

M.VideoEldorado

1H 2022 FINANCIAL & OPERATIONAL RESULTS UPDATE



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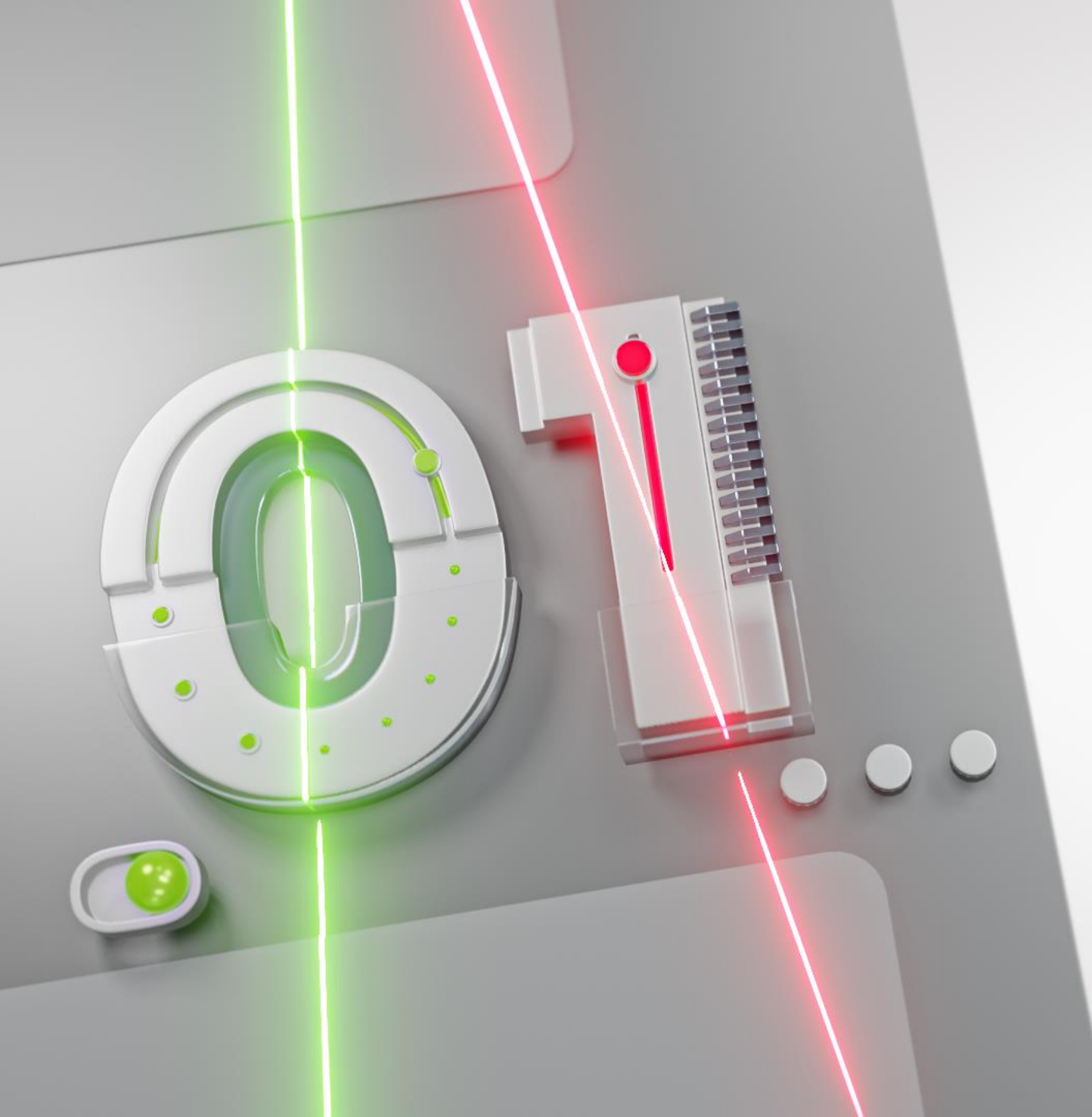
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KEY 1H 2022 OPERATING AND FINANCIAL HIGHLIGHTS



