

MAGNIT PJSC (MGNT)

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Press Release

Krasnodar

December 21, 2017

Magnit Announces the Results of the BOD Meeting

Krasnodar, December 21, 2017: Magnit PJSC, one of Russia's leading retailers (the "Company", "Issuer"; MOEX and LSE: MGNT), is pleased to announce the results of the BOD meeting held on December 20, 2017.

Please be informed that on December 20, 2017 the BOD meeting was held (minutes of the BOD meeting of PJSC "Magnit" are w/o No. of December 20, 2017).

The meeting agenda:

1. Determination of the position of the PJSC "Magnit" representative at the exercise of the voting right on the JSC "Tander" shares in the charter capital owned by the Company
2. Making a decision for approval of the execution of major transactions.
3. Approval of the business plan of PJSC "Magnit" Internal Audit Department for the year 2018.
4. Approval of PJSC Magnit Exchange Bonds Program.
5. Approval of PJSC Magnit Exchange Bonds Prospectus.

The following BOD members were present: S. Galitskiy, V. Gordeychuk, A. Shkhachemukov.

A. Aleksandrov, D. Chenikov, A. Pshenichniy and K. Pombukhchan provided their written opinions on the items of the agenda of the BOD meeting of PJSC "Magnit".

The number of the BOD members participating in the meeting, including written opinions of

A. Aleksandrov, D. Chenikov, A. Pshenichniy and K. Pombukhchan amounts to not less than half of the number of the BOD members determined by the Charter of the Company.

Quorum to hold the BOD meeting with this agenda is present.

Voting Results:

Items 1-5:

V. Gordeychuk - "for", A. Aleksandrov - "for", S. Galitskiy - "for", D. Chenikov - "for", K. Pombukhchan - "for", A. Pshenichniy - "for", A. Shkhachemukov - "for".

The decisions were made.

Content of the decisions:

Item 1 on the agenda:

"To recommend the sole executive body of PJSC "Magnit", which is the sole shareholder of JSC "Tander", to make the following decision at the exercise of the voting right on shares in the charter capital of JSC "Tander" owned by the Company:

"According to the article 14.2. of the Charter of JSC "Tander" to approve the execution by JSC "Tander" (hereinafter - the Borrower) of the loan agreement (several related loan agreements), which the Borrower plans to execute in future with Public Joint-Stock Company "Magnit" (hereinafter - the Lender), related to acquisition, disposal and possible direct or indirect company's disposal of the property, the cost of which amounts to 5 and more percent of the balance sheet value of assets of the company, its subsidiaries, the principal company (in relation to which the company is a subsidiary), as well as other subsidiaries of the principal company (the "Group"), determined on the basis of the latest available consolidated statements of the Group, prepared in compliance with the International Financial Reporting Standards with the following essentials:

1. Parties of transaction (transactions): the Lender - Public Joint-Stock Company "Magnit", the Borrower - JSC "Tander";
2. Subject of transaction: loan of monetary funds;
3. Limit price (amount) of transaction (transactions): not more than 55,000,000,000 (Fifty five billion) rubles;

4. Loan interest rate (per annum): not more than 125 (One hundred and twenty five) per cent of the key rate of the Bank of Russia (published on the official website of the Bank of Russia (www.cbr.ru) as of the loan issue date);
5. Time limit for the fulfillment of obligations under the transaction (transactions): up to 3 (Three) years from the time of its execution (the time of repayment of the loan amount and interest by the Borrower).

Hereby to provide the Chief Executive Officer of JSC "Tander" with the right to sign the additional agreements to the loan agreement (several related loan agreements) changing the loan terms, including but not limited to the change of the interest rates, the loan amount and the term of the loan provision within the limits hereof".

Item 2 on the agenda:

"To approve the execution of the major transaction - the loan agreement (several related loan agreements), which the Company plans to execute in future with Joint-Stock Company "Tander" with the following essentials:

1. Parties of transaction (transactions): the Lender - PJSC "Magnit", the Borrower - JSC "Tander";
2. Subject of transaction (transactions): loan of monetary funds;
3. Limit price (amount) of transaction (transactions): not more than 55,000,000,000 (Fifty five billion) rubles;
4. Loan interest rate (per annum): not less than 75 (Seventy five) per cent of the key rate of the Bank of Russia (published on the official website of the Bank of Russia (www.cbr.ru) as of the loan issue date);
5. Time limit for the fulfillment of obligations under the transaction (transactions): up to 3 (Three) years from the time of its execution (the time of repayment of the loan amount and interest by the Borrower).

The price (money value) of the Company's property, which can be directly or indirectly disposed by the Company under the loan agreement (several related loan agreements), may amount to 25 and more per cent of the book value of the Company's assets , determined from the data of its accounting (financial) statements as of the last reporting date, but not more than 50 per cent of the book value of the Company's assets , determined from the data of its accounting (financial) statements as of the last reporting date.

Hereby to provide the Chief Executive Officer of PJSC "Magnit" with the right to sign the additional agreements to the loan agreement (several related loan agreements) changing the loan terms, including but not limited to the change of the interest rates, the loan amount and the term of the loan provision within the limits hereof".

Item 3 on the agenda:

"To ratify the business plan of PJSC "Magnit" Internal Audit Department for the year 2018".

Item 4 on the agenda:

"To approve the Program of the exchange-traded bonds of 003P series - non-convertible interest-bearing certified exchange-traded bonds to the bearer with the obligatory centralized custody of the total nominal value of all issues of the exchange-traded bonds to be placed under the program of the exchange-traded bonds of up to 50,000,000,000 (Fifty billion) Russian rubles inclusive or the equivalent of that amount in the foreign currency with the repayment period on the date not later than 1,820 (One thousand eight hundred and twentieth) day from the commencing date of the exchange-traded bonds issue under the program of the exchange-traded bonds to be placed by means of open subscription".

Item 5 on the agenda:

"To approve the Prospectus of securities - non-convertible interest-bearing certified exchange-traded bonds to the bearer with the obligatory centralized custody of the total nominal value of all issues of the exchange-traded bonds to be placed under the Program of the exchange-traded bonds of 003P series of up to 50,000,000,000 (Fifty billion) Russian rubles inclusive or the equivalent of that amount in the foreign currency with the repayment period on the date not later than 1,820 (One thousand eight hundred and twentieth) day from the commencing date of the exchange-traded bonds issue under the Program of the exchange-traded bonds of 003P series to be placed by means of open subscription".

Duration of the Bonds Program: unlimited.

The Prospectus shall be submitted to the Exchange together with the Program of the exchange-traded bonds of 003P series by the first part of the decision to issue securities with the information on the general rights of the exchange-traded bonds holders and other general terms and conditions for each or several issues of exchange-traded bonds. The Issuer undertakes obligations to disclose information on each stage of securities issuance procedure.

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Company description:

Public Joint Stock Company "Magnit" is one of Russia's leading retailers. Founded in 1994, the company is headquartered in the southern Russian city of Krasnodar. As of September 30, 2017, Magnit operated 36 distribution centers and 15,697 stores (11,743 convenience, 432 hypermarkets and 3,522 drogerie stores) in 2,664 cities and towns throughout 7 federal regions of the Russian Federation.

In accordance with the reviewed IFRS consolidated financial statements for 1H 2017, Magnit had revenues of RUB 555 billion and an EBITDA of RUB 49 billion. Magnit's local shares are traded on the Moscow Exchange (MOEX: MGNT) and its GDRs on the London Stock Exchange (LSE: MGNT) and it has a credit rating from Standard & Poor's of BB. Measured by market capitalization, Magnit is one of the largest retailers in Europe.

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