0.9 p.p. to 20.1%. The decline was caused by the higher cost of goods purchased from suppliers driven by increased cost of financing amid key rate hikes.

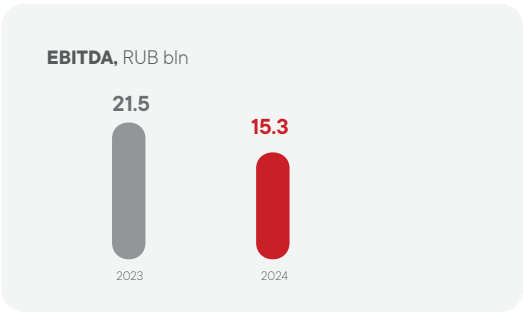
Selling, general and administrative expenses (SG&A)

In 2024, M.Video-Eldorado increased the share of SG&A in its revenue to 17.1% (1.0 p.p. year-on-year, or RUB 77.5 billion). The key drivers behind this growth of OPEX were higher fee, staff and banking expenses, as well as an increase in warehousing and lease payments following the expansion of operational geography and opening of new compact format stores.

In the reporting period, despite the opening of 100 new stores, depreciation and amortization expenses decreased by 0.1 p.p. year-on-year to RUB 11.8 billion.

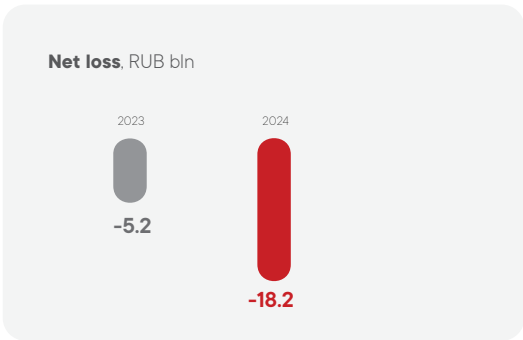
EBITDA

The Company's EBITDA for 2024 totaled RUB 15.3 billion, compared to RUB 21.5 billion a year earlier. The Company's EBITDA for 2024 came in at RUB 37.7 billion.



Net profit/loss

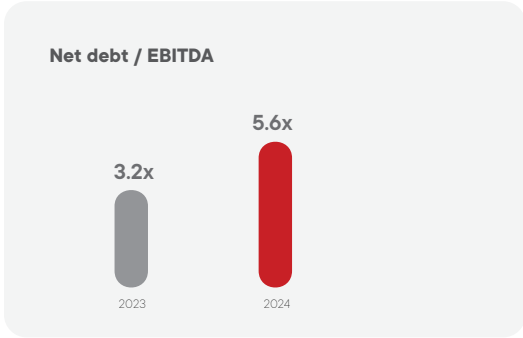
The Company's net loss for 2024 totaled RUB 18.2 billion, compared to RUB 5.2 billion a year earlier, due to an increase in financial expenses.



Leverage

M.Video-Eldorado's net debt as at the end of the reporting period came in at RUB 85.8 billion, which is comparable to the 2022 figure. All of the Company's debt is denominated in rubles.

As a result, net debt / EBITDA as at December 31, 2024 stood at 5.6x compared to 3.2x as at December 31, 2023.



The audited consolidated financial statements under the International Financial Reporting Standards (IFRS) for the 12 months ended December 31, 2024 are posted on [the Company's corporate website](#). **[2-4]**

# Offering the best service

[2-6]

We support customers at every stage of the shopping experience: from product selection and payment to delivery and after-sales service.

**76.1** MILLION  
INSTALLS

of the M.Video and Eldorado mobile apps



**>30** M.MASTER  
AREAS

for maintenance and repair



## 3.1. Retail network development

In the reporting year, M.Video-Eldorado focused on enhancing the efficiency of its store portfolio while continuing to implement its regional expansion program.

Under the approved 2024 network development plan, the Company opened 100 stores, primarily in an innovative compact format, and entered 25 new cities across Russia. The pace of expansion accelerated in the second half of the year: 38 stores were opened in the first six months, and 62 in the second half. Alongside new store openings, dozens of underperforming stores were closed to improve network efficiency. This optimization primarily affected Eldorado stores located near M.Video stores.

When developing its expansion strategy, the Company employs a proprietary economic model based on analyzing multiple data types: evaluating potentially attractive locations, monitoring newly constructed retail spaces, and peer benchmarking. This meticulous approach ensures the selection of store spaces and locations that align with the Company's requirements and cater to customer convenience.

As at the end of 2024, M.Video-Eldorado's network comprised

**1,226**

retail stores, spanning from Kaliningrad to Kamchatka.

The retail store infrastructure remains central to the omnichannel customer experience and the primary location for customer orders, accounting for approximately 89% of all orders. Accessibility, convenience, and high service speed are critical for M.Video-Eldorado customers, making the Company's stores their first choice destination for high-quality electronics and appliances. Retail stores often serve as showrooms, where customers can see products in operation, evaluate design, functionality, and tactile qualities, receive personal expert advice and finalize purchasing decisions.

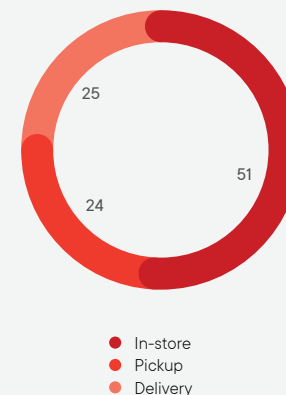
In 2024, the compact store concept significantly exceeded our expectations in terms of growth of key metrics compared to traditional stores. New-concept stores demonstrated strong sales performance, fully recouping their costs within a short timeframe and showing robust profitability.

Approximately **~75%** of M.Video-Eldorado's total product assortment is concentrated in our retail stores, enabling them to meet customer demand "here and now."

As part of a pilot project in 2024, the Company launched several super-compact format stores under the M.Video brand, with a floor area of 350–450 sq. m and an assortment of up to 3,500 SKUs.

In 2025, the Company plans to continue opening new stores, primarily in the compact format, and implement a program to optimize underperforming stores.

GMV breakdown by fulfillment channel in 2024, %





## M.Video compact-format stores

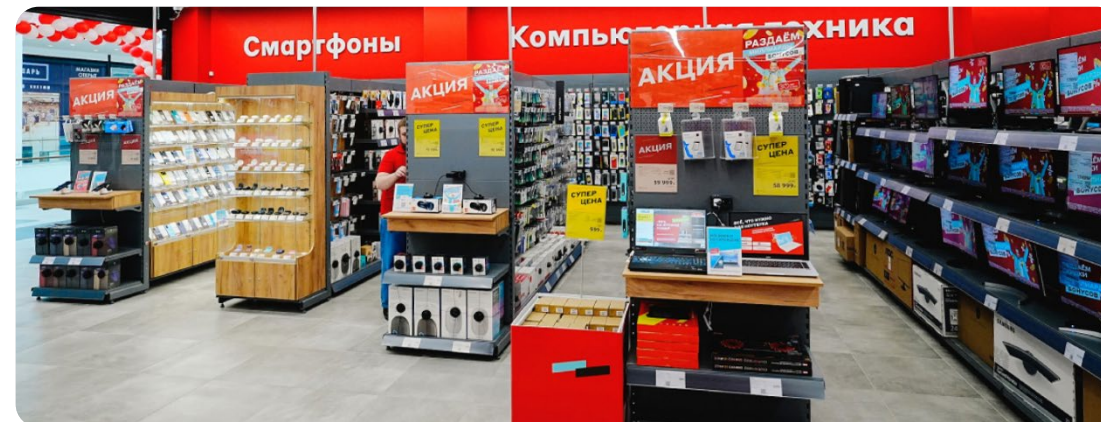
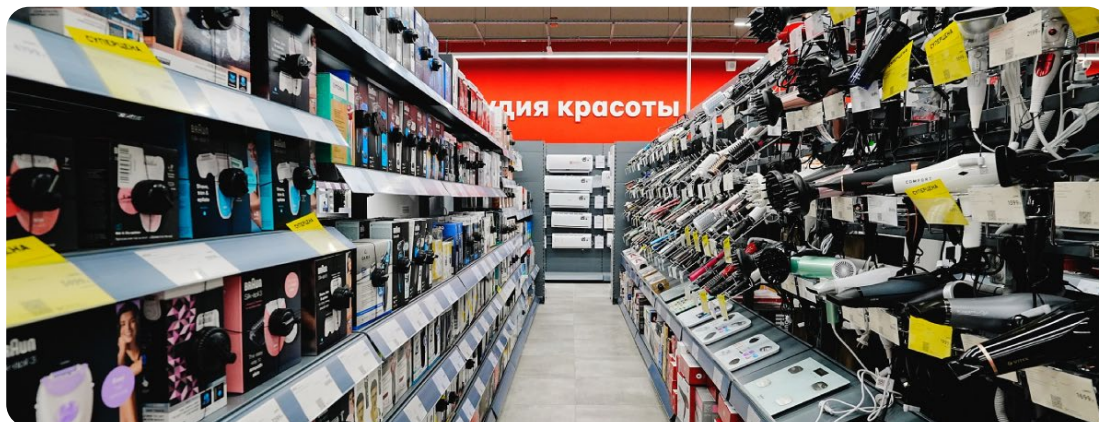
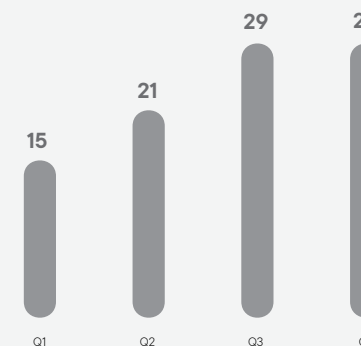
In 2024, M.Video-Eldorado continued to focus on opening compact-format M.Video stores. The year saw a total of 100 new store openings, including 94 compact-format stores and 6 full-format stores. The pace of openings peaked in Q3 and Q4 2024, with 29 stores opened per each quarter.

The compact store format provides the Company with sufficient flexibility in expanding its physical presence, and unlocks additional opportunities for selecting retail spaces, while prioritizing customer convenience, traffic metrics, and most favorable leasing terms.

This format enables the Company to explore a wider range of locations, including street retail, expand in existing regional markets, and enter new cities with populations of up to 100,000 people. The compact concept retains approximately 4,500 SKUs or 70% of the assortment available in a regular M.Video store, while reducing the floor area by nearly half to 500–600 sq. m. These stores also require three times less investment to launch, thanks to enhanced design and layout solutions. They feature vertical retail equipment, enabling the multiple-level display of a greater number of products per square meter, including large appliances.

Despite their compact size, these stores offer customers a range of familiar services, assistance, and consultations, as well as the option to collect online orders in as little as 15 minutes.

Compact-format store openings in 2024.





## Development of store spaces

M.Video-Eldorado has traditionally positioned its stores as showroom destinations for exploring technologies, brands, and new products. With the influx of new brands on the market, the showroom and branded zones concept has become particularly relevant, enabling customers to explore the benefits of new releases or even entire ecosystems..

M.Video-Eldorado leverages its deep expertise, large-scale infrastructure, omnichannel sales network, advanced promotional tools, and loyal customer base to help new brands successfully enter the Russian market.

In collaboration with manufacturing partners, we develop retail spaces featuring non-standard layouts and display solutions. These designs enhance customer engagement, provide new experiences and positive emotions, and enable brands to make a strong statement in the market and strengthen their position.

Dedicated brand zones occupy an average of 10–15 sq. m and feature unique vendor designs and additional staff with advanced expertise, ensuring a more holistic approach to addressing brand objectives and customer engagement.

On average, brands achieve 20% higher sales in stores with branded spaces compared to similar stores without such zones.

In 2024, the Company implemented over 3,000 vendor initiatives across its stores. The electronics category saw the introduction of branded zones for Xiaomi, Honor, TCL, and several other brands. In households appliances, leading manufacturer Midea continued its integration efforts. Hisense expanded its spaces and showcased its proprietary innovations, including Toshiba TVs exclusively available at M.Video-Eldorado stores, as well as household products from Gorenje.



## M.Video-Eldorado stores today

Visiting physical stores remains a critical step for customers when purchasing household appliances and electronics. Our status as the chief electronics expert, and the opportunity for live interaction with in-store consultants are highly valued by customers, ensuring the continued relevance of our stores.

M.Video-Eldorado stores simultaneously serve as:

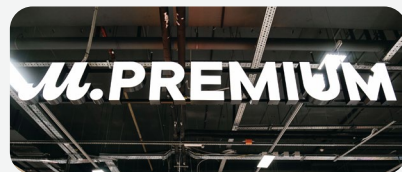
- classic retail stores for household appliances and electronics;
- spaces to explore the latest gadget releases and receive expert advice from professional consultants;
- self-sustaining order pickup points, where customers can collect online orders in just 15 minutes across a broad product range;
- service centers for repairs and maintenance;
- trade-in zones for accepting used devices and offering buyback options;
- sales outlets for refurbished devices;
- collection points for batteries and other hazardous waste, which are later recycled or disposed of safely.

This multifaceted approach allows us to differentiate ourselves from competitors and offer customers exclusive services.



Other brands expanding their presence at M.Video-Eldorado include Smeg, Krups, Sber, Yandex, VK, and others. Dedicated TV zones for the TCL brand are also being rolled out in the TV category.

As the chief electronics expert, we became the first retailer to create multi-brand zones dedicated to foldable and flip smartphones. This initiative earned the Company first place at the POPAI Russia Awards in the shop-in-shop category for its FLIP FOLD display. At M.Video-Eldorado stores, customers can explore all flip and foldable smartphone brands in one dedicated zone.



In 2024, M.Video continued to strengthen its position in the premium household appliances and electronics market by launching dedicated M.Premium zones – an M.Video-Eldorado initiative offering customers a comprehensive service for premium appliances, including consultations, product demonstrations, and after-sales support.

The first M.Premium zone opened in the M. Video store at the Metropolis shopping mall. It is divided into key household themes and hosts workshops to help customers explore appliances and their key features in depth.

Designed as a furnished apartment-style setting, the zone showcases premium brands such as Bertazzoni, Kuppersbusch, Smeg, Miele, Liebherr, Asko, WMF, LauraStar, Casarte, and others.

## M.Game

M.Game is M.Video-Eldorado's gaming community, which shares news from the gaming industry, including promotions and new releases.

In 2024, the Company launched a Telegram channel dedicated to gaming industry updates, product launches, and event announcements. M.Game also participated in Red Expo 2024 – the largest offline gaming industry event of the year.



## Co-branded stores

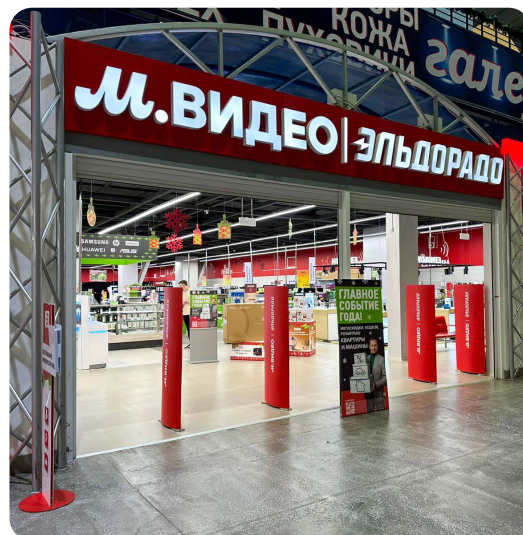
The Company expanded its network of co-branded M.Video-Eldorado stores, leveraging the strength of the Video brand integrated into existing Eldorado stores. These stores bring together the competitive advantages of both brands under one roof: services and offerings, unified access to bonus programs, promotions, and stock. They consistently outperform single-brand Eldorado stores in terms of sales growth. This way, the M.Video brand enhances the appeal of Eldorado stores, helping them draw additional traffic and acquire new customers.

### Combining online services

To enhance customer convenience, we merged the capabilities for order fulfillment by integrating pickup services for online orders. Customers of M. Video and Eldorado websites can now collect their purchases from any store within the M.Video-Eldorado network. We also integrated various CRM systems and sales solutions, enabling the Eldorado website to access real-time information on local stock levels and product availability at M.Video stores.

157

As at the end of 2024, the number of M. Video-Eldorado co-branded stores reached 157, with 93 stores transformed in 2024 alone – a 72% increase compared to 2023.



## M.Master

M.Master is a unified customer service center in M.Video and Eldorado stores, offering delivery, installation, setup, repair, and other services that can be ordered both online and in-store across the M.Video-Eldorado network.

In 2024, the Company continued to expand its service offering, launching 30 branded M.Master zones in M.Video and Eldorado stores across eight major Russian cities to provide comprehensive repair and maintenance services. Additionally, eight M.Video stores in six cities (Moscow, Yekaterinburg, St. Petersburg, Kazan, Krasnodar, and Nizhny Novgorod) began selling refurbished appliances, repaired by M.Master specialists or sourced through trade-in and buyback programs. Plans are underway to extend this service to all M.Master zones. They offer customers a wide range of services, including repairs for appliances purchased from any Russian retailer, available either in-store or through a technician visit.

For more details on the development of the service division, see [the Unified Service Center section](#).



## 3.2. Assortment management



M.Video-Eldorado employs a flexible approach to assortment management, ensuring customers consistently have access to the broadest selection of high-quality, affordable products for comfortable living, work, education, and leisure.

To expand its product range in 2024, the Company continued to strengthen partnerships with manufacturers and distributors while introducing new market players, prioritizing brand quality, reliability, and uniqueness. Brands from China, Turkey, Russia, and CIS countries demonstrated the most dynamic growth.

Our assortment strategy goes beyond merely “stocking shelves” – we introduce the latest products and technologies to the Russian market, offering everything from budget-friendly options to premium luxury items. Amid a market flooded with counterfeit goods, M.Video-Eldorado guarantees customers authentic product quality and delivers superior service standards.

**>1,6 тыс.**  
items at the end of 2024.

In the reporting year, M.Video-Eldorado reliably met the needs of Russian consumers, providing them with essential products. The total number of SKUs available across our stores and online sales channels reached a record high of over 200,000 items.

To ensure effective assortment planning, the Company operates a commercial and logistics platform [for more details, see the Digital Innovations in Logistics section](#), which enables analysis of large data volumes. We also leverage AI technologies to evaluate customer behavior, tailor product assortment, and create personalized offers.

In 2024, M.Video-Eldorado entered the promising refurbished tech market. Customers can now trade in smartphones from dozens of brands and purchase any product with a quality guarantee at M.Video and Eldorado retail stores. To further expand our refurbished offering, we also launched a buyback program for smartphones from 15 brands in late 2024.

Thanks to the expanded domestic market assortment, M.Video-Eldorado's direct import share reduced to

**25%**  
in 2024, down from 30% in 2023.

**>200 тыс SKUs**





## Differentiating assortment

A key advantage of M.Video-Eldorado is our exclusive product selection, which truly sets us apart. We offer unique products, found only in our stores, giving customers an expanded range of choices. This appeals to those eager to explore new products and enjoy the benefits of exclusive, high-quality tech and electronics.

The share of market-unique products, including private labels, exclusive brands, product lines, and items sold solely at M.Video-Eldorado stores, grew from 15% in 2023 to 21% as at the end of 2024.

To meet demand for essential household appliances and electronics, M.Video-Eldorado manufactures products under its private labels, which remain highly popular among customers. In the reporting year, the private label range expanded into three new categories: HVAC appliances, clothing care products, and computer accessories.

Our refurbished product offering totaled over

**1,800**

items at the end of 2024.

Differentiating assortment accounted

for **21%**  
of total sales in 2024.

**103**

new private label SKUs were launched  
in 2024

We prioritize product quality and packaging, ensuring our private label items offer unique designs and the most value for money.

We place special emphasis on curating an appealing premium segment offering. M.Video-Eldorado is advancing its M.Premium program designed to ensure the availability of luxury goods in our stores and provide customers with premium services, priority delivery, custom installation options, and dedicated after-sales support.

In 2024, M.Video-Eldorado onboarded numerous new partners to grow its differentiating assortment. The core product range expanded into four additional categories, offering 2,500 SKUs from partners by year-end.

New partnerships enable us to maintain a broad selection of essential appliances amid the withdrawal of several key global manufacturers from the Russian market. A notable example of new differentiating products that set M.Video-Eldorado apart in 2024 includes brands like Casarte, Machcreator, and Hotpoint.







## Building partnerships with brands

M.Video-Eldorado fosters long-term, mutually beneficial partnerships with brands. In 2024, the Company onboarded a significant number of new partners, both through direct procurement and its marketplace model, ensuring a demand-driven assortment across retail stores and online platforms.

We observe the growing role of retailers as key intermediaries in introducing consumers to new brands. M.Video-Eldorado actively promotes only those brands that meet high-quality standards and earn customer trust. By combining in-house procurement expertise with partner products, the Company flexibly manages its assortment to fulfill all customer needs for reliable, high-quality tech products from trusted manufacturers.

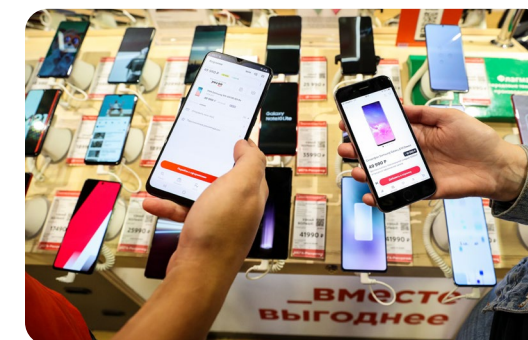
As an omnichannel leader, M.Video-Eldorado offers emerging brands diverse promotion opportunities across our mobile apps, websites, physical stores, showrooms, and through engaged sales consultants and proprietary advertising tools.

In 2024, the Company expanded its brand portfolio and exclusive product offering compared to 2023, with a significant rise in non-European brands, whose share in various product categories grew to 68% from 12% in 2023. We strengthened the presence of established brands like Samsung, Rowenta, and Philips (with a 262% increase in shelf representation compared to 2023) and supported the market entry of new manufacturers such as Red Square, Lorgar, Soundcore, and others.

Consumer interest in premium appliances remained strong, driving growth of the Company's M.Premium program. This includes products of new partners, such as Casarte, and imports of premium brands that have exited the Russian market, including Bertazzoni, Kuppersbusch, Smeg, Miele, Liebherr, Asko, WMF, and LauraStar.

M.Video-Eldorado also continued to develop partnerships with top-performing brands in high-demand categories. In smartphones, Huawei, Realme, vivo, OPPO, and other Chinese brands significantly strengthened their market positions and product ranges. In household appliances, key partners like Haier, Candy, Midea, Gorenje, and Hisense substantially increased their foothold. Imports contributed 26% to M.Video-Eldorado's GMV in 2024 thanks to our efficiently built and well-performing supply and logistics chain. This share of imports is well-balanced and enables us to offer a wide range of products across all price segments along with market-exclusive solutions.

About three years ago, over 50% of M.Video-Eldorado's sales came from three key brands: Apple, Samsung, and LG. Today, the market offers greater diversity, with new players gaining traction, including Chinese brands like Haier, Hisense, TCL, Huawei, Realme, and OPPO; Turkish brands like Beco, Grundig, and Candi; and Russian brands like Yandex, Sber, IRU, Digma, Sunwind, and Ballu. These brands are successfully capturing market share and attracting consumer interest. Customers have grown more open to innovation and are increasingly willing to purchase this evolving range of products.





## 3P<sup>1</sup> model assortment development

M.Video-Eldorado leverages marketplace technologies to broaden its assortment. Partner offerings complement our product range in both core electronics and appliances categories as well as those of related products, attracting a wider audience and reinforcing M.Video-Eldorado's expert status. The 3P format enables flexibility in responding to customer needs, relieving the burden of inventory management and financial strain.

In 2024, the Company doubled its logistics infrastructure for proprietary marketplace suppliers by expanding 3P storage zones. The network now includes facilities in Moscow, St. Petersburg, Rostov-on-Don, Yekaterinburg, Kazan, Novosibirsk, and Samara.

The M.Video and Eldorado websites and mobile apps feature approximately 900 suppliers, significantly diversifying the product range. This creates a seamless experience for customers, who can find desired items and fulfil their needs in real time.

We prioritize maintaining high standards, ensuring all products align with our category requirements and partnering exclusively with transparent, reliable suppliers. Our quality and authenticity controls – including strict product moderation, supplier vetting, certification checks, and customs declaration reviews – are conducted openly, guaranteeing customers a carefully curated, trustworthy product range.

The assortment includes both familiar and complementary categories such as power tools, garden products, sports and wellness goods, electronic toys, fireplaces, and automotive products.

M.Video-Eldorado offers sellers access to a multi-million loyal customer base, competitive commission rates, diverse collaboration formats, favorable storage and payment terms, and a robust IT infrastructure for seamless business operations. Our extensive retail network ensures uniform exchange and return policies, as well as access to our signature service offering, including reliable large-appliance delivery.

Suppliers can store their products in our warehouses or opt for direct-to-customer delivery, with every stage of the process meticulously tracked. Sellers gain access to various promotion mechanics as part of nationwide campaigns, along with extensive advertising opportunities, including website banner ads and indoor digital advertising in stores. In addition to the online storefront,

Supplier sales accounted for less than

**10%** of GMV in 2024.

the Company offers sellers a unique opportunity to showcase their products on the shelves of M.Video and Eldorado stores. The omnichannel approach allows customers to make informed purchasing decisions based on hands-on experience and expert advice, while enabling sellers to directly interact with the audience and expand their sales channels. In 2024, a total of 75 suppliers took advantage of this opportunity. Over the course of the year, sales of products simultaneously available offline and online increased by more than 2.5-fold.

We also prioritize supplier experience. M.Video-Eldorado's commercial team conducts in-depth analysis of supplier satisfaction using Customer Journey Maps (CJM). This helps identify pain points and collaborate with relevant business unit teams to define opportunities for improvement and growth.

During the reporting year, the Company continued collaborating with sellers from the CIS countries, making their electronics and household appliances directly available on its marketplace.

In 2024, approximately

**ONE-THIRD** of our partners were small businesses

## Supplier's personal account

All our supplier interactions are managed through the supplier's personal account, a dedicated service designed to help partners navigate M.Video-Eldorado's catalog database, create product cards, update prices, manage inventory, participate in promotions and bonus programs, and communicate directly with assigned managers.

In addition to suppliers, the personal account is used by all our employees involved in partner relations, including support and logistics teams, onboarding experts, and complaints handling staff.

Within the personal account, suppliers have access to the following features:

- ▶ registering and accepting offers
- ▶ setting quotas;
- ▶ setting product prices;
- ▶ managing participation in price promotions;
- ▶ obtaining basic reporting;
- ▶ forming orders.

<sup>1</sup> 3P (third parties) is an operating model where third-party companies act as sellers of goods.



## Collaboration with third-party marketplaces

M.Video-Eldorado maintains its focus on providing superior and seamless customer experience across all customer channels, both internal and external. We successfully collaborate with major multi-category marketplaces (MegaMarket, OZON, MegaMarket, Wildberries) and other platforms.

Traditional retail is undergoing transformation driven by e-commerce. We have adopted a partnership strategy, actively participating as a seller on all leading marketplaces. Crucially, we engage directly with suppliers, ensuring confidence in product quality. M.Video-Eldorado meticulously verifies the origin and certification of all products, reinforcing its reputation as a trusted expert in household appliances and electronics.

Customers can order products from M.Video-Eldorado's range and receive them in their preferred way: at a nearby pick-up point, store, or by delivery. The Company's prioritized

order delivery formats are Click & Collect (pick-up from our stores) and Delivery by Seller, which ensure full control over the order and a high level of customer service. The Click & Collect option, in particular, offers customers maximum service levels and instant product availability. Nearly two-thirds of all orders are fulfilled through this option, enriching customers' online experience with additional services associated with offline purchases only.

M.Video-Eldorado's strategy is to be wherever customers are. This ensures we maintain continuous engagement with buyers and efficiently leverage diverse sales channels.

### Our competitive advantages



Unmatched tech and electronics expertise and personalized customer service



Partnerships only with transparent, bona fide suppliers



Premium service standards and fast delivery



In-house warehousing capacities and well-balanced inventory



Full warranty coverage across all products



Extensive logistics and retail infrastructure

## 3.3. Best customer experience

### Seamless customer experience

Continuous development of customer relationships and a focus on their needs solidify M.Video-Eldorado's leadership in delivering the best customer experience. This is rooted in seamless model integrating offline and online touchpoints to ensure consistent convenience at every stage of the customer journey, from product selection and payment to delivery and after-sales support.

In 2024, M.Video-Eldorado once again ranked as the **#1 omnichannel retailer** in the Electronics and Household Appliances category by the OMNI RATING AWARD.

The Company also leads the Naumen and Skolkovo Foundation ranking for customer experience digitalization in retail.

Our ONE RETAIL platform brings together websites, mobile apps, physical stores, and sale consultants into a single ecosystem where customers can seamlessly switch between channels, with all key operations accessible via smartphones. Effortless decision-making and time efficiency are hallmarks of our approach. As a result, customers are satisfied with this experience and return more frequently to make more purchases.

In the reporting year, M.Video-Eldorado customers actively used mobile tools for purchases. Customer mobile app installations went up by 15% y-o-y to 76.1 million<sup>1</sup>, while customer mobile app traffic rose by 4%. This enables the Company to communicate directly with customers and use promotional and advertising tools effectively.

M.Video and Eldorado offer market-unique seamless and personalized services, such as interest-free installment plans with no down payment and repayment periods of up to 24 months, in-store pickup within 15 minutes of placing an online order or taxi delivery within two hours, same-day delivery and installation, delivery from 24/7 stores in Moscow, used appliances collection for disposal, eco-taxi services, a AI-powered customer chatbot based on natural language processing technology, and free storage of purchases for up to two months.

A notable innovation of the reporting year was the rollout of self-service terminals in stores. By the end of 2024, 15 terminals were up and running.

#### ONE RETAIL platform

To ensure customers receive the best service at every touchpoint with M.Video-Eldorado – without compromising speed or quality – we advance our ONE RETAIL mobile platform leveraging cutting-edge technologies.

ONE RETAIL integrates customer and consultant mobile apps, auxiliary services, and IT products. The customer app automatically authenticates users online, while the consultant app identifies shoppers in-store. Combined with advanced data analytics, these mobile technologies deepen our understanding of customer needs, enabling highly personalized service and fostering customer loyalty, which drives higher average ticket and purchase frequency.

#### Advantages of ONE RETAIL

1. **Deep customer insights** – tailoring interactions to **individual preferences**
2. Dynamic **personalized service** – expert guidance and best price offers for customers
3. **Enhanced product selection** through digitalized touchpoints: **website, app, stores, contact center**
4. Increased **customer loyalty and scale of business**
5. Agile adaptation to changes via **continuous integration of customer feedback**.

For details on financial services and M.Installment plans, see [the Fintech section](#).

In 2024, M.Video-Eldorado introduced a smartphone subscription service with pre-approved credit lines, allowing customers to combine benefits from trade-in and M.Installment.

<sup>1</sup> Total M.Video and Eldorado customer mobile app installations as at December 31, 2024.

## Enhancing customer service

M.Video-Eldorado is committed to long-term customer engagement and leadership in service quality. To achieve this, the Company fosters enduring relationships with its multi-million customer base through proprietary solutions powered by ML technologies and data analytics, including customer and consultant apps. The consultant app analyzes each customer session, providing consultants with tailored recommendations on how to improve their service and offering customers personalized product recommendations and prices. To offer diverse recommendations, M.Video-Eldorado leverages a preference matrix that features hundreds of product attributes, including ratings and prices.

Most customer touchpoints showed positive trends in the reporting year:

- ▶ the customer satisfaction index (CSI) for support interactions increased to 89.4%, thanks in part to significantly faster query resolution via chatbots;
- ▶ positive customer reviews across communication channels went up by 38%, while complaints decreased by nearly the same margin;
- ▶ customers frequently praised service quality at M.Video and Eldorado stores, prompt resolution of delivery, order placing and pickup issues, and the customer-centric approach demonstrated by our employees.

### Key priorities for enhancing customer service



Developing digital channels: messengers, chatbots, and virtual assistants



Consistent improvement in key satisfaction metrics: CSI and NPS



Prompt handling and resolution of customer queries



Expansion of customer feedback channels



Focus on customer centricity



Continuous improvement of service quality

The M.Communications Telegram bot, powered by a self-learning neural network, helps store employees quickly find answers and customer service-related information in the database on any topic related to customer service. It handles 25,000 monthly queries, with 75% resolved automatically in one second.

### End-to-end customer journey mapping

Continuously improving the customer journey is our top priority. To achieve this, we focus on four key customer touchpoints: order delivery, in-store pickup, pickup at pickup points, and in-store purchases.

At every stage – from the initial product offering to handling potential returns – we identify any issues and customer pain points and make swift improvements.

## Customer chatbots

M.Video-Eldorado provides customers with a seamless experience both in stores and online, offering them flexibility to choose their preferred purchasing and support channels. To enhance communication quality and speed, the Company leverages artificial intelligence.

M.Video's chatbot features a virtual ambassador named Em.Vi. With a comprehensive set of scenarios and conversion skills, Em.Vi not only resolves queries raised by users but also guides them through promotions and recommends products.

Em.Vi operates across all the Company's digital channels, manages social media accounts, and appears in collaborations with vendors, brands, and tech bloggers.

In 2024, its service request scenarios were expanded to include loans, returns, exchanges, and store hours.

Written communication is preferred by 50% of our customers, and our virtual assistants Em.Vi (for M.Video and Vadim (for Eldorado) excel at understanding and responding to 98% of customer queries, providing a lifelike question-answer interaction. The chatbots are integrated into the M.Video and Eldorado websites, mobile apps, and messengers like WhatsApp<sup>1</sup>, Telegram and Viber. With the chatbots connected to the Company's internal IT and CRM systems, Em.Vi and Vadim can check order or inquiry status and provide information about loyalty programs, bonus points, ongoing promotions, store hours, delivery details, taxi delivery options, exchange and return procedures, as well as lending and installment options. Em.Vi chatbot is able to suggest more advantageous and convenient delivery options and connect online customers with M.Video's in-store employees for inquiries about the products offered via the online storefront. Em.Vi also has access to the customer's shopping cart and order and browsing history, and can verify product availability, suggest suitable accessories, and recommend services.

In 2024, virtual assistants handled nearly 4 million customer queries, responding to more than 60% of all written queries. Regular chatbot usage among loyal customers rose from 12.8% in 2023 to 14.7% in 2024, with most queries focusing on product purchases, loyalty program details (e.g., bonus balances), and order delivery. The customer satisfaction index (CSI) for chatbot interactions remained strong at 93%, reaffirming their effectiveness.

## M.Club loyalty program

M.Video-Eldorado prioritizes building a vast base of engaged, loyal customers through valuable partnerships. Compelling promotions and the M.Club loyalty program are among the reasons why customers choose M.Video-Eldorado.