Total

262 bn RUB

GMV¹

+1 %

GMV growth
year-on-year



Online

67 %

Share of Total online sales

46 %

Share of mobile
platform sales



Retail chain

1,248

Stores

93 %

Share of sales made
using store infrastructure



Gross margin

20.6 %

Gross margin in 1H 2022

+16 %

Gross profit growth
year-on-year²



EBITDA

7.0 bn RUB

IAS 17-based EBITDA

+3.9 pp

Adjusted EBITDA Margin
growth year-on-year³

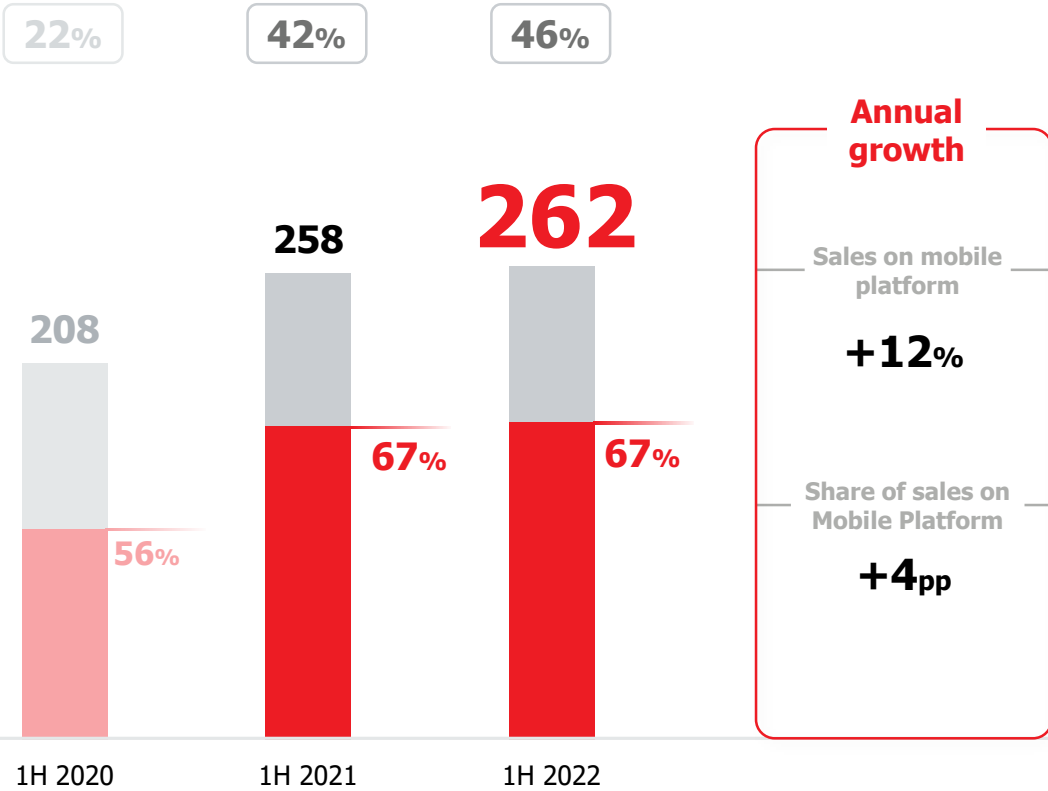
(1) Gross merchandise value (GMV) includes purchases in retail stores (including pickup orders), orders paid for online and delivered, paid shipments to legal entities from warehouses. Purchases made in stores and online orders may be made by individuals and legal entities. GMV includes sales of goods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

1H 2022: GMV REMAINED SLIGHTLY POSITIVE YOY

GMV

(RUB bn)

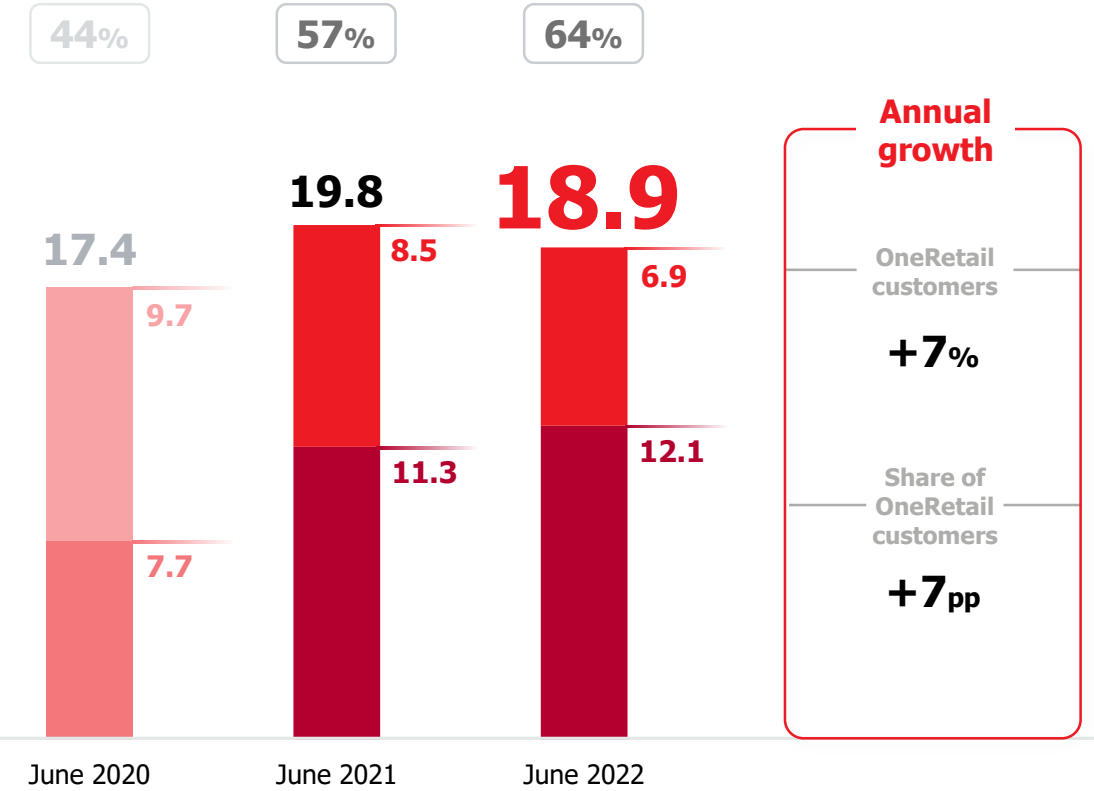
■ Share of Total online sales (TOS) □ Share of sales on mobile platform



Identified active customers (IAC)¹

(mn people)

