

MAGNIT PJSC (MGNT)

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Press Release

Krasnodar

March 26, 2018

Magnit Announces the Results of the BOD Meeting

Krasnodar, March 26, 2018: 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 March 23, 2018.

Please be informed that on March 23, 2018 the BOD meeting was held (minutes of the BOD meeting of PJSC "Magnit" are w/o No. of March 26, 2018).

The meeting agenda:

1. Consideration of the proposals for the nomination of candidates to the Board of Directors of PJSC "Magnit" to be elected at the extraordinary General Shareholders Meeting of PJSC "Magnit".
2. Approval of the list of candidates to be elected to the Board of Directors of PJSC "Magnit" at the extraordinary General Shareholders Meeting of the Company.
3. Determination of the form and the text of the voting ballots on the items to be considered at the extraordinary General Shareholders Meeting of PJSC "Magnit".
4. Approval of the position of the Board of Directors of PJSC "Magnit" on issues of the agenda extraordinary General Shareholders Meeting of the Company.
5. Determination of PJSC "Magnit" business priorities.
6. Consideration of the evaluation report on the efficiency of the internal control and risk management system for 2017.
7. Determination of the position of the PJSC "Magnit" representative at the exercise of the voting right on the Retail Import LLC shares in the charter capital owned by the Company.
8. Determination of the position of the PJSC "Magnit" representative at the exercise of the voting right on the Tander JSC shares in the charter capital owned by the Company.

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

A. Aleksandrov, D. Chenikov, and A. Pshenichniy 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, and A. Pshenichniy 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 1-8:

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 1.1 on the agenda:

"To include the following candidates to the list of nominees to Board of Directors of PJSC "Magnit" for voting at the extraordinary general shareholders meeting (EGM) to be held on April 19, 2018:

1. Timothy Demchenko;
2. Alexey Makhnev;
3. James Pat Simmons".^[1]

Item 1.2 on the agenda:

"To include the following candidates to the list of nominees to Board of Directors of PJSC "Magnit" for voting at the EGM to be held on April 19, 2018:

1. Paul Michael Foley;
2. Gregor William Mowat;
3. Ilya Sattarov;
4. Khachatur Pombukhchan;
5. Charles Emmitt Ryan".¹

Item 1.3 on the agenda:

"To include the following candidates to the list of nominees to Board of Directors of PJSC "Magnit" for voting at the EGM to be held on April 19, 2018:

1. Oleg Zharebtsov;
2. Evgeny Kuznetsov;
3. Alexander Prysyzhnyuk;
4. Alexander Shevchuk".¹

Item 2 on the agenda:

"To approve the following list of nominees to the Board of Directors of PJSC "Magnit" for election at the EGM:

1. Gregor William Mowat;
2. Timothy Demchenko;
3. James Pat Simmons;
4. Alexey Makhnev;
5. Paul Michael Foley;
6. Khachatur Pombukhchan;
7. Ilya Sattarov;
8. Charles Emmitt Ryan
9. Oleg Zharebtsov;
10. Evgeny Kuznetsov;
11. Alexander Prysyzhnyuk;
12. Alexander Shevchuk".¹

Item 3 on the agenda:

"To approve the form and the text of the voting ballots on agenda items which shall be considered at the EGM of PJSC "Magnit", as well as formulations of decisions on the EGM agenda items of PJSC "Magnit", which shall be sent in electronic form (in the form of electronic documents) to nominee shareholders registered in the register of shareholders of PJSC "Magnit" at the PJSC "Magnit" EGM on the agenda items".

Item 4 on the agenda:

"To approve the position of the Board of Directors on agenda items of PJSC "Magnit" EGM".

Item 5 on the agenda:

"To approve business priorities of PJSC "Magnit" by ratifying the Business Plan of the Company for 2018".

Item 6 on the agenda:

"To take into consideration the evaluation report on efficiency of internal control and risk management system of PJSC "Magnit" and its subsidiaries for 2017. To approve evaluation results and proposed measures to improve the internal control and risk management system of PJSC "Magnit" and its subsidiaries".

Item 7.1 on the agenda:

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

"To provide consent to major transaction to be executed in future between Retail Import LLC (hereinafter - the Principal) and Public joint-stock company "Sberbank of Russia" (hereinafter - the Guarantor) - bank guarantee agreement (hereinafter - the Agreement) under the following terms and

conditions:

1. The Guarantor shall undertake the obligation to provide the guarantee in the standard form approved by the Guarantor that the Principal fulfills obligations of the use of excise stamps for alcoholic products in line with their intended use (hereinafter - the Guarantees), and the Principal shall pay remuneration for provision of each guarantee.
2. The total amount of concurrent Guarantees (hereinafter - the Limit) during the term of the Agreement shall not exceed 400,000,000.00 (Four Hundred Million) rubles;
3. The term of the Limit shall not be later than 01.01.2022.
4. The term of each Guarantee, provided under the Limit, shall not expire later than the term of the Limit. Herewith, the term of each Guarantee shall be limited by fixed calendar date.
5. Beneficiary - Customs Authorities of the Russian Federation.
6. Remuneration for the provision of the Guarantee shall be allocated on actual amount of the corresponding Guarantee in percent per annum for the corresponding period. The remuneration amount shall not exceed 10 (ten) percent per annum. Payment of remuneration shall be made monthly on "26" date of each calendar month and on the date of the corresponding Guarantee expiry (inclusive), specified in the text of the Guarantee, by monetary funds in the currency of the Russian Federation.
7. For involuntary deployment of funds by the Guarantor towards Principal's obligations to the Beneficiary, the Principal shall transfer payment to the Guarantor calculated as 10% (Ten) percent per annum of the effected payment amount under the corresponding Guarantee. The payment shall be made concurrently with reimbursement of the payment under the corresponding Guarantee.
8. The terms and conditions, the procedure of the Guarantee provision, the amount of fee for the launch of the Guarantee, for changes to the terms and conditions of the Guarantee as well as the amount of liability of the Client for failure to perform or improper performance of its obligations shall be defined by the Agreement.

To provide hereof the chief executive officer of Retail Import LLC the right to sign additional agreements which change the terms and conditions of the Agreement, including but not limited to the change of the maximum possible amount of the Guarantee, period of the Guarantees issue, term of Guarantees, amount of fees within the limits specified by the consent hereof".

Item 7.2 on the agenda:

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

"Retail Import LLC shall join National Association of Natural Resource Users (Primary State Registration Number 1177700009420, Tax Identification Number 7702418433, address: floor 2, office 1,2, room II, office a, building 2, 9 Kolokolnikov lane, Moscow, 107045)."

Item 8 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:

"Joint-Stock Company "Tander" shall join National Association of Natural Resource Users (Primary State Registration Number 1177700009420, Tax Identification Number 7702418433, address: floor 2, office 1,2, room II, office a, building 2, 9 Kolokolnikov lane, Moscow, 107045)."

Items of the agenda of PJSC "Magnit" Board of Directors are related to the exercise of rights on ordinary registered uncertified shares, state registration number 1-01-60525-P of 04.03.2004, International Stock Identification Number (ISIN) RU000A0JKQU8.

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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 December 31, 2017, Magnit operated 37 distribution centers and 16,350 stores (12,125 convenience, 243 hypermarkets, 208 Magnit Family stores and 3,774 drogerie stores) in 2,709 cities and towns throughout 7 federal regions of the Russian Federation.

In accordance with the audited IFRS results for 2017, Magnit had revenues of RUB 1,143 billion and an EBITDA of RUB 92 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.

[1] Information is disclosed in accordance with the regulation of the Russian Federation on Personal Data.

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