A major 2024 milestone was the launch of the unified M.Club loyalty program, enabling customers to consolidate bonus rubles from both M.Video and Eldorado into a single account. These bonuses can be redeemed across all our sales channels.

**M.Video-Eldorado regularly runs promotions with bonus points. Ahead of the 2024 New Year, the Company doubled the value of existing bonus rubles for M.Club loyalty program members. These bonuses were redeemable until December 31, 2024. Additionally, customers could earn double bonus points on purchases made between December 3rd and 31st through any M.Video and Eldorado sales channels.**

Loyalty program members receive at least 3% cashback on every purchase at M.Video or Eldorado, both in-store and online, and earn up to 10% in bonus points. Accumulated bonus points can be used to offset up to 30% of product prices, and points earned from purchases at both chains are combined and displayed in the unified personal account.

Analysis of our customer base shows that we are able to keep approximately 70% of our buyers active over a five-year period. Maintaining this high retention rate drives continuous growth in the share of sales generated by loyal customers. Purchase frequency rose by 3% y-o-y, while the average ticket increased by 13% in 2024. New customers accounted for 35% of the Company's portfolio in 2024, a figure poised to further drive sales growth in the future.

Over 90% of all purchases are made by loyalty program members, with customers redeeming bonuses to cover an average of 10% of their purchase value.

**75 MILLION**  
people – total number of unique  
M.Video-Eldorado customers

New customers<sup>2</sup> accounted

for **35%**  
of the Company's portfolio in 2024

In promotional campaigns, we prioritize offers that distinguish us from competitors. For example, customers receive a 50% discount on a second item when purchasing one product. We also actively develop our cashback program, offering 20% back on purchases and enabling customers to save up to 30% on future buys.

Our expertise in promotions empowers store consultants to help customers maximize savings through bundled purchases. A standout example: purchasing a TV grants a free annual subscription to online streaming platforms, transforming transactions into comprehensive lifestyle solutions.

<sup>1</sup> WhatsApp is owned by Meta, which has been designated as extremist and is banned in Russia.

<sup>2</sup> New customers are defined as those who made their first purchase during the reporting year or resumed purchases after a hiatus of two or more years.



## 3.4. Marketing communications

A strong, highly recognizable brand stands as one of M.Video-Eldorado's key competitive advantages. We position ourselves as the chief electronics expert, a message promoted by our M.Team of influential opinion leaders in the gadget and digital device space. In 2024, we expanded this team beyond digital ambassador Em.Vi to include well-known blogger and M.Video-Eldorado's Unboxing Director Valentin Petukhov (Wylsacom), TV presenter Alexander Pushnoy, actor Ruzil Minekayev, and athlete and TV presenter Lyasan Utiasheva.

By addressing customer needs effectively, the Company has become a key platform where customers seek products, bypassing search engines, and look for information about products, new brands, comparisons, and additional details. M.Video-Eldorado stands out as one of the few companies maintaining access to a large audience with strong purchasing power and able to employ wide-reach communications. As an omnichannel player, we actively leverage data analytics and machine learning tools to create best personalized shopping experiences and develop recommendation services.

Throughout 2024, we successfully launched more than 13 integrated advertising campaigns with comprehensive support across all major customer communication channels.

### IN 2024

the M.Video brand achieved 6th place among retail companies and 27th among all Russian brands in value rankings<sup>1</sup>

The Company strives to enhance brand perception by leveraging television, outdoor advertising, and various digital channels. We constantly test new digital advertising formats and experiment with blogger collaborations, metaverses, and social media platforms.

In 2024, M.Video-Eldorado launched several commercials featuring actor Ruzil Minekayev. In these spots, Ruzil officially assumed the role of chief electronics expert and worked as an M.Video shop assistant. With his signature humor and irony, he assisted customers in selecting appropriate equipment while highlighting M.Video's diverse assortment and unique promotions.

By year-end 2024, approximately

## ~100,000

M.Video-Eldorado customers had subscribed to M.Combo.

### Unreal Black Friday

During one week, customers were offered discounts on hundreds of different products, cashback incentives, purchase gifts, interest-free installment plans, and convenient order delivery options. Record assortment exceeding 200,000 SKUs supported the increased demand for household appliances and electronics, along with attractive discounts up to 60% and a unique promotion featuring 11 apartment giveaways. Subscriptions to online cinemas, refrigerators, TVs, Apple tablets, and Samsung and iPhone smartphones showed the strongest sales growth.

### White Friday

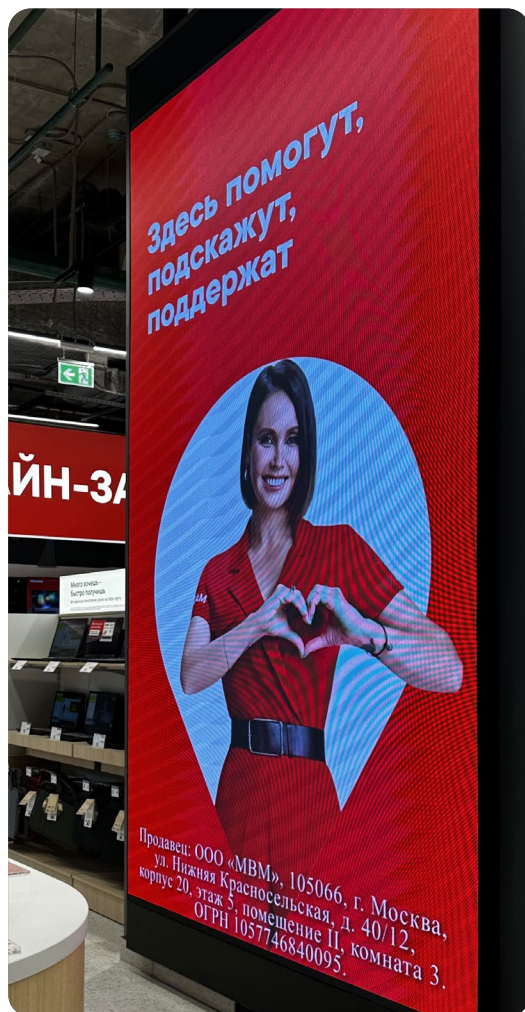
Anticipating the country house and summer seasons, M.Video-Eldorado launched our annual White Friday promotion with exclusive customer offers: up to 20% cashback on all digital equipment and up to 30% cashback on household appliances, services, and other goods.

### M.Combo subscription

In October 2024, M.Video-Eldorado pioneered a market-unique subscription service among non-grocery retailers. Our M.Combo subscription provides customers with access to additional services that simplify equipment purchasing and servicing while offering attractive bonuses and discounts.

The subscription's primary advantage is 24/7 access to a dedicated support line staffed by highly qualified experts ready to resolve any equipment-related issues. M.Combo subscribers also benefit from free delivery for online and in-store purchases, plus old equipment recycling services.

<sup>1</sup> Source: Brandlab, Russia's 100 Most Expensive Brands [https://brandlab.ru/company/blog/BRANLAB\\_top100\\_samykh-dorogikh-brendov-Rossii-v-2024.pdf](https://brandlab.ru/company/blog/BRANLAB_top100_samykh-dorogikh-brendov-Rossii-v-2024.pdf).



### Back To School

Our Back To School promotional campaign featured a collaboration between Ruzil Minekayev and Alexander Pushnoy. This campaign aimed to connect with younger customers by speaking their language and offering relevant solutions. In the commercial, Pushnoy shared deep technological expertise while Minekayev, representing the younger generation, demonstrated an ability to communicate effectively with the target audience.

### Product for RUB 1

Our Product for RUB 1 promotion allowed customers to purchase special products for a symbolic RUB 1 price when buying an M. Combo subscription. M.Video-Eldorado offered between 1 and 11 items each week, including popular products such as Yandex Alice, Toshiba microwave ovens, and Caffitaly coffee machines.

### Discounts on game consoles with TV purchases

This promotion featured special offers combining TVs and gaming consoles:

- ▶ 30% discount on PlayStation 5 when purchasing select TCL TV models;
- ▶ PlayStation 5 as a gift when purchasing specific TCL TV models;
- ▶ PlayStation 5 as a gift when purchasing a Hisense TV.

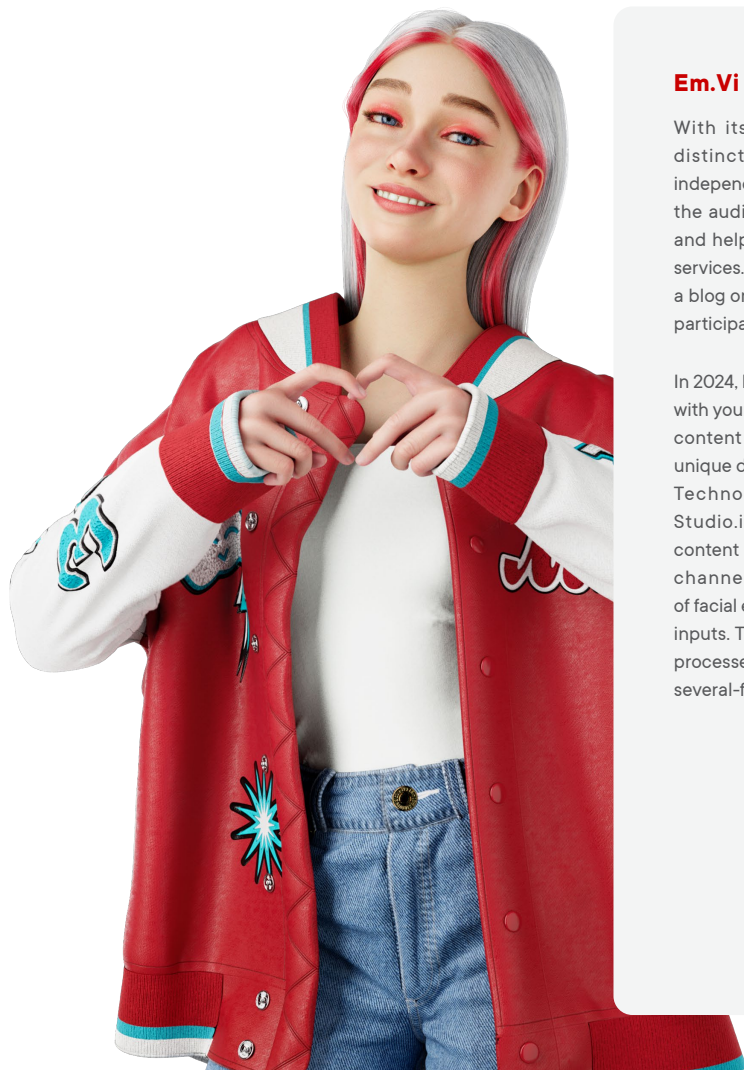
### Raffle of 11 apartments

M.Video-Eldorado conducted a large-scale promotion in late 2024, raffling 11 Moscow apartments over 11 weeks. The new residences went to loyalty program participants from across the country who had made purchases of RUB 5,000 or more through M.Video-Eldorado sales channels. Purchasing products from partner brands – Carrera and Sber smart devices – increased winning chances.

### 50% discount on the second household appliance

M.Video-Eldorado offered customers 50% off the second household appliance when purchasing as a set. We supported this promotion with a comprehensive advertising campaign spanning television, outdoor advertising, online channels, and performance marketing. This initiative significantly boosted household appliance sales and raised brand awareness.

Simultaneously, the Company is actively developing its retail media capabilities, establishing its own media platform. We lead the industry in digital carrier deployment, with more than 50 digital screens in each store, enabling broad advertising campaign coverage. These carriers provide direct customer engagement with advertising messages. By the end of 2024, the M.Video-Eldorado network encompassed more than 1,200 stores across more than 370 cities nationwide. This direction continues to attract steady advertiser interest. Moving forward, we plan to expand our platforms within the retail media paradigm, introduce new placement formats, and attract additional external advertisers.



### Em.Vi digital ambassador

With its unique visual representation and distinctive voice, Em.Vi is able to support independent live streaming and interactions with the audience through a large language model and help users navigate through products and services. Em.Vi runs social media pages, maintains a blog on the M.Click brand media platform, and participates in advertising campaigns.

In 2024, Em.Vi – our innovative tool for connecting with younger audiences – received its own digital content generation studio, a market first. This unique development from Sberbank's Metaverse Technology Center and SberMarketing – Studio.iVFX dramatically accelerates video content creation across various communication channels through instant synchronization of facial expressions and speech via sound or text inputs. The automation and streamlining of work processes has optimized video editing expenses several-fold.

Developing exceptional seamless customer experiences and their digitalization remains our priority. According to the 2024 survey findings, M.Video and Eldorado maintained a high level of brand recognition and customer loyalty thanks to carefully selected tools and creative formats used in their advertising communications.

The Company won the **ECOM Awards 2024**, organized by the Russian Ministry of Industry and Trade and the Russian Association of Retail Market Experts. The award's expert council granted us first place in the Best Content Marketing Campaign category for our Ruzil Minekayev video. We also secured second place in the Niche B2C Marketplace of the Year category.

The M.Video brand also became a winner of **премии E+ Awards** for the best technology solutions: Em.Vi is recognized as the first commercial 3D influencer with regular video releases addressing company tasks at all levels.

The M.Video brand is the omnichannel retail leader in the Electronics and Household Appliances category according to **OMNI RATING AWARD 2024**. Our OneRetail platform enables us to cultivate customer relationships, personalize experiences, and offer digital services at all touchpoints for convenient, enjoyable purchasing.

Additionally, M.Video-Eldorado became a laureate of the Proxima award – the only advertising recognition where winners are determined by advertisers themselves. Our case study "How our brand media M.Click and Eldorado Blog bring ~6 million MAU" earned bronze in the E-commerce category.

# 3.5. Effective logistics

## Storage and distribution of goods

M.Video-Eldorado operates an integrated storage and distribution system comprising eight major distribution centers across Moscow and regional locations, complemented by smaller regional multiplatform storage facilities. Our retail network stores also function as part of this efficient logistics ecosystem, serving as inventory hubs for pickup and courier delivery.

Our extensive geographical presence combined with comprehensive online coverage allows customers access around 75% of our assortment within 24 hours, and 43% within just 15 minutes. This store network drives online sales growth in each region while significantly reducing logistics infrastructure development costs – creating a crucial competitive advantage over marketplaces and other online retailers.



In 2024, our primary objectives were to enhance operational efficiency, optimize costs, and improve customer service metrics. Through the refinement of our logistics function, we successfully reduced logistics expenses, increased product turnover and distribution speed, and expanded import routes.

The Company adopts a cost-conscious approach towards the operation of its store network, as well as the improvement of warehouse logistics processes and the last-mile delivery.

### Logistics infrastructure<sup>1</sup>

Facility	Description and functionality	Geography
8 central distribution centers	<ul style="list-style-type: none"><li>Concentration of all goods purchased by the Company in a total area of over 500,000 square meters</li><li>Distribution of goods to stores and regional multiplatforms</li></ul>	Chekhov (Moscow Region), Novosibirsk, Kazan, Rostov-on-Don, Yekaterinburg, St. Petersburg, Vladivostok, Samara
52 regional multiplatforms	<ul style="list-style-type: none"><li>Storage of large household appliances</li><li>Delivery of goods to stores and customers within a radius of 150–200 kilometers</li></ul>	Large and medium-sized cities in various regions of Russia
1 226 stores	<ul style="list-style-type: none"><li>Storage of small household appliances and digital devices</li><li>Limited storage</li><li>Order pickup by online and offline customers, and order collection by couriers delivering large household appliances</li></ul>	>370 cities in Russia

<sup>1</sup> As at December 31, 2024.



## Infrastructure improvement

### Digital innovations in logistics

M.Video-Eldorado is investing in the development of modern IT processes that support inventory management and logistics operations. We utilize our proprietary Titan IT platform for purchase planning, sales forecasting, and goods distribution. This cloud-based platform enables agile and rapid response to market changes. It lets us adjust merchandise distribution algorithms based on deliveries and distribute products to the stores where they are in high demand and sell quickly, thus ensuring exceptional service levels for each item across all locations.

Beyond the Titan platform, we actively develop and implement planning accuracy enhancement tools. A cornerstone of this effort is our Sales Planning intelligent forecasting system. Leveraging machine learning algorithms, this system automatically analyzes vast data volumes – including sales history, seasonal patterns, market trends, and other relevant factors – to generate precise 52-week demand forecasts across our entire product range. A key Sales Planning feature is its synergy between automated analysis and expert assessment: managers can adjust forecasts to account for specific risks or market opportunities, such as upcoming

distribution channel changes. The finalized sales plan integrates daily with the Titan platform, providing up-to-date data to our inventory management system. This solution aims to reduce logistics costs, optimize category manager workflows, and accelerate inventory turnover.

Our pricing strategy relies on the Pricing IT system for responsive, high-quality price management. Using business rules and machine learning algorithms, the system generates daily recommended prices (regular/promotional) for our complete range, considering business factors, competitive positioning, and product characteristics. The Pricing system combines routine price change automation with expert manual management capabilities. It also optimizes low-turnover product sales, manages external online platform pricing, and provides comprehensive pricing control analytics.

### Our Own Marketplace

In 2024, the Company doubled its logistics infrastructure for proprietary marketplace suppliers by expanding 3P storage zones. The network now includes facilities in the Moscow Region, St. Petersburg, Rostov-on-Don, Yekaterinburg, Kazan, Nevosibirsk, and Samara. This solution has reduced own marketplace order delivery times by an average of one day.



## Inventory turnover

M.Video-Eldorado faced key challenges in 2024, including logistics constraints on China routes and increasingly complex cross-border payment processes, necessitating additional warehouse stock to ensure uninterrupted store supply with essential product ranges. Customers maintained steady demand for brands including Haier, Hisense, TCL, and Huawei. During 2024, we expanded our range of exclusively presented equipment brands within the M.Video-Eldorado network – including Thunderobot computers, Carrera household appliances, and other categories – allowing further supply chain optimization.

Despite these challenges, our average monthly inventory turnover remained consistent with previous year levels, showing modest improvement from 16.2 to 16.7 weeks.



## 3.6. One-stop service center

One of M.Video-Eldorado's competitive advantages as the Chief Electronics Expert in the household appliances and electronics market is its dedicated service division operating under the M.Master brand. M.Master serves as a one-stop shop for comprehensive customer support that covers a wide range of additional services, including delivery, installation, setup, repairs and other services, such as trade-in options, smartphone buyback programs, and refurbished equipment sales.

Services can be arranged when purchasing large-sized appliances both offline and online. Professional technical specialist teams (447 staff by the end of 2024) provide these services throughout the country within a 150 km radius from our stores.

Throughout 2024, we expanded our network of M.Master branded service areas providing comprehensive repair and maintenance services. We opened more than 30 equipment maintenance and repair zones under the M.Master brand across eight major Russian cities.



Additionally, eight M.Video stores in six cities (Moscow, Yekaterinburg, St. Petersburg, Kazan, Krasnodar, and Nizhny Novgorod) began selling refurbished appliances, repaired by M.Master specialists or sourced through trade-in programs.

The new spaces offer a wide range of services, as well as repair of appliances purchased in any Russian store both in its service centers and with on-site technician visits. The M.Master service accepts appliances and devices for repair, regardless of whether they were purchased from M.Video and Eldorado stores or from third-party sellers.



Guarantee



Transparency



Fixed price



Payment by installments



Same day delivery and installation



Post-sales support with free technician visit

Quality service stands as a crucial competitive edge for M.Video-Eldorado. We handle not only delivery, setup, maintenance, and repair services for malfunctioning equipment but also ensure old equipment recycling. This comprehensive approach covers the full customer technology lifecycle – a unique offering in the household appliances and electronics market.

M.Master provides home installation and repair services, assisting clients across various situations and needs. This brings people a new experience of comfortable living through expertise and caring service.

М.МАСТЕР



Last mile

- Delivery of goods to the Company's customers
- Expansion of own delivery



Service centres

NEW

- Offline service offering at stores
- 30 centers launched in 8 Russian cities



On-site service

- At-home installation and e-friendly collection of obsolete appliances
- Pilot sales of M.Master services to third-party customers



Trade-in services

- Purchase of new equipment using the price of used equipment as setoff
- Expansion to 3,500 device models
- Increase in repurchase prices for the customer



Refurbished products

NEW

- Sale of defective goods and devices purchased from customers



Buyback

NEW

- Service launched to buy back used smartphones, covering 15 brands, with money instantly credited to customer cards

On-site service

Delivery, installation and setup

M.Video-Eldorado delivers exceptional speed and convenient options for receiving purchases. While pick-up remains the preferred option for most customers, approximately 10% of orders placed with M.Video are delivered to customers within two hours by a taxi courier..

In 2024, we completed approximately 445 thousand installations of large-sized appliances, including 233 thousand installations performed by our in-house installation and delivery service. The most frequently installed items are washing machines, dryers, refrigerators, TVs, as well as built-in kitchen appliances and climate control systems.

M.Video and Eldorado offer customers across over 300 cities a variety of convenient order pick-up and delivery options.

2024 results:



pick-up in as little as 15 minutes from a convenient store location or from partner pick-up points



>105 thousand completed orders delivered to partner pick-up points and stores



express delivery within two hours or at a convenient time slot



243 thousand orders fulfilled



standard delivery of large-sized goods at a convenient time slot



>248 thousand orders fulfilled



same day delivery and installation



>233 thousand orders fulfilled

With our own vehicles and in-house servicemen, we can efficiently combine the delivery and installation of household appliances into a single visit, saving time for our customers.

Same day delivery and installation:

**447**  
in-house service technicians  
and forwarders

**150** cities

**243** vehicles

**~642**  
daily installations

In 2023, as part of our last-mile service, we introduced express delivery for large-sized appliances. This service operates in nine cities, enabling M.Video customers to receive their appliances within a convenient time slot on the day of purchase. The delivery is carried out by our partners from among taxi aggregators.

## Recycling

M.Video-Eldorado was among the pioneers in Russia to introduce an e-waste recycling program. This program is available in more than 30 regions across the country, with 800 retail stores participating. Customers can arrange obsolete large appliance removal directly from their homes with new product delivery or through our Ecotaxi service without requiring a purchase.

In 2024, customers recycled 20% more small equipment and 7% more large appliances compared to 2023 volumes.

In 2024, customers sent more than 1,600 tonnes of e-waste and 99 tonnes of batteries for recycling, up 8% and 16% year-on-year respectively

For more details, see [the Progress on Circular Economy and Sustainability Projects section](#)

In 2024, we completed approximately 445 thousand installations of large-sized appliances, including 233 thousand installations performed by our in-house installation and delivery service. The most frequently installed items are washing machines, dryers, refrigerators, TVs, as well as built-in kitchen appliances and climate control systems.

## Own vehicle fleet

M.Video-Eldorado expanded its vehicle fleet in 2024, leasing 33 Gazelle NEXT vehicles for large appliance delivery with installation services. By year-end, our proprietary vehicle count exceeded 200, with service technicians and forwarders numbering over 400. We plan to further increase our vehicle fleet by the end of 2025 to support service expansion and broader delivery and installation coverage



## In-store services

In M.Master branded zones, customers can submit equipment for repair, receive immediate assistance, and purchase refurbished equipment.

Eight M.Video-Eldorado stores across six cities (Moscow, Yekaterinburg, St. Petersburg, Kazan, Krasnodar, and Nizhny Novgorod) now offer refurbished equipment sales featuring items repaired by M.Master specialists or acquired through customer trade-in programs.

## Equipment restoration

M.Video stores sell refurbished appliances repaired by M.Master specialists or sourced through trade-in and buyback programs.

M.Master service center engineers evaluate refurbished devices based on external condition using specialized software that eliminates human factors from the assessment. This process typically takes 15 minutes or more.

Customers can purchase various Apple products, Samsung smartphones, and Windows OS laptops from brands including Huawei, Asus, Honor, and Thunderobot.

We plan to expand our refurbished product offerings to include gaming consoles, Android OS smartphones and tablets, and small household appliances.

### Smartphone buyback and exchange services

We provide customers with quick, convenient smartphone exchange or buyback services. In our retail locations, customers can trade in their smartphones for discounts on any store product from our extensive range or sell their devices for immediate payment through preferred methods.

### Additional services

We strive to offer our customers comprehensive solutions, providing assistance in choosing not only goods, but also complementary accessories and services. After the purchase, for example, they may ask for advice on how to choose and install screen protectors for gadgets, as well as on necessary software and apps to download and the right settings.

### Insurance

To provide customers with additional protection and confidence in their purchases, M.Video-Eldorado offers a wide range of insurance programs covering household appliances, health, travel, and more.

In partnership with AlfaStrakhovanie and VSK, M.Video-Eldorado offers customers various insurance policies that can be added to the purchase of household appliances and electronics when buying them offline or picking up as part of online orders.

In addition, we offer extended manufacturer warranty programs such as Samsung Smart Care and Huawei Care, which allow customers to have their devices promptly repaired at authorized Samsung or Huawei service centers across Russia. To benefit from these programs, customers simply need to register their purchased certificate and present the receipt for the certificate purchase along with the device when seeking service.

In 2024, M.Video and Eldorado sold almost

**~2 MILLION**  
insurance plans.



### Quick Service

In partnership with VSK Insurance House, M.Video-Eldorado offers customers to purchase the VSK Quick Service insurance policy. It covers both service at participating offline stores and on-site service available within a 100 km radius from the customer's city. In the case of Moscow, the coverage extends to both Moscow and the Moscow Region.

Quick Service is the fastest repair service available at M.Video stores. This program goes beyond the manufacturer's warranty, offering customers a broader coverage.

The program offered to M.Video-Eldorado customers covers 72-hour repairs of large and small household appliances and mobile devices, eligibility for a product exchange if repairs are not completed in time, repairs required as result of incorrect product installation, product misuse or power surges, repairs of minor mechanical defects, and more.



## 3.7. Fintech

M.Video-Eldorado leads the Russian POS lending market, delivering fintech products through our proprietary financial broker, Direct Credit.

As Russia's Chief Electronics Expert, we aim to offer not only diverse quality merchandise but also advantageous financial products for their acquisition.

In partnership with Carbon Copy, we launched an equipment rental program for corporate clients in 2024, offering office equipment rentals with subsequent purchase options.



As a major fintech player, we provide customers with straightforward, transparent purchase terms and access to convenient financial instruments – particularly valuable during periods of elevated bank loan rates. We offer various financial products making both in-store and online shopping more attractive.

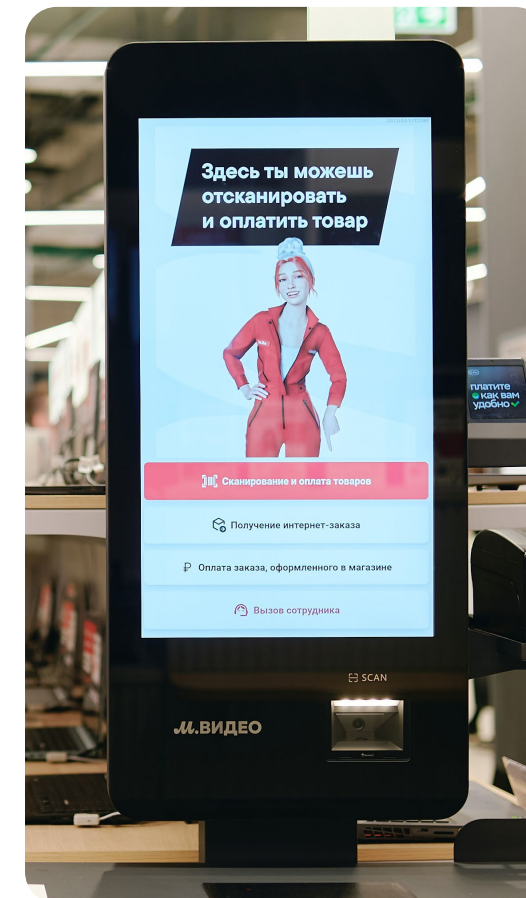
During 2024, customers of our network gained access to multiple financial products through a single interface, including cash loans from four financial organizations and our own microcredit company, plus credit and debit cards from three partner banks.

### Payment services

M.Video-Eldorado is committed to offering customers simple and transparent payment terms, leveraging the latest payment tools, and making essential consumer electronics more affordable.

As part of our commitment to enhancing the customer journey, M.Video-Eldorado ensures secure and high-speed payment transactions, including through the use of the Faster Payments System (SPB). The Company has partnered with VTB Bank to connect its stores to the SBP and enable M.Video's customers to make contactless payments directly at the shelf without visiting cashiers, using the consultant app on the shop assistant's smartphone. Customers can also make SPB payments on our website, through the customer mobile app or at the checkout counter in offline stores.

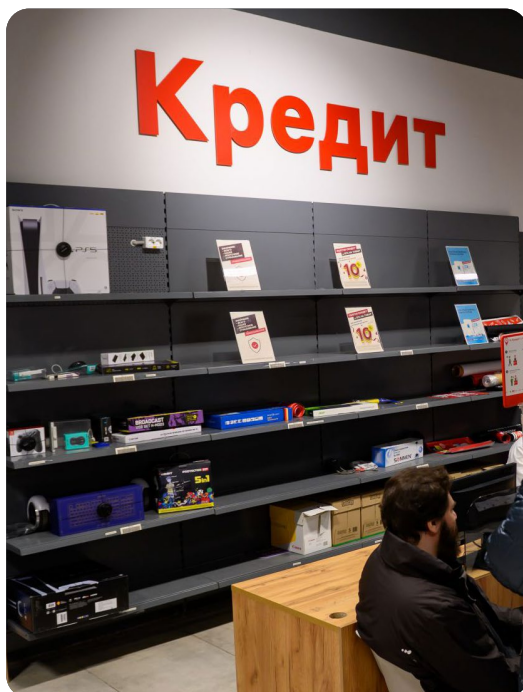
In 2024, M.Video-Eldorado partnered with Sber to introduce biometric payment capability – allowing purchases through facial recognition without cards or smartphones. Biometric payment is available across our entire store network in 376 Russian cities.





## Lending

M.Video-Eldorado is one of the leaders in consumer lending. We offer a wide range of in-store and online loan products from 15 banks and lending organizations, while also developing our own lending platform.



Through our platform, customers can substantially reduce the time required for repeat purchases. It provides automatic document filling, document signing via SMS messages, and additional services such as insurance, legal assistance, and credit history preservation.

Various installment or credit options accounted for

**15.4%**

of sales by the end of 2024.

An advanced multi-bank lending platform enabled M.Video-Eldorado to offer customers appealing loan products and support demand. Despite the persistently high key interest rate in 2024, the Company maintained a record-high loan approval rate of 79% for offline transactions and 55% for online transactions.

M.Video-Eldorado stands as the only household appliances and electronics market participant offering interest-free installments up to 24 months on almost our entire product range. More than 80% of all credit service transactions are completed through installment plans.

## M.Installment

In 2024, we introduced a smartphone subscription service with pre-approved credit lines, combining benefits from trade-in and M.Installment. M.Video and Eldorado customers can now make purchases using renewable credit fund limits without waiting for previous installment completion, while trading in previously purchased smartphones at optimal valuations.

Buyers also benefit from enhanced cashback, service maintenance, and maximum discounts when trading in old smartphones. The M.Installment program spans up to 24 months, with maximum renewable limits of RUB 300,000 for any goods and services at M.Video and Eldorado stores.

Despite record key interest rates, our joint product with OTP Bank 0-0-24 (installments without down payments or interest over 24 months) continued operating as a promotional offering available for all network products during the reporting year.

The Company launched a new customer service in 2024 enabling quick loan applications with direct card deposits through the M.Video-Eldorado mobile app's customer account. This service was developed by a proprietary fintech platform of Direct Credit.



## 3.8. IT developments and information security

M.Video-Eldorado's business strategy prioritizes the development of technology-driven products for clients and business functions, along with further enhancement of data analytics and machine learning tools.

Thanks to its advanced IT competences and a high extent of business process digitalization, M.Video- Eldorado is able to provide the best customer experience and offer unique services through ONE RETAIL, ensuring customer loyalty, partner engagement, and operational efficiency gains.

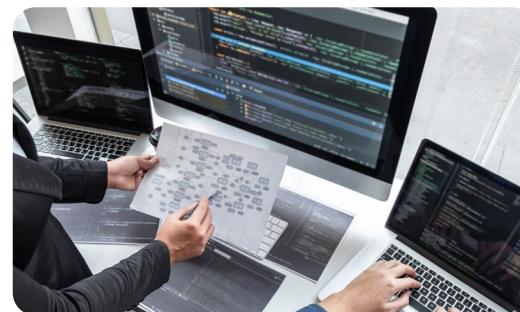
For more details on the ONE RETAIL platform, see [the Best Customer Experience section](#).

Since 2023, the Company has maintained international Payment Card Industry Data Security Standard (PCI DSS) certification, confirming our payment infrastructure reliability and guaranteeing secure website and app operations with payment cards.

### M.Tech

Since 2022, M.Video-Eldorado has operated its own IT company, M.Tech, focused on developing products and IT services ensuring omnichannel approaches and seamless customer experiences – from mobile applications and websites through retail store visits, with consumer lending and electronic payment capabilities. This approach also enhances current business operational efficiency.

M.Tech relies primarily on cloud infrastructure and microservices architecture. As at the end of 2024, the Company develops around 85 digital products and solutions based on data analytics, biometrics, artificial intelligence, and machine learning. Key internal products include platforms for managing goods, orders, and customer



data (supporting recommendation services), systems for planning assortment, inventory, pricing, and promotional activities, and tools improving efficiency across all Company departments. Significant emphasis is placed on enhancing quality and speed of customer and consultant mobile applications, web services, and the fintech services platform.

M.Tech serves as an external IT development partner for the entire M.Video-Eldorado, as well as a platform for potential sales of proprietary IT solutions to a wider market

### IT infrastructure

In an effort to enhance the flexibility and reliability of the Company's IT landscape, we keep reshaping our IT architecture using a microservice approach, developing a data platform and products based on machine learning, and implementing projects in information security and transition to cloud infrastructure.

M.Video-Eldorado is assembling a modern microservice platform built on hundreds of independent components. This approach involves supporting independent competing frontend products (mobile apps and websites) and shared backend systems used by both brands, including the logistics, finance, IT, and HR modules. A microservices-based architecture helps to rapidly respond to the demands of the business by adapting current products, while ensuring that applications run quickly and smoothly as workloads grow.

For greater economic efficiency, we consolidate cloud solutions with one strategic partner. More than 70% of M. Video-Eldorado's operations are supported by cloud solutions. The Company has already transferred the development and operation of the websites and mobile apps for customers and consultants of both brands to a cloud platform.

We also make strong use of automation services for container-based development to create new digital products, a managed data platform for data collection, storage, analysis and visualization, and ML-based services.

The Company is significantly expanding the functionality of its key products and services in a quick and cost-efficient manner, and implementing data analytics at all decision-making levels.

## Commercial and logistics platform

M.Video-Eldorado operates as a data-oriented company, automating product category management processes from purchase planning through promotional activity management.