■ OneRetail² ■ Non-OneRetail □ Share of OneRetail customers



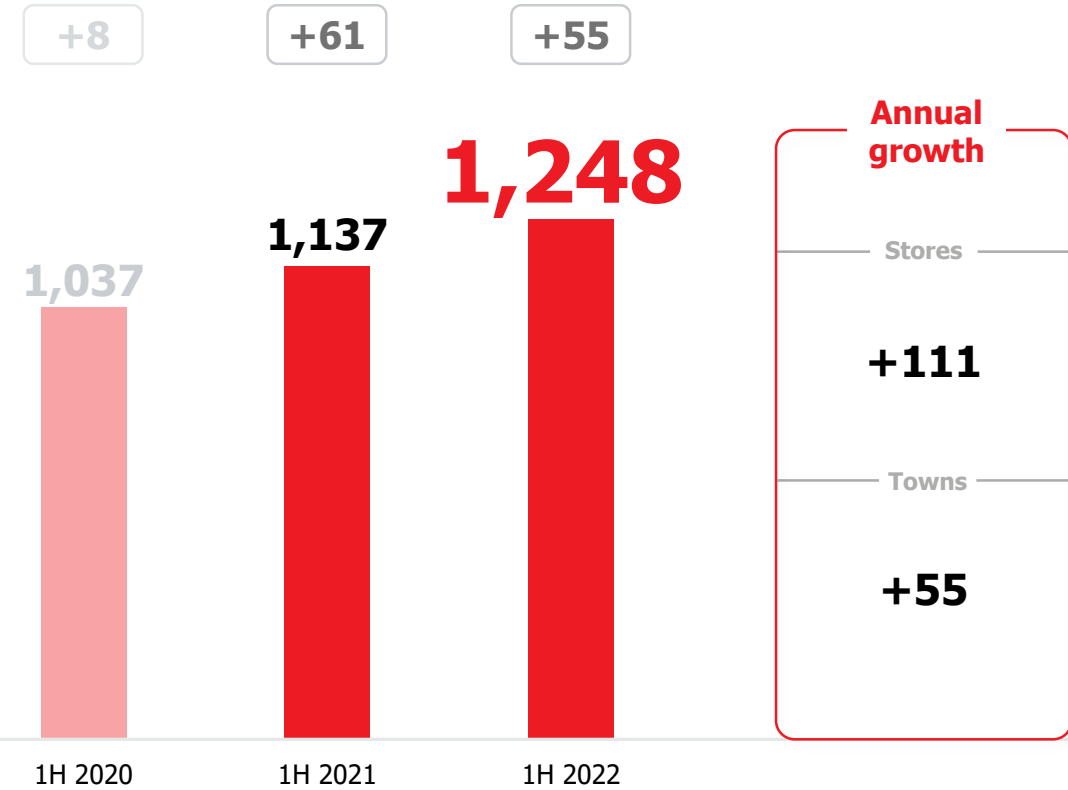
(1) The Company defines identified active customers as those who have logged in and made at least one purchase through any sales channel during the year; (2) The Company defines One Retail customers as those who signed in and made at least one purchase during the year through the web platform or mobile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

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

Number of stores

(by the end of the period)

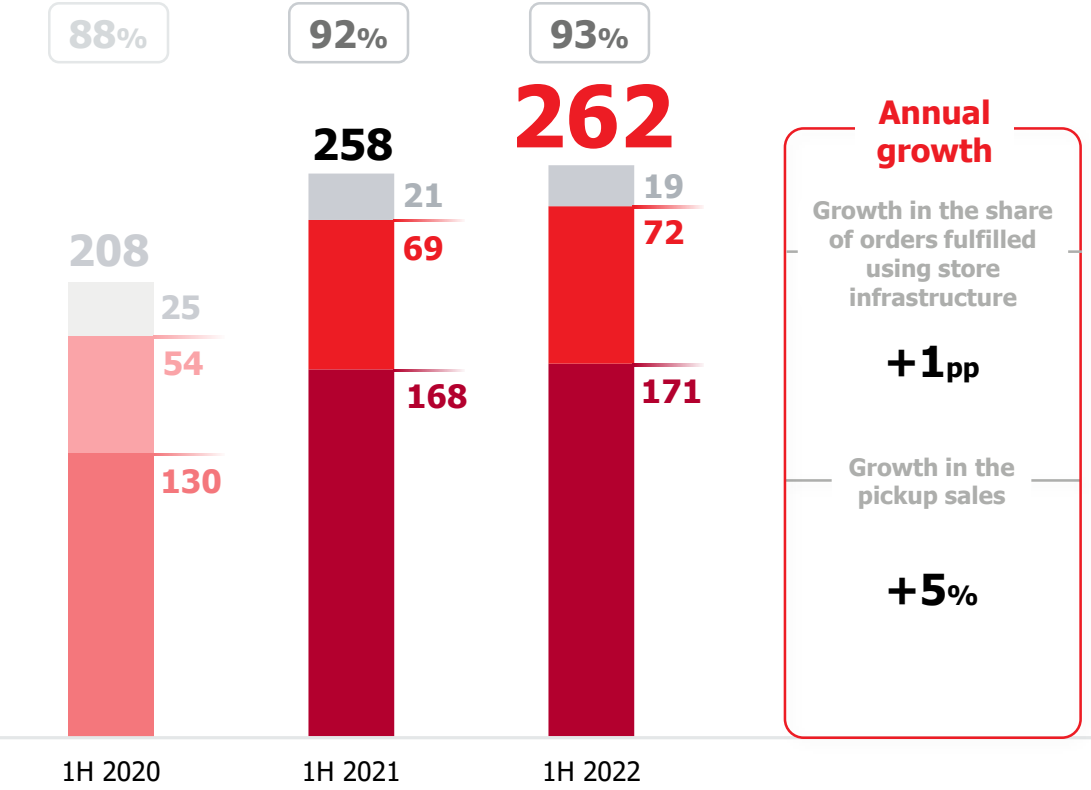
□ The number of new towns entered



GMV split by fulfillment channel

(RUB bn)

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



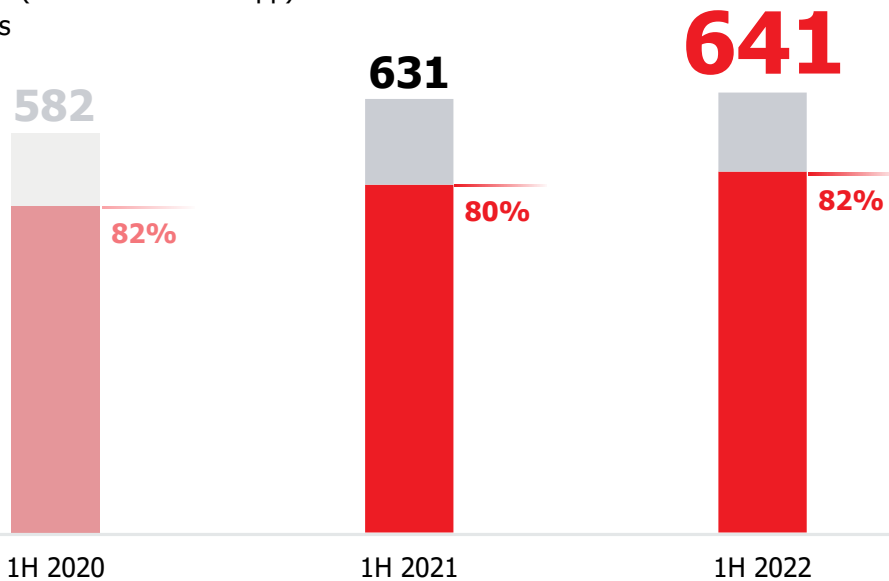
Source: Company data.

