

M.Video-Eldorado Group enters 43 new cities with the first 50 small-format Eldorado 250 stores

22 April 2021, Moscow, Russia

PJSC M.video (M.Video-Eldorado Group, the Company, or the Group; MOEX: MVID), Russia's leading e-commerce and consumer electronics retailer and part of the SAFMAR Group owned by Mikhail Gutseriev, builds up its local presence with Eldorado 250, a new format of 250–500 sq m stores. The Group has already opened 50 new-format stores in 50 cities and towns, having made a début in 43 of them. Access to over 75,000 items available for sale in the online catalogue, integration of the online platform and stores, fast delivery and after-sales service enable the Group to expand its presence and increase its online customer base.

Since the new format launch, Eldorado has opened the first 50 new outlets, including 22 in Q1 2021. The retailer launched 22 new-format stores in the Central Federal District, six in the Volga Federal District, five in each of the Northwestern, Southern, North Caucasian and Siberian Federal Districts, and two more in the Ural Federal District. The 50th store was opened in the town of Teikovo, Ivanovo Region. In the next three years, the Company plans to open around 250 more stores in the Eldorado 250 format, while also developing its regular 1,000 sq m stores and the Eldorado 600 format. With new compact Eldorado 250 outlets included, the Eldorado retail chain presently consists of over 530 stores.

Requiring three times less investment than full-size stores, the new format enables the Group to cover more than 200 new towns and cities within the next three years and strengthen its position in the cities where the Group is already present.

All Eldorado stores, including the new format, are part of the online platform. Retail premises operate as pick-up points for online orders, with each store's product range tailored using data analytics, which allows them to hand over most online orders within 15 minutes. To ensure convenience and fast service, there is a self-service pick-up area near the checkouts.

Eldorado 250 stores are also equipped with interactive terminals with a full catalogue of Eldorado and its marketplace partners' products, where the buyer can order prompt delivery of goods not available on the shelves. Touchscreen kiosks also feature other functions available at eldorado.ru, including up-to-date information on product availability, promotions and special offers, product reviews, and other information that may be helpful in selecting and ordering the right product.

Sergey Li, Managing Director of Eldorado:

"Retail stores are a vital element of our online infrastructure. Every store provides quick access to goods by maintaining relevant assortment of stock and serves customers both before and after the purchase. For example, we can see our online sales growing threefold in the cities where we have opened new-format stores since customers now have a convenient opportunity to pick up their online orders."

"When planning new openings, we opt for popular shopping streets and high-traffic but small-area shopping centres. It allows us to expand into new regions quickly and efficiently for a third of costs spent on a full-size store. About half of the investment can be used for relocations as the stores have unified design and product storage systems."

Eldorado 250 stores have an area of 250–500 sq m. They use vertical storage systems similarly to large warehouse stores, which gives customers quick access to products and ensures efficient use of space.

Customers can pick from over 1,000 SKUs of appliances and electronics across key product categories at affordable prices. Most goods are either promo products or the best price items. Many of them are on display so that customers can take a close look and try the items on top of receiving a shop assistant's advice.

Specifically for this format, Eldorado reviewed and simplified all store processes – now a team of 5–6 people can manage all customer service tasks, from consultations and settings to credit procedures.

In 2020, the Eldorado retail chain reached 532 stores, covering more than 240 cities and towns in Russia. Its total selling space increased to 665,000 sq m. As at the year-end, 423 outlets were formatted as regular stores with an area of 1,000–1,500 sq m. Another 83 outlets operated as Eldorado 600 stores, and 26 more were opened as compact Eldorado 250 stores with an area of 250–500 sq m.

About the Group

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

As of March 31, 2020, the Group had stores across almost 300 Russian cities, with 545 and 543 stores under the M.Video and Eldorado brands, respectively. Overall selling space was 1,485 thousand square meters, while total floor space was 2,020 thousand square meters.

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