We have developed and implemented its own set of solutions based on machine learning algorithms to manage product categories at all stages of commercial and logistics planning. Our integrated category management platform creates an optimal assortment for each store, adjusts prices daily taking into account competitors' actions, and calculates the optimal volume of procurement and stock replenishment for both M.Video and Eldorado.

The platform incorporates four proprietary data products created by the Company's in-house developers. They replaced vendor solutions in its IT landscape:

- assortment management (Optimizer);
- inventory management (Titan, see [@ Digital Innovations in Logistics section](#));
- Pricing;
- Promotional Planning.

The integrated system allows to combine the efforts of various divisions of the Company. The Optimizer solution analyzes customer behavior on the websites and in the mobile apps of M.Video and Eldorado on a daily basis and automatically builds the most optimal assortment for each product category. The Pricing and Promotional Planning products are used for predictive management of regular and promotional pricing. Over one-third of the Company's active assortment is determined automatically without direct category manager involvement.

**All four modules of the platform were developed entirely in-house, making them easy to adapt and maintain by our internal team. This integrated solution costs nearly half as much as comparable alternatives, while substantially improving the speed and accuracy of calculations it performs.**

## Information security

In 2024, M.Video-Eldorado continued implementing a strategy to enhance and maintain information security.

The information security function focuses on the relevant objectives to advance our business goals. In 2024, the Information Security Department implemented eight additional security measures to ensure our information systems and products were protected and fault-tolerant.

New information security services were integrated into digital product development to reduce risks and potential losses from information security incidents.

M.Video-Eldorado takes a responsible approach to protecting the personal data it processes. Throughout 2024, we continued monitoring compliance of personal data processing and protection processes with legislative and regulatory requirements, assessed additional information processing procedures, implemented additional security measures and personal data processing protocols, and executed a planned implementation roadmap.

### Key results of implementing the information security strategy

In 2024, the import substitution of security tools from vendors who exited the Russian market continued, alongside the improvement of digital product protection.

Existing measures to protect data were maintained, additional security services were identified and launched to protect digital products from complex threats, and training was carried out to raise employee awareness of security threats.

Additional automation tools were implemented to improve the response capabilities of the Information Security Incident Response Center.

To increase the level of security, 11 information security enhancement programs were developed and are being implemented, comprising 88 protective measures, with over 50 already implemented.

# Building the future together

To change the world for the better, making it safer and more harmonious, we start with ourselves. We support social and environmental initiatives, protect biodiversity, and ensure the safe disposal and recycling of waste.

**80** stages of  
**TREATMENT**

for 47 children with craniofacial  
pathologies financed



**9** RUB MLN

allocated  
to environmental projects





# Our approach to sustainable development

As a leader in the Russian market for household appliances and electronics, we recognize our responsibility to society and implement sustainable practices in all aspects of our business: corporate governance, operations, team and community relations, and supply chain.

## One future: our sustainability strategy

Sustainable development is an integral part of M.Video-Eldorado's strategy.



### Strategic ESG priorities



#### One planet

- ▶ We start with ourselves to make the world a safer and more sustainable place.
- ▶ We reduce our environmental footprint by optimizing our own operations and supply chain.
- ▶ Reducing GHG emissions
- ▶ Circular economy and waste management
- ▶ Promoting goods related to conscious consumption



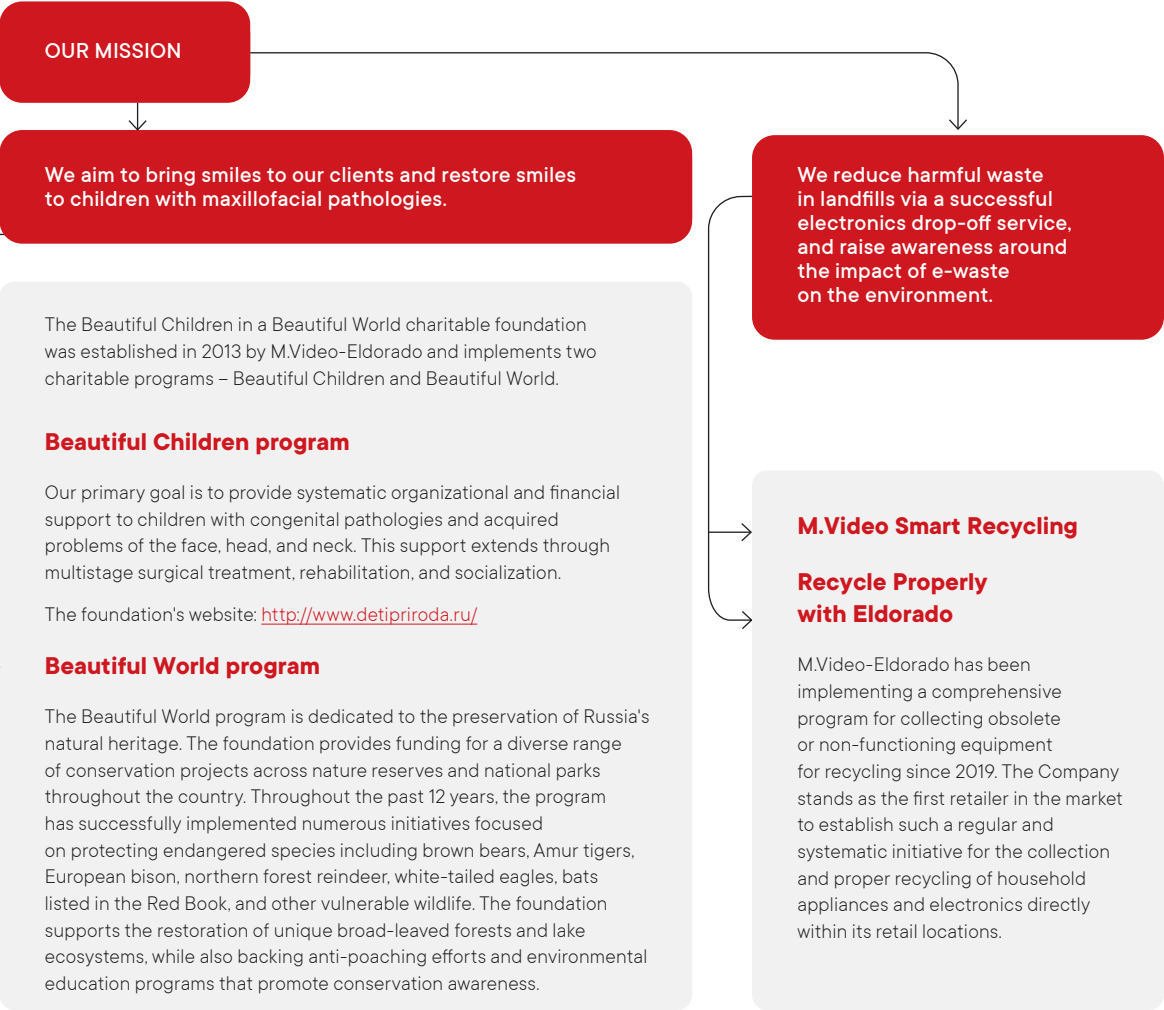
#### One community

- ▶ We invest in people by helping them achieve better results and creating a safe and comfortable working environment.
- ▶ We stick to the sustainability principles all along the customer journey and leverage technology to improve life and make a significant impact on social development.
- ▶ Fostering an environment that drives learning and growth
- ▶ Safety, inclusivity and diversity
- ▶ Developing local communities



#### One standard

- ▶ We integrated our commitment to responsible business practices into our OneRetail strategy, risk management processes, corporate governance framework, and supply chain.
- ▶ ESG integration into corporate governance
- ▶ Cyber security and personal data protection



We support and share global sustainability initiatives and are consistently implementing the most relevant UN Sustainable Development Goals (SDGs) in tandem with our own targets and goals, with progress monitored throughout the entire process. The Company has identified six key UN SDGs that we find relevant:

**3 GOOD HEALTH AND WELL-BEING**

**8 DECENT WORK AND ECONOMIC GROWTH**

**10 REDUCED INEQUALITIES**

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

**13 CLIMATE ACTION**

**17 PARTNERSHIPS FOR THE GOALS**

# Stakeholder engagement

M.Video-Eldorado strives to establish meaningful partnerships, maintain an open and transparent dialogue with all stakeholders, and inform them in a timely manner about significant developments within the Company, including challenges and achievements in the field of sustainable development.

M.Video-Eldorado's stakeholders include all individuals or organizations that may be directly or indirectly affected by our business activities and operations. The Company's key stakeholder groups encompass shareholders and investors, employees and their families, government authorities, media organizations, customers, suppliers, and business partners.



Stakeholders	Purpose of interaction	Sustainable development expectations
 Shareholders and investors	Creating value for shareholders while preserving and enhancing investment attractiveness for investors	Commitment to maintaining high standards of corporate governance Increasing transparency and openness in all aspects of sustainable development Providing a comfortable and safe working environment to facilitate better results
 Employees	Creating optimal conditions for efficient and safe labor while increasing overall employee engagement	Implementing regular improvements to the system of both tangible and intangible incentives Offering flexible conditions that allow employees to realize their full potential and solve problems in the most efficient way possible Ensuring access to the latest technologies
 Customers	Increasing customer loyalty and retention while attracting new customers to the Company	Building trusting and open relationships at every touchpoint Developing long-term relationships with suppliers and other counterparties to ensure the high quality of M.Video-Eldorado's products and its long-term market competitiveness
 Suppliers and partners	Shaping a responsible supply chain and actively promoting sustainability principles	Improving communications with partners while continuously searching for and introducing new tools and channels of interaction Adhering to high standards of quality control and corporate behavior Implementing modern IT solutions to improve automation and enhance efficiency throughout supply chain operations
 Media and public authorities	Public positioning of the Company as a responsible, open, and reliable market player	Building open and partnership-oriented relations with authorities and mass media

# Personnel management

We strive to provide employees with a safe and comfortable working environment to enable everyone to unlock their potential and help make a difference for society at large.

We work on enhancing cross-functional interaction between teams, teach managers how to organize operations effectively, and take steps to integrate our corporate culture into what our teams do.

We develop an inclusive working environment with diverse cultures and mindsets. We want people to know their input is recognized and enjoy fair treatment and equal opportunities in the workplace.

## Our approach to personnel management

In 2024, M.Video-Eldorado actively pursued a strategy aimed at increasing efficiency, employee engagement and motivation through improving performance culture and promoting corporate values. Work continued to build trusting relationships aimed at long-term and mutually beneficial cooperation with staff.

The Company's employee relations initiatives were centered around the following areas:

- ▶ attracting and retaining young talent;
- ▶ increasing confidence in the employer brand on the labor market;
- ▶ creating a favorable environment for professional development and growth;
- ▶ developing a culture of leadership and high performance;
- ▶ improving HR efficiency processes, including through generative networks.

One of the key tasks in the reporting year was to expand the traditional channels for attracting potential candidates. We expanded our Bring a Friend referral program, empowering employees to recommend M.Video-Eldorado as an employer to friends and acquaintances. In smaller towns, we increased our use of localized search sources, including advertisements, newspapers, and billboards.

The Company has the ability to respond quickly and flexibly to any market changes, allowing it to control operational efficiency without drastic changes in headcount.

M.Video-Eldorado's digital ecosystem for personnel in M.Video-Eldorado stores and departments involved in customer service continued to operate successfully. This approach helps us bring together the key time management systems, synchronized their work, and make employees actively involved in planning and using their working time through the shift exchange marketplace and visual online performance dashboards. As a result of strong HR management, the Company's employees deliver improved performance and better understand the correlation between effort and pay. The Company has the ability to respond quickly and flexibly to any market changes, allowing it to control operational efficiency without drastic changes in headcount.



In 2024, the Company was recognized with a number of prestigious awards, acknowledging the effectiveness of its approach to people management:

### Changellenge Best Company Award

Third place among multi-category retailers

### HR IT Awards competition

First place in the HR automation category

### HR Brand 2023 Award

Award in the special category "People of Business" with the project "Warehouse with a Human Face, or How We Found Staff for the Flagship Warehouse in Two Months" Entering the finals of the main category "Federation Grand" with the project "Ready to Start at M.Video-Eldorado: An Empathic Chatbot in a Digital Onboarding Project"

### Digital Pyramid 2024 Award

Second-degree award winner for the proprietary IT solution "Personnel Portal"



The Company's HR processes continue to be enhanced by the Personnel Portal, which seamlessly integrates all business processes with government agencies and external systems, while automating HR administration through a one-stop shop approach. The Personnel Portal streamlines staff management from hiring through dismissal, including leave processes, and empowers employees to quickly resolve personnel matters remotely.

Development of corporate culture

M.Video-Eldorado places significant emphasis on developing corporate culture and fostering effective team interactions among employees. Well-calibrated, systematically structured communication across all organizational levels directly impacts productivity, corporate culture, sustainability, and the Company's overall success.



M.Video-Eldorado's ecosystem of technological solutions enhances the efficiency of internal HR processes and employee engagement, motivating team members to achieve high performance standards.

In support of the Leadership through Customer Centricity strategy, a comprehensive value system was established in 2023 to serve as a guiding framework for employees. This system helps reinforce M.Video-Eldorado's position as the Chief Electronics Expert while equipping employees with tools to address pressing business challenges. Values are fully integrated into the Company's operational processes, providing a practical foundation for decision-making, project management, and the development of cross-functional collaboration.

Based on the values, the Company developed an organization-wide competency model and conducted an annual M.Assessment of goals and competences, involving approximately 3,000 office and retail employees. Special attention was directed toward developing soft skills, including effective adaptation to the corporate culture and embracing the Company's philosophical approach. This strategy enhances employee engagement, establishes a shared value environment, and creates productive synergies between individual employee achievements and the Company's long-term objectives.

The Company's updated values



Honesty

We do what is right, not what is easy

Open processes, open people



Flexibility

Thinking today what we can change tomorrow

We listen, we hear, we change



Drive for results

From words to action

Together, we take responsibility for the result



Teamwork

All as one, towards a common goal.

Strong as a team



Care

We do care

With excitement to work, with respect to each other



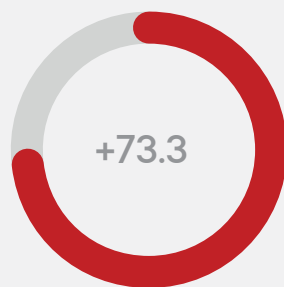
Customer focus

My customer, my responsibility

Delivering customer peace of mind through exceptional care



● eNPS



● mNPS



● Engagement



● Loyalty



● Satisfaction

In 2024, M.Video-Eldorado conducted a full-scale engagement survey among the Company's entire staff, exploring satisfaction, engagement, loyalty, eNPS<sup>1</sup>, and mNPS<sup>2</sup>.

The survey covered 92.6% of employees, with the results among the best in the industry for companies in the household appliances and electronics segment. Two key areas of focus were identified following the survey: "processes" and "recognition" and for each of them, a work plan was put together to implement the necessary changes and create a comfortable working environment for employees and the business to benefit from.

One of the primary objectives of internal communications is ensuring teams engage in open dialogue with the Company. In 2024, M.Video-Eldorado held its traditional annual corporate conference ME.CONF, where top executives discussed business achievements and future plans while sharing personal

stories. The conference emphasized a key message: our values resonate with every employee regardless of their position within the organization. For the first time, the conference united all directors from both M.Video and Eldorado stores, with more than 2,000 people in attendance.

During 2024, the Company created and launched new information channels for employees on social media platforms (Telegram and VKontakte) and installed interactive information displays at the corporate headquarters. These initiatives have significantly improved awareness among staff across different target groups.

To enhance engagement and elevate the quality of information provided to employees, the Company conducted a review of existing communication channels, including email distribution lists, regular digests, business communications, and information blogs on the M.LIFE corporate portal.

## Attracting young talent

We believe that attracting and developing young talent is a key factor in the Company's success in the market. To attract promising young professionals and build effective succession pipelines, the Company employs both traditional and advanced recruitment tools while taking a personalized approach to finding talent, selecting the most effective and relevant channels. Young professionals without work experience can join the Company as retail shop assistants, complete an internship while pursuing their university studies, or participate in the head office internship program.

~25%

of the total number of M.Video-Eldorado employees are young professionals under the age of 25, primarily serving as shop assistants

<sup>1</sup> Employee Net Promoter Score.

<sup>2</sup> Managerial Net Promoter Score.

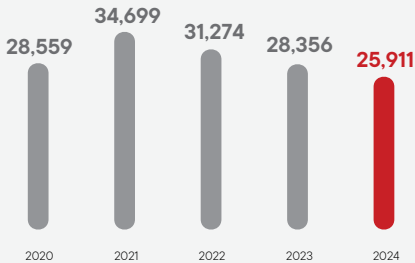
See section [Internship programs and cooperation with universities](#)

Personnel structure

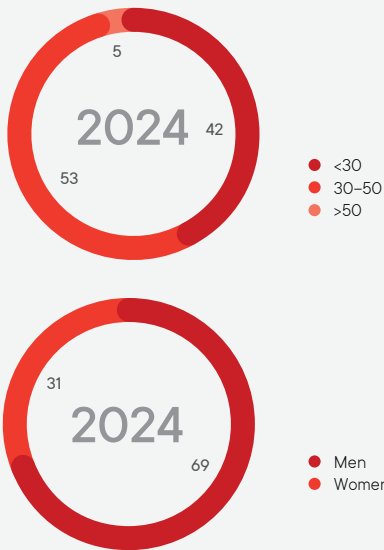
A professional team is a key asset and competitive advantage of the Company. In 2024, M.Video-Eldorado focused on attracting top talent and ensuring their professional development. The Company maintained its emphasis on operational efficiency and cost control.

As at December 31, 2024, M.Video-Eldorado employed approximately 26,000 people. The Company employs specialists across diverse age groups, with more than half of our employees falling within the 30–50 age category.

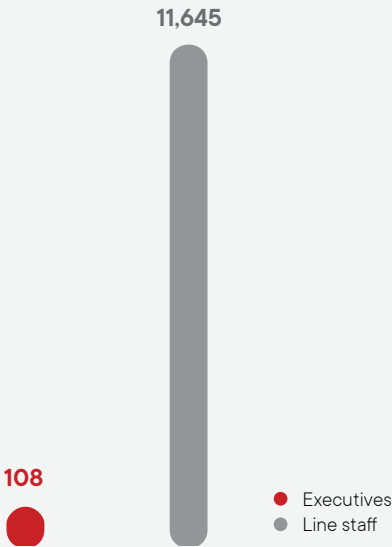
Headcount<sup>1</sup>, persons [2-7]



Personnel breakdown by age and gender, % [405-1]



New hires in 2024 by category, persons [401-1]



5 YEARS

employees' average length of service

3,898 EMPLOYEES

have been with the Company for more than ten years, including 2,807 in retail operations

33 YEARS

average age of employees

30–50 YEARS

age of more than half of M.Video-Eldorado employees

Number of employees by type of contract and employment<sup>1</sup>, persons [2-7]

	Permanent contract	Temporary contract	Full-time employment	Part-time employment
Men	14,937	404	15,241	100
Women	7,647	222	7,781	88

<sup>1</sup> Data including Direct Credit Centre LLC.

<sup>2</sup> Data excluding Direct Credit Centre LLC.

## Creating a working and living environment

### Providing equal opportunities to all employees

M.Video-Eldorado provides equal career opportunities for all employees and does not tolerate any form of discrimination or harassment. The Company has never been using child labor or forced labor. There were no incidents of discrimination at the Company in 2024. [2-23]

M.Video-Eldorado strictly respects the principle of equality and non-discrimination on the basis of gender. The share of women in M.Video-Eldorado's headcount remains at 31%, and we ensure an equal base salary for all categories of male and female employees.

The Company adheres to the principles of equality in recruiting new employees. When considering potential new hires, M.Video-Eldorado recruiters are guided solely by their business skills, assessing first and foremost their professionalism, leadership skills, drive for results, and ability to work as a team. Applicant can be turned down because of their age or gender only for certain specific positions.

The development of inclusive employment is an important area. In 2024, there were 186 employees with disabilities working for the Company (0.7% of the headcount).

### Effective HR processes and employee motivation

M.Video-Eldorado continuously enhances its approaches to employee motivation and improving staff efficiency. In the reporting year, the Company focused its efforts on obtaining candid feedback from employees and enhancing workplace comfort. This strategy not only enabled us to retain key personnel but also successfully encouraged previously departed employees to return to line positions.

One of the key indicators of HR management effectiveness is the rate of internal promotions. In retail operations, internal candidates are always prioritized, resulting in most store director vacancies being filled by existing employees. In corporate office positions, we are also increasing the promotion of internal candidates, including consideration of cross-functional transfers. This approach enables careers to develop not only

**All employees of M.Video-Eldorado can benefit from a program of discounts and privileges, including more than 800 special offers from partner companies in all cities where the Company operates. In 2024, the staff discount and privileges service helped M.Video-Eldorado employees save more than RUB 11 million**



vertically but also horizontally across different functions. The Company's target for internal talent pool appointments is 80%; by the end of 2024, this indicator reached 87%.

In 2024, the key objectives of M.Video-Eldorado in the domain of efficiency improvement as regards line staff (shop assistants) management were:

- ▶ increasing transparency in personnel motivation systems;
- ▶ enhancing personal efficiency of employees and, as a result, sales growth;

- ▶ elevating the level of line managers;
- ▶ increased flexibility and accuracy of headcount calculations in stores: our employees need to be in the right place at the right time;
- ▶ promptly addressing retail staffing needs during positive sales trends through additional working hours on the shift exchange marketplace



In 2024, M.Video-Eldorado continued improving business efficiency through the shift exchange marketplace, the country's first automated system for sharing internal retail staff, created by M.Video-Eldorado in partnership with Verme.

The marketplace brings together stores that need temporary staff members and in-house employees with part-time employment at their primary workplace who are interested in flexible working hours or new jobs. The platform enables employees to find profitable part-time work while allowing the Company to access qualified temporary staff. In 2024, thanks to this initiative, the Company generated over RUB 9 billion in additional income and increased the efficiency of more than 7,500 employees in mass units by 1.5 times.

The Company empowers line employees to manage their own income. Line employees can choose their own additional workload and develop skills using the Sales KPI dashboard system on the corporate SuperApp accessible from their personal mobile devices. This helps foster employee motivation and creates new career opportunities. The gamified service enables employees to keep track of key performance indicators in real time and receive prompt feedback on ticket composition, providing incentives to increase sales.

Results of reliance on the Sales KPI dashboard system:

**89%**  
of employees use SuperApp on a regular basis;

**>2 MILLION**  
hours on the shift exchange marketplace worked by employees out of 2.8 million hours available (4.2 p.p. year-on-year increase in conversion rate);

**>RUB 17 BILLION**  
increase to the annual GMV delivered by the use of the Sales KPI dashboard system

## Employee training and development

[404-2]

One of M.Video-Eldorado's priority goals is to train and develop its employees. In 2024, we maintained our staff training budget at the same level as last year and provided

employees with opportunities not only to increase expertise and improve technical skills, but also to enhance management competences.

The key target audience for development investment was executives at all levels. Specialized training programs and formats have been developed for each managerial level.

We have traditionally followed a hybrid approach in our training. In retail, we implement a balance of digital and human-to-human solutions, while in office settings we more frequently utilize online or offline formats. In 2024, significant emphasis was placed on mentoring and the active involvement of internal experts in transferring knowledge to young professionals.

### Programs to improve the efficiency of retail personnel

In the reporting year, we continued enhancing the effectiveness of our educational programs and strengthening the expertise of retail employees in sales and customer relations. As part of this initiative, our flagship project, the Technoexpert Academy, was transformed into an ecosystem of educational solutions for product and customer service training. PROFI clubs were established in priority product areas, and engagement mechanisms were introduced not only for the training process but also for qualification confirmation, such as Shop Assistant Dictation and Battle of Technoexperts. Participation in these initiatives reached more than 90% of the target audience.

The Technoexpert Academy promotes continuous staff training and enhances both personal and team effectiveness.

**~2,600**

employees completed the onboarding process in 2024

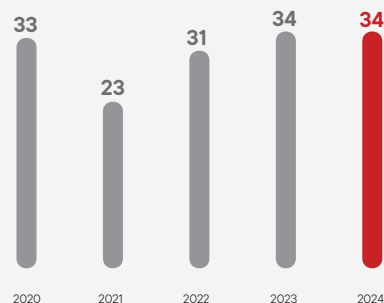
**87%**  
NPS, +5 p.p. vs 2023 Updated format of lessons and knowledge testing at the Technoexpert Academy

Format of lessons and knowledge testing in at Technoexpert Academy updated

**94%**  
of shop assistants trained at the Academy, with all tests successfully passed

**>90%**  
of employees leave positive feedback and rate their training at the Academy at 4 and 5 out of 5

Average number of training hours per employee, man-hours **[404-1]**



2024 was a period of active development and scaling of our most successful educational projects. We continued to focus on finding optimal solutions and formats, including those that leverage the potential of modern technology. As part of one of our pilot projects, we integrated an AI mentor into our corporate customer interaction training, creating a realistic voice simulator for practicing effective communication and resolving complex situations. The simulator is accessible to employees on their smartphones. This project enabled shop assistants not only to practice with realistic and unique customer interaction scenarios but also to receive personalized feedback, significantly enhancing training quality.

## Training programs for office staff

As part of our office training programs in the reporting year, we focused on expanding learning opportunities for all employees, regardless of their position or business function. We worked to identify optimal educational formats that allow training to occur while maintaining effectiveness in work tasks. One of our key projects was SMART.TALKS – an internal educational lecture series aimed at developing core competences and skills. We organized and delivered 19 workshops on topics ranging from pitching to effective MS Excel usage. Our speakers were guest professionals specializing in each topic. These workshops were attended by a total of 1,800 office employees.

Another significant initiative is the Executive Playlist course for aspiring executives. This hybrid program consists of four modules and focuses on adapting to new leadership roles while mastering effective management tools. The program format combines flexibility and comfortable pacing for learning theory with opportunities to practice skills both independently and in expert-led workshops with fellow participants. A distinctive feature of the program is its narrative component. We use musical metaphors in our management training, promoting deeper understanding of the material.

Additionally, in 2024, we updated our internal library of courses and educational programs, adding 20 new courses. The library contains approximately 200 courses covering various areas and competences relevant for both management and line employees.

## Project KPIs:

**4.7** CSI

**85%** NPS

**95%** CSAT

## Leadership competence development for the management

To develop managerial competences, M.Video-Eldorado has developed and successfully implements the Level Up: Three Steps of Leadership program for office employees and talent pool training programs for the positions of store director and regional manager for retail.

In 2024, we implemented a large-scale training program for future store directors in the M.Pro\_DM system, conducted in a hybrid format across two waves. The program was designed and 80% delivered by in-house experts and focused on two main areas – Store as a System and Director as an Entrepreneur. The program trained a total of 240 talent pool participants for 2024.

Five M.Video-Eldorado leaders were included in the Top 1,000 Russian Managers ranking in 2024.

The training program for regional managers in the reporting year also proved effective: at year-end, three out of 11 participants remained in the talent pool, while the rest were appointed to managerial positions. Based on these results, we decided to continue the planned training of future regional leaders and conduct a multi-stage selection process for the 2025 training program. Following this selection, 16 top-performing store directors received invitations to participate in the training.

To enhance leadership competences in the office, we developed a program for middle managers to strengthen the skills of the top 20 employees in the areas of "I am a Leader", "Leader and Team", and "Leader and Environment" within modules of the same name. Participants also gained experience in building non-standard interaction through immersive learning formats ("dialogue in the dark") and worked on developing emotional intelligence with preliminary diagnostics. The program received high appreciation from participants and positive feedback from their supervisors. NPS was 98%.

## Building a succession system and Top Talent Review

M.Video-Eldorado strives to nurture talent among its employees and ensure succession continuity at the CEO-1 and CEO-2 management levels across all Company functions. These leaders embody the Company's unique DNA and are capable of making decisions at significantly higher qualitative levels.

Annually, key positions critical to the Company are identified within each function, followed by in-depth evaluations of employees in these roles based on their performance and potential. This process includes developing scenarios for selected key positions. As a result, employees receive personalized development plans and targets, as well as career advancement offers and an updated approach to motivation.

77

key positions identified

72%

succession share (1-2 years)

530

Talent Review participants



In 2024, active efforts continued to engage managers in fostering a feedback culture aligned with M.Video-Eldorado's corporate values. The Company organized two major events to select successors at the top-team level (Top Talent Review) and also introduced regular anonymous peer feedback tools. Talent identification has also expanded to the directorate level via Local Talent Reviews, significantly increasing participation in these initiatives. This focus on young, high-potential employees provides growth opportunities early in their careers at M.Video-Eldorado.

## Internship programs and cooperation with universities

M.Video-Eldorado maintains long-term partnerships with Russia's leading universities, offering internships and practical training to students and graduates from the Moscow State Institute of International Relations of the Russian Ministry of Foreign Affairs (MGIMO), Russian Presidential Academy of National Economy and Public Administration (RANEPA), National Research University Higher School of Economics (HSE University), Financial University under the Government of the Russian Federation, State University of Management, Lomonosov Moscow State University (MSU), All-Russian Academy of Foreign Trade, and other educational institutions.

In 2024, M.Video-Eldorado collaborated with 13 top Russian universities.

IT internships primarily attract students and graduates from the National Research Nuclear University MEPhI (Moscow Engineering Physics Institute) and Bauman Moscow State Technical University, while head office internships (M.Internship) are popular among HSE University and MSU students.

The Company assists students in professional self-discovery, facilitates employment, and supports graduates in building successful careers within M.Video-Eldorado.

M.Video-Eldorado's internship program is a six-month paid internship where students gain hands-on project experience, learn the Company's inner workings, and explore key business drivers. This enables interns to identify their professional value to the Company and make informed decisions when choosing their permanent roles.

In 2024, three internship streams were launched for both the head office roles and those covered by IT-focused programs. Over 60% of interns were later hired into permanent positions at M.Video-Eldorado.

## Employee health and safe working environment

One of M.Video-Eldorado's core corporate values is ensuring workplace safety and protecting employee health across all business processes.

The Company relies on centralized management of occupational health and safety (OHS), with activities in this area regulated and organized in line with the requirements of occupational health and safety legislation, as well as M.Video-Eldorado's Occupational Health and Safety Policy and Regulation on the Occupational Health and Safety Management System. **[403-1]**

The main performance indicators of the OHS management system are reductions in work-related injuries and no occupational diseases. Key OHS assessment tools:

- periodic testing of employees' knowledge;
- special assessment of working conditions;
- hazard identification and occupational risk assessment.

## Working conditions improvement and injury prevention measures

### **[403-9]**

To minimize employee injury risks, M.Video-Eldorado employs innovative technologies and process digitalization. The Company invests additional funds in occupational health and safety initiatives, allocating more than 1% of service costs instead of the statutory minimum of 0.2%.

Regular measures to protect employee health and safety include:

- special assessment of working conditions;
- occupational risk management;
- process control of compliance with sanitary rules and regulations;
- briefings and training on safe work methods and techniques, and on first aid;
- themed webinars, dialogue sessions, cascaded communications, and one-on-one consultations for employees;
- audits of OHS practices and employee compliance with safety rules and regulations;
- providing employees with special job-specific clothing and footwear in compliance with regulatory documents.

Identified non-compliances trigger immediate corrective actions. For over three years, the Company has operated an electronic service for employees to report safety violations, accidents and minor injuries to the occupational health and safety unit. **[2-26]**

Key business units conduct regular OHS self-audits using digital checklists with photo reports. These audits are performed at least twice a year, ensuring a unified approach to hazard identification and timely corrective action. **[403-2]**

## Occupational health and safety training

Training is a critical tool for fostering a strong safety culture at M.Video-Eldorado. All employees and managers receive information about workplace hazards and risk management measures. This deepens their understanding of OHS legislative requirements and best practices, enhancing safety standards across all workplaces.

Employees across all business units regularly undergo mandatory OHS training, supported by uniquely designed remote courses and thematic webinars.

Managers and OHS officers receive training at specialized certified training centers in a fully automated manner. This ensures training for all responsible personnel while streamlining the monitoring of training outcomes and process management. **[403-5]**

## Occupational health and safety performance

M.Video-Eldorado conducts special assessments of working conditions at all workplaces. Identified deficiencies trigger prompt corrective actions to improve employee working conditions. Newly created workplaces undergo annual assessments. **[403-9]** Depending on the working conditions and their special assessment results, employees may be eligible for compensation.



Coverage of the OHS management system [403-8]

	2023	2024
Percentage of employees covered by the OHS management system, %	100	100
Total workplaces subject to a special assessment of working conditions (SAWC)	10,212	9,897
Number of workplaces assessed (SAWC), including:	5,263	3,412
Class 1 workplaces	55	64
Class 2 workplaces	3504	2743
Class 3 workplaces	1704	605
Class 4 workplaces	0	0

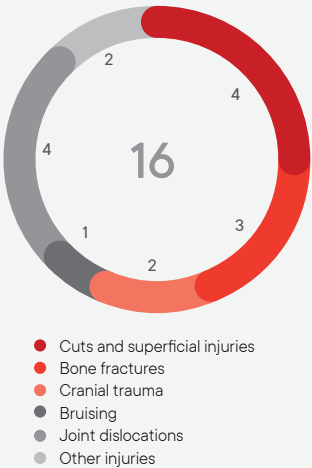
Injury rates [403-9]

	2024
Total workplace injuries	16
including severe injuries	1
including fatalities	0
Fatal accident rate (FAR)	0
Lost-time incident rate (LTIR)	0.38
Minor injuries	15
Total recordable incident rate (TRIR)	0.75
Injury frequency rate (per 1,000 employees)	0.74
Injury severity rate	37.6

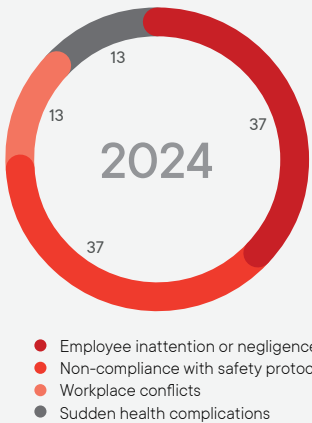
Strict adherence to OHS standards and adoption of labor-saving solutions help minimize workplace injuries, thereby reducing lost work time.



Workplace injuries in 2024 by type, number



Workplace injuries in 2024 by cause, %



# Developing local communities



## [203-1]

Dedication and responsibility for the future are among the core values of M.Video-Eldorado. Guided by sustainability principles, we focus on charitable and volunteering activities as a way to:

- ▶ help vulnerable groups tackle their social issues;
- ▶ build an inclusive society;
- ▶ preserve and restore Russia's natural heritage;
- ▶ facilitate social and public infrastructure development across our regions of operation;
- ▶ improve living standards for people across our footprint.