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

Traffic

(mn visits)

- Online (Web + Customer App)
- Stores



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

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

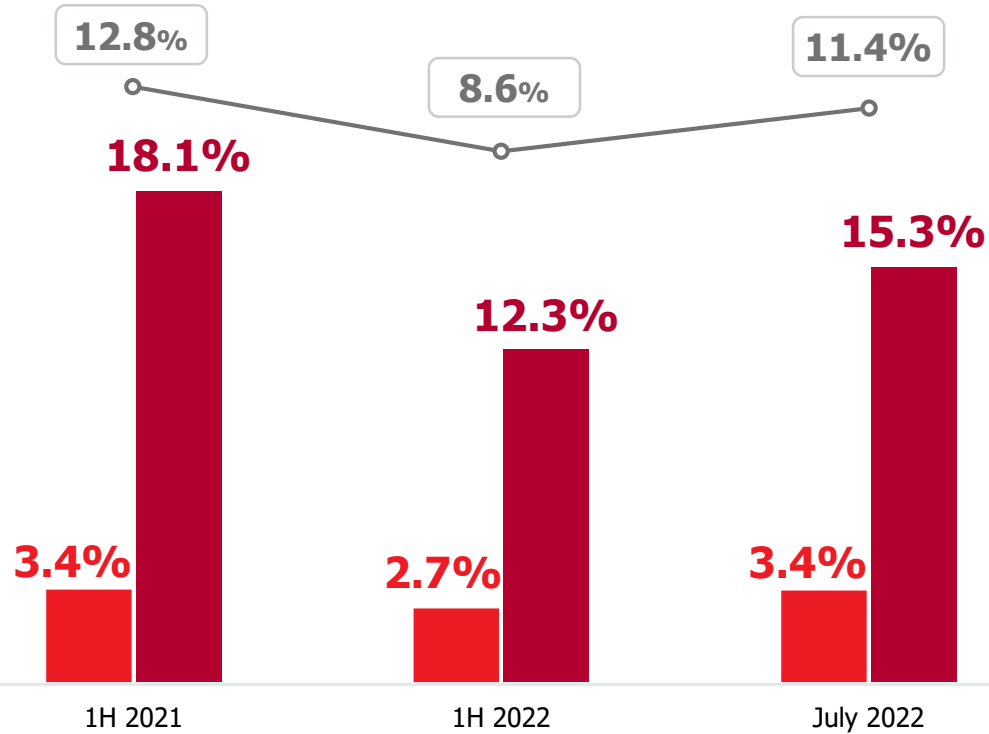
Source: Company data.

SERVICES AND CREDIT SALES SHOW STRONG SIGNS OF RECOVERY

Services and Credit sales¹

(%)

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



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

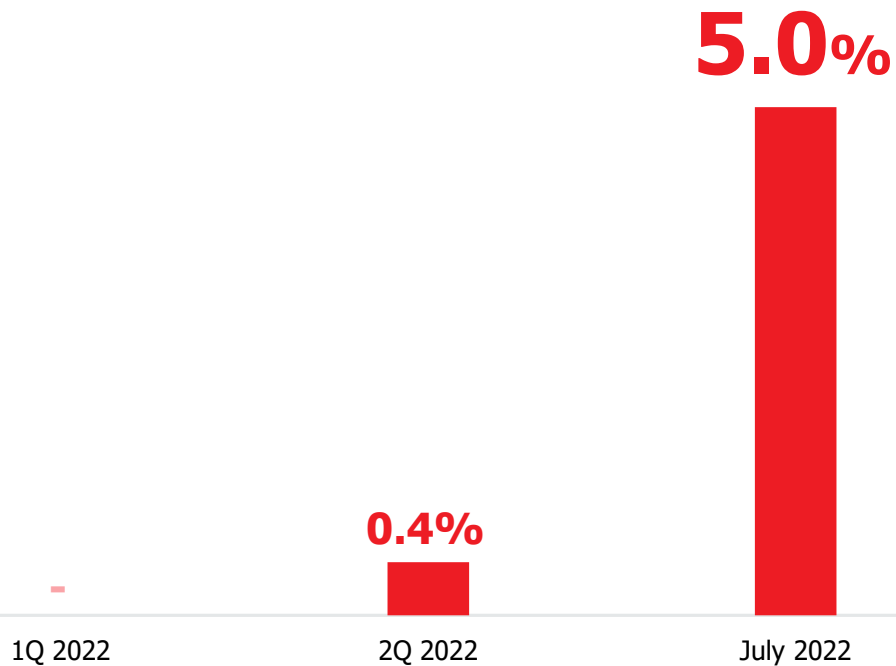
(1) Credit sales include POS credit sales and installment cards sales; (2) To ensure correct presentation of the Group's semi-annual financial results, the 2021 financial statements were adjusted to exclude from the 1H 2021 results the estimated accruals of supplier bonuses that were not confirmed later,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

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

Imported goods dynamics

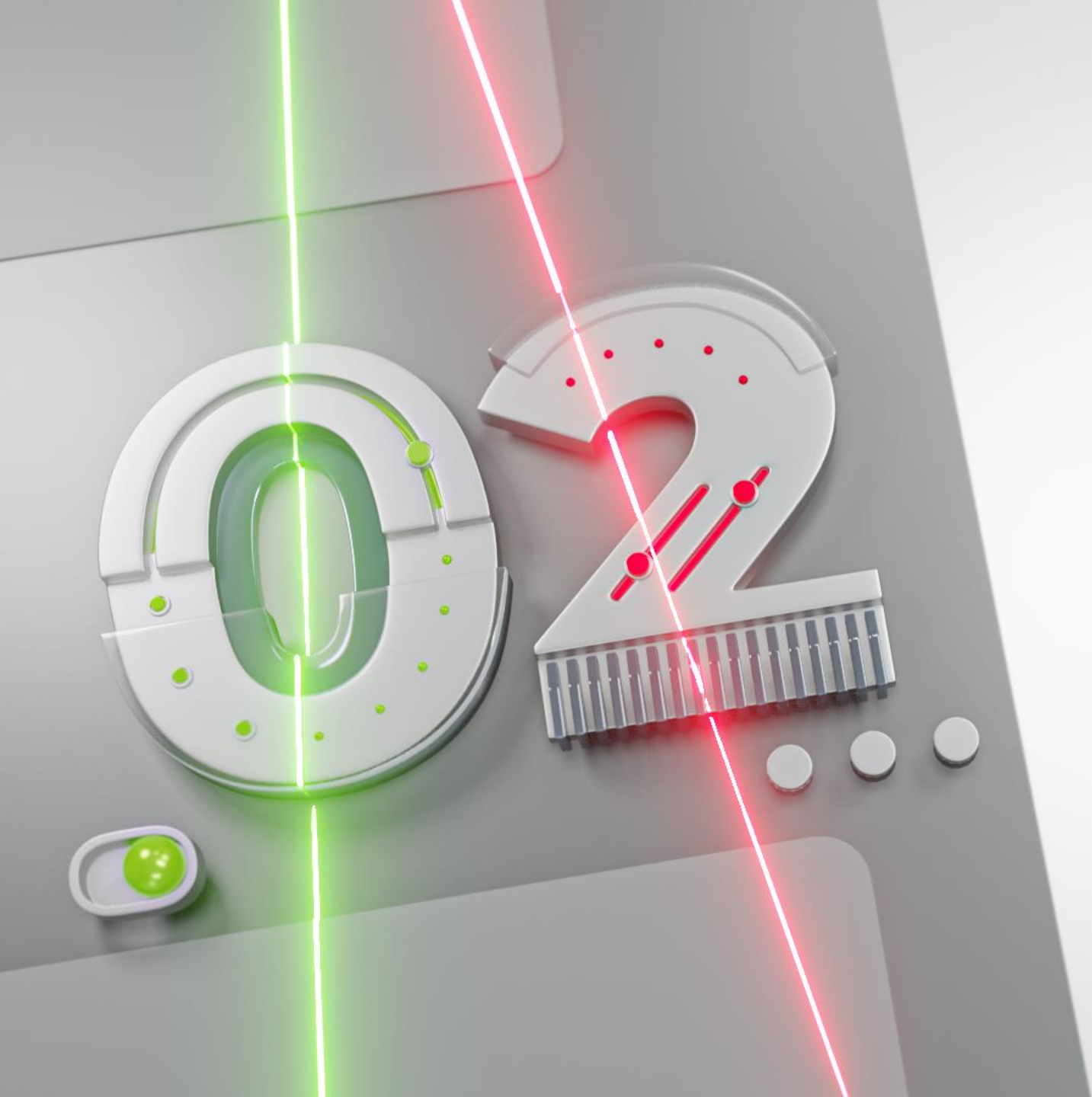
(%)

■ Share of imported goods in total sales



Source: Company data.

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



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1H 2022 GROUP REVENUE AND GROSS PROFIT

Group revenue (net of VAT)

(RUB bn)

215.6

218.8

% of online
in total sales

1H 2022

67%



1H 2021

67%

⊕ **1.5%**

1H 2022 /
1H 2021

1H 2021

1H 2022

Group gross profit¹

(RUB bn)