In 2024, M.Video-Eldorado, in partnership with the Beautiful Children in a Beautiful World foundation, held its eighth annual charity campaign, Christmas Bauble of Kindness. Over two months, customers of M.Video and Eldorado stores raised over RUB 27.6 million by purchasing charitable Christmas

tree baubles. A total of these 247,700 festive decorations adorned Christmas trees across Russia, with the most popular being the one featuring the snow leopard – a symbol of M.Video-Eldorado's and the foundation's charitable work. All proceeds were allocated to funding high-tech surgeries for children with congenital and acquired pathologies, as well as supporting Russia's nature reserves and national parks. In 2024, the foundation funded 80 stages of treatment for 47 children with maxillofacial pathologies.

Through the Beautiful World annual grant competition organized by the Beautiful Children in a Beautiful World foundation, ten environmental projects developed by employees of nature reserves, national parks, and ecological organizations received grants totaling RUB 9 million. These initiatives aim to protect Russia's unique natural resources and enhance environmental awareness among youth.

M.Video-Eldorado ranked among the Top 3 retail chains for social impact in the AK&M agency's annual rating.

The Beautiful Children in a Beautiful World foundation's program was named a laureate of the Best Social Projects of Russia – 2024 award.



At the annual corporate conference ME.CONF, the Beautiful Children in a Beautiful World foundation presented the Division of Kindness award to M.Video-Eldorado employees in recognition of their contributions to joint charitable initiatives.

A highlight of the 2024 competition was the special nomination "Environmental Protection and Biodiversity" introduced by M.Video-Eldorado, which recognized the best solution for advancing environmental awareness and enhancing the efficiency of environmental protection efforts.

M.Video-Eldorado employees actively support the foundation financially through various means, including corporate charity initiatives. In 2024, the 10th anniversary Running for a Smile! charity run took place, engaging not only employees but also customers. With over 4,000 participants from 295 cities, the running event raised a record-breaking RUB 1.6 million, all allocated to the foundation's beneficiaries.



For the second consecutive year, M.Video-Eldorado organized the Tree of Kindness charity campaign, fulfilling holiday season wishes for individuals under the care of the Orekhovo-Zuevsky Social Service and Rehabilitation Center. Over 200 beneficiaries, including more than 100 elderly individuals, received gifts from employees, such as household appliances, arts and crafts sets, etc.

The foundation continues to fund projects focused on environmental awareness, biodiversity and rare animal and plant conservation, and wildfire prevention. In 2024, it supported 27 conservation projects across Russian nature reserves and national parks, safeguarding approximately 50,000 sq. km of protected steppes and forests, rescuing over 3,000 wild birds harmed by human activity, and protecting over 30 rare plant and animal species from extinction.

To spotlight the preservation of rare wildlife in nature reserves, M.Video-Eldorado and the foundation adopted the snow leopard as the symbol of their joint environmental initiatives. This iconic wild cat features in all campaigns by the foundation and the Company.

In September 2024, M.Video-Eldorado supported the My Snow Leopard festival, which included a creative competition engaging over 250 participants in promoting awareness about snow leopard conservation.



10 years of Running for a Smile! charity run:

**~500 THOUSAND KM**  
run by our employees

**RUB 11.3 MILLION**  
raised to support children

# Progress on circular economy and sustainability projects

Our goal is to minimize the environmental impacts of our own operations and activities in our supply chain, so reducing greenhouse gas emissions and fostering a circular economy are the key pillars of our sustainability program.

As a leading expert in consumer electronics, we promote responsible consumption and drive progress in Russia's recycling industry. We help customers not only with product selection, purchase and maintenance, but also with recycling, so as to prevent landfilling of electronics after end-of-life. Through the extended responsibility mechanism, which holds manufacturers and importers accountable for recycling end-of-life consumer goods, M.Video-Eldorado fulfills its environmental responsibility by investing in the recycling industry.

Project coverage:

**800 STORES**  
**IN 36 REGIONS**  
across Russia

In 2024, M.Video-Eldorado maintained its focus developing Russia's first nationwide infrastructure for collecting household appliances and electronics from customers for recycling and continued to implement the Smart Recycling (M.Video) and Recycle Properly (Eldorado) programs, which now involve eight licensed e-waste recycling facilities.



In 2024, our recycling initiatives earned three prestigious awards: Eco Best Awards 2024 in the Leader in Promoting Environmental Safety category; Retail Week Awards for Best ESG Project of the Year in Retail; and Best ESG Projects of Russia in the Responsible Consumption and Production: Reducing Environmental Impact category.

During the reporting year, customers recycled 54,000 units of electronics (totaling 1,600 tonnes, an 8% increase from 2023) and 4.9 million batteries (weighing 99 tonnes, up 16% year-on-year). These results reflect growing public engagement in M.Video-Eldorado's environmental programs and responsible consumption of household appliances and electronics.

Results of M.Video-Eldorado's recycling programs<sup>1</sup>:

**7.3 KT**

of waste sent to licensed recycling facilities, including:

**340 THOUSAND**  
devices

**16.3 MILLION**  
batteries

M.Video-Eldorado operates Russia's largest e-waste collection infrastructure

<sup>1</sup> Total for the entire duration of the programs.



Responding to the demands of environmentally conscious customers, M.Video-Eldorado continues to run environmental initiatives such as the Ecotaxi service for collecting and recycling outdated devices. In 2024, the service operated in 18 regions across Russia.

In 2024, the Company launched the M.Combo subscription, a groundbreaking product offering a unique suite of services, including free recycling of old electronics. Additionally, a partnership with My Payments LLC incentivized customers to recycle by providing cash rewards for returning three or more devices, further driving participation in our recycling programs.

All devices collected from customers are tracked through M.Video-Eldorado's proprietary automated end-to-end Integrated Recycling Management (IRM) system and sent to one of six licensed recycling facilities. Up to 97% of materials – from metals to scarce ABS plastics – are recovered and repurposed for manufacturing household goods and for industrial applications, such as repairing road surfaces or producing automotive components.



In 2024, Moscow, St. Petersburg, Samara, Kazan, Ufa, Chelyabinsk, Nizhny Novgorod, Voronezh, and Volgograd led in electronics and battery collection for recycling. Notably, Ufa, Voronezh, and Volgograd joined the list for the first time, signaling the growing popularity of M.Video-Eldorado's environmental program and the rise in environmental consciousness beyond Russia's major metropolitan areas.

In 2024, M.Video-Eldorado continued to implement initiatives to achieve carbon neutrality by collecting and recycling equipment and materials generated in its operations.

We handed a total 13,600 tonnes of product packaging (cardboard, film, adhesive tape and pallets) to dedicated operators for recycling, including 4,000 tonnes handed solely in 2024.

In 2024, M.Video-Eldorado and the Russian Environmental Operator (REO) continued cooperation in e-waste disposal. An e-waste collection map showing M.Video-Eldorado stores participating in recycling programs was developed and integrated into REO's website and dedicated app.



2024 contribution:

**~2.6 KT**

of waste sent to licensed recycling facilities, including:

**55 THOUSAND**  
devices

**~5 MILLION**  
batteries

# Adopting management best practices

We adhere to the best principles and international practices in corporate governance. We continuously streamline our governance framework, viewing it as a strategic resource for business growth and sustainability.

**3** INDEPENDENT DIRECTORS,

including the Chairman of the Board of Directors (one third of the total number of directors)



**4.5** SCORE

(excellent/effective) - self-assessment result of the Board's performance



# Corporate governance system

## Statement of the Board of Directors on compliance with the corporate governance principles and recommendations stipulated by the Corporate Governance Code

In its activities, the Company's Board of Directors undertakes to fully and accurately follow these principles and recommendations in line with the Corporate Governance Code approved by the Bank of Russia and recommended for use by joint-stock companies whose securities are admitted to on-exchange trading (Letter No. 06-52/2463 dated April 10, 2014), the "Code", as well as the recommendations provided by the Bank of Russia regarding reports on compliance with the principles and recommendations of the Corporate Governance Code (Letter No. IN-06-28/102 On Disclosing the Report on Compliance with the Principles and Recommendations of the Corporate Governance Code in the Annual Report of a Public Joint-Stock Company, the "Recommendations of the Bank of Russia"), which establish the principles of corporate governance in joint-stock companies. At the same time, the Company's Board of Directors reports that certain provisions (principles) of the Code are currently not being implemented (partially or fully) due to a number of circumstances described in detail

in the Explanation of Deviations from the Corporate Governance Principles section in the [Annex of this Annual Report describing compliance with the principles and recommendations of the Corporate Governance Code](#).

The methodology used by the Company to assess compliance with the corporate governance principles and recommendations stipulated by the Code was based on the recommendations of the Bank of Russia. The Company used the reporting form provided by the Bank of Russia to disclose its compliance with the principles and recommendations of the Corporate Governance Code.

The scope of the assessment included compliance of the Company's corporate governance practices and internal procedures with the principles and recommendations set out in the Code. The findings are contained in the Report on Compliance with the Principles and Recommendations of the Corporate Governance Code, which is a part of this Annual Report.

The Company defines corporate governance as a set of elements and processes that ensure management and control over its activities and include a system of relations between the Company's executive bodies, its Board of Directors, shareholders and other stakeholders.

The Company places strong emphasis on the corporate governance system and its improvement, aware that adherence to the principles and best practices of corporate governance is a key pillar for successful development.

The Company's corporate governance system complies with the applicable Russian laws and the Listing Rules of PJSC Moscow Exchange.

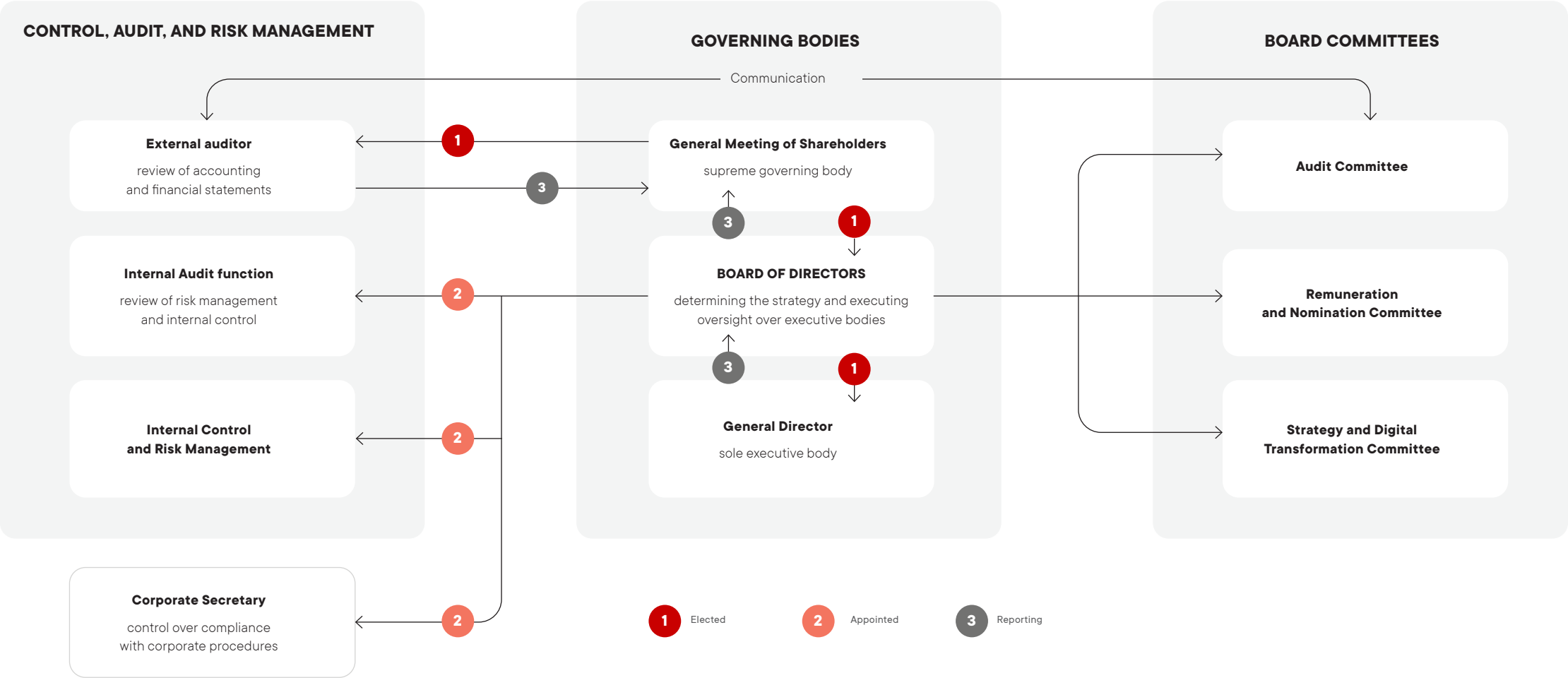
When developing and streamlining its corporate governance, the Company is also guided by the principles and recommendations of the Code and other recommendations provided by the Bank of Russia.

### Key principles of corporate governance:

- ▶ All shareholders receive fair and equitable treatment in exercising their rights to participate in the governance of the Company.
- ▶ The Board of Directors performs the strategic management of the Company, defines core principles and approaches regarding the internal control and risk management system, and oversees the Company's executive bodies.
- ▶ The Board of Directors is competent, effective and accountable to the Company's shareholders.
- ▶ Executive bodies manage the Company's day-to-day operations to ensure its long-term sustainable development, create shareholder value and guarantee the accountability of executive bodies to the Board of Directors and the Company's shareholders.
- ▶ Timely disclosure of complete and accurate information about the Company makes its activities transparent for shareholders, investors, and other stakeholders.
- ▶ Effective oversight of the Company's financial and commercial operations serves to protect shareholders' rights and legitimate interests.
- ▶ The Company accepts its social responsibility and respects the rights and legitimate interests of other stakeholders.
- ▶ The Company integrates ESG considerations into its operations and establishes a sustainable development strategy for itself and all of M.Video-Eldorado's subsidiaries<sup>1</sup>.

<sup>1</sup> Hereinafter, M.Video-Eldorado' subsidiaries shall refer to business entities directly and/or indirectly controlled by PJSC M.Video.

Corporate governance system<sup>1</sup> [2-9]



<sup>1</sup> As at December 31, 2024.



Key changes in corporate governance in 2024

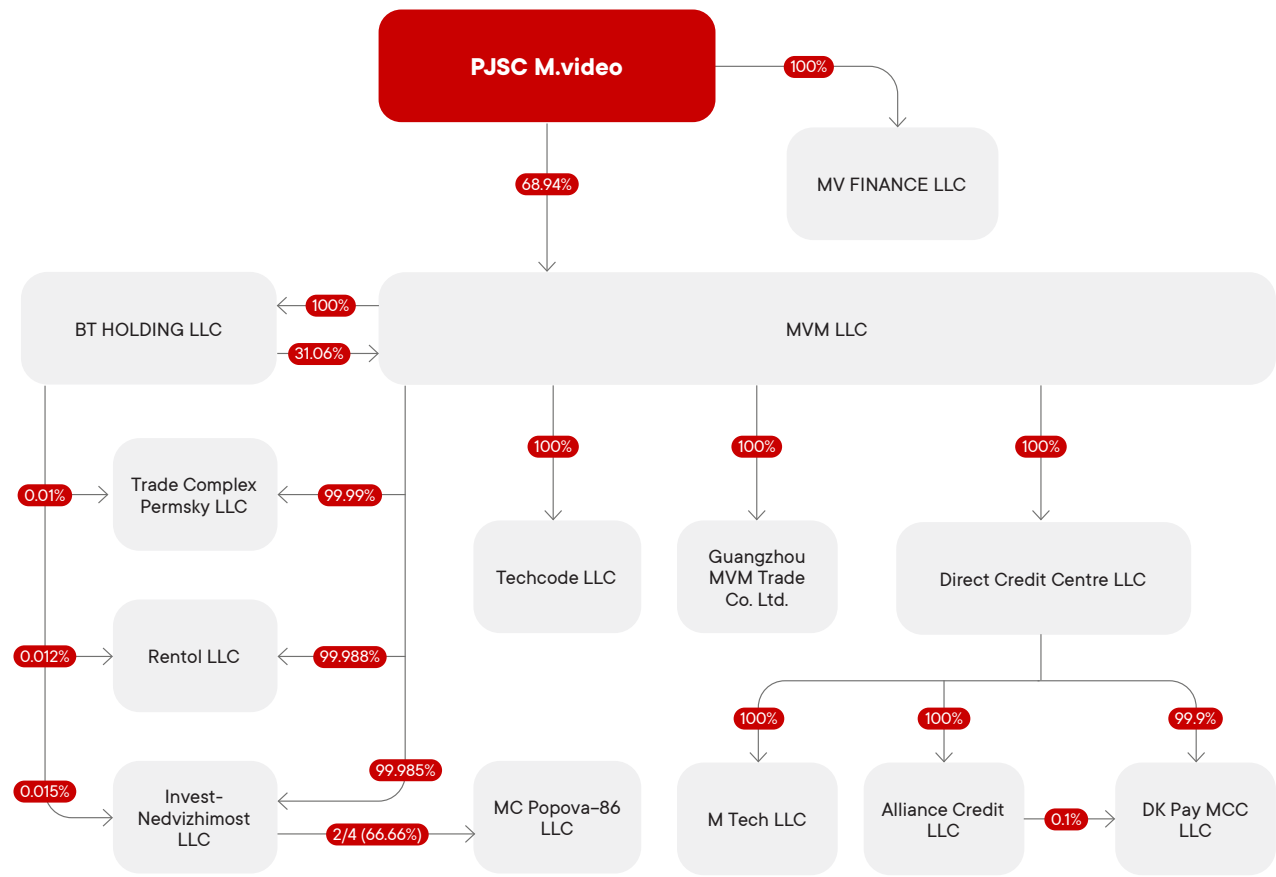
In the reporting year, the Annual General Meeting of Shareholders of the Company approved [amendments to the Company's Charter](#), concerning an increase in the number of authorized shares.

Changes in M.Video-Eldorado's structure

In the reporting year, M.Video-Eldorado continued to improve its corporate structure to ensure the most effective management across its entities, and also took steps to expand the range of its activities by establishing new legal entities.

Techcode LLC was established as part of M.Video-Eldorado in the reporting year. It is a 100% subsidiary of M.Video-Eldorado's core operating entity – MVM LLC – whose primary business activity is the wholesale trade of household electrical goods.

M.Video-Eldorado's corporate structure<sup>1</sup>



<sup>1</sup> As at December 31, 2024.

# Governing bodies

## General Meeting of Shareholders

The General Meeting of Shareholders is the supreme governing body of the Company, which makes decisions on the main aspects of the Company's activities.

The remit of the General Meeting of Shareholders is determined by the Law on Joint-Stock Companies and [the Company's Charter](#).

☑ Regulation on the General Meeting of Shareholders of PJSC M.video

In 2024, three General Meetings of Shareholders took place and considered the following items:

- ▶ distribution of PJSC M.video's profits, including payment (declaration) of dividends, and losses for 2023;
- ▶ early termination of powers and election of members of the Company's Board of Directors;
- ▶ approval of the Company's auditor;
- ▶ determination of the number, nominal value, category (type) of authorized shares of the Company, and the rights attached to these shares;
- ▶ approval of amendments to the Company's Charter.

## Board of Directors

The Board of Directors is the key element of the corporate governance system responsible for the overall management of the Company.

The Board of Directors is accountable to the General Meeting of Shareholders. Its members are elected, and their powers may be terminated at any time by resolution of the General Meeting of Shareholders. **[2-10]**

The remit of the Board of Directors is defined by the Company's Charter with a clear separation from the powers of the executive body, which manages the Company's day-to-day operations.

**[2-17]** The Board of Directors is in charge of the strategic management of the Company. It defines the core principles of, and approaches to, internal control and risk management system of the Company.

☑ Regulation on the Board of Directors of PJSC M.video

In order to perform these functions, the Board of Directors has the following powers:

- ▶ to determine key focus areas for the Company; **[2-12]**
- ▶ to approve (change) long-term strategic development plans (strategies) of the Company and M.Video-Eldorado's subsidiaries, including the marketing strategy, brand development and support strategy, approve reports on the implementation of strategies by the Company and M.Video-Eldorado's subsidiaries, as well as determine the procedure and timelines for submitting such reports; **[2-14]**
- ▶ to establish the internal control and risk management system of the Company, approve the Company's internal control and risk management policies, and its risk matrix.

The Board of Directors also performs other functions as set out in the Federal Law on Joint-Stock Companies and the Company's Charter. One of the most important functions of the Board of Directors is to establish effective executive bodies and oversee their performance.

To that end, the Company has determined the following powers of the Board of Directors set out in the Charter:

- ▶ election and early termination of the powers of the sole executive body, approval of the terms and conditions of the agreement between the Company and its sole executive body, including provisions pertaining to the early termination of the powers of the sole executive body, approval of the remuneration, the amount and payment of bonuses, compensations and benefits provided to the sole executive body; selecting a person authorized to sign the agreement (addendum thereto or a termination agreement) with the sole executive body of the Company; granting consent for the General Director to hold concurrent positions in the governing bodies of other organizations, as well as other paid positions in other organizations;
- ▶ submitting proposals to the General Meeting of Shareholders on transferring the powers of the sole executive body to a management company or a manager, approving a management company (manager) and defining the terms and conditions of an agreement to be signed with them;
- ▶ overseeing compliance with resolutions of the Board of Directors and the General Meeting of Shareholders.

The procedure and timing for convening and holding meetings of the Board of Directors, the procedure for adopting resolutions, rights and duties of the members of the Board of Directors, and other matters related to the activities of the Board of Directors are governed by the Russian laws, the Company's Charter, and the Regulation on the Board of Directors.

The directors and officers of M.Video-Eldorado are covered by liability insurance. Following a competitive tender, JSIC VSK was selected to provide directors and officers (D&O) liability insurance for M.Video-Eldorado in 2024. The insured amount totaled RUB 1.1 billion. Additionally, liability of independent directors was also insured for a total of RUB 180 million. Liability insurance for members of the Board of Directors serves as an additional privilege, enhancing accountability and incentivizing competent professionals to join the Board of Directors.

Information on the Board of Directors' activities, including its meetings, is disclosed on the Company's official website as statements of material facts, and in the Company's Annual Report. This contributes to the transparency of the Board of Directors' work.

The Company and M.Video-Eldorado's subsidiaries did not provide any loans to members of the Board of Directors.

During 2024, members of the Board of Directors did not submit any notices about their conflict of interest (including that related to their membership in governing bodies of the Company's peers).

On December 28, 2020, an Extraordinary General Meeting of Shareholders of the Company determined the number of members of the Board of Directors to be nine directors.

The Board of Directors is made of professionals with impeccable business and personal reputation and possessing knowledge, skills and experience that enable them to fulfil all the duties of members of the Board of Directors, as well as directly contribute to the effective performance of the Board of Directors, taking into account the balance of interests of shareholders, the Company, management and other stakeholders. **[2-10]** In accordance with the diversity principle, the composition of the Company's Board of Directors is diverse in terms of professional specialization (finance and credit, economics and corporate management, law, commerce (retail), etc.).

## Members of the Board of Directors

In 2023, the Board of Directors had four compositions: the composition elected at the Annual General Meeting of Shareholders on June 27, 2023; the composition elected at the Extraordinary General Meeting of Shareholders

on January 12, 2024; the composition elected at the Annual General Meeting of Shareholders on June 14, 2024; and the composition elected at the Extraordinary General Meeting of Shareholders on September 26, 2024

## Induction of newly elected members of the Board of Directors

The Company has in place a formalized onboarding program for newly elected members of the Board of Directors.

It aims to quickly and efficiently introduce them to all the key aspects of business operations of the Company and M.Video-Eldorado's subsidiaries, as well as the existing corporate governance practices, in order to ensure smooth onboarding and provide the directors with deeper understanding of their roles. As part of the program, members of the Board of Directors receive all necessary information on the basic rights and obligations of a member of the Board of Directors, main documents of the Company and the procedure for reviewing them, procedure for interaction of newly

elected members of the Board of Directors with the top management of the Company and M.Video-Eldorado's subsidiaries, procedure and forms of holding meetings of the Board of Directors and Board committees, as well as information on the corporate governance system of the Company, liability of members of the Board of Directors, and liability insurance of members of the Board of Directors.

In 2024, newly elected members of the Board of Directors underwent an induction procedure, run among other things with the help of an IT solution (management body support system) used by the Company to organize and optimize the work of the Board of Directors and its committees.

## Independent directors

The active work of independent directors on the Board of Directors of the Company, the objectivity of their judgements, and their constructive proposals maintain a consistently high level of trust in the Company and M.Video-Eldorado's subsidiaries from shareholders and investors, ensure the quality and soundness of governance decisions that take into account the interests of various stakeholder groups, and contribute to strict compliance with the principles of corporate governance.

The Company's Board of Directors comprises three independent directors with extensive leadership experience and solid expertise in retail, online trading, risk management, and IT. Independent members of the Board of Directors are assessed for compliance with the independence criteria on a regular basis during their term of office on the Board of Directors as part of the procedure to confirm compliance with the listing criteria of PJSC Moscow Exchange.

## Chairman of the Board of Directors

One of the key roles in organizing the work of the Board of Directors is that of the Chairman of the Board of Directors, who ensures efficient organization of the Board of Directors' activities and its interaction with the Company's bodies, in particular:

- ▶ plans and organizes the work of the Board of Directors;
- ▶ convenes and chairs meetings of the Board of Directors;
- ▶ determines the key matters to be considered by the Board of Directors, selects an optimal form of the meeting to discuss the matters, and provides for keeping minutes of the meetings;

- ▶ ensures open discussion of the matters considered at the meeting, takes into account the opinions of all members of the Board of Directors when making resolutions, summarizes the results of the discussion, and puts together the resolutions to be made;
- ▶ announces proposals and opinions of the members of the Board of Directors submitted to the Chairman on matters that fall within the remit of the Board of Directors;
- ▶ ensures effective work of the Board of Directors' committees;
- ▶ where necessary, puts together proposals to improve the work of the Board of Directors and the Board committees, taking into account the evaluation of the performance of the Board of Directors and the Board committees.

**In line with best corporate governance practices, the Chairman of the Board of Directors during the reporting year was an independent director.**

The effective fulfilment of functions and tasks associated with heading the Board of Directors is among other things confirmed by the Chairman's:

- ▶ participation in 100% of meetings of the Board of Directors during the reporting year;
- ▶ personal participation in in-person meetings of the Board of Directors;
- ▶ holding of regular working meetings with members of the Board of Directors and management of the Company and M.Video-Eldorado's subsidiaries;
- ▶ coordinating and organizing the work of the Board of Directors.

## Meetings of the Board of Directors

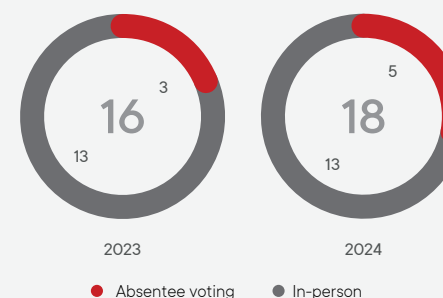
Meetings of the Board of Directors were held on a regular basis according to a set schedule. Additional meetings were held as necessary to resolve matters within the remit of the Board of Directors. In 2024, the Board of Directors maintained consistent operations by holding mostly scheduled meetings. In total, 18 meetings of the Board of Directors were held in the reporting year, of which 13 were in-person and three took place in the form of absentee voting. As previously, the majority of meetings were held as in-person meetings with a consistently high level of attendance by the Board members.

In the reporting year, the Board of Directors considered 183 matters at its meetings. **[2-16]** In the reporting year, the Board of Directors continued to focus on matters that

are of significant importance for the operating and financial performance of the Company and M.Video-Eldorado's subsidiaries, including:

- ▶ quarterly review and approval of reports on the execution of business plans and budgets of the Company and M.Video-Eldorado's subsidiaries;
- ▶ consideration of matters related to the performance of the internal audit system and risk management system, with a special emphasis placed on updating the list and structure of M.Video-Eldorado's material risks and their indicators, which resulted in the Board of Directors approving the updated risk matrix of M.Video-Eldorado, following a recommendation from the Audit Committee, as well as the introduction of a set of effective measures to manage and mitigate risks across M.Video-Eldorado;
- ▶ assessment of the achievement of the wildly important goals (WIGs) set for 2023, and approval of WIGs for 2024;
- ▶ review and approval of the 2024 budget of the Company and M.Video-Eldorado's subsidiaries;
- ▶ establishment of corporate governance bodies of M.Video-Eldorado's subsidiaries, as well as development of positions on matters submitted for consideration to corporate governance bodies of M.Video-Eldorado's subsidiaries;
- ▶ carrying out all procedures required to convene the General Meeting of Shareholders, preparing and approving information and materials for the meeting and developing recommendations on all agenda items.

### Meetings of the Board of Directors





## Assessment of the Board of Directors' performance

### [2-18]

An important element in enhancing the Board of Directors' effectiveness is the regular assessment of its performance through one of the following methods:

- ▶ self-assessment of the Board of Directors on an annual basis;
- ▶ assessment by an independent consultant (at least once every three years).

In December of the reporting year, a self-assessment procedure was carried out for the performance of the Board of Directors elected at the Annual General Meeting of Shareholders on September 26, 2024. The self-assessment results were reviewed in the first quarter of the year following the reporting year.

### Assessment criteria

As part of the self-assessment exercise, each member of the Board of Directors evaluated statements listed in the Criteria and Indicators column using a scale from 1 to 5. Assigning the highest score reflected full compliance with the statement, while the lowest score indicated non-compliance with the evaluated criterion. Through open-ended questions, members of the Board of Directors were able to express their opinion on the state of affairs at the Company and comment on potential ways to improve the work and performance of the Board of Directors.

The effectiveness of the evaluated component in terms of compliance with the criteria outlined in the self-assessment questionnaires for the Board of Directors and its committees was determined as follows:

- ▶ overall score of the component is  $\geq 4.5$  points: excellent/effective; the component meets best practices in most assessed areas;
- ▶ overall score of the component  $\geq 3.5$ , but  $< 4.5$  points: good/effective; the component generally aligns with good practices, though some aspects require adjustments and improvements;
- ▶ overall score of the component is  $\geq 2.5$ , but  $< 3.5$  points: satisfactory/ineffective; most aspects of the component do not meet good practices and need modifications;
- ▶ overall score of the component is  $< 2.5$  points: critical; immediate intervention and significant changes are necessary.

### Final self-assessment results

The overall score for the performance of the Company's Board of Directors and its committees was 4.5, which corresponds to the rating of  $\geq 4.5$  and means "excellent/effective".

Recommendations developed following the self-assessment will be taken into account by the Company, Board of Directors and Board committees to improve the Board performance.

## Remuneration and compensations

### [2-19], [2-20]

Members of the Board of Directors are paid remuneration and reimbursed for expenses in line with the [Regulation on Remuneration and Compensations Payable to the Board of Directors](#).

## Board of Directors committees

Committees of the Board of Directors were created to facilitate the work of the Board of Directors and address issues that fall within their remit. There are three committees of the Company's Board of Directors: **[2-13]**

- ▶ Audit Committee
- ▶ Remuneration and Nomination Committee
- ▶ Strategy and Digital Transformation Committee

☑ Regulation on the Audit Committee of the Board of Directors of PJSC M.video

☑ Regulation on the Remuneration and Nomination Committee of the Board of Directors of PJSC M.video

☑ Regulation on the Strategy and Digital Transformation Committee of the Board of Directors of PJSC M.video

☑ For more information on the committees' performance in 2024, see [the Reports of the Board Committees](#) appendix.



Audit Committee

The main focus of the Audit Committee (hereinafter referred to in this section as the “Committee”) is to ensure that the Board of Directors effectively deals with the matters of control over financial and business operations of the Company and M.Video-Eldorado’s subsidiaries.

The Committee is formed exclusively of independent members of the Board of Directors.

The Audit Committee meetings were held only in person, regularly, in accordance with the Committee’s plan for 2024 and in response to the emerging operational needs of the Company or the external auditor, and the Committee’s activities were consistent with the Committee’s expectations and list of functional responsibilities. In 2024, the Committee considered 22 matters at seven meetings.



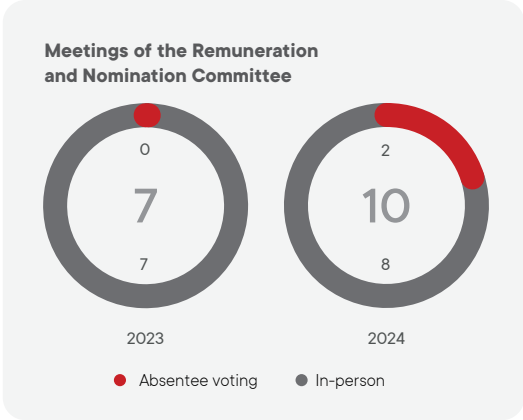
Remuneration and Nomination Committee

The main focus of the Remuneration and Nomination Committee (hereinafter referred to in this section as the “Committee”) is to ensure that the Board of Directors effectively deals with matters related to the activities of the Company and M.Video-Eldorado’s subsidiaries, as well as executive bodies and other key executives of the Company and M.Video-Eldorado’s subsidiaries.

The Committee is formed exclusively of independent members of the Board of Directors.

In the reporting year, the Committee considered all matters within its remit that are necessary for effective support of M.Video-Eldorado’s operations and its development.

In 2024, the Committee considered 42 matters at ten meetings. Out of ten meetings of the Remuneration and Nomination Committee, eight were held in person and two by absentee voting.



Strategy and Digital Transformation Committee

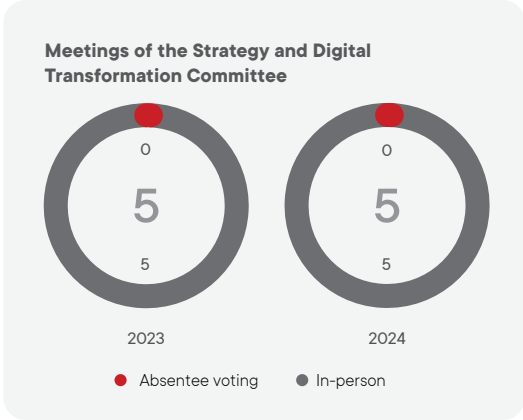
The main focus of the Strategy and Digital Transformation Committee (hereinafter referred to in this section as the “Committee”) is to ensure that the Board of Directors effectively deals with matters related to the strategy of the Company and M.Video-Eldorado’s subsidiaries, as well as to the development of IT systems necessary for the Company and M.Video-Eldorado’s subsidiaries.

The Strategy and Digital Transformation Committee comprises five members of the Board of Directors, three of whom are independent directors.

In 2024, the Committee considered six matters at five meetings.

All meetings were held in person.

For reports on the work of the Board committees, see [the Appendix to this Annual Report](#).