38.7

45.0

Gross
margin¹

1H 2022

20.6%



1H 2021

18.0%

⊕ **16.2%**

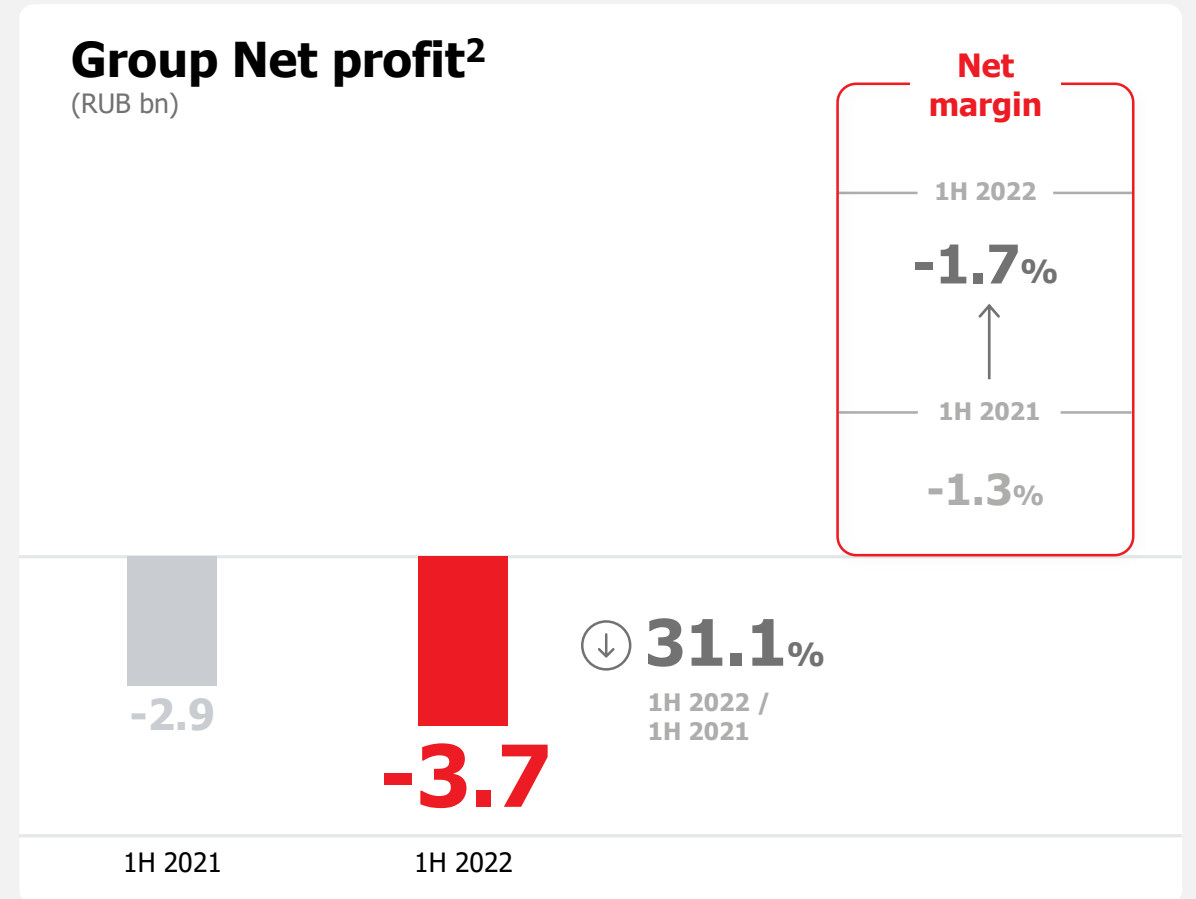
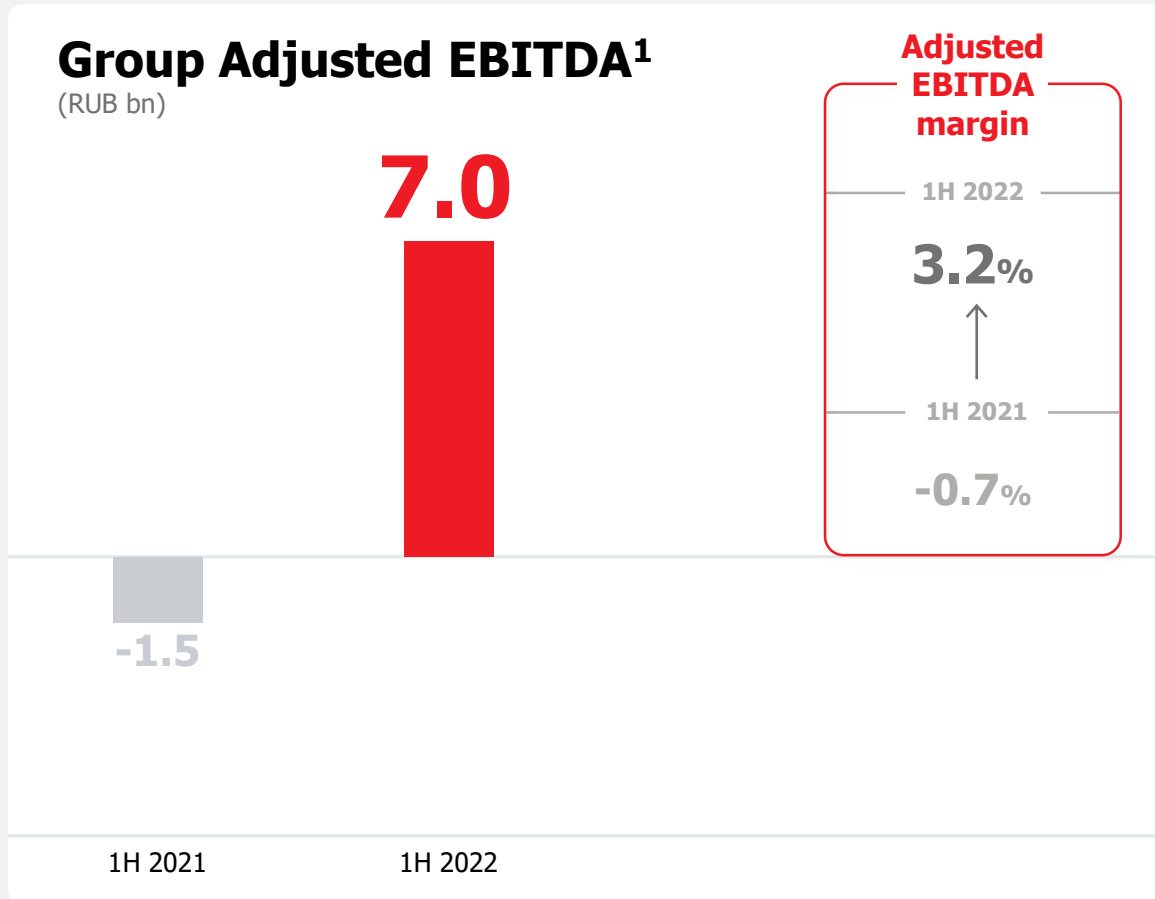
1H 2022 /
1H 2021

1H 2021

1H 2022

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1H 2022 GROUP ADJUSTED EBITDA AND NET PROFIT