## Corporate Secretary

The Corporate Secretary is a Company official appointed by the Board of Directors and taking all steps necessary to ensure the preparation and holding of the General Meeting of Shareholders and meetings of the Board of Directors and its committees in accordance with the requirements of the Russian laws and the Company's Charter and bylaws. The Corporate Secretary ensures the proper implementation of procedures aimed at exercising the rights and protecting the legitimate interests of shareholders, and oversight of such implementation. The Corporate Secretary is the person responsible for disclosing insider information.

The Corporate Secretary ensures the communication of the Company with government bodies, trade organizers, the registrar, and other professional participants in the securities market and performs their instructions within the Corporate Secretary's powers.

The functions of the Corporate Secretary also include organizing and monitoring of compliance with, and/or implementing the legal requirements for timely, complete and reliable disclosure of information by the Company; maintaining a list of the Company's insiders.

 Regulation on the Corporate Secretary of PJSC M.video

### Information about the Corporate Secretary

#### Inna Evstigneeva

Corporate Secretary since April 8, 2022

**Born in:** 1992

#### Education:

- ▶ **2014:** Kutafin Moscow State Law Academy. International Law Institute, Specialist.
- ▶ **2014:** Kutafin Moscow State Law Academy. International Law Institute, translator of English in the field of professional communication.

**Current position:** Corporate Secretary at PJSC M.video.

Prior to her appointment as Corporate Secretary of PJSC M.video, she was Senior Corporate Lawyer at MVM LLC. Previously, she held the position of Head of the Corporate Business Support Department of the Russian TWINO group companies operating under the Ezaem and Moneza brands, and held the position of the Lead Legal Adviser of TAVINCO Group.

As far as the Company is aware, the Corporate Secretary has not held any positions in governing bodies of other legal entities over the last five years.

**Shareholding in the Company's charter capital:** 0%

**Common shares held:** 0%

The Company is unaware of any transactions made by Ms. Evstigneeva to acquire or dispose of the Company's shares in the reporting period.


The Company is unaware of any conflict of interest involving Ms. Evstigneeva (including that related to her membership in governing bodies of the Company's peers).

## Sole executive body – General Director

The Company's General Director acts as its sole executive body, managing current activities of the Company and overseeing the implementation of resolutions made by the General Meeting of Shareholders and the Board of Directors. **[2-11]**

The General Director has the right to make decisions on any matters outside the remit of the Company's General Meeting of Shareholders and the Board of Directors.

The General Director reports to the Company's General Meeting of Shareholders and Board of Directors.

 Regulation on the Sole Executive Body (General Director) of PJSC M.video

### Information on the General Director

#### Bilan Uzhakhov

General Director from August 30, 2022 to February 20, 2025

#### Felix Lib

General Director since February 20, 2025

# Risks, audit, and control

The Board of Directors determines the key principles of and approaches to risk management and internal control in the Company.

A strong risk management and internal control system provides reasonable assurance that the Company's strategic and operational goals will be achieved, the information it discloses is reliable, and regulatory requirements are complied with. System processes are designed to timely identify, regularly monitor and review key risks, assess their probability and effects, and ensure the development and implementation of measures to reduce risk probability and/or risk effect on the Company's business.

When creating shareholder value, the Company has to make management decisions based on uncertainties that could have both positive and negative impacts on its goals. One way to reduce the uncertainty is to raise awareness among shareholders, management and employees about the existence of such factors, and to assess their potential impact.

To make sure that risk management and internal control processes are sufficiently efficient, the Company employs the following three-tier organizational model for its risk management and internal control system:

## Tier 1

business departments responsible for continuous risk management and arrangement and use of efficient controls.

## Tier 2

departments responsible for risk management and internal control coordination, compliance systems, and other business units that build and maintain an effective risk management and internal control system.

## Tier 3

internal audit responsible for audits and independent assessment of risk management and internal control system efficiency.

During 2024, the Company continued to review and analyze risks and control procedures in key business processes / areas of operations, identify internal control weaknesses, and develop recommendations for their elimination.

## Risk management

Risk management at M.Video-Eldorado is centralized within the holding company, PJSC M.video, and constitutes a set of comprehensive measures and interrelated processes that aim to:

- ▶ develop risk management as a continuous cyclical management process;
- ▶ integrate risk management principles and tools into the Company's operational processes;
- ▶ develop risk management as an integral part of the Company's corporate culture and all its business processes.





## Key risks of the Company

The Company sells goods for which demand is sensitive to shifts in economic conditions and factors, such as interest rates, the availability of consumer lending, consumer expectations, employment levels, inflation, household income growth, and household debt levels.

Persistently high interest rates may further reduce demand for electronics and appliances as households prioritize saving. Elevated rates and restrictions on unsecured lending also curb consumer lending accessibility, dampening consumer demand and potentially adversely impacting the Company's operational and financial performance.

Additionally, high interest rates increase the cost of borrowing and reduce its availability and may increase the Company's debt service costs and limit the Company's ability to finance its day-to-day operations and development plans.

The Company's operations may be significantly affected by new foreign restrictions targeting the Russian Federation, specific sectors of its economy, and individual companies, as well as by withdrawal of foreign companies from the Russian market, which may limit the availability of supply and payment channels, increasing transaction costs and diminishing the accessibility of goods for sale.

The Company operates in a highly competitive market, where supply is shaped by both large retailers and numerous small players leveraging the infrastructure of multi-category marketplaces. Intensified competition in the household appliances and electronics market may result in reduced sales volumes and lower profitability for the Company.

Labor market shortages, driven by rising demand for skilled workers and office personnel from both industry peers and companies in other sectors, may exacerbate workforce deficits. This could lead to failure to meet operational targets, and unplanned increases in recruitment, retention, and outsourcing costs

The Company's most significant risks include:

- ▶ risk of rising prices for critical resources used by the Company to conduct operations, including rising costs of logistics, warehousing and processing of goods, lease payments, and communications with customers;
- ▶ risk of higher probability of terrorist attacks in the regions where the Company operates;
- ▶ risk of non-compliance with applicable requirements, including taxation and customs clearance of imports;
- ▶ risk of business disruptions and data leaks and losses due to IT systems instability and failures or malicious third-party actions;
- ▶ currency risk;
- ▶ risk of losses when making advance payments to foreign suppliers;
- ▶ risk of accidents at the Company's facilities.

**M.Video-Eldorado is actively implementing measures to mitigate the impact of these risks on its operations.**

### Risk management as part of the corporate culture

The Company acknowledges that risk management is an integral part of its corporate culture and is committed to raising employees' awareness in this field and encouraging them to embrace risk management as part of their daily activities. The Company views employees' involvement in risk management, including identifying and assessing risks, as a valuable and obligatory contribution to its successful development.

## Audit and control

Financial and business operations of the Company are overseen by:

- ▶ Board of Directors (Audit Committee);
- ▶ Internal Audit function;
- ▶ Internal Control and Risk Management function;
- ▶ External auditor.

### Board of Directors (Audit Committee)

Audit and control matters reserved to the Board of Directors are preliminarily reviewed by the Audit Committee. On behalf of the Board, the Audit Committee communicates with the key participants of the Company's financial and business operations and is in charge of preliminary review of and recommendations for the Board on the matters of internal audit, including approval of the annual action plan for the Internal Audit Service.

For more information on the Audit Committee's performance in 2024, see [the Reports of the Board Committees appendix](#).

## Internal Audit function

An Internal Audit function has been established in the Company. Its independence is achieved by delineating functional (substantive subordination) and administrative (organizational structure status) reporting lines.

The Head of Internal Audit is functionally accountable and reports to the Board of Directors and is administratively accountable to the General Director. The Head of Internal Audit is appointed and dismissed by the General Director based on a decision of the Board of Directors.

The Internal Audit function is governed by the [Company's Regulation on the Internal Audit](#) as approved by the Board of Directors<sup>1</sup>.

The objective of internal audit is to assist the Board of Directors, Audit Committee, and General Director of the Company, and the management of M.Video-Eldorado's subsidiaries in enhancing the management efficiency of the subsidiaries, improving financial, business, and operational activities through systematic and consistent analysis and evaluation of the risk management and internal control system, and corporate governance as tools to ensure reasonable assurance in achieving the goals set for M.Video-Eldorado.

The competencies of the Internal Audit function are as follows:

- ▶ ensuring the protection of the legitimate interests of all shareholders of the Company;
- ▶ providing the Board of Directors, Audit Committee, General Director of the Company, and the management of M.Video-Eldorado's subsidiaries with objective information on the existence and likelihood of risks and threats, as well as the state of M.Video-Eldorado's business processes;
- ▶ increasing awareness among the Board of Directors, Audit Committee, General Director of the Company, and the management of M.Video-Eldorado's subsidiaries regarding the state and areas for development of the risk management, corporate governance, and internal control systems of the Company and M.Video-Eldorado's subsidiaries;
- ▶ conducting internal audits of the Company and M.Video-Eldorado's subsidiaries in accordance with established procedures;
- ▶ providing consultations to executive bodies and management of the Company and M.Video-Eldorado's subsidiaries within the remit of the Internal Audit function.

The Audit Committee of the Board of Directors and the Board of Directors regularly review the reports of the Head of Internal Audit and assess their performance.

In the reporting year, Olga Buyanova was appointed Head of Internal Audit of the Company by resolution of the Board of Directors<sup>2</sup>.

## Head of Internal Audit in 2024

### Artem Yanko

Head of Internal Audit from September 2020 through March 11, 2024

**Born in:** 1985

**Education:** higher – Nizhny Novgorod State University, Economics (Accounting and Audit).

August 2015 – January 2019: Head of Internal Audit at Media-Markt-Saturn LLC;  
September 2020 – March 11, 2024: Head of Internal Audit at PJSC M.video and Head of Internal Audit at MVM LLC.

**Shareholding in the Company's charter capital:**  
0%

**Common shares held:** 0%

### Olga Buyanova

Head of Internal Audit since March 12, 2024

**Born in:** 1987

**Education:** higher – State University of Management (Information Management).

October 2019 – March 2024: Head of Risk Assessment and Internal Control at JSC Russian Post;  
June 2019 – March 2024: member of the Audit Commission of PJSC Pochta Bank; March 12, 2024 – to date: Head of Internal Audit at PJSC M.video and Head of Internal Audit at MVM LLC.

**Shareholding in the Company's charter capital:**  
0%

**Common shares held:** 0%

<sup>1</sup> Minutes No. 271/2024 dated December 20, 2024.

<sup>2</sup> Minutes No. 259/2024 dated March 11, 2024.

## Internal Control and Risk Management

An Internal Control and Risk Management function has been established in the Company. The competences of the Internal Control and Risk Management function are as follows:

- ▶ support of the internal control and risk management system, development and update of internal regulations and guidelines;
- ▶ development and update of the Company's risk management matrix, risk assessment, monitoring of risk management activities, and regular risk reporting;
- ▶ methodological and expert support to risk owners and coordinators as regards risk identification, analysis and assessment;
- ▶ analysis of key business processes for sufficiency and completeness of control procedures, identification of gaps and deficiencies, and preparation of remedial activities.

The main document on internal control and risk management is the [Internal Control and Risk Management System Policy](#) approved by the Board of Directors of PJSC M.video<sup>1</sup>.

In the reporting year, the Board of Directors appointed<sup>2</sup> Dmitry Striletsky Head of Internal Control and Risk Management.

### Dmitry Striletsky

Head of Internal Control and Risk Management since April 3, 2023

**Born in:** 1982

**Education:** higher – Higher School of Economics (Finance and Credit).

September 2017 – May 2020: Deputy Head of Risk Management and Internal Control Methodology Department at Rosneft; August 2021 – to date: Head of Internal Control and Risk Management at MVM LLC; April 3, 2023 – to date: Head of Internal Control and Risk Management at PJSC M.video.

**Shareholding in the Company's charter capital:** 0%

**Common shares held:** 0%



<sup>1</sup> Minutes No. 210/2021 dated December 17, 2021.

<sup>2</sup> Minutes No. 241/2023 dated March 28, 2023.

## Assessment of reliability and performance of the Company's risk management and internal control

The Company's existing internal control and risk management systems comply with the approaches and principles established by the Board of Directors and the Company's management, ensure in all material aspects an objective view of the current state of affairs and prospects of the Company, reliability, timeliness and transparency of the Company's financial and non-financial reporting, acceptability of the risks assumed by the Company, and compliance with legal requirements and internal documents of the Company.

## External auditor

The Company engages an external auditor to audit its financial and business operations. The principal action taken by the Company and the auditor to reduce their interdependence is careful consideration of the auditor nominee with a view to ensuring its independence from the Company. The auditor (persons holding positions in the governance bodies of the auditor and bodies supervising the financial and business operations of the auditor) is completely independent from the Company (persons holding positions in the governance bodies of the Company and bodies supervising the Company's financial and business operations) as required by Article 8 of Federal Law No. 307-FZ On Audit Activities (the "Law on Audit Activities"). The amount of remuneration paid to the auditor was not subject to the audit results.

The objectivity of the auditor selection process is ensured through a tender procedure. The auditor (audit provider) is selected at the level of M.Video-Eldorado. The auditor selected through the tender is considered by the Audit Committee of the Board of Directors, with relevant recommendations submitted to the Board of Directors of PJSC M.Video.

Only applicants that meet auditor independence requirements as set out in Article 8 of the Federal Law On Audit Activities are invited to participate in the tender. Tender bids are assessed against the price criterion.

As part of the tender process, commercial offers (bids) of applicants were collected and evaluated. Following the tender process, the Audit Committee resolved to recommend that the Board of Directors of PJSC M.Video:

- recommend that the General Meeting of Shareholders of PJSC M.Video appoint Business Solutions and Technologies as the auditor of the Company's annual accounting (financial) statements for 2024;
- appoint Business Solutions and Technologies as the auditor of the annual accounting (financial statements) of certain M.Video-Eldorado's entities for 2024.

According to clause 14.2. of the Company's Charter, the auditor of the Company is approved by the General Meeting of Shareholders. The amount to be paid for its services is determined by the Board of Directors. Pursuant to the Regulation on the Audit Committee, the committee is responsible, inter alia, for drafting recommendations for the Board of Directors concerning nomination of the Company's auditor charged with reviewing the Company's accounting (financial) statements prepared

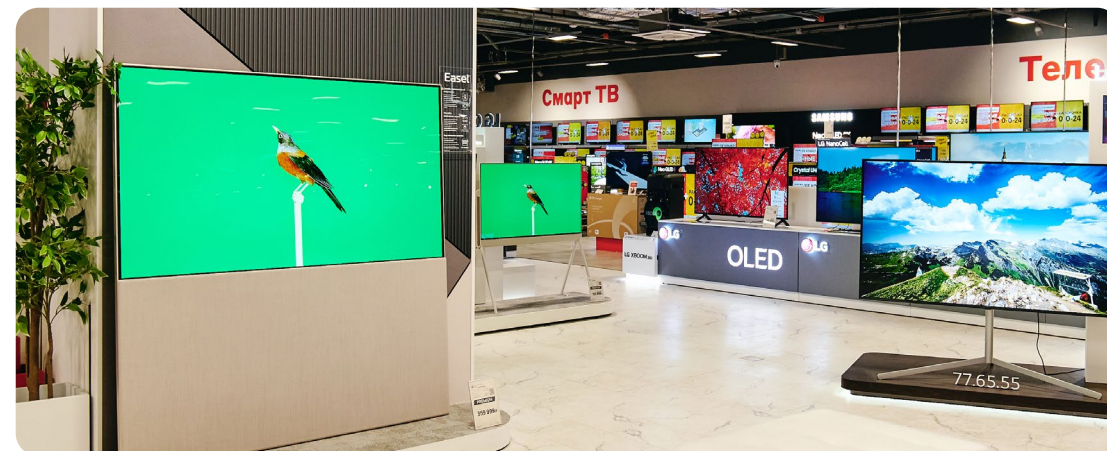
in accordance with both the Russian Accounting Standards and International Financial Reporting Standards (IFRS) for the subsequent approval of such nominee by the Company's General Meeting of Shareholders and concerning the determination of the amount to be paid for the auditor's services, as well as for approving the terms of an agreement with the auditor responsible for such audit.

The Audit Committee gave appropriate recommendations concerning the appointment by the Annual General Meeting of Shareholders of the auditor charged with reviewing the financial and business operations of the Company for 2024.

Based on the recommendation of the Audit Committee, the Board of Directors recommended that the General Meeting of Shareholders appoint Business Solutions and Technologies as the auditor of the Company's annual accounting (financial) statements for 2024.

The Annual General Meeting of Shareholders on June 14, 2024 resolved to appoint Business Solutions and Technologies as the auditor of the Company's annual accounting (financial) statements for 2024.

Based on the Audit Committee's recommendation, the Board of Directors approved the payment for the services of the auditor. The actual auditor fee due for the most recent completed reporting year totals RUB 29.4 million, comprising RUB 23.7 million for the audit (review) of financial statements (with RUB 23.7 million due for statutory audit) and RUB 5.7 million for audit-related and other services associated with audit activities.





# Business ethics and compliance

M.Video-Eldorado strictly observes the current legislation and principles of business ethics. The Company is committed to conducting business honestly, transparently, and ethically, in accordance with the laws of Russia and best global practices. Key objectives include maintaining the highest level of business reputation, fostering a culture of compliance within M.Video-Eldorado's subsidiaries, minimizing compliance risks, and addressing any potential consequences.

Compliance with legislation and business ethics principles is governed by the [Code of Business Ethics, Anti-Corruption Policy](#), Regulation on the Conflict of Interest, and a number of dedicated compliance policies and procedures in place at M.Video-Eldorado's key operating company, MVM LLC, including the [Antimonopoly Compliance Policy](#) (the "Antimonopoly Policy").

M.Video-Eldorado approved and has in place the [Internal Control and Risk Management System Policy](#) and the Compliance Control Policy of PJSC M.video. The Internal Control and Risk Management System Policy sets out the activity areas for PJSC M.video to establish and maintain its [risk management and internal control system](#). The Compliance Control Policy formalizes the M.Video-Eldorado's official approach to identifying, assessing, describing, and mitigating compliance risks. **[2-23]**

M.Video-Eldorado's key operating company, MVM LLC, has the Committee on Business Ethics and Compliance (the "committee"), which aims to minimize and eliminate compliance risks and to work out incentives in respect of identifying compliance violations. **[2-24]** The committee's meetings regularly consider, among other things, matters pertaining to conflicts of interest, and approve risk mitigation measures and monitor their implementation.

## Priority areas

Given the current factors impacting M.Video-Eldorado's operations, the following areas have been prioritized for 2024:

- ▶ conducting compliance training programs for employees in updated formats;
- ▶ regular monitoring, drafting, and approval of revised editions of the Code of Business Ethics and the Regulations on Conflict of Interest;
- ▶ monitoring sanctions-related risks and implementing necessary mitigation measures;
- ▶ implementing revised approaches to assessing the reliability of counterparties.



## Sanctions risks

Foreign sanctions imposed on Russia, its citizens and companies, and the withdrawal of major foreign manufacturers from cooperation had a significant impact on M.Video-Eldorado's sensitive areas, including the supply of household appliances and electronics, ability to use banking services and remittances in foreign currencies, logistics and transportation of goods, etc.

Based on the results of risk monitoring and assessment, M.Video-Eldorado developed and promptly implemented measures necessary to mitigate the impact of sanctions risks on the operations of its entities. The impact of foreign restrictions on the foreign economic activities of M.Video-Eldorado's subsidiaries is being assessed, with measures taken to mitigate their negative effects.

M.Video-Eldorado's operating company, MVM LLC, independently imports goods into Russia from both EAEU member states and foreign countries. This ensures the availability of essential and familiar household appliances and electronics for Russian consumers.

## Counterparty due diligence

The primary responsibility of M.Video-Eldorado's subsidiaries is to customers, who expect us to offer them quality products at a fair price. M.Video-Eldorado is committed to maintaining the trust of its clients and counterparties.

The [Supplier Code of Conduct](#) is in effect at MVM LLC. In 2024, to facilitate compliance with the Code, references to its adherence have been included in the general terms of contracts published on the [Company's website](#).

M.Video-Eldorado's subsidiaries strive to maintain business relations exclusively with entities that comply with the requirements of Russian laws and generally accepted standards of business conduct. Before starting partnerships with counterparties, M.Video-Eldorado's subsidiaries run due diligence on each of them so that the relationship would be as mutually beneficial and transparent as possible. The due diligence procedure is set out in the Counterparty Due Diligence Policy of MVM LLC. **[2-23]** In 2024, M.Video-Eldorado revised and enhanced its approaches to evaluating risks associated with collaborating with different categories of counterparties. Specifically, an adjustable tier-based system was introduced to holistically assess each counterparty and determine feasible collaboration terms. These tiers incorporate variable criteria depending on the type of transaction and counterparty category.

Counterparty due diligence involves collecting and analyzing data on the counterparty's operations, validating its accuracy, calculating a consolidated risk index for engaging with the counterparty, as well as storing the due diligence findings using a newly introduced due diligence system. **[2-24]** Due diligence checks also extend to counterparties that are non-residents of the Russian Federation. They account for changes in foreign legislation and historical collaboration experience with specific counterparties.

**> 4,000**  
due diligence checks conducted in 2024

The goal of counterparty accreditation is to minimize the risk of M.Video-Eldorado's subsidiaries going into business with unreliable counterparties by analyzing information and documents.

## Business ethics

M.Video-Eldorado conducts its operations in accordance with the high principles of business ethics established by the revised [Code of Business Ethics of PJSC M.video](#) (the "Code") and M.Video-Eldorado approved in November 2024.

The Code outlines fundamental principles of conduct aligned with M.Video-Eldorado's core values. M.Video-Eldorado's key subsidiaries also adopted the revised Code and the updated Regulation on the Conflict of Interest of PJSC M.video as internal regulatory documents. Adherence to the Code is mandatory for all employees. Every M.Video-Eldorado employee undergoes mandatory training to review the Code and commits to upholding it and be guided by it in the performance of their duties. **[205-2]**

In 2024, we updated and delivered online and in-person training courses for employees on anti-corruption, antitrust law compliance, and compliance and business ethics.

Additionally, internal communication campaigns were run to inform employees about M.Video-Eldorado's business conduct rules. These included targeted email communications on anti-corruption measures, ethical business communication, conflict of interest disclosure, guidelines for giving and receiving gifts, and participation in third-party entertainment events.

Openness to discussion and transparency of all processes are crucial to M.Video-Eldorado's corporate culture and risk management system. M.Video-Eldorado operates the Fairness Hotline and the Whistleblowing Hotline for any employee or business partner to report violations of the Code of Business Ethics or applicable law violations by M.Video-Eldorado's personnel through the communication channels available on [M.Video-Eldorado's official website](#). **[2-26]** In 2024, the Whistleblowing Hotline received 95 reports from employees of M.Video-Eldorado's subsidiaries, customers, and business partners.

All submitted reports were reviewed, with internal checks and investigations conducted, and employees of respective departments were engaged to provide clarifications. Based on the findings, measures were implemented to eliminate the identified violations. Feedback was provided to the reporters. Whistleblowers are guaranteed strict confidentiality and protection of their personal data.

## Conflict of interest prevention

[2-11], [2-15]

M.Video-Eldorado is committed to minimizing risks associated with conflicts of interest and any related breaches of business ethics rules and their consequences. The Code of Business Ethics and the Regulation on the Conflict of Interest of PJSC M.video establish mandatory procedures for declaring and resolving conflicts of interest.

Conflict of interest declaration processes at M.Video-Eldorado are automated, reducing the impact of human error and enhancing transparency and efficiency. Employees are informed annually of their obligation to disclose potential conflicts of interest. Clarifications of M.Video-Eldorado's rules and guidelines are provided to ensure compliance.

All declared conflicts of interest and compliance-related violations are verified through internal investigations and reviewed by the Committee on Business Ethics and Compliance of MVM LLC. Based on the findings, decisions are made to eliminate or mitigate risks. In 2024, as part of the annual conflict of interest disclosure campaign, 5,960 conflict of interest notifications were submitted by employees through the electronic declaration form.

In 2024, the Committee on Business Ethics and Compliance of MVM LLC reviewed and resolved 22 cases involving potential conflicts of interest and violations of business ethics standards. Risk mitigation measures were approved and implemented to prevent conflicts of interest. Staff members who violated corporate procedures were disciplined.

## Countering corruption

M.Video-Eldorado maintains a strict zero-tolerance policy toward all manifestations of corruption. The management views any corruption risks as a direct threat to the reputation and business performance of M.Video-Eldorado's subsidiaries as well the efficiency of their compliance controls.

Employees and counterparties are required to strictly adhere to anti-corruption laws and regulations and the Anti-Corruption Policy of PJSC M.video.

MVM LLC enforces a notification procedure for giving or receiving gifts, organizing entertainment events or participating in them with a view to preventing illicit influence on counterparties, employees, and other individuals. [205-3]

Contracts with counterparties and the Supplier Code of Conduct of MVM LLC include a statement of the counterparty's obligations to comply with anti-corruption laws and the Anti-Corruption Policy and to report any violations of anti-corruption laws or the said Policy.

In 2024, M.Video-Eldorado conducted mandatory training for employees by offering updated Anti-Corruption, and Compliance and Business Ethics courses.

In 2024, the Fairness Hotline Line received 155 reports of potential financial misconduct. Internal investigations and checks were carried out, with steps taken to eliminate risks and minimize negative consequences.





## Antimonopoly compliance

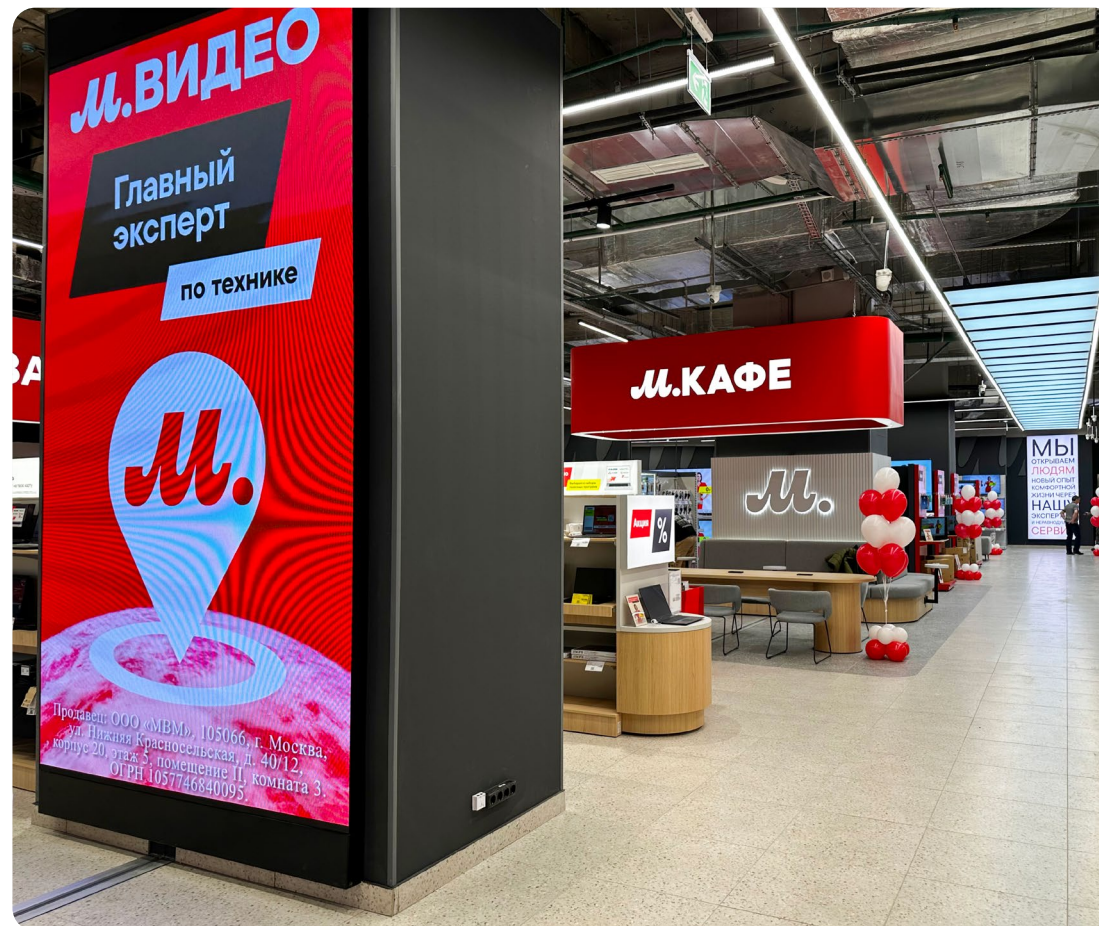
M.Video-Eldorado strictly complies with antimonopoly regulations and continuously works to mitigate risks of violating Russia's antimonopoly legislation. **[2-27]**

MVM LLC has the Antimonopoly Policy in place. Prior to its adoption, the policy was reviewed and approved by the Federal Antimonopoly Service of Russia to ensure alignment with Article 9.1 of Federal Law No. 135-FZ On Protection of Competition dated July 26, 2006, which mandates internal frameworks for antimonopoly compliance.

The internal framework for antimonopoly compliance is aimed at introducing high standards of corporate ethics across M.Video-Eldorado, creating maximum interest in, and personal responsibility for, compliance with antimonopoly laws and regulations for the management and employees in exercising their official powers and taking actions affecting the Company's business, implementing measures to identify and assess the risks of violation of antimonopoly laws and regulations by the management and employees, and to mitigate said risks. This framework contributes to the efficiency and success of the Company's operations.

In 2024, employees from select departments of MVM LLC completed updated online training on antimonopoly law compliance.

MVM LLC also has the Pricing Policy in place, which establishes general principles of setting retail prices for goods at brick-and-mortar stores and on online platforms.



## Major transactions and related-party transactions

A report on the Company's 2024 transactions that are deemed related-party transactions under the Federal Law On Joint-Stock Companies, and major transactions can be found in [the Appendix to this Annual Report](#).

## Tax compliance

M.Video-Eldorado's subsidiaries strictly comply with applicable tax and levy laws and work consistently to mitigate the risks of non-compliance, including through conducting counterparty due diligence, ensuring the proper keeping of financial records, and following legislative requirements and guidelines of regulatory bodies. **[2-27]**

## Labor compliance

**[2-22]**

M.Video-Eldorado strictly adheres to Russian labor laws and works consistently to mitigate the risk of non-compliance in this area. **[2-27]**

M.Video-Eldorado is committed to respecting human rights and the right to work in its day-to-day operations. One of our most important tasks is to prevent any work-related accidents, injuries and diseases. In 2024, M.Video-Eldorado promptly responded to all changes in labor laws and took the necessary measures to ensure the protection of employee rights.



## Environmental compliance

M.Video-Eldorado continues to strictly follow Russian environmental laws and works consistently to mitigate the risk of non-compliance in this area. The respective provisions are set forth in the Code of Business Ethics of PJSC M.Video. **[2-27]**

M.Video-Eldorado's subsidiaries follow business practices that help maintain a balanced state of the environment. These include efforts to cut down on electricity consumption by using energy-saving technology, sustainable use of natural resources, and responsible e-waste and battery disposal practices focused on waste recycling and reducing.



## Consumer rights protection

The Company is committed to strict compliance with consumer rights protection laws, implementing programs to enhance customer service and taking continuous measures to mitigate and eliminate risks of violations in this area. M.Video-Eldorado's subsidiaries consistently maintain open and responsible communication with consumers, providing complete and accurate information about goods, works, services, and warranties. **[2-25]** Consumer inquiries are reviewed promptly not only at M.Video-Eldorado stores, but also with the involvement of experts from the head office of M.Video-Eldorado's operating company, MVM LLC, with measures taken to prevent consumer rights violations.

## Protection of trade secrets, personal data and confidential information

Subsidiaries and employees of M.Video-Eldorado exercise a highly responsible approach to collection, storage, processing and destruction of personal data and information constituting a trade secret, as well as other confidential information.

Requirements and procedures intended to prevent infringement in this area are set forth in the Personal Data Processing Policy, as well as the Confidential Information and Trade Secret Policy. Employees of subsidiaries undergo mandatory training on these documents. **[2-23]**

M.Video-Eldorado ensures that its employees comply with the [legislation pertaining to insider information](#), seeking to prevent any cases of its use to the detriment of M.Video-Eldorado's interests. The relevant matters are governed by the [Regulation on Insider Information](#). **[2-24]**

## Plans for 2025

In 2025, we plan to implement measures to update procedures for monitoring employees' completion of mandatory training and their familiarity with internal compliance regulations, approve a revised Counterparty Due Diligence Policy, and finalize the implementation of customs compliance procedures.

# A reliable asset in the portfolio

As a public company, we strictly comply with applicable Russian laws. As a responsible issuer, we are committed to transparency of our activities and maintain an open and honest dialogue with our investors and shareholders.

**1.8** RUB BLN  
the Company's  
charter capital



**>20%**  
shares in free float



Number of the Company's shares:

**179,768,227**  
PCS

Class of stock: common. These shares of the Company are voting shares.

In the reporting year, the Company did not hold any of the Company's shares.

The number of the Company's shares held by legal entities controlled by the Company: 1,387,750 shares (0.772% of the charter capital) are held by MVM LLC. Class and type of stock: common, registered, uncertified.

## Number of the Company's shareholders

The total number of persons with non-zero balances on personal accounts recorded in the register of the Company's shareholders, as at the end of the reporting year: 85.

The total number of the Company's nominee shareholders: 21.

The total number of persons included in the latest list of persons where the Company's nominee shareholders provided information on the persons for the benefit of whom they held (hold) the Company's shares: 235,151.

The class of the Company's shares whose holders were to be included in the Company's latest list: common shares.

The date as at which the persons entitled to exercise the rights attaching to the Company's shares were on that list: December 31, 2024.

The Company is not aware of any shareholdings that exceed 5%, except for those already disclosed by the Company.



# Charter capital

The charter capital of PJSC M.video is RUB 1,797,682,270. The charter capital is formed by the placing of 179,768,227 ordinary registered uncertified shares with a par value of RUB 10 each among shareholders. The Company's charter capital has been paid in full.

Trading in PJSC M.video's shares on the Moscow Exchange

## PJSC M.video's securities

Securities	Shares (registered)
Class of stock	Common
Type of securities	Uncertified
Securities issue state registration number and date	1-02-11700-A August 23, 2007
Par value of each share	RUB 10
Outstanding shares total	179,768,227 pcs
Additional shares in the process of issuance <sup>1</sup>	–
Additional shares authorized for issuance	100 million common registered uncertified shares, with a par value of RUB 10 each

## PJSC M.video's ticker and details

Ticker	Trading platform	Class of stock	Listing
MVID	Moscow Exchange	Common shares	Level 1 quotation list

<sup>1</sup> On July 1, 2024, the Bank of Russia registered an additional issue of 30 million ordinary registered uncertified shares of PJSC M.video with a par value of RUB 10 each.



# Dividends paid

Class of stock: common shares.

State registration number of the securities issue / ISIN:  
1-02-11700-A.

Assigned on: August 23, 2007.

The dividend policy defines the principles guiding the Board of Directors in making decisions on profit distribution and dividend payments.

Regulation on the Dividend Policy of PJSC M.video

PJSC M.video's dividend history

Reporting period	Total dividend declared, RUB	Dividend per share, RUB	Dividend declared, % of net profit	Total dividend paid, RUB	Dividend approved by, resolution date, minutes date and No.
2020	6,831,192,626	38.00	138.4 <sup>1</sup>	6,831,192,626	General Meeting of Shareholders Resolution date: May 7, 2021 Minutes date: May 12, 2021 Minutes No.: 33
9M 2021	6,291,887,945	35.00	99.94	6,291,887,945	General Meeting of Shareholders Resolution date: December 3, 2021 Minutes date: December 7, 2021 Minutes No.: 34
2021	The Annual General Meeting of Shareholders held on June 23, 2022 <sup>2</sup> decided to approve the following distribution of PJSC M.video's net profit for the 2021 reporting year: <ul style="list-style-type: none"><li>part of the net profit in the amount of RUB 6,291,887,945 was used to pay dividends for 9M 2021; these are interim dividends previously paid for 9M 2021 in accordance with the decision of the Extraordinary General Meeting of Shareholders dated December 3, 2021 (Minutes No. 34 dated December 7, 2019);</li><li>to refrain from distributing the remaining 2021 net profit and from paying dividends.</li></ul>				
2022	The Annual General Meeting of Shareholders held on June 27, 2023 decided not to pay dividends for 2022 <sup>3</sup>				
2023	The Annual General Meeting of Shareholders held on June 14, 2024 decided not to pay dividends for 2023 <sup>4</sup>				

<sup>1</sup> This is the dividend declared as % of net profit for the reporting period (2020), with the dividend to be paid out from all the net profit of 2020 and part of retained profit of past years.

<sup>2</sup> Minutes of the Annual General Meeting of Shareholders No. 28 dated June 28, 2022.

<sup>3</sup> Minutes of the Annual General Meeting of Shareholders No. 37 dated June 28, 2023.

<sup>4</sup> Minutes of the Annual General Meeting of Shareholders No. 39 dated June 17, 2024.

# Bonds

In 2024, there were three issues of exchange-traded bonds issued by MV Finance LLC (a wholly-owned subsidiary of PJSC M.Video): MV FINANCE 001P-03, MV FINANCE 001P-04, MV FINANCE 001P-05 with a total nominal value of RUB 15.75 billion.

During 2024, bonds from two previous issues were successfully redeemed: MV FINANCE 001P-01 (maturity date April 18, 2024) and MV FINANCE 001P-02 (maturity date August 7, 2024).

Events after the reporting date:

- On 23 April 2025, MV Finance LLC repurchased 5,152,298 bonds of Series 001P-04 for almost RUB 5.2 billion; the remaining debt is RUB 1.8 billion;
- On 16 April 2025, the Company announced, and on 29 April, placed two-year exchange-traded Series 001P-06 bonds for RUB 2 billion with a coupon rate of 26.0%.

Parameters of bonds outstanding as at December 31, 2024

Series	001P-03	001P-04	001P-05
Issue registration number	4B02-03-00590-R-001P		
Issue value, RUB	5,000,000,000	7,000,000,000	3,750,000,000
Number of securities, pcs	5,000,000	7,000,000	3,750,000
Nominal value of each security, RUB	1,000	1,000	1,000
Date of issue	July 26, 2022	April 21, 2023	August 16, 2024
Maturity date	July 22, 2025	April 17, 2026	August 6, 2026
Coupon duration, days	91	91	30
ISIN code	RU000A104ZK2	RU000A106540	RU000A109908
Coupon rate, %	Fixed, 12.35	Fixed, 13.05	Floating, KR <sup>1</sup> + 4.25%
Credit rating	A(RU), stable outlook, from ACRA	A(RU), stable outlook, from ACRA	A(RU), stable outlook, from ACRA

<sup>1</sup> KR is the effective value of the Bank of Russia key rate as of the Xth business day preceding the start date of the i-th coupon period, published on the Bank of Russia's official website.

# Credit ratings

In the reporting year, the Analytical Credit Rating Agency (ACRA) has reaffirmed PJSC M.video's credit rating of A(RU) assigned a year earlier, raising the outlook from stable to positive. The positive outlook of ACRA implies the possibility of rating upgrade in 12–18 months. According to ACRA, M.Video-Eldorado's credit rating reflects high assessments of the Company's operational risk profile, substantial business scale, strong profitability, and robust liquidity and cash flow positions. ACRA notes that the change in M. Video-Eldorado's outlook to "positive" is due to the Agency's expectation of further growth of sales and business profitability in 2024–2026, which will improve, among other things, the leverage and coverage estimates.

Expert RA rating agency confirmed PJSC M.video's credit rating at ruA in 2024. The rating outlook was changed from "developing" to "stable". According to the agency, PJSC M. video's credit rating is based on a conservative assessment of industry risk profile, strong market and competitive positioning, an acceptable leverage with moderate interest payment coverage, high liquidity, and low corporate risk exposure. The shift to a stable outlook reflects improved financial performance and M.Video-Eldorado's achievement of its previously communicated leverage targets.

AKPA

A(RU)

Outlook Positive

PJSC M.video

Rating action date<sup>1</sup>:  
February 21, 2024<sup>2</sup>

Expert

ruA

Outlook Stable

PJSC M.video

Rating action date<sup>1</sup>:  
March 18, 2024<sup>3</sup>

<sup>1</sup> Date of rating assignment/confirmation.  
<sup>2</sup> On February 14, 2025, ACRA affirmed PJSC M.video's credit rating at A(RU) and revised the outlook to stable.  
<sup>3</sup> On 17 March 2025, Expert RA affirmed PJSC M.video's credit rating at ruA and changed the outlook to negative.

# Disclosure of information

The Company prioritizes making material information about its operations simultaneously available to all shareholders. The Company strictly adheres to Russian legislative requirements regarding public information disclosure, subject to permissible exemptions under Russian Government Resolution No. 1102 On the Specifics of Disclosure and/or Provision of Information Subject to Disclosure and/or Provision in Accordance with Federal Law On Joint-Stock Companies and the Federal Law On the Securities Market dated 4 July 2023.

Information is disclosed on the [Internet page of the Interfax Corporate Information Disclosure Center news agency](#). Selected information is also published on the [Company's website](#), including translations of publicly disclosed information.

# Shareholder and investor relations

M.Video-Eldorado maintains an open dialogue with a wide range of investors and shareholders, ensuring transparency and providing comprehensive information about its activities to securities market participants.

To facilitate effective interaction with investors and shareholders, the Company has established several communication channels:

- ▶ Investors section on the corporate website: [www.mvideoeldorado.ru/en/shareholders-and-investors](http://www.mvideoeldorado.ru/en/shareholders-and-investors);
- ▶ email for inquiries: [ir@mvideo.ru](mailto:ir@mvideo.ru);
- ▶ postal address for written correspondence: 40/12 Nizhnaya Krasnoselskaya St., bld. 20, 105066, Moscow, Russian Federation

Since November 2023, the Company has been actively engaging with private investors through its official channel [MVID\\_official](#) channel on the T-Pulse investor social network.

The list of the Company's past and upcoming key events is available in the [Investor Calendar](#) section of the corporate website.

Key topics of investor interest in 2024 included:

- ▶ business sustainability;
- ▶ leverage and its targets;
- ▶ M.Video-Eldorado's competitive advantages versus other market players, particularly marketplaces;
- ▶ development of e-commerce and the Company's own marketplace operations;
- ▶ corporate governance;
- ▶ key trends in consumer behavior;
- ▶ macroeconomic impact and high key interest rate;
- ▶ share capital and payment of dividends.





# Appendices



# Appendix 1. About the report

## [2-3]

M.Video-Eldorado's Annual Report 2024 (the "Report") is addressed to a wide range of stakeholders and presents the Company's key results in strategic and corporate governance, its financial and operating highlights, and sustainability endeavors.

This Report contains information on medium- and long-term plans of M.Video-Eldorado. These plans and objectives, being forward-looking in nature depend on various political, economic and legal factors, which are beyond the Company's control (such as current conditions in key markets, changes in tax and environmental legislation, etc.). As a result, actual future performance may differ from the forward-looking statements contained herein.

The theme of the Report is **"Chief Quality Electronics Expert"**. The theme highlights the Company's commitment to being the first choice for customers seeking technology solutions and professional service expertise. Quality remains our top priority across all aspects of our business – from offering a first-class product selection to providing expert service and maintaining seamless cross-channel customer communication.

In this Report, the following terms are used: [2-2]

- M.Video-Eldorado, the Company, PJSC M.video – Public Joint-Stock Company M.video, and all companies directly or indirectly controlled by the Company as at December 31, 2024;
- M.Video, a brand – the network of the MVM Limited Liability Company (MVM LLC) stores under the M.Video brand;
- Eldorado, a brand – the network of the MVM Limited Liability Company (MVM LLC) stores under the Eldorado brand.

The Report is prepared in accordance with Russian laws and the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards).

We are committed to balancing the interests of various stakeholders whilst making full and timely disclosure of the relevant information. [2-29]

In 2024, the list of material topics was updated for disclosure in this Report through an online survey of M.Video-Eldorado top management, according to the results of which all the topics were recognized as material (relevant), and some of them showed an increase in importance ↑. [3-1][3-3]

## List of material topics ranked by importance [3-2]

1. Product safety and availability, service quality, consumer confidence ↑
2. Business ethics, anti-corruption and fair competition ↑
3. Well-being of employees and decent working conditions ↑
4. Employee development and career progression ↑
5. Operational efficiency and economic performance
6. Workplace health and safety ↑
7. Circular economy and waste management ↑
8. Technology, innovation and digital transformation of the business
9. Local communities and volunteering ↑
10. Cyber security and personal data protection
11. Responsible marketing
12. Equality, diversity and inclusion

# Appendix 2. Report on compliance with the Corporate Governance Code

This report on compliance with the principles and recommendations of the Corporate Governance Code was reviewed and approved by the Board of Directors of PJSC M.video.

The Board of Directors confirms that the data set out in this report contains complete and reliable information on the Company's compliance with the principles and recommendations of the Corporate Governance Code for 2024.

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
1.1	<b>The company shall ensure fair and equitable treatment of all shareholders in exercising their corporate governance rights.</b>			
1.1.1	The company ensures the most favorable conditions for its shareholders to participate in the general meeting, develop an informed position on items on the agenda of the general meeting, coordinate their actions, and voice their opinions on the items considered	<b>1.</b> The company provides an accessible method of communication therewith, such as a hotline, e-mail or a forum on the Internet, allowing shareholders to express their opinions and send questions regarding the agenda in preparation for the general meeting  The said communication channels were put in place by the company and provided to shareholders ahead of each general meeting held during the reporting period	Complied with	
1.1.2	The procedure for giving notice of, and providing relevant materials for, the general meeting enables shareholders to properly prepare for attending the general meeting	<b>1.</b> During the reporting period, the notice of the upcoming general meeting of shareholders was posted (published) on the company's website at least 30 days prior to the date of the general meeting, unless a longer period was required by law  <b>2.</b> The notice of the upcoming meeting indicates the documents required for admission to the premises  <b>3.</b> Shareholders were given access to information on who proposed the agenda items and nominees to the company's board of directors and audit commission (if the company's charter provides for the establishment of the latter)	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
1.1.3	In preparation for and during the general meeting, shareholders were able to access information related to the meeting, ask questions of executive bodies and members of the board of directors, and communicate with each other in an unobstructed and timely manner	<div><div>1.</div>In the reporting period, shareholders were given the opportunity to ask questions of the company's board of directors, as well as members of its executive bodies, both in preparation for and during the general meeting</div> <div><div>2.</div>The board of directors' position (including any dissenting opinions included in the minutes, if any) regarding each agenda item in general meetings held during the reporting period was included in the materials for the general meeting</div> <div><div>3.</div>The company provided shareholders eligible to receive this information with access to the list of persons entitled to participate in the general meeting on the same day as the company itself received this information. This was the case for all general meetings held in the reporting period</div>	Partially complied with	<p><b>The comments below refer to item 1 of the assessment criteria as regards giving shareholders the opportunity to ask questions of the company's board of directors, as well as members of its executive bodies, during the general meeting.</b></p> <p>In accordance with Article 2 and Article 3 of Federal Law No. 25-FZ dated February 25, 2022 On Amendments to the Federal Law On Joint-Stock Companies and on Suspension of Certain Provisions of Legislative Acts of the Russian Federation, the Board of Directors resolved to hold the annual General Meeting of Shareholders in the reporting year and the extraordinary General Meeting of Shareholders on September 26, 2024 in the form of absentee voting.</p> <p>The following factors were taken into account when deciding on the annual and extraordinary General Meetings of Shareholders to be held in absentia:</p> <div><div>1.</div>legislative provisions lifting the prohibition to hold general meetings of shareholders in the form of absentee voting still effective in 2024</div> <div><div>2.</div>amidst the unstable geopolitical environment which brought about the need to promptly adapt and fine-tune the business model, a General Meeting of Shareholders held in absentia allows the Company to reduce costs without compromising the rights and interests of shareholders</div> <div><div>3.</div>the Company has a good track record of holding General Meetings of Shareholders in absentia supported by the results of prior General Meetings of Shareholders held in absentia; The Company has not received any negative feedback from its shareholders, nor has the Company identified any negative impact of the meetings in absentia on shareholder activity.</div> <p>Shareholders were able to ask questions of the executive bodies and the Board of Directors at any time, e.g. prior to the General Meeting of Shareholders, through the Corporate Secretary and the IR Director whose contact details (phone, email) are available on the corporate website. To fully inform shareholders on the General Meeting agenda, the Company additionally included the Corporate Secretary's contact details (phone, email) in meeting notices.</p> <p>At the same time, when preparing for the extraordinary General Meeting of Shareholders of the Company held on January 12, 2024, the Company did not have the right to convene it in absentia, given that the agenda of the extraordinary General Meeting of Shareholders contained matters on early termination of powers and election of the Board of Directors, and the relevant legislative provisions lifting the prohibition on holding general meetings of shareholders in the form of absentee voting had not yet been extended for 2024. In accordance with the requirements of the Russian law, the Board of Directors made a decision to convene an extraordinary General Meeting of Shareholders in the form of joint attendance. Shareholders were given the opportunity to ask questions to members of executive bodies and members of the Board of Directors of the Company both during the period of preparation for the extraordinary General Meeting (through the Corporate Secretary and the IR Director) and during the extraordinary General Meeting in person.</p> <p>Due to the termination in 2025 of the legislative provisions lifting the prohibition on holding general meetings of shareholders in the form of joint attendance, in 2025 the Company will return to the practice of holding General Meetings of Shareholders in person and, as a result, will provide shareholders with the opportunity to ask questions to members of executive bodies and members of the Board of Directors of the Company during the General Meeting, and will continue to adhere to the practice of full and comprehensive communication between shareholders and members of executive bodies in preparation for General Meetings of Shareholders.</p> <p><b>Items 2 and 3 of the assessment criteria are complied with</b></p>



N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
1.1.4	The exercise of shareholders' right to demand the convocation of a general meeting, nominate candidates to governing bodies and make proposals for inclusion in the agenda of the general meeting was not made unreasonably difficult	<div><div>1.</div><div>The company's charter provides for a deadline for shareholders to make proposals for inclusion in the agenda of the annual general meeting, which is at least 60 days after the end of the respective calendar year</div></div> <div><div>2.</div><div>In the reporting period, the company did not reject proposals for the agenda or candidates to governing bodies due to misprints or other insignificant flaws in the shareholder's proposal</div></div>	Complied with	
1.1.5	Each shareholder was able to freely exercise his/her voting right in the simplest and most convenient way	<div><div>1.</div><div>The company's charter provides for an opportunity to fill in the electronic form of the ballot on the website specified in the notice of the general meeting of shareholders</div></div>	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
1.1.6	The general meeting procedure established by the company enables all persons attending the meeting to voice their opinion and ask questions	<div><div>1.</div>During general meetings of shareholders held in the reporting period in the form of a meeting (joint attendance of shareholders), sufficient time was allocated for reports on and discussion of agenda items, and shareholders were able to voice their opinions and ask questions on the agenda</div> <div><div>2.</div>The company invited candidates for governing and oversight bodies and took all necessary steps to ensure their participation in the general meeting of shareholders where their nominations were put to a vote. Candidates for governing and oversight bodies present at the general meeting of shareholders were available to answer questions from shareholders</div> <div><div>3.</div>The sole executive body, the officer responsible for accounting, chairman and other members of the board of directors' audit committee were available to answer questions from shareholders at the general meetings of shareholders held in the reporting period</div> <div><div>4.</div>In the reporting period, the company used telecommunication means to provide shareholders with remote access to general meetings, or the board of directors made a well-grounded decision that no such means were needed (could be used) in the reporting period</div>	Partially complied with	<p><b>The comments below refer to items 1, 2 and 3 of the assessment criteria.</b></p> <p>In the reporting period, the annual General Meeting of Shareholders and the extraordinary General Meeting of Shareholders on September 26, 2024 were held in absentia due to the circumstances described in the comments to item 1 of the assessment criteria for Principle 1.1.3 of this Report<sup>1</sup>.</p> <p>Shareholders were given the opportunity to express their opinion and ask questions, among others, to candidates to the Board of Directors, to the person acting as the sole executive body, the person responsible for accounting, and members of the Board's Audit Committee prior to the General Meeting of Shareholders through the Corporate Secretary and the IR Director whose contact details (phone, email) are available on the corporate website. The above persons were available to answer questions from shareholders.</p> <p>Also in the reporting period, an extraordinary General Meeting of Shareholders in the form of joint attendance was held on January 12, 2024.</p> <p>In preparation for the extraordinary General Meeting, shareholders were given the opportunity to ask any questions to the sole executive body, the person responsible for accounting, the Chairman and other Directors on the Board's Audit Committee (then existing), and also to candidates to the Board of Directors through the Corporate Secretary and the IR Director whose contact details (phone, email) are available on the corporate website. To fully inform shareholders on the agenda of the extraordinary General Meeting of Shareholders, the Company additionally included the Corporate Secretary's contact details (phone, email) in the notice of the extraordinary General Meeting of Shareholders.</p> <p>When holding the extraordinary General Meeting of Shareholders in the form of joint attendance on January 12, 2024, the Company made sure shareholders were comfortable with attending the meeting in person. During the meeting, sufficient time was allocated for reports on and discussion of the agenda items, and shareholders were able to voice their opinions and ask questions on the agenda and on other matters related to the operations of the Company and M.Video-Eldorado's subsidiaries of interest to them.</p> <p>The Company invited the candidates to the Board of Directors to the extraordinary General Meeting of Shareholders and took all reasonable efforts to ensure they were able to take part in the meeting. The candidates to the Board of Directors who were present at the extraordinary General Meeting of Shareholders were open for dialogue with shareholders and supported active and constructive discussion with shareholders on items related to the operations of the Company both on the agenda and outside it. Also, as part of the materials for General Meetings of Shareholders, the Company discloses reasonable information on qualifications and work experience of the candidates, which enables shareholders to make a balanced and informed decision.</p> <p>Due to the termination in 2025 of the legislative provisions lifting the prohibition on holding general meetings of shareholders in the form of joint attendance, in 2025 the Company will return to holding General Meetings of Shareholders predominantly in person and will continue to follow the above-described practice of fully and completely informing shareholders both in the course of preparation for and during General Meetings, providing them with the opportunity to ask, in an unobstructed manner, any questions they may have to the sole executive body, the person responsible for accounting, the Chairman and other Directors on the Board's Audit Committee (then existing), and also to candidates to the Board of Directors.</p>

<sup>1</sup> Hereinafter, in order to make the explanations more informative, in case they contain repetitive arguments or statements, a reference is made to the relevant item of the assessment criteria in this Report containing the full text of the explanations.

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
				<b>The comments below refer to item 4 of the assessment criteria.</b> <p>In the reporting period the Company did not use telecommunication means to provide shareholders with remote access to General Meetings on account of not being able to do so. Given that the Company had to take every effort to cut costs amidst the currently unstable geopolitical environment, the allocation of resources to purchase additional telecommunication means did not seem reasonable in the reporting year. In accordance with the applicable Russian laws and in compliance with all rights and legitimate interests of shareholders, all the Company shareholders on the register were sent ballots for voting on agenda items within the statutory deadline by registered mail, while those not on the register – by proxy. All shareholders were given the time and opportunity to vote on the agenda items in accordance with the procedure stipulated by the applicable Russian laws.</p> <p>At the same time, the Company is considering the holding of General Meetings of Shareholders using telecommunication means to provide shareholders with remote access. The unstable situation in the reporting year prevented the Company from allocating resources for the above initiative.</p> <p>In 2025, after the relevant provisions of Russian laws related to remote general meetings of shareholders come into force, the Company intends to analyze the market for relevant software and monitor practices of other issuers in this area in order to consider at the level of the Board of Directors in 2026 the potential transition to the use of this form of holding meetings.</p>
<b>1.2 Shareholders are given equal and fair opportunities to receive a share in the company's profit in the form of dividends.</b>				
1.2.1	The company has developed and introduced a transparent and clear mechanism for determining the dividend amount and for paying dividends	<b>1.</b> The company's regulations on the dividend policy have been approved by the board of directors and disclosed on the company's website on the Internet <b>2.</b> If the dividend policy of the company that prepares consolidated financial statements uses figures of the company's statements to determine the dividend amount, then the respective provisions of the dividend policy take into account the consolidated financial statements <b>3.</b> Substantiation of the proposed distribution of net profit, including for dividend payout and the company's internal needs, and its assessment for compliance with the company's dividend policy, along with explanations and economic substantiation for such distribution for internal needs, were included in the materials for the general meeting of shareholders the agenda of which included an item on profit distribution (including payout (announcement) of dividends)	Partially complied with	<b>Items 1 and 2 of the assessment criteria are complied with.</b> <p><b>The comments below refer to item 3 of the assessment criteria.</b></p> <p>Due to the political and economic uncertainty in the country, the Board of Directors, in preparation for the General Meeting of Shareholders to discuss the Company performance in 2023, recommended that the General Meeting of Shareholders refrain from distributing net profit following 2023 and paying dividends until the situation stabilizes.</p> <p>Thus, no resolution to allocate a part of net profit for the Company's internal needs was submitted to the General Meeting of Shareholders.</p> <p>Materials for the annual General Meeting of Shareholders based on the results of 2023 contained all the necessary documents to assess the Company's activities in the reporting year. However, they lacked detailed justifications for the Board of Directors' recommendation regarding net profit distribution. The Company intends to address this matter in preparation for the annual General Meeting of Shareholders for 2024, ensuring that meeting materials where the agenda includes profit distribution (including dividend declarations) contain comprehensive justification for the proposed allocation of net profit between dividend payments and the Company's internal needs, along with an assessment of compliance with the Company's adopted dividend policy.</p>
1.2.2	The company shall not pay out dividends if such resolution, while formally remaining in line with statutory restrictions, is not economically feasible and may lead to a false representation of the company's performance	<b>1.</b> In addition to statutory restrictions, the company's dividend policy defines financial/economic circumstances under which the company shall not pay out dividends	Complied with	
1.2.3	The company does not allow the dividend rights of its existing shareholders to be impaired	<b>1.</b> In the reporting period the company did not take any actions that would lead to the impairment of the dividend rights of its existing shareholders	Complied with	

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1.2.4	The company strives to exclude any ways for its shareholders to receive profit (income) from the company through means other than dividends and liquidation value	1. In the reporting period the means of profiting from the company by the controlling persons, other than dividends (for example, through the transfer pricing, unjustified provision of services to the company by the controlling person at inflated prices, through internal loans replacing dividends to the controlling persons and (or) its controlled persons) were not used	Complied with	
<b>1.3 The corporate governance system and its practices shall ensure that all shareholders owning the same type (class) of shares, including minority and non-resident shareholders, are treated equally by the company</b>				
1.3.1	The company has established the necessary conditions to ensure that each shareholder receives fair treatment from the company's governing bodies and controlling persons, including conditions to prevent the abuse of minority shareholders by major shareholders	1. In the reporting period the company's controlling persons did not abuse their rights with respect to the company's shareholders, there were no conflicts between the company's controlling persons and shareholders, and if such conflicts occurred, the board of directors paid due attention to them	Complied with	
1.3.2	The company does not take any actions that lead or may lead to artificial redistribution of corporate control	1. Quasi-treasury shares do not exist or did not impact voting in the reporting period	Complied with	
<b>1.4 Shareholders shall be provided with reliable and effective methods for recording their rights in shares, as well as the opportunity to freely dispose of their shares without any hindrance</b>				
1.4	Shareholders shall be provided with reliable and effective methods for recording their rights in shares, as well as the opportunity to freely dispose of their shares without any hindrance	1. The processes and terms of rendering the services by the company's registrar meet the requirements of the company and its shareholders and ensure the recording of their rights to shares and exercise of the shareholders' rights in the most effective way	Complied with	
<b>2.1 The board of directors shall exercise strategic management of the company, establish the basic principles of and approaches to risk management and internal control, control the activities of the company's executive bodies, and perform other key functions</b>				
2.1.1	The board of directors is responsible for passing resolutions related to the appointment and removal of executive bodies, including as a result of their inadequate performance. The board of directors also ensures that the company's executive bodies act in accordance with the approved growth strategy and along the company's core lines of business	1. The board of directors has the authority, as stipulated in the charter, to appoint and remove members of executive bodies and to set out the terms and conditions of their contracts 2. In the reporting period, the nomination (appointments, HR) committee reviewed the matter of alignment between professional qualifications, competencies and experience of members of the executive bodies and expected needs of the company in line with its approved strategy 3. In the reporting period, the board of directors reviewed the report(s) released by the sole executive body and collective executive body (if any) on the implementation of the company's strategy	Complied with	



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2.1.2	The board of directors defines the main long-term goals of the company's operations, assesses and approves its key performance indicators, and key business goals, as well as the strategic and business plans for the company's core lines of business	1. In the reporting period, the board of directors reviewed in its meetings matters related to the progress of strategy implementation, approval of the company's financial and business plan (budget), and consideration of the implementation criteria and performance (including interim criteria and performance) of the company's strategy and business plans	Complied with	
2.1.3	The board of directors determines the principles of and approaches to risk management and internal control	1. The company's principles of, and approaches to, setting up a risk management and internal control system were defined by the board of directors and specified in the company's internal regulations determining the risk management and internal control system policy 2. In the reporting period, the board of directors approved (revised) the acceptable risk exposure (risk appetite) of the company, or the audit committee and/or risk committee (if any) considered whether the matter of revising the company's risk appetite should be submitted to the board of directors for review	Complied with	
2.1.4	The board of directors defines the company's remuneration and/or reimbursement (compensation) policy for costs due to members of the board of directors, executive bodies and other key executives of the company	1. The company has developed, approved by the board of directors and put in place a remuneration and reimbursement (compensation) policy (policies) for its directors, members of executive bodies and other key executives 2. In the reporting period, the board of directors reviewed matters related to the said policy (policies)	Complied with	
2.1.5	The board of directors plays a key role in preventing, identifying, and resolving internal conflicts between the company's bodies, shareholders, and employees	1. The board of directors plays a key role in preventing, identifying, and resolving internal conflicts 2. The company has set up mechanisms to identify transactions leading to a conflict of interest and to resolve such conflicts	Complied with	
2.1.6	The board of directors plays a key role in ensuring the company's transparency, full and well-timed information disclosures, and unhindered access of shareholders to corporate documents	1. Persons responsible for implementing the information policy are identified in the company's internal regulations	Complied with	
2.1.7	The board of directors oversees the company's corporate governance practices and plays a key role in material corporate events	1. In the reporting period, the board of directors considered the results of self-assessment and/or external assessment of the company's corporate governance practices	Complied with	
<b>2.2 The board of directors shall be accountable to the shareholders of the company</b>				
2.2.1	Information on the performance of the board of directors is disclosed and made available to shareholders	1. The company's annual report for the reporting period includes information on individual attendance at board of directors and committee meetings 2. The annual report contains key results of assessment (self-assessment) of the board of directors' work in the reporting period	Complied with	
2.2.2	The chairman of the board of directors is available to communicate with the company's shareholders	1. The company has in place a transparent procedure enabling shareholders to forward inquiries to the chairman of the board of directors (and, if applicable, to the senior independent director) and receive feedback	Complied with	

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<b>2.3</b>	<b>The board of directors manages the company in an efficient and competent manner and is capable of making fair and independent judgments and decisions in line with the interests of the company and its shareholders</b>			
2.3.1	Only persons with an impeccable business and personal reputation, possessing the knowledge and expertise required to both make decisions on issues designated to the board of directors and to perform its functions efficiently, are elected to the board of directors	<b>1.</b> In the reporting period, the board of directors (or its nomination committee) assessed nominees to the board of directors in terms of having the required experience, knowledge, business reputation, absence of a conflict of interest, etc.	Complied with	
2.3.2	The company's board of directors is elected using a transparent procedure whereby shareholders are able to receive sufficient information about nominees to get an idea of their personal and professional qualities	<b>1.</b> Whenever the agenda of the general meeting of shareholders in the reporting period included the election of the board of directors, the company provided shareholders with the biographical details of all nominees to the board of directors, the results of assessment of their professional qualifications, experience and competencies against existing and expected needs of the company as carried out by the board of directors (or its nomination committee), information on whether the nominee meets the independence criteria set forth in Recommendations 102–107 of the Code, as well as information on whether there is the nominee's written consent to be elected to the board of directors	Complied with	
2.3.3	The board of directors is balanced, including in terms of the qualifications of its members, their experience, knowledge and business acumen, and has the trust of shareholders	<b>1.</b> In the reporting period, the board of directors analyzed its needs in terms of professional qualifications, experience and knowledge and identified competencies that the board of directors required in the short and long term	Complied with	
2.3.4	The company has enough directors to organize the board of directors' activities in the most efficient way, and has the ability to establish committees within the board of directors and ensure the company's significant minority shareholders are able to elect and vote for a nominee for the board of directors	<b>1.</b> In the reporting period, the board of directors considered whether the number of members on the board of directors was in line with the company's needs and with the interests of shareholders	Complied with	
<b>2.4</b>	<b>The board of directors shall include a sufficient number of independent directors</b>			
2.4.1	An independent director is a person with professional expertise, experience and independence sufficient to have his/her own opinions and make fair unbiased judgments that are not influenced by the company's executive bodies, shareholder groups, or other stakeholders.  It is important to note that in normal conditions a nominee (elected member of the board of directors) cannot be considered independent if he/she is related to the company, a significant shareholder or contractor, a competitor of the company, or the government	<b>1.</b> In the reporting period, all independent members of the board of directors met the independence criteria as set out in Recommendations 102–107 of the Code, or were deemed independent by resolution of the board of directors	Complied with	

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2.4.2	Nominees to the board of directors are assessed for their compliance with certain independence criteria. Independent members of the board of directors are also reviewed regularly against these criteria. In these assessments, substance prevails over form	<ol style="list-style-type: none"> <li>1. In the reporting period, the board of directors (or the nomination committee of the board of directors) formed an opinion on the independence of each nominee for the board of directors and presented respective opinions to shareholders</li> <li>2. In the reporting period, the board of directors (or the nomination committee of the board of directors) reviewed at least once the independence of the current members of the board of directors (following their election)</li> <li>3. The company has developed procedures defining the actions to be taken by a member of the board of directors if he/she ceases to be independent, including the obligation to timely notify the board of directors thereof</li> </ol>	Complied with	
2.4.3	Independent directors constitute at least one third of the elected members of the board of directors	<ol style="list-style-type: none"> <li>1. Independent directors constitute at least one third of the members of the board of directors</li> </ol>	Complied with	
2.4.4	Independent directors play a key role in preventing internal conflicts in the company and in overseeing the company's material corporate actions	<ol style="list-style-type: none"> <li>1. In the reporting period, independent directors (who did not have a conflict of interest) carried out a preliminary assessment of material corporate actions implying a possible conflict of interest, and the results of such assessment were presented to the board of directors</li> </ol>	Complied with	
<b>2.5</b>	<b>The chairman of the board ensures that the board of directors discharges its duties in the most effective and efficient way</b>			
2.5.1	An independent director is elected chairman of the board of directors, or a senior independent director is appointed from among the elected independent directors to coordinate the activities of independent directors and facilitate interactions with the chairman of the board of directors	<ol style="list-style-type: none"> <li>1. The board of directors is chaired by an independent director, or a senior independent director is appointed from among the independent directors</li> <li>2. The role, rights and duties of the chairman of the board of directors (and, if applicable, of the senior independent director) are duly set out in the company's internal documents</li> </ol>	Complied with	
2.5.2	The chairman of the board of directors maintains a constructive environment at meetings, enables the free discussion of agenda items, and supervises the execution of resolutions passed by the board of directors	<ol style="list-style-type: none"> <li>1. The performance of the chairman of the board of directors was assessed as part of the procedure for assessing (self-assessing) the performance of the board of directors in the reporting period</li> </ol>	Complied with	
2.5.3	The chairman of the board of directors takes all necessary steps to ensure the timely provision of information required to make decisions on agenda items to members of the board of directors	<ol style="list-style-type: none"> <li>1. The company's internal regulations set out the duty of the chairman of the board of directors to take all steps necessary for the timely provision to directors of complete and reliable information for the agenda of a board meeting</li> </ol>	Complied with	

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<b>2.6</b>	<b>Directors act reasonably and in good faith to protect the interests of the company and its shareholders, based on sufficient awareness and with due care and diligence</b>			
2.6.1	Members of the board of directors make decisions based on all available information, without conflict of interest, ensuring the equal treatment of the company's shareholders, and assuming normal business risks	<ol style="list-style-type: none"> <li>1. The company's internal documents state that a member of the board of directors shall notify the board of directors if he/she has a conflict of interest with respect to any item on the agenda of the board meeting or the board's committee meeting prior to the discussion of the relevant agenda item</li> <li>2. The company's internal regulations stipulate that a director shall abstain from voting on any item in connection with which they have a conflict of interest</li> <li>3. The company has a procedure in place enabling the board of directors to get professional advice on matters within its remit at the expense of the company</li> </ol>	Complied with	
2.6.2	The rights and obligations of members of the board of directors are clearly defined and set out in the company's internal documents	<ol style="list-style-type: none"> <li>1. The company has adopted and published an internal document clearly defining the rights and obligations of members of the board of directors</li> </ol>	Complied with	
2.6.3	Members of the board of directors have sufficient time to perform their duties	<ol style="list-style-type: none"> <li>1. Individual attendance at board and committee meetings, as well as time devoted to preparation for attending meetings, was reviewed as part of the procedure for assessment (self-assessment) of the performance of the board of directors in the reporting period</li> <li>2. In accordance with the company's internal documents, members of the board of directors must inform the board of their intentions to join governing bodies of other organizations (except for entities controlled by the company), or of the relevant appointment made</li> </ol>	Complied with	
2.6.4	All members of the board of directors have equal access to the company's documents and information. Newly elected members of the board of directors are furnished with sufficient information about the company and the activities of the board of directors as soon as possible	<ol style="list-style-type: none"> <li>1. Under the company's internal regulations, directors are entitled to receive information and documents necessary for the board of directors' members to perform their duties and related to the company and its controlled entities, while executive bodies of the company are required to ensure the provision of the relevant information and documents</li> <li>2. The company has in place a formalized induction program for newly elected members of the board of directors</li> </ol>	Complied with	
<b>2.7</b>	<b>Meetings of the board of directors, preparation for such meetings, and participation of directors ensure efficient performance by the board of directors</b>			
2.7.1	Meetings of the board of directors are held as needed, taking into account the scale of operations and goals of the company at any particular time	<ol style="list-style-type: none"> <li>1. The board of directors held at least six meetings in the reporting year</li> </ol>	Complied with	
2.7.2	The company's internal documents specify a procedure for arranging and holding meetings of the board of directors, enabling members of the board of directors to prepare for these meetings in a proper manner	<ol style="list-style-type: none"> <li>1. The company has approved an internal document that describes the procedure for arranging and holding meetings of the board of directors. In particular, the document states that as a rule, the notice of the meeting is to be given at least five days prior to the meeting</li> <li>2. In the reporting period, members of the board of directors not able to be present at the board meeting venue could participate in discussing agenda items and voting remotely via audio or video conferencing</li> </ol>	Complied with	