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

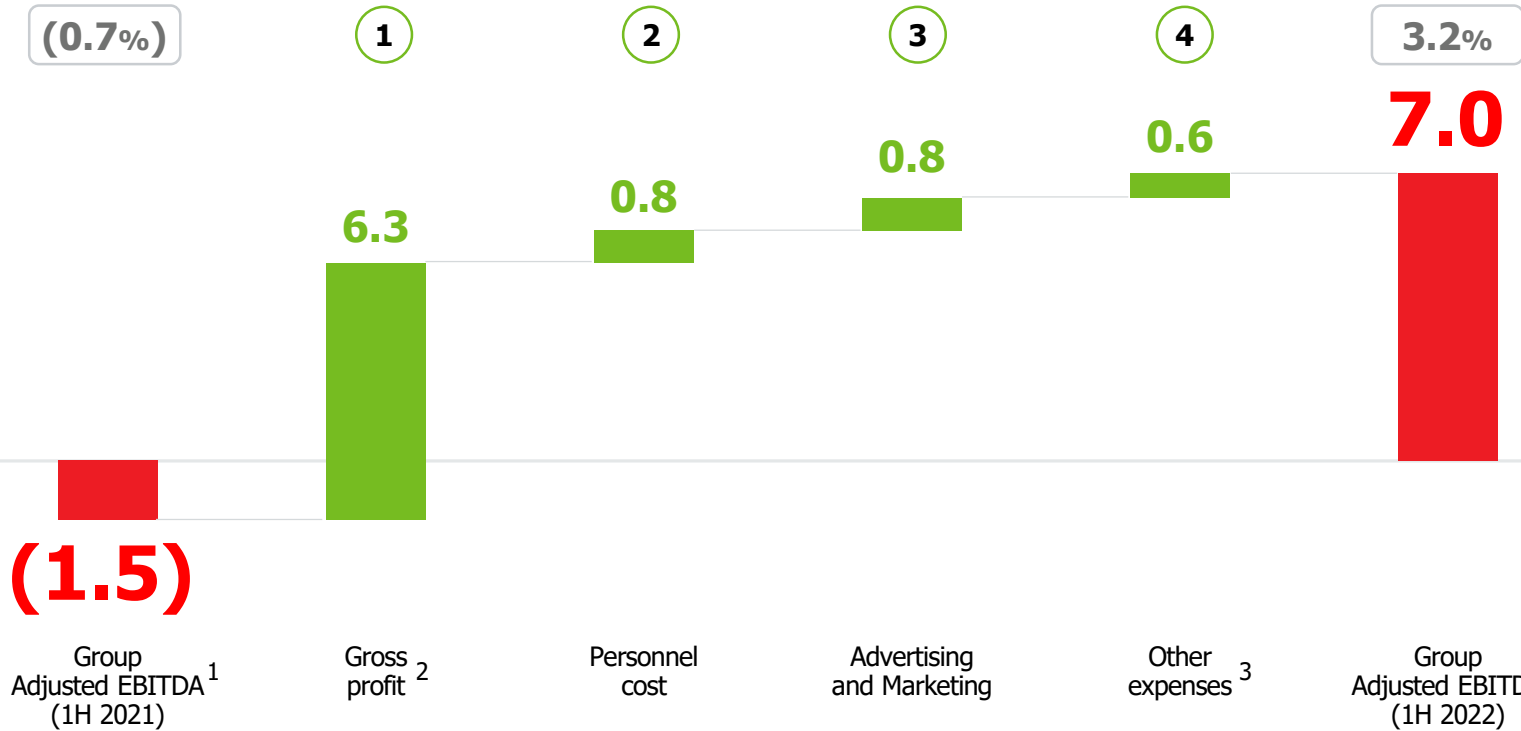
1H 2022 ADJUSTED EBITDA EVOLUTION

Adjusted EBITDA evolution

(RUB bn)

Adjusted EBITDA margin

(0.7%)



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

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1H 2022 GROUP LEVERAGE

Net debt / Adjusted EBITDA¹

(x)

□ Weighted average interest rate

7.7% 7.8% 10.6%

5.3x

2.7x

2.3x

30.06.2021

31.12.2021

30.06.2022

Net debt

30.06.2022

67.9

↑

31.12.2021

57.1

↑

30.06.2021

64.0

Group gross debt by maturity period

(RUB bn)