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2.7.3	The format of meeting of the board of directors is determined depending on the importance of agenda items. The most important matters are dealt with at meetings of the board of directors held in person	1. The company's charter or internal documents state that the most important matters (as per the list set out in Recommendation 168 of the Code) must be discussed at in-person meetings of the board of directors	Complied with	
2.7.4	Resolutions on the most important matters related to the company's operations are adopted at meetings of the board of directors by a qualified majority vote or by a majority vote of all elected directors	1. The company's charter states that resolutions on the most important matters, including those set out in Recommendation 170 of the Code, must be passed at a meeting of the board of directors by a qualified majority of at least three quarters or by a majority of all elected board members	Partially complied with	<p><b>The comments below refer to item 1 of the assessment criteria.</b></p> <p>The Company's charter does not state that resolutions on the matters set out in Recommendation 170 of the Code must be passed at a meeting of the Board of Directors by a qualified majority of at least three quarters or by a majority of all elected Board members.</p> <p>The Company's Charter stipulates that resolutions of the Board of Directors must be passed by a majority vote of the attending members of the Board of Directors, unless otherwise provided for by Federal Law On Joint-Stock Companies.</p> <p>The risks associated with partial implementation of Recommendation 170 of the Code are mitigated by the historically active participation of the Directors on the Board in the meetings (usually 100% attendance), as well as the Board's resolutions made consensually (in most cases unanimously). Matters of particular importance are studied in-depth by the Board's Committees prior to the Board meetings, hence the Company does not plan to make any respective amendments to the Company's Charter. The Company finds it inexpedient to change the quorum required for decision-making by the Board of Directors, in particular, due to the fact that this may adversely affect the speed of decision-making</p>
<b>2.8 The board of directors shall establish committees for the preliminary consideration of the most important matters related to the company's operations</b>				
2.8.1	An audit committee comprising independent directors has been established for the preliminary consideration of matters related to controlling the company's financial and business operations	1. The board of directors set up an audit committee comprised solely of independent directors 2. The company's internal documents set out the tasks of the audit committee, including those listed in Recommendation 172 of the Code 3. At least one member of the audit committee who is an independent director has experience and knowledge of preparing, analyzing, assessing and auditing accounting (financial) statements 4. Meetings of the audit committee were held at least once a quarter during the reporting period	Complied with	
2.8.2	For the preliminary consideration of matters related to adopting an efficient and transparent remuneration scheme, a remuneration committee has been established comprising independent directors and headed by an independent director who is not the chairman of the board of directors	1. The board of directors set up a remuneration committee comprised solely of independent directors 2. The remuneration committee is chaired by an independent director who is not the chairman of the board of directors 3. The company's internal documents set out the tasks of the remuneration committee, including those listed in Recommendation 180 of the Code, as well as the conditions (events) upon the occurrence of which the remuneration committee shall consider revising the company's remuneration policy for the board of directors, executive bodies and other key executives	Complied with	

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2.8.3	For the preliminary consideration of matters related to talent management (succession planning) and the professional composition and efficiency of the board of directors, a nomination (appointments, HR) committee has been established predominantly comprising independent directors	<p><b>1.</b> The board of directors has established a nomination committee (or its tasks listed in Recommendation 186 of the Code are fulfilled by another committee) predominantly comprising independent directors</p> <p>The company's internal documents set out the tasks of the nomination committee (or the tasks of the committee assuming this function), including those listed in Recommendation 186 of the Code</p> <p>In the reporting period, the nomination committee, independently or jointly with other committees of the board of directors or the company's authorized shareholder relations unit, has engaged with shareholders, not limited to the largest shareholders, with regard to selecting candidates for the company's board of directors to form the board of directors best suiting the company's goals and objectives</p>	Complied with	
2.8.4	Taking into account the company's scale of operations and risk level, the company's board of directors has made sure that the composition of its committees is fully in line with the company's business goals. Additional committees were either established or deemed unnecessary (strategy committee, corporate governance committee, ethics committee, risk management committee, budget committee, health, safety and environment committee, etc.)	<p><b>1.</b> In the reporting period, the board of directors considered whether its structure was consistent with the scope, nature, goals, needs and risk profile of the company and its operations. Additional committees were either established or deemed unnecessary</p>	Complied with	
2.8.5	Committees are composed to enable the comprehensive discussions of matters under preliminary consideration, taking into account a full range of opinions	<p><b>1.</b> During the reporting period, the audit committee, the remuneration committee and the nomination committee (or another relevant committee with combined functions) were headed by independent directors</p> <p><b>2.</b> The company's internal documents (policies) include provisions stipulating that persons who are not members of the audit committee, the nomination committee (or another relevant committee with combined functions) and the remuneration committee may attend committee meetings only by invitation of the chairman of the respective committee</p>	Complied with	
2.8.6	Committee chairs inform the board of directors and its chairman about the work of their committees on a regular basis	<p><b>1.</b> During the reporting period, committee chairs reported to the board of directors on the work of their committees on a regular basis</p>	Complied with	

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2.9 The board of directors shall assess the performance of the board of directors, its committees and members of the board of directors				
2.9.1	The board of directors' performance assessment seeks to determine the efficiency of the board of directors, its committees and members of the board of directors, conformity of their work with the company's development requirements, as well as stimulating the work of the board of directors and identifying areas for improvement	<div><div>1.</div>The company's internal documents define procedures for assessment (self-assessment) of the performance of the board of directors</div> <div><div>2.</div>Assessment (self-assessment) of the board of directors' performance carried out in the reporting period included performance assessment of committees, individual members of the board of directors, and the board of directors in general</div> <div><div>3.</div>Results of assessment (self-assessment) of the board of directors' performance carried out in the reporting period were reviewed at an in-person meeting of the board</div>	Partially complied with	<p><b>Items 1 and 3 of the assessment criteria are complied with.</b></p> <p><b>The comments below refer to item 2 of the assessment criteria.</b></p> <p>Assessment (self-assessment) of the board of directors' performance carried out in the reporting period did not include assessment of performance of each individual Director due to the fact that the Company does not consider it appropriate and necessary to carry out individual assessment of Directors on the Company's Board.</p> <p>Self-assessment of the Board of Directors' performance carried out in the reporting period included assessment of the Board's performance as a whole, and also assessment of the Board's committees' performance.</p> <p>All Directors on the Company's Board have extensive experience in senior management positions, and many of them are experienced in areas relevant for the Company. Cumulatively, the Directors on the Company's Board have a wide range of professional competences that are assessed at the stage of nomination to the Board of Directors and their subsequent election.</p> <p>The composition of the Board is balanced in terms of professional qualifications, experience and business skills of Directors. Robust performance of the Company testifies, among other things, the efficient work of its Board, and the Company considers it excessive to assess each Director's performance since the Company does not see any negative implications in case this recommendation is not observed</p> <p>The questionnaires used by the Company for self-assessment of the Board of Directors were developed by the Remuneration and Nomination Committee of the Board of Directors and unanimously endorsed by the members of the Remuneration and Nomination Committee for self-assessment of the Board of Directors' performance. The Company does not plan to introduce individual assessment of Directors on the Company's Board as part of the annual self-assessment of the Board of Directors' performance.</p>
2.9.2	The performance of the board of directors, its committees, and its members is assessed regularly, at least once a year. An external organization (adviser) is engaged at least once every three years to carry out an independent assessment of the board of directors' performance	<div><div>1.</div>The company engaged an external organization (adviser) to carry out an independent assessment of the board of directors' performance on at least one occasion over the last three reporting periods</div>	Not complied with	<p><b>The comments below refer to item 1 of the assessment criteria.</b></p> <p>During the last three reporting periods, the Company did not engage an external organization (adviser) to carry out an independent assessment of the Board of Directors' performance due to the challenging geopolitical situation over the last two years, in which the Company's efforts and resources are primarily focused on handling operational tasks and overcoming the consequences of the sanctions pressure exerted on Russia.</p> <p>An external assessment of the Board's performance with independent advisers involved was last carried out in 2020.</p> <p>Independent assessment of the Board's performance shall be carried out at least once every three years; therefore, the Company planned to carry it out within the reporting year.</p> <p>At the same time, on the back of the changing geopolitical situation globally, the composition of the Company's Board changed in the reporting year (as well as in 2022). In these circumstances, it was inexpedient for the Board to carry out an independent external assessment, since the changed external environment and the short period of the new Board of Directors' work render it impossible to obtain objective information on the processes taking place, including the Board's performance. In addition, it did not seem timely to allocate M.Video-Eldorado's resources for a third-party expert to assess the Board's performance.</p> <p>The Company intends to ensure an external assessment of the Board's performance following the results of its work in the 2026 corporate year</p>

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<b>3.1</b>	<b>The company's corporate secretary shall facilitate efficient day-to-day interactions with shareholders, coordinate the company's efforts to protect shareholder rights and interests, and support the efficient performance of the board of directors</b>			
3.1.1	The corporate secretary has the knowledge, experience and qualifications necessary to perform his/her duties, as well as an impeccable reputation and the trust of shareholders	1. The biographical data of the corporate secretary (including information about age, education, qualifications, experience) as well as information about the positions in the governing bodies of other legal entities held by the corporate secretary at least for the last five years are published on the corporate website and in the company's annual report	Complied with	
3.1.2	The corporate secretary is sufficiently independent of the company's executive bodies and has the powers and resources required to perform his/her tasks	1. The company has adopted and disclosed an internal document – regulations on the corporate secretary 2. The board of directors approves the appointment, dismissal and additional remuneration of the corporate secretary 3. The company's internal documents stipulate the right of the corporate secretary to request and receive company documents and information from governing bodies, structural units and officers of the company	Complied with	
<b>4.1</b>	<b>The remuneration offered by the company shall be sufficient to attract, motivate and retain people with the talents and qualifications required by the company. The remuneration payable to members of the board of directors, executive bodies and other key company executives shall comply with the company's approved remuneration policy</b>			
4.1.1	The amount of remuneration paid by the company to members of the board of directors, executive bodies and other key executives creates sufficient incentives for them to work efficiently, while enabling the company to engage and retain competent and qualified specialists. At the same time, the company avoids unnecessarily high remuneration, as well as unjustifiably large gaps between remunerations of the above persons and the company's employees	1. Remuneration of members of the board of directors, executive bodies and other key executives of the company is determined based on the results of benchmarking the company's remuneration levels with those in peer companies	Complied with	
4.1.2	The company's remuneration policy is developed by the remuneration committee and approved by the board of directors. The board of directors, assisted by the remuneration committee, ensures control over the introduction and implementation of the company's remuneration policy, revising and amending it as required	1. During the reporting period, the remuneration committee considered the remuneration policy (policies) and/or the practical aspects of its (their) introduction, evaluated their efficiency and transparency, and presented relevant recommendations to the board of directors with regard to its (their) revision, as required	Complied with	
4.1.3	The company's remuneration policy includes transparent mechanisms for determining the amount of remuneration due to members of the board of directors, executive bodies and other key company executives, and regulates all types of payments, benefits and privileges provided to such persons	1. The company's remuneration policy (policies) includes (include) transparent mechanisms for determining the amount of remuneration due to members of the board of directors, executive bodies and other key company executives, and regulates (regulate) all types of payments, benefits and privileges provided to such persons	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
4.1.4	The company outlines its policy on the reimbursement (compensation) of expenses, detailing a list of reimbursable expenses and specifying the service levels that members of the board of directors, executive bodies and other key company executives can claim. Such policy can make part of the company's remuneration policy	<b>1.</b> The remuneration policy (policies) defines (define) the rules for reimbursing costs incurred by members of the board of directors, executive bodies and other key company executives	Complied with	
<b>4.2 The remuneration system for members of the board of directors shall ensure that the financial interests of the directors are aligned with the long-term financial interests of the shareholders</b>				
4.2.1	The company pays fixed annual remuneration to members of the board of directors. The company does not pay remuneration for attending particular meetings of the board of directors or its committees.  The company does not apply any form of short-term motivation or additional financial incentives for members of the board of directors	<b>1.</b> During the reporting period, the company paid remuneration to members of the board of directors in line with the remuneration policy adopted by the company <b>2.</b> During the reporting period, the company did not apply any forms of short-term motivation or additional financial incentives for members of the board of directors linked to the company's performance results (indicators). The company did not pay remuneration for attending particular meetings of the board of directors or its committees	Complied with	
4.2.2	Long-term ownership of the company's shares ensures the best alignment of directors' financial interests with the long-term interests of shareholders. At the same time, the company does not link the right to dispose of shares to performance targets, and directors do not participate in stock option plans	<b>1.</b> If the company's internal document(s) – the remuneration policy (policies) stipulates (stipulate) provision of the company's shares to members of the board of directors, clear rules for share ownership by board members shall be defined and disclosed, aimed at stimulating long-term ownership of such shares	Complied with	
4.2.3	The company does not provide for any extra payments or compensations in the event of early termination of directors' tenure resulting from the change of control or any other reasons	<b>1.</b> The company does not provide for any extra payments or compensations in the event of early termination of directors' tenure resulting from the change of control or any other reasons	Complied with	



N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
4.3	<b>The company considers its performance and the personal contribution of each executive to the achievement of such performance when determining the amount of a fee payable to members of executive bodies and other key executives of the company</b>			
4.3.1	Remuneration due to members of executive bodies and other key executives of the company is determined in a manner providing for reasonable and justified ratio of the fixed and variable parts of remuneration, depending on the company's results and the employee's personal contribution	<div><div>1.</div><div>In the reporting period annual performance results approved by the board of directors were used to determine the amount of the variable part of remuneration due to members of executive bodies and other key executives of the company</div><div>2.</div><div>During the latest assessment of the remuneration system for members of executive bodies and other key executives of the company, the board of directors (remuneration committee) made sure that the company applies an efficient ratio of the fixed and variable parts of remuneration</div><div>3.</div><div>When determining the amount of remuneration to be paid to the members of the executive bodies and other key executives of the company, the risks borne by the company are taken into account in order to avoid incentives to take excessively risky management decisions</div></div>	Complied with	
4.3.2	The company has in place a long-term incentive program for members of executive bodies and other key executives of the company with the use of the company's shares (options and other derivative instruments where the company's shares are the underlying asset)	<div><div>1.</div><div>If the company has in place a long-term incentive program for members of executive bodies and other key executives of the company with the use of the company's shares (financial instruments based on the company's shares), the program implies that the right to dispose of shares and other financial instruments takes effect no sooner than three years after such shares or other financial instruments are granted. The right to dispose of such shares or other financial instruments is linked to the company's certain performance targets</div></div>	Not complied with	<p><b>The comments below refer to item 1 of the assessment criteria.</b></p> <p>In the reporting year, the Company's Board of Directors approved a new long-term incentive program for members of executive bodies and other key executives of M.Video-Eldorado. The program is approved for three years and provides for incentive payments to participating employees in three tranches in cash (in the form of cash bonuses) over the life of the program if certain performance indicators of M.Video-Eldorado are achieved.</p> <p>In the current geopolitical situation and unstable environment, the Company has come to the conclusion that the effectiveness of incentive programs based on the Company's shares (financial instruments based on the Company's shares) is insufficient, as such programs are usually used to support the implementation of long-term business development goals. In the existing circumstances, it was important for the Company to incentivize its employees to overcome the current challenges on the back of the complex geopolitical situation.</p> <p>In 2026, after the current approved program expires, the Company does not think it impossible to introduce a long-term incentive program using the Company's shares (financial instruments based on the Company's shares)</p>
4.3.3	The compensation ("golden parachute") payable by the company in case of early termination of powers of members of executive bodies or key executives at the company's initiative, provided that there have been no actions in bad faith on their part, shall not exceed the double amount of the fixed part of their annual remuneration	<div><div>1.</div><div>In the reporting period the compensation ("golden parachute") payable by the company in case of early termination of the powers of executive bodies or key executives at the company's initiative, provided that there have been no actions in bad faith on their part, did not exceed the double amount of the fixed part of their annual remuneration</div></div>	Complied with	
5.1	<b>The company shall have an effective risk management and internal control system in place providing reasonable assurance in achieving the company's goals</b>			
5.1.1	The company's board of directors determined the principles of, and approaches to, setting up a risk management and internal control system at the company	<div><div>1.</div><div>Functions of different management bodies and business units of the company in the risk management and internal control system are clearly defined in the company's internal documents / relevant policy approved by the board of directors</div></div>	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
5.1.2	The company's executive bodies ensure the establishment and continuous operation of an efficient risk management and internal control system	1. The company's executive bodies ensured the distribution of duties, powers, responsibilities related to risk management and internal control between the heads (managers) of business units and departments accountable to them	Complied with	
5.1.3	The company's risk management and internal control system ensures an objective, fair, and clear view of the current state and future prospects of the company, the integrity and transparency of the company's reporting, as well as reasonable and acceptable risk exposure	1. The company has in place an approved anti-corruption policy 2. The company established a safe, confidential and accessible method of notifying the board of directors or the board's audit committee of breaches or any violations of the law, the company's internal procedures and code of ethics	Complied with	
5.1.4	The company's board of directors takes necessary measures to make sure that the company's risk management and internal control system is consistent with the principles of, and approaches to, its setup and efficient functioning determined by the board of directors	1. In the reporting period the board of directors (the audit committee and (or) the risk management committee (if available) organized the assessment of the reliability and efficiency of the risk management and internal control system 2. In the reporting period the board of directors reviewed the results of assessment of the reliability and efficiency of the company's risk management and internal control system. Information on the results consideration is included in the company's annual report	Complied with	
<b>5.2</b>	<b>The company performs internal audits for regular independent assessment of the reliability and efficiency of its risk management and internal control system, as well as corporate governance practice</b>			
5.2.1	The company has set up a separate business unit or engaged an independent external organization to carry out internal audits. Functional and administrative reporting lines of the internal audit unit are delineated. The internal audit unit functionally reports to the board of directors	1. To perform internal audits, the company has set up a separate business unit – internal audit division, functionally reporting to the board of directors, or engaged an independent external organization with the same line of reporting	Complied with	
5.2.2	The internal audit division assesses the reliability and efficiency of the risk management and internal control system, as well as the corporate governance system, applies generally accepted standards of internal audit	1. In the reporting period, the reliability and efficiency of the risk management and internal control system were assessed as part of the internal audit procedure 2. In the reporting period, the corporate governance practice (certain practices) was (were) assessed as part of the internal audit procedure, including the procedures of the information interaction (including internal control and risk management issues) at all levels of the company's management, as well as stakeholders engagement	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
6.1	The company and its operations are transparent for its shareholders, investors, and other stakeholders			
1.1.6	The company has developed and implemented an information policy ensuring efficient exchange of information by the company, its shareholders, investors, and other stakeholders	<div><div>1.</div>The company's board of directors approved an information policy developed in accordance with the Code's recommendations</div> <div><div>2.</div>In the reporting period the board of directors (or one of its committees) considered the issue on the efficiency of information engagement of the company, shareholders, investors and other stakeholders, and considered if it was reasonable (necessary) to revise the company's information policy</div>	Partially complied with	<p><b>The comments below refer to items 1 and 2 of the assessment criteria.</b></p> <p>At present the Company's Board of Directors has approved no information policy developed with due regard to the Code recommendations in the form of a single document. Currently the Company carries out communications with its shareholders, investors and other stakeholders as guided by the standards set forth in various internal documents of the Company as well as the provisions of the applicable Russian law, maintaining a balance between the observance of the rights and legitimate interests of its shareholders, investors and other stakeholders and the reasonable measures to counteract the pressure of the sanctions.</p> <p>In the reporting period, the Board of Directors (its committees) did not consider the matter of the efficiency of communications the between the Company, its shareholders, investors and other stakeholders and the expediency (necessity) of revising the Company's information policy, as the geopolitical and economic events of 2024 and the subsequent period of instability and tension in the reporting year required the Company and its management bodies to promptly revise the priorities for fulfilment of their tasks, shifting the focus to the matters associated with adaptation of the business model to the new realities and concentration on operations.</p> <p>At present, the Company is actively working on the development of a new version of the information policy. In 2025, the issue of the efficiency of information interaction between the Company, shareholders, investors and other stakeholders will be considered during a meeting of the Company's Board of Directors together with the draft of a new version of the Company's information policy for approval</p>
6.1.2	The company discloses information on its corporate governance system and practices, including detailed information on compliance with the principles and recommendations of the Code	<div><div>1.</div>The company discloses information on its corporate governance system and general principles of corporate governance applied in the company, in particular, on the corporate website</div> <div><div>2.</div>The company discloses information on the membership of its executive bodies and board of directors, independence of directors and their membership in the board of directors' committees (as defined by the Code)</div> <div><div>3.</div>If the company has a controlling person, the company publishes a memorandum of the controlling person setting out this person's plans for the company's corporate governance</div>	Partially complied with	<p><b>Item 1 of the assessment criteria is complied with.</b></p> <p><b>The comments below refer to item 2 of the assessment criteria.</b></p> <p>The information specified in item 2 of the assessment criteria is temporarily not disclosed in order to protect the rights and legitimate interests of persons who are members of the Company's governing bodies against the background of the unrelenting sanctions pressure.</p> <p>The Company intends to remedy this non-compliance with the Code recommendations in 2025–2026 subject to changes in external and internal factors that underpin the application of anti-sanctions regarding information disclosure.</p> <p><b>The comments below refer to item 3 of the assessment criteria.</b></p> <p>The Company has not published a memorandum of the controlling person setting out this person's plans for the Company as no such memorandum was available. The controlling shareholder of the Company shall provide timely public access to information on all their plans for the Company through various disclosure channels, guided by the principles of protecting confidential information and the rights of the Company's shareholders.</p> <p>If the controlling shareholder of the Company makes a memorandum regarding such person's plans as to the corporate governance in the Company, this memorandum will be publicly disclosed</p>

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
6.2	The company makes timely disclosures of complete, updated, and reliable information to allow shareholders and investors to make informed decisions			
6.2.1	The company discloses information based on the principles of regularity, consistency, and promptness, as well as availability, reliability, completeness, and comparability of disclosed data	<div><div>1.</div>The company has a procedure ensuring coordination of work of all structural units and employees of the company who are related to information disclosure or whose operation may result in the requirement to disclose information</div> <div><div>2.</div>If the company's securities are traded in foreign organized markets, the company makes disclosures of material information in the Russian Federation and in the said markets in the reporting year on a concurrent and equal basis</div> <div><div>3.</div>If foreign shareholders hold a substantial number of shares in the company, the relevant information was disclosed in the reporting period both in the Russian language and in one of the most widely used foreign languages</div>	Partially complied with	<div>Items 1 and 2 of the assessment criteria are complied with.</div> <div>The comments below refer to item 3 of the assessment criteria.</div> <div>In the reporting year, the Company made information disclosures in the Russian language.</div> <div>As the translation of information and documentation requires additional resources, the Company will consider a possibility to make full information disclosures in the English language if it receives a relevant request from foreign shareholders. In the reporting year, the Company received no such requests from its shareholders.</div> <div>As part of improving the practices used by the Company, the Company plans to start disclosing information not only in Russian but also in English no later than 2026</div>
6.2.2	The company avoids a formalistic approach to information disclosure and discloses material information on its operations, even if disclosure of such information is not required by law	<div><div>1.</div>The company's information policy defines the approaches to identifying information that can have a material impact on the company's value and the price of its securities and that is not required to be disclosed by law</div> <div><div>2.</div>The company discloses information on its shareholding structure in its annual report and on its website as required by recommendation 290 of the Code</div> <div><div>3.</div>The company discloses information on the controlled entities that are of significant importance to the company, including the key areas of operation, tools ensuring accountability of the controlled entities, the powers of the company's board of directors to determine the strategy and assess the performance of the controlled organization</div> <div><div>4.</div>The company publishes a non-financial report – a sustainability report, an environmental report, a corporate social responsibility report or any other report containing non-financial information, including that on factors related to the environment (including environmental and climate change factors), society (social factors) and corporate governance, except for a report of the issuer of issue-grade securities and a report of the joint-stock company</div>	Partially complied with	<div>Items 1 and 3 of the assessment criteria are complied with.</div> <div>The comments below refer to item 2 of the assessment criteria.</div> <div>The information specified in item 2 of the assessment criteria is temporarily not disclosed in order to protect the rights and legitimate interests of the Company's controlling persons.</div> <div>The Company intends to remedy this non-compliance with the Code recommendations in 2025–2026 subject to changes in external and internal factors that underpin the application of anti-sanctions regarding information disclosure, or changes in the applicable Russian law.</div> <div>The comments below refer to item 4 of the assessment criteria.</div> <div>In the reporting period, the Company discloses non-financial information, including the ESG factors, as a separate section within the Company's annual report</div>
6.2.3	The company's annual report, being one of the key tools for keeping its shareholders and other stakeholders informed, includes data that can be used to assess the company's performance in the reporting year	<div><div>1.</div>The company's annual report contains the results of the assessment by the audit committee of the effectiveness of external and internal audit</div> <div><div>2.</div>The company's annual report outlines the company's environmental protection and safety policies, as well as the social policy of the company</div>	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
<b>6.3 The company provides shareholders with equal and unhindered access to information and documents as per their request</b>				
6.3.1	No unreasonable difficulties prevent the shareholders from exercising their right to access the Company's documents and information	<div><div>1.</div>The company's information policy (internal documents determining the information policy) establishes (establish) the procedure for providing shareholders with unhindered access to information and documents of the company at the request of shareholders</div> <div><div>2.</div>The company's information policy (internal documents determining the information policy) contains (contain) provisions stipulating that if a shareholder requests information on the company's controlled entities, the company shall make the necessary efforts to obtain such information from the relevant controlled entities of the company</div>	Partially complied with	<div><b>Item 1 of the assessment criteria is complied with.</b></div> <div><b>The comments below refer to item 2 of the assessment criteria.</b></div> <div>There are currently no provisions stipulating that in the event of a shareholder's request to provide information on the Company's controlled entities, the Company shall make the necessary efforts to obtain such information from the relevant entities controlled by the Company; this is due to the fact that at the moment the Company has not approved an information policy developed with due regard to the recommendations of the Code in the form of a single document. Currently the Company carries out communications with its shareholders, investors and other stakeholders as guided by the standards set forth in various internal documents of the Company, as well as the provisions of the applicable Russian law, maintaining a balance between the observance of the rights and legitimate interests of its shareholders, investors and other stakeholders and the reasonable measures to counteract the pressure of the sanctions.</div> <div>As part of the development of a new information policy in 2025, the Company plans to include in the new version of the information policy the necessary provisions related to the Company's actions upon receipt of a shareholder's request to provide information on the Company's controlled entities</div>
6.3.2	When providing information to shareholders, the company maintains a reasonable balance between the interests of individual shareholders and those of the company, as it is in the company's best interests to keep confidential any sensitive commercial information that may have a material effect on its competitive position	<div><div>1.</div>In the reporting period, the company did not refuse to provide shareholders with requested information, or such refusals were justified</div> <div><div>2.</div>In cases specified by the information policy, shareholders are informed of the confidential nature of the information provided and undertake to keep it confidential</div>	Complied with	
<b>7.1 Actions that have or may have a material effect on the company's shareholding structure and financial position and, consequently, on the shareholders' position (material corporate actions) are taken on fair terms ensuring that rights and interests of the shareholders and other stakeholders are respected</b>				
7.1.1	Material corporate actions include reorganization of the company, acquisition of 30% or more of the company's voting shares (takeover), execution by the company of major transactions, increase or decrease of the company's charter capital, listing or delisting of the company's shares, as well as other actions which may lead to material changes in the rights of shareholders or violation of their interests. The company's Charter sets out a list (criteria) of transactions or other actions classified as material corporate actions, which are reserved to the company's board of directors	<div><div>1.</div>The company's Charter includes a list (criteria) of transactions or other actions classified as material corporate actions. In accordance with the company's Charter, decision-making with regard to material corporate actions is reserved to the board of directors. If and when the law expressly reserves such corporate actions to the general meeting of shareholders, the board of directors provides shareholders with relevant recommendations</div>	Complied with	
7.1.2	The board of directors plays a key role in making decisions or recommendations with regard to material corporate actions and relies on the opinion of the company's independent directors	<div><div>1.</div>The company has in place a procedure for independent directors to express their opinions on material corporate actions prior to their approval</div>	Complied with	



N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
7.1.3	<p>When taking material corporate actions affecting the rights and legitimate interests of shareholders, the Company ensures equal treatment of all its shareholders; and where the statutory procedures protecting shareholder rights are insufficient, the Company takes additional measures to protect their rights and legitimate interests.</p> <p>In doing so, the company is guided by the corporate governance principles set forth in the Code, as well as by formal statutory requirements</p>	<p>1. Approval of the Company's material transactions is reserved to Board of Directors in accordance with the company's charter, with due regard to the specifics of the Company's operations and in addition to regulatory requirements for transaction approvals</p> <p>2. All material corporate actions in the reporting period were duly approved before they were taken</p>	Complied with	
7.2	<b>The company ensures that material corporate actions are taken in a manner enabling shareholders to receive full information on such actions in due time and influence them, and guarantees respect and due protection of shareholder rights when such actions are taken</b>			
7.2.1	<p>Information on material corporate actions is disclosed, with an explanation of the relevant reasons, conditions and consequences</p>	<p>1. In the reporting period, the company disclosed information on its material corporate actions (if any) in a timely and detailed manner, including the relevant reasons, conditions and consequences for the shareholders</p>	Complied with	

N	Corporate governance principle	Compliance criteria	Compliance status	Explanation of deviations from the criteria for assessing compliance with the corporate governance principle
7.2.2	Rules and procedures for taking material corporate actions are set out in the company's internal documents	<div><div>1.</div>The company's internal documents provide for cases and procedure for engaging an appraiser to determine the value of the property disposed of or acquired pursuant to a major transaction or a related-party transaction</div> <div><div>2.</div>The company's internal documents provide for the procedure for engaging an appraiser to assess the value of the company's shares at their purchase and buyback</div> <div><div>3.</div>If a member of the company's board of directors, the sole executive body, a member of the collegial executive body, or a person who is a controlling person of the company or a person entitled to give the company binding instructions has no formal interest in the company's transactions, but has a conflict of interest or other actual interest with regard to such transactions, such persons shall abstain from voting on the approval of such transactions as required by the company's internal documents</div>	Partially complied with	<p><b>The comments below refer to item 1 of the assessment criteria.</b></p> <p>The Company's internal documents do not provide for a procedure for engaging an appraiser to determine the value of the property disposed of or acquired in a major transaction or a related-party transaction.</p> <p>In implementing the recommendations of the Code, the Company adheres to the position that each recommendation of the Code should be assessed for its usefulness and applicability to the corporate governance system of a particular company. The Company considers it inexpedient to stipulate in its internal documents a list of cases when an appraiser's engagement would be obligatory. The Company assesses the risk of incorrect decision-making by the management bodies in the absence of an independent appraisal report as insignificant (negligible), since the Company has established and effectively operates a system of internal protection of the Company's property interests, including full and reliable accounting of property, and control over its use and disposal. Any transactions related to the acquisition, disposal or encumbrance of property in excess of the limits specified in internal documents are subject to close scrutiny, including that for compliance with market conditions. The Company has sufficient in-house expertise to qualitatively analyze and resolve these issues in-house without engaging an independent appraiser, and therefore does not plan to include the relevant provisions in the Company's internal documents.</p> <p><b>The comments below refer to item 2 of the assessment criteria.</b></p> <p>The Company shall engage an independent appraiser in all cases provided for by the Russian law. Otherwise, the Company utilizes its own high level of expertise to resolve such matters. The Company assesses the risk of incorrect decision-making by the management bodies in the absence of an independent appraisal report as insignificant (negligible), since the Company has established and effectively operates a system of internal protection of the Company's property interests, including full and reliable accounting of property, and control over its use and disposal.</p> <p>If an independent appraisal is required for the Board of Directors to make an informed decision, the Company's internal documents provide for a possibility to engage consultants and experts, including financial experts, at the initiative of the Board of Directors. The Company does not plan to develop or amend the existing internal documents to regulate the procedure for engaging an appraiser to assess the cost of acquiring and repurchasing of the Company's shares</p>

# Appendix 3. Major transactions and related-party transactions<sup>1</sup>

Report on major transactions and related-party transactions made by PJSC M.video (the "Company") in 2024.

No.	Transaction date	Subject-matter and material terms of the transaction, details of the related party (parties) to the transaction <sup>2</sup>	Company's governing body that resolved to agree to proceed with or further approve the transaction
<b>Major transactions</b>			
In the reporting period, the Company did not enter into any transactions recognized as major transactions according to the Law On Joint-Stock Companies, as well as other transactions subject to the major transaction approval procedure under the Company's Charter.			
<b>Related-party transactions</b>			
1	January 23, 2024	<p>Performance guarantee for MVM LLC, a subsidiary.</p> <p>Subject-matter and material terms of the transaction: guarantee of performance by the Principal (MVM LLC) of the obligations under long-term premises lease agreement No. 06-DDA/SB dated December 20, 2018, entered into by and between the Principal (MVM LLC) as the lessee and the Beneficiary (Slavyanka LLC) as the lessor (hereinafter in this item of the table, the "Agreement").</p> <p>Guarantee amount: not more than USD 192,755.02 (taking into account the previously issued independent guarantee dated December 25, 2023, the total amount of security under the Long-Term Premises Lease Agreement No. 06-DDA/SB dated December 20, 2018 provided by the Company shall not exceed USD 534,378.00).</p> <p><b>The amount of the guarantee was less than 2% of the value of assets according to the consolidated financial statements of the Company as of the last reporting date (the end date of the last completed reporting period preceding the date of the transaction).</b></p> <p>Guarantee period: from January 1, 2024 till December 31, 2024.</p> <p>Parties to and beneficiaries of the transaction:</p> <p>Guarantor (party to the transaction): PJSC M.video (OGRN 5067746789248, INN 7707602010).</p> <p>Beneficiary (beneficiary of the transaction): Slavyanka LLC (OGRN 1127746288636, INN 7730663821).</p> <p>Principal (beneficiary of the transaction): MVM LLC (OGRN 1057746840095, INN 7707548740).</p> <p>Individuals and legal entities recognized as related parties to the transaction:</p> <p><b>1-6.</b> In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.</p> <p><b>7.</b> Member of the Board of Directors and sole executive body (General Director) of the Company – Bilan Abdurachimovich Uzhakhov.</p>	Board of Directors

<sup>1</sup> Report on major transactions and related-party transactions made by PJSC M.video in 2024.