22.4

29.6

19.0

2022

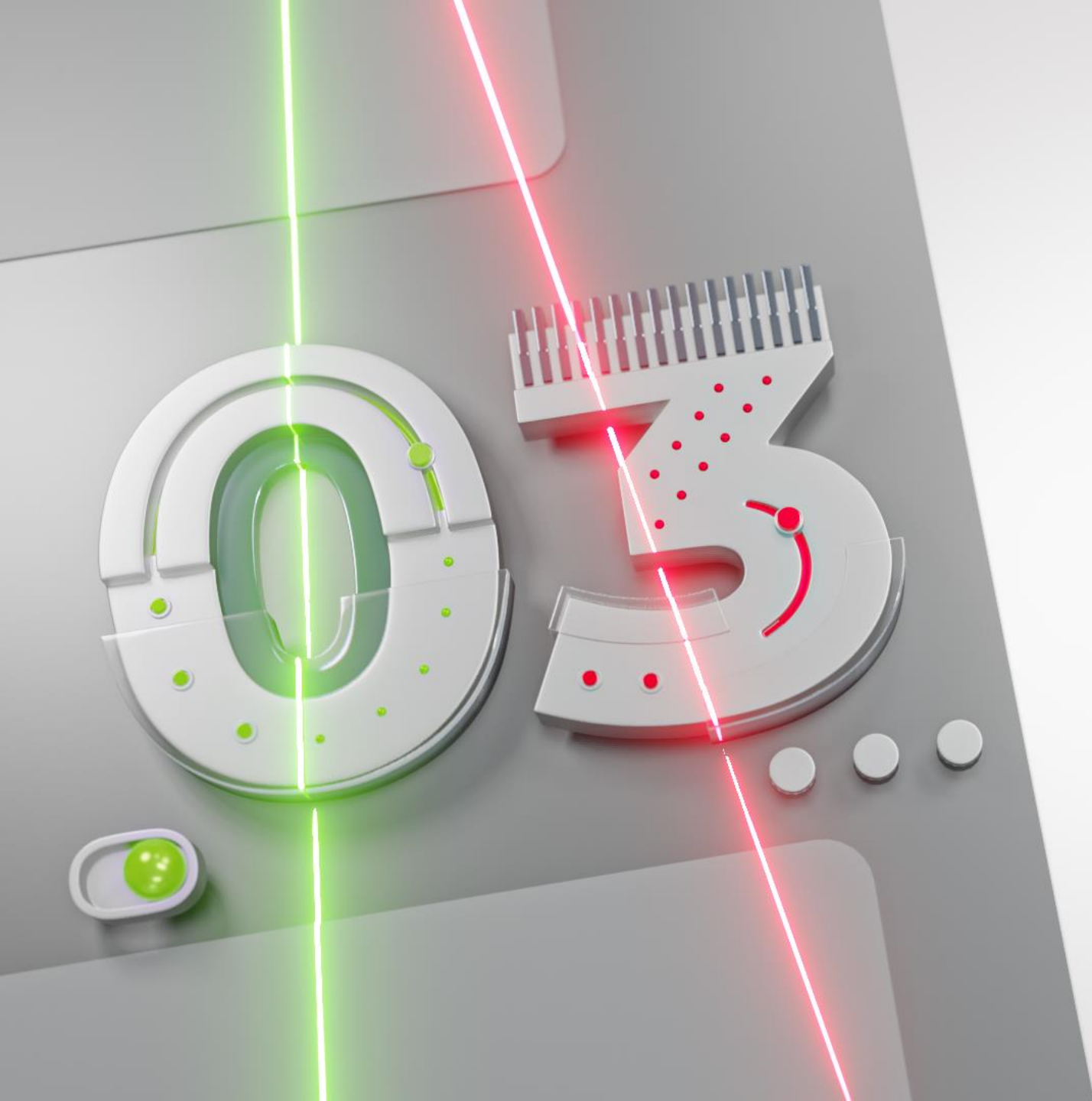
2023

2024

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

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

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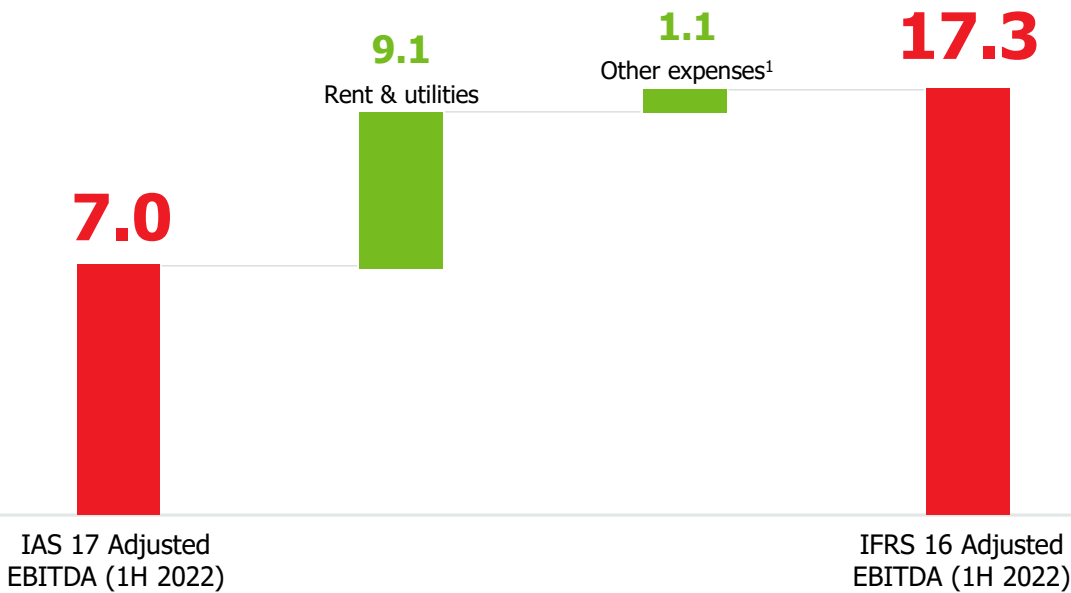
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IFRS 16 VS IAS 17 ADJUSTED EBITDA AND NET PROFIT OVERVIEW

IFRS 16 EBITDA higher

due to changes in recognition of long-term lease expenses

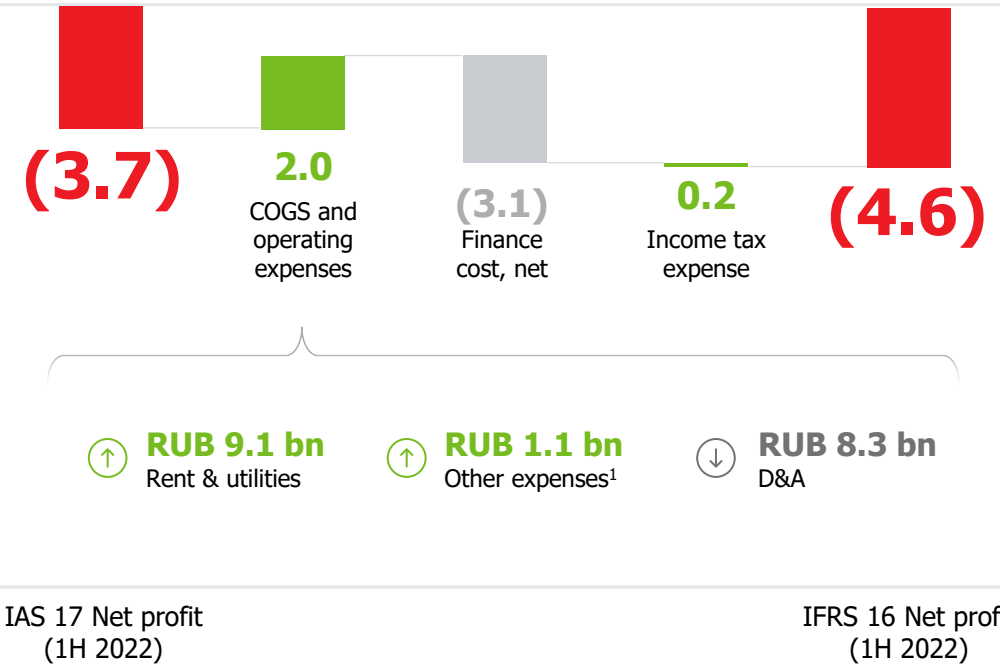
(RUB bn)



IFRS 16 net profit lower

mainly due to changes in finance cost

(RUB bn)



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

GROUP PROFIT & LOSS KEY HIGHLIGHTS

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

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GROUP SG&A EXPENSE BREAKDOWN

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

Source: Company data.

GROUP STATEMENT OF FINANCIAL POSITION

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

Source: Company data.

GROUP STATEMENT OF CASH FLOW

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

Source: Company data.