<sup>2</sup> This information is provided as at the transaction date.

No.	Transaction date	Subject-matter and material terms of the transaction, details of the related party (parties) to the transaction <sup>2</sup>	Company's governing body that resolved to agree to proceed with or further approve the transaction
2	January 23, 2024	<p>Performance guarantee for MVM LLC, a subsidiary.</p> <p>Subject-matter and material terms of the transaction: guarantee of performance by the Principal (MVM LLC) of the obligations under supply agreement No. 01-1117/03-2021 dated May 19, 2021, entered into by and between the Principal (MVM LLC) as the buyer and the Beneficiary (Centr Distributsii LLC) as the supplier (hereinafter in this item of the table, the "Agreement").</p> <p>Guarantee amount: not exceeding RUB 1,200,000,000.00.</p> <p><b>The amount of the guarantee was less than 2% of the value of assets according to the consolidated financial statements of the Company as of the last reporting date (the end date of the last completed reporting period preceding the date of the transaction).</b></p> <p>Guarantee period: from January 23, 2024 till December 31, 2024.</p> <p>Parties to and beneficiaries of the transaction:</p> <p>Guarantor (party to the transaction): PJSC M.video (OGRN 5067746789248, INN 7707602010).</p> <p>Beneficiary (beneficiary of the transaction): Centr Distributsii LLC (OGRN 1055009333961, INN 5047067909).</p> <p>Principal (beneficiary of the transaction): MVM LLC (OGRN 1057746840095, INN 7707548740).</p> <p>Individuals and legal entities recognized as related parties to the transaction:</p> <p><b>1-6.</b> In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.</p> <p><b>7.</b> Member of the Board of Directors and sole executive body (General Director) of the Company – Bilan Abdurachimovich Uzhakhov.</p>	Board of Directors
3	January 22, 2024	<p>Performance guarantee for MVM LLC, a subsidiary.</p> <p>Subject-matter and material terms of the transaction: guarantee of performance by the Principal (MVM LLC) of the obligations under supply agreement No. 01-3830/09-2023 dated December 1, 2023, entered into by and between the Principal (MVM LLC) as the buyer and the Beneficiary (KHAR LLC) as the supplier (hereinafter in this item of the table, the "Agreement").</p> <p><b>Guarantee amount:</b> not exceeding RUB 1,200,000,000.00.</p> <p><b>The amount of the guarantee was less than 2% of the value of assets according to the consolidated financial statements of the Company as of the last reporting date (the end date of the last completed reporting period preceding the date of the transaction).</b></p> <p>Guarantee period: from January 22, 2024 till January 21, 2025.</p> <p>Parties to and beneficiaries of the transaction:</p> <p>Guarantor (party to the transaction): PJSC M.video (OGRN 5067746789248, INN 7707602010).</p> <p>Beneficiary (beneficiary of the transaction): KHAR LLC (OGRN 1141650016540, INN 1650292810).</p> <p>Principal (beneficiary of the transaction): MVM LLC (OGRN 1057746840095, INN 7707548740).</p> <p>Individuals and legal entities recognized as related parties to the transaction:</p> <p><b>1-6.</b> In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.</p> <p><b>7.</b> Member of the Board of Directors and sole executive body (General Director) of the Company – Bilan Abdurachimovich Uzhakhov.</p>	Board of Directors

No.	Transaction date	Subject-matter and material terms of the transaction, details of the related party (parties) to the transaction <sup>2</sup>	Company's governing body that resolved to agree to proceed with or further approve the transaction
4	March 20, 2024	<p>Performance guarantee for MVM LLC, a subsidiary.</p> <p>Subject-matter and material terms of the transaction: guarantee of performance by the Principal (MVM LLC) of the obligations under long-term non-residential property lease agreement No. 1022017120 221 dated December 7, 2017, entered into by and between the Principal (ENCA TC LLC) as the lessee and the Beneficiary (Slavyanka LLC) as the lessor (hereinafter in this item of the table, the "Agreement").</p> <p>Guarantee amount: not exceeding USD 193,40790.</p> <p><b>The amount of the guarantee was less than 2% of the value of assets according to the consolidated financial statements of the Company as of the last reporting date (the end date of the last completed reporting period preceding the date of the transaction).</b></p> <p>Guarantee period: from March 23, 2024 till March 22, 2025.</p> <p>Parties to and beneficiaries of the transaction:</p> <p>Guarantor (party to the transaction): PJSC M.video (OGRN 5067746789248, INN 7707602010).</p> <p>Beneficiary (beneficiary of the transaction): ENCA TC LLC (OGRN 1027739529399, INN 7702190316).</p> <p>Principal (beneficiary of the transaction): MVM LLC (OGRN 1057746840095, INN 7707548740).</p> <p>Individuals and legal entities recognized as related parties to the transaction:</p> <p><b>1–6.</b> In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.</p> <p><b>7.</b> Member of the Board of Directors and sole executive body (General Director) of the Company – Bilan Abdurachimovich Uzhakhov.</p>	Board of Directors
5	March 22, 2024	<p>Performance guarantee for MVM LLC, a subsidiary.</p> <p>Subject-matter and material terms of the transaction: guarantee of performance by the Principal (MVM LLC) of the obligations under supply agreement No. 01–3426/09–2022 dated November 21, 2022 and supply agreement No. 01–5239/11–2021 dated April 1, 2022, entered into by and between the Principal (MVM LLC) as the buyer and the Beneficiary (ELCO Rus LLC) as the supplier (hereinafter in this item of the table, the "Agreement").</p> <p>Guarantee amount: not exceeding RUB 1,200,000,000.00.</p> <p><b>The amount of the guarantee was less than 2% of the value of assets according to the consolidated financial statements of the Company as of the last reporting date (the end date of the last completed reporting period preceding the date of the transaction).</b></p> <p>Guarantee period: from March 22, 2024 till March 22, 2025.</p> <p>Parties to and beneficiaries of the transaction:</p> <p>Guarantor (party to the transaction): PJSC M.video (OGRN 5067746789248, INN 7707602010).</p> <p>Beneficiary (beneficiary of the transaction): ELCO Rus LLC (OGRN 1175024024130, INN 5024177951).</p> <p>Principal (beneficiary of the transaction): MVM LLC (OGRN 1057746840095, INN 7707548740).</p> <p>Individuals and legal entities recognized as related parties to the transaction:</p> <p><b>1–6.</b> In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.</p> <p><b>7.</b> Member of the Board of Directors and sole executive body (General Director) of the Company – Bilan Abdurachimovich Uzhakhov.</p>	Board of Directors



No.	Transaction date	Subject-matter and material terms of the transaction, details of the related party (parties) to the transaction <sup>2</sup>	Company's governing body that resolved to agree to proceed with or further approve the transaction
6	April 22, 2024	<p>Performance guarantee for MVM LLC, a subsidiary.</p> <p>Subject-matter and material terms of the transaction: guarantee of performance by the Principal (MVM LLC) of the obligations under property lease agreement No. C67/2023 dated February 12, 2024, entered into by and between the Principal (MVM LLC) as the lessee and the Beneficiary (JSC MC RVM Capital) as the lessor (hereinafter in this item of the table, the "Agreement").</p> <p>Guarantee amount: not exceeding RUB 51,655,300.00.</p> <p><b>The amount of the guarantee was less than 2% of the value of assets according to the consolidated financial statements of the Company as of the last reporting date (the end date of the last completed reporting period preceding the date of the transaction).</b></p> <p>Guarantee period: from April 22, 2024 till July 21, 2034.</p> <p>Parties to and beneficiaries of the transaction:</p> <p>Guarantor (party to the transaction): PJSC M.video (OGRN 5067746789248, INN 7707602010).</p> <p>Beneficiary (beneficiary of the transaction): JSC MC RVM Capital closed-end combined investment fund management Megamall (OGRN: 1057749282810, INN 7722563196).</p> <p>Principal (beneficiary of the transaction): MVM LLC (OGRN 1057746840095, INN 7707548740).</p> <p>Individuals and legal entities recognized as related parties to the transaction:</p> <p><b>1-6.</b> Member of the Board of Directors and sole executive body (General Director) of the Company – Bilan Abdurachimovich Uzhakhov.</p> <p><b>7.</b> In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.</p>	Board of Directors
7	In the public version: Information is not disclosed on the grounds stipulated by the applicable Russian law.		

## Appendix 4. Board of Directors committees

[2-9]

### Report on the activities of the Audit Committee of the Board of Directors

The Audit Committee (the “Committee” or the “Audit Committee”) is an advisory and consultative body of the Board of Directors established to enhance its performance by monitoring the financial and economic operations (accounting (financial) reports, risk management, internal control and corporate governance) of the Company and its controlled entities.

The Audit Committee’s remit covers the following activities of the Company, its subsidiaries and/or controlled entities, and M.Video-Eldorado<sup>1</sup> as a whole:

- ▶ control over preparation of accounting (financial) statements;
- ▶ internal control, risk management and corporate governance;
- ▶ countering misconduct, compliance;
- ▶ internal audit;
- ▶ external audit.

In the reporting year, the Committee continued its work ensuring the completeness and reliability of the financial statements of the Company and M.Video-Eldorado<sup>2</sup> subsidiaries including control over the disclosure of relevant information, as well as over the performance of the internal audit and external auditor, assessment of the quality of their work, and compliance with independence and objectivity criteria.

The matters reviewed by the Audit Committee and its recommendations to the Board of Directors included approval of the 2023 financial statements and annual reports of the Company and M.Video-Eldorado subsidiaries, election of the external auditors of the Company and M.Video-Eldorado companies, defining the external auditors’ remuneration and conditions of their engagement. The Committee carried out annual work to analyze the list and structure of M.Video-Eldorado’s material risks and their indicators, implemented a number of measures to build mechanisms for reviewing and decision-making within the risk management system, and updated documents related to the risk management system. In the reporting year, the Committee held a number

of meetings with the external auditor taking part to review audit reports, audit planning, recommendations of the external auditor, and response measures taken by management of M. Video-Eldorado as part of implementation of the external auditor’s recommendations. During the reporting year, the Committee analyzed and discussed with the management representatives matters relevant for the Company and M.Video-Eldorado subsidiaries, such as reports of the internal audit function (including internal audit performance assessment), the internal audit plan for 2024, reports on the development of the internal control and risk management system, matters related to improving the IT system resilience and ensuring uninterrupted operations within M.Video-Eldorado, and other matters. During the reporting year, the Committee also preliminarily considered and recommended to the Board of Directors a candidate for a new head of the Company’s Internal Audit.

The Audit Committee meetings were held only in person, regularly, in accordance with the Committee’s plan for 2024 and in response to the emerging operational needs

of the Company or the external auditor, and the Committee’s activities were consistent with the Committee’s expectations and list of functional responsibilities. In 2024, the Committee considered 22 matters at seven meetings.

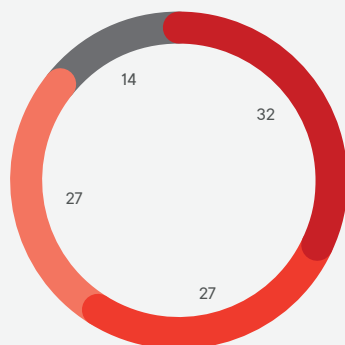
The Committee maintained close cooperation with both the external auditor and the management of the Company and M.Video-Eldorado subsidiaries, both individually and jointly, in the course of which opinions on relevant matters were exchanged.

In addition to the meetings, the Committee members held sessions with the financial management of the Company and M.Video-Eldorado subsidiaries and the management responsible for the risk management and internal control system.

<sup>1</sup> Hereinafter, M.Video-Eldorado refers to the Company and business entities directly and/or indirectly controlled by the Company.

<sup>2</sup> Hereinafter, the “M.Video-Eldorado subsidiaries” refers to business entities directly and/or indirectly controlled by the Company.

Topics of matters considered by the Committee in 2024, %

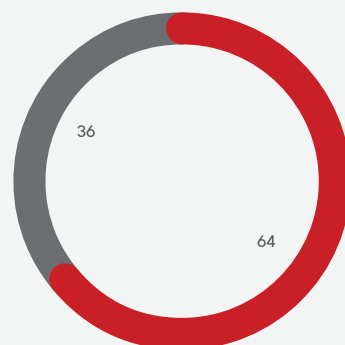


- Internal audit + risk management and internal control system
- External audit and its results, selection of the external auditor
- Financial statements and annual reports of M.Video-Eldorado's subsidiaries
- Other

### Activities of the Committee in terms of control over preparation of accounting (financial) statements

In 2024, the Audit Committee continued to focus on the integrity of M.Video-Eldorado's accounting (financial)

Categories of matters considered in 2024, %



- Recommendations to the Board of Directors
- Matters considered by the Committee

statements and compliance with regulatory requirements of the Russian Federation. These matters were fully analyzed on an ongoing basis and the Committee received regular updates from M.Video-Eldorado's financial and operational management, the internal audit function and the external auditors.

The consolidated financial statements of M.video PJSC for 2023, prepared in accordance with the International Financial Reporting Standards, and the accounting (financial) statements of M.video PJSC for 2023, prepared in accordance with the Russian Accounting and Reporting Standards, have been reviewed, and the results of their audit were analyzed jointly with the management and the external auditor. The Committee separately reviewed the 2023 financial statements prepared in accordance with the International Financial Reporting Standards of MV FINANCE LLC, a subsidiary of M.video PJSC, which is the issuer of the bonds, and the 2023 financial statements of M.Video-Eldorado subsidiaries prepared in accordance with the Russian Accounting and Reporting Standards.

In 2024, the Audit Committee reviewed the interim condensed consolidated financial statements (unaudited) of M. video PJSC for six months ended June 30, 2024, prepared in accordance with the International Financial Reporting Standards, and the external auditor's report on the review of those statements to determine the completeness and consistency of information and to provide a reasonable assessment of M.Video-Eldorado's position, performance and prospects.

The Audit Committee recommended the Board of Directors to approve the consolidated financial statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards and to approve the annual accounting (financial) statements of the Company and M.Video-Eldorado subsidiaries for 2023 prepared in accordance with the Russian Accounting and Reporting Standards. The recommendations were accepted by the Board of Directors.

### Activities of the Committee in terms of matters related to external audit and its efficiency assessment

Upon the recommendation of the Audit Committee, the Board of Directors advised the General Meeting of Shareholders to appoint Joint-Stock Company Business Solutions and Technologies as the auditor responsible for auditing the annual accounting (financial) statements of M.video PJSC for 2024. This decision was upheld by the Annual General Meeting of Shareholders of M.video PJSC on June 14, 2024. Prior to that, the Committee approved and recommended to the Board of Directors to approve the auditor's remuneration.

The Audit Committee is responsible for monitoring the ongoing efficiency and independence of the external auditor, and makes recommendations to the Board of Directors regarding the reappointment of the auditor.

The quality of the audit is assessed by the Committee based on the results of analysis and discussion of the auditor's reports. The Audit Committee discussed and took note of the findings and conclusions of the external auditor following the consideration of the annual audit and the review audit for the first half of 2024. The Committee was satisfied with the quality of the audit.

The Committee has an established process to monitor the efficiency, independence, objectivity and compliance of the external auditors with ethical, professional and regulatory requirements, which includes:

- ▶ analyzing the external audit plan for the interim and year-end audit, taking into account the scope of the audit, key audit risks and audit materiality, and observance of the best audit practices;

- ▶ analyzing and approving the contractual obligations of the external auditor;
- ▶ review of the external auditor's opinion on the interim and annual statements, letters of representation;
- ▶ reviewing together with the management the external auditor's 2023 audit recommendation letter and discussing the management's response and intended actions, coordinating the internal audit function's re-audit activities in key areas.

Engagement of the external auditor to provide non-audit services is carried out in accordance with the Company's internal policy to ensure the independence of the external auditor.

The external audit processes and results for 2023 are recognized by the Committee as appropriate and effective.

### **Activities of the Committee in terms of matters related to internal audit and its efficiency assessment**

The independence of the Company's internal audit function is ensured by functional subordination to the Company's Board of Directors and administrative subordination to the Company's General Director, which prevents interference with the function's activities.

In the reporting year, the Audit Committee:

- ▶ formulated the goals of the Company's internal audit function for 2024;
- ▶ reviewed the internal audit plan of the Company and the Group companies for the second to fourth quarters of 2024 and the first quarter of 2025;
- ▶ reviewed reports of the internal audit function of the Company and M.Video-Eldorado subsidiaries on the execution of internal audit plans of the Company and M.Video-Eldorado subsidiaries for the second to fourth quarters of 2023 to the first quarter of 2024 and for the second to fourth quarters of 2024 to the first quarter of 2025;
- ▶ preliminarily considered a candidate for the position of the head of the Company's Internal Audit;
- ▶ reviewed matters related to the remuneration of the Head of the Company's Internal Audit.
- ▶ preliminarily reviewed the draft new version of the Company's Regulation on the Internal Audit.

The Audit Committee made recommendations on the above matters, which were subsequently adopted by the Board of Directors.

Overall, the Committee considers that the internal audit resources available are sufficient to meet the internal control and risk management requirements. The Committee assesses the efficiency, independence and quality of the internal audit

function on a regular basis throughout the year by reviewing reports by the Head of Internal Audit. As part of its review of these periodic reports, the Committee pays close attention to the organization of inspections, the status of follow-up actions, and plans to address the identified deficiencies. As a result, a satisfactory conclusion was made with regard to the efficiency of the internal audit function in the reporting year.

### **Activities of the Committee in terms of matters related to the risk management and internal control system and its efficiency assessment**

The Company has a comprehensive approach to risk management designed to ensure that up-to-date information is communicated through risk review and analysis to managers at all levels, and to assist in the design of the internal control system and internal audit process.

In 2024, the Committee continued to place significant emphasis on the risk management and internal control system. The Audit Committee successfully held planned review and update of M.Video-Eldorado's risk matrix, which resulted in the Board approving an updated M.Video-Eldorado's risk matrix in December 2024, taking into account the Committee's recommendations.

The Committee actively discussed with M.Video-Eldorado's management the stability of the risk management and internal control system, as well as relevant matters of testing the internal control procedures.

The Committee assessed the effectiveness of M.Video-Eldorado's risk management and internal control system on a regular basis during the reporting year. The Committee paid considerable attention to improving the risk management system, including analyzing new challenges for the Company and M.Video-Eldorado subsidiaries. Based on the results of the above, the Committee has sufficient grounds to conclude that M.Video-Eldorado's existing risk management and internal control systems are in line with the approaches and principles established by the Board of Directors and the Company's management, provide in all material aspects an objective view of the current state and prospects of M.Video-Eldorado, acceptability of the risks assumed by M.Video-Eldorado, and compliance with the requirements of the Russian law and M.Video-Eldorado's internal documents.

## Report on the activities of the Remuneration and Nomination Committee of the Board of Directors

The Remuneration and Nomination Committee (the "Committee" or the Remuneration and Nomination Committee) is an advisory and consultative body of the Board of Directors established to enhance its performance by fulfilling management and governance functions in the Company, working out criteria of talent attraction and assessment, ensuring that the Company and its subsidiaries comply with the remuneration policy and use best practices of staff recruitment, development and continuity.

The Remuneration and Nomination Committee's remit covers the following activities of the Company, its subsidiaries and/or controlled entities:

- ▶ formulation of HR policy and development strategy for M. Video-Eldorado's corporate culture;
- ▶ matters of appointments to key positions in the Company and its subsidiaries;
- ▶ matters of remuneration for various positions in the Company and its subsidiaries.

The key matters reviewed by the Remuneration and Nomination Committee in 2024, on which, among other things, it made respective recommendations to the Board of Directors, were related to the following aspects:

- ▶ nomination of candidates to the Board of Directors and assessment of compliance with the independence criteria of nominees to the Board of Directors;
- ▶ setting widely important goals and key performance indicators (WIGs/KPIs) of M.Video-Eldorado's senior executives for 2024 and assessment of M.Video-Eldorado's senior executives performance against widely important goals and key performance indicators (WIGs/KPIs) in 2023;
- ▶ appointments to key management positions in the Company and M.Video-Eldorado subsidiaries;
- ▶ reviewing M.Video-Eldorado's HR strategy and the approach to talent management, and considering the results of the implementation of this strategy;
- ▶ consideration of proposals to adjust the long-term financial incentive program for key management personnel of M. Video-Eldorado subsidiaries in terms of the KPI calculation procedure;
- ▶ changes in the list of key management personnel of M. Video-Eldorado subsidiaries participating in the long-term financial incentive program for key management personnel of M.Video-Eldorado subsidiaries and payments under the existing long-term financial incentive program for key management personnel of M.Video-Eldorado subsidiaries;
- ▶ periodic review of reports from M.Video-Eldorado's HR department on efforts in key areas: performance culture, leadership, and employer brand;

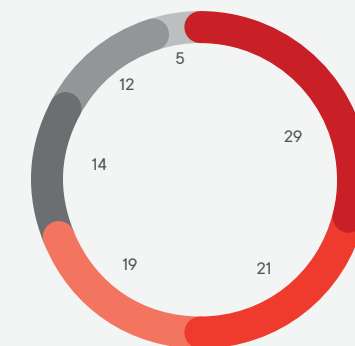
- ▶ regular self-assessment of the Company's Board of Directors performance.

In the reporting year, the Committee considered all matters within its remit that are necessary for effective support of M. Video-Eldorado's operations and its development.

In 2024, the Committee considered 42 matters at seven meetings. Committee meetings were held predominantly in person.

The General Director of the Company and the Chief Executive Officer of M.Video-Eldorado's main operating structure were regularly invited to attend the Committee meetings, which enabled the Committee to obtain additional information and make balanced and constructive recommendations.

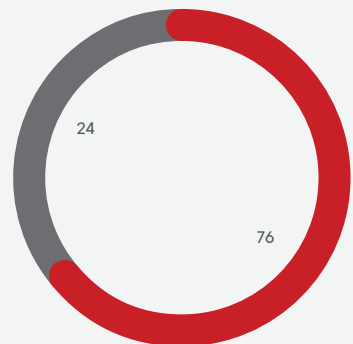
Topics of matters considered by the Committee in 2024, %



- Appointments to various positions in the Company and M.Video-Eldorado companies
- Matters of remuneration, bonuses and other payments for various positions in the Company and M.Video-Eldorado companies
- Defining and assessing the achievement of widely important goals and key performance indicators (WIGs/KPIs)
- LTIP-related matters
- HR strategy and internal documents of the Company and M.Video-Eldorado companies
- Other



Categories of matters considered in 2024, %



- Recommendations to the Board of Directors
- Matters considered by the Committee

## Key activities of the Remuneration and Nomination Committee in 2024

1. Matters of appointment to key management positions in the Company and M.Video-Eldorado subsidiaries:
  - ▶ recommendations to the Board of Directors regarding candidates for the positions of the sole executive body and other key senior executives of M.Video-Eldorado subsidiaries;
  - ▶ development of proposals on material terms of labor agreements made with the sole executive bodies and key senior executives of M.Video-Eldorado subsidiaries;
  - ▶ assessment of the adequacy of experience; for internal candidates the results achieved were also analyzed.
2. Matters in the areas of organizational structure, incentive system and remuneration of employees of the Company and M.Video-Eldorado subsidiaries:
  - ▶ review of key transformations in the organizational structure of the Company and M.Video-Eldorado's main operating structure, their alignment with M.Video-Eldorado's top-level business goals and strategic plans;

- ▶ making recommendations to the Board of Directors on the approval of the organizational structure of the Company and M.Video-Eldorado's main operating structure;
  - ▶ setting key performance indicators for senior executives of the Company and M.Video-Eldorado subsidiaries and review of the final performance results for the previous period;
  - ▶ making changes to the long-term incentive program for key management personnel of M.Video-Eldorado subsidiaries, reviewing proposals to include M.Video-Eldorado employees in the list of program participants.
3. Personnel policy and remuneration strategy of M. Video-Eldorado:
    - ▶ consideration of a set of measures aimed at implementing M.Video-Eldorado's HR policy;
    - ▶ discussing ecosystem matters affecting M.Video-Eldorado's personnel development strategy;
    - ▶ consideration of new approaches to the structure of the incentive system for M.Video-Eldorado's key management personnel.

4. Assessment of the Board of Directors and its Committees:
  - ▶ assessing the independence of candidates for the list of nominees to the Board of Directors;
  - ▶ regular self-assessment of the Board of Directors' and its Committees' performance.
5. Consideration of matters related to periodic performance evaluation of key employees of M.Video-Eldorado and succession planning within key positions.

## Report on the activities of the Strategy and Digital Transformation Committee

The Strategy and Digital Transformation Committee (the "Committee" or the "Strategy and DT Committee") is an advisory and consultative body of the Board of Directors and is established to facilitate the effective performance of the functions of the Board of Directors in terms of decision-making on strategy and digitalization.

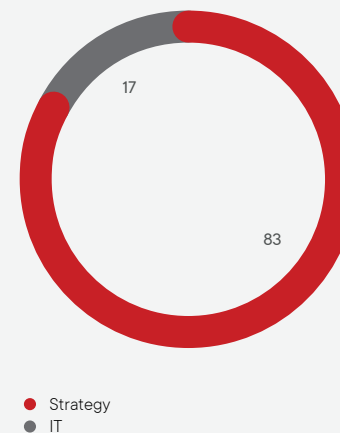
The Strategy and DT Committee's remit covers the following activities of the Company, its subsidiaries and/or controlled entities, and M.Video-Eldorado as a whole:

- ▶ matters of the strategy, measures for its implementation, criteria for implementation and interim results and monitoring of execution;
- ▶ analysis of strategic risks and recommendations on their minimization;
- ▶ use and development of key digital technologies, products, information technology systems, priority areas and projects in the field of digital technologies, monitoring of the implementation of development priorities and projects, key principles of formation, changes and development plans of the information technology architecture;
- ▶ information security matters, including information security policies and standards.

In the reporting year, the Committee considered and submitted relevant recommendations to the Board of Directors on matters related to the strategy update, the status of implementation of strategic initiatives, analyzed and discussed with management representatives relevant matters of the Company and M.Video-Eldorado subsidiaries: IT systems roadmap, logistics strategy, company growth streams, M.Master.

In 2024, the Committee considered nine matters at five meetings.

**Matters reviewed at the Committee meetings in the reporting year and their categories, %**



## Committee's activities in terms of the Strategy and operational efficiency

In the second quarter of 2024, the Strategy and DT Committee discussed the approach to updating the M.Video-Eldorado's strategy and the strategy for the development of logistics operations.

In the third quarter of 2024, the Strategy and DT Committee reviewed strategic growth streams – Fintech, marketplaces, 3P products, regional expansion – with the Board members, in addition, the M.Master service development strategic stream was reviewed.

In the fourth quarter of 2024, the Strategy and DT Committee considered management's vision for an updated group strategy for 2025–2026.

## Activities of the Committee in terms of digital transformation matters

In the second quarter of 2024, the Strategy and DT Committee reviewed the roadmap and priorities for the development of the IT function to 2026.

# Appendix 5. GRI Content Index

Disclosure	Content	Page in the Report, omission, comment
<b>GRI 2: Key metrics – 2021</b>		
<b>The organization and its reporting practices</b>		
2-1	Organizational details	<a href="#">Company profile</a>
		<a href="#">Contact details</a>
2-2	Entities included in the organization's sustainability reporting	<a href="#">About this report</a>
2-3	Reporting period, frequency and contact point	Annual reporting cycle
		Report publication date: May 14, 2025
2-4	Restatements of information	<a href="#">Financial performance</a>
		No restatements of information compared to the previous reporting period were made
2-5	External assurance	Sustainability information in the report has not been assured externally
<b>Activities and workers</b>		
2-6	Activities, value chain and other business relationships	<a href="#">Business model</a>
		<a href="#">Operating activities</a>
2-7	Employees	<a href="#">Personnel structure</a>
2-8	Workers who are not employees	n/a
<b>Corporate governance</b>		
2-9	Governance structure and composition	<a href="#">Corporate governance system</a>
		<a href="#">Governing bodies</a>
		<a href="#">Reports of the Committees of the Board of Directors</a>
2-10	Nomination and selection of the highest governance body	<a href="#">Board of Directors</a>
2-11	Chair of the highest governance body	The Chairman of the Board of Directors is not General Director
		The sole executive body is General Director
		<a href="#">Business ethics and compliance</a>
2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">Board of Directors</a>
2-13	Delegation of responsibility for managing impacts	<a href="#">Board of Directors</a>
2-14	Role of the highest governance body in sustainability reporting	<a href="#">Board of Directors</a>
2-15	Conflicts of interest	<a href="#">Business ethics and compliance</a>

Disclosure	Content	Page in the Report, omission, comment
2-16	Communication of critical concerns	<a href="#">Board of Directors</a>
2-17	Collective knowledge of the highest governance body	<a href="#">Board of Directors</a>
2-18	Evaluation of the performance of the highest governance body	<a href="#">Board of Directors</a>
2-19	Remuneration policies	Due to the approach to information disclosure adopted by M.Video-Eldorado, the amount of remuneration is not disclosed in the reporting period
		<a href="#">Board of Directors</a>
2-20	Process to determine remuneration	<a href="#">Board of Directors</a>
2-21	Annual total compensation ratio	Due to the approach to information disclosure adopted by M.Video-Eldorado, this metric is not disclosed in the reporting period
<b>Strategy, policies and practices</b>		
2-22	Statement on sustainable development strategy	<a href="#">Statement of the management team / CEO</a>
		<a href="#">Macroeconomic situation in Russia in 2024</a>
		<a href="#">Business ethics and compliance</a>
2-23	Policy commitments	<a href="#">Creating a working and living environment</a>
		<a href="#">Business ethics and compliance</a>
2-24	Embedding policy commitments	<a href="#">Business ethics and compliance</a>
2-25	Processes to remediate negative impacts	<a href="#">Business ethics and compliance</a>
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Employee health and safe working environment</a>
		<a href="#">Business ethics and compliance</a>
2-27	Compliance with laws and regulations	<a href="#">Business ethics and compliance</a>
2-28	Membership associations	Retail Companies Association (ACORT), Association of the Companies of Internet Trade (AKIT), Association of Trading Companies and Manufacturers of Household Electrical Equipment and Computers (RATEK), Association of European Businesses (AEB), Chamber of Commerce and Industry of the Russian Federation (CCI), OPORA RUSSIA, Business Russia
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	<a href="#">About this report</a>
2-30	Collective bargaining agreements	M.Video-Eldorado does not have a collective bargaining agreement in place
<b>GRI 3: Material topics</b>		
3-1	Guidance to determine material topics	<a href="#">About this report</a>
3-2	List of material topics	<a href="#">About this report</a>
3-3	Management of material topics	<a href="#">About this report</a>
<b>GRI 203: Indirect economic impacts</b>		
203-1	Infrastructure investments and services supported	<a href="#">Developing local communities</a>
<b>GRI 205: Countering corruption</b>		
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Business ethics and compliance</a>
205-3	Confirmed incidents of corruption and actions taken	<a href="#">Business ethics and compliance</a>

Disclosure	Content	Page in the Report, omission, comment
<b>GRI 401: Employment</b>		
401-1	New employee hires and employee turnover	<a href="#">Personnel structure</a>
		<a href="#">Employee training and development</a>
<b>GRI 403: Occupational health and safety</b>		
403-1	Occupational health and safety management system	<a href="#">Employee health and safe working environment</a>
403-2	Hazards identification, risks assessment and incident investigation	<a href="#">Employee health and safe working environment</a>
403-5	Worker training on occupational health and safety	<a href="#">Employee health and safe working environment</a>
403-8	Workers covered by an occupational health and safety management system	<a href="#">Employee health and safe working environment</a>
403-9	Work-related injuries	<a href="#">Employee health and safe working environment</a>
<b>GRI 404: Training and education</b>		
404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">Employee training and development</a>
<b>GRI 405: Diversity and equal opportunity</b>		
405-1	Diversity of governance bodies and employees	<a href="#">Personnel structure</a>
<b>GRI 412: Human rights assessment</b>		
412-1	Operations that have been subject to human rights reviews or impact assessments	No specialized reviews of human rights violations were conducted in 2024
<b>Specific material topics relevant for M.Video-Eldorado</b>		
<b>Operational efficiency and economic performance</b>		
–	Gross merchandise value (GMV)	<a href="#">Operational performance</a>
–	Consolidated revenue	<a href="#">Financial performance</a>
<b>Product safety and availability, service quality, consumer confidence</b>		
–	Infrastructure and logistics development	<a href="#">Efficient logistics</a>
–	Customer loyalty indicators	<a href="#">Loyalty programs</a>
<b>Cyber security and personal data protection</b>		
–	Information security strategy	<a href="#">Information security</a>
–	Information security measures implemented in the reporting period	<a href="#">Information security</a>
<b>Technology, innovation and digital transformation of the business</b>		
–	Enhancement of the ONE RETAIL technology platform	<a href="#">IT infrastructure</a>
–	Development of in-house IT competencies	<a href="#">IT infrastructure</a>
<b>Responsible marketing</b>		
–	Improvement of formats and methods of product promotion	<a href="#">Assortment Management</a>
–	Increasing brand recognition and trust	<a href="#">Marketing communications</a>



# Contact details

Full name in Russian	M.video Public Joint-Stock Company [2-1]
Short name	PJSC M.video
Certificate of incorporation No. and date of issue	5067746789248 September 25, 2006
Registered office	40/12 Nizhnyaya Krasnoselskaya St., bld. 20, 105066, Moscow, Russian Federation [2-1]
Postal address	40/12 Nizhnyaya Krasnoselskaya St., bld. 20, 105066, Moscow, Russian Federation
Telephone	+7 (495) 644 1043
Website	<a href="http://www.mvideoeldorado.ru/en">www.mvideoeldorado.ru/en</a>

## For media enquiries [2-3]

Email	Public Relations Department <a href="mailto:pr@mvideo.ru">pr@mvideo.ru</a>
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## Registrar

Full name	Joint-Stock Company Servis-Reestr
Short name	JSC Servis-Reestr
Postal address	12 Sretenka St., Moscow, 107045, Russian Federation
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