

MAGNIT PJSC (MGNT)

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Press Release

Krasnodar

April 18, 2018

Magnit Announces the Results of the BOD Meeting

Krasnodar, April 18, 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 April 18, 2018.

Please be informed that the BOD meeting was held today (minutes of the BOD meeting of PJSC "Magnit" are w/o No. of April 18, 2018).

The meeting agenda:

1. Preliminary approval of the PJSC "Magnit" annual report.
2. Approval of the Report on the related party transactions executed by PJSC "Magnit" in 2017.
3. 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.
4. Determination of the position of the PJSC "Magnit" representative at the exercise of the voting right on the LLC "Alkotrading" shares in the charter capital owned by the Company
5. Determination of the position of the PJSC "Magnit" representative at the exercise of the voting right on the LLC "Tandem" shares in the charter capital owned by the Company.
6. 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.
7. Review of results of the performance evaluation of PJSC "Magnit" Board of Directors .

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

A. Aleksandrov, D. Chenikov, K. Pombukhchan 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, K. Pombukhchan 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 1-7:

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 preliminary approve the PJSC "Magnit" annual report for the year 2017 and submit it for consideration of the General shareholders meeting of the Company".

Item 2 on the agenda:

"To approve the Report on the related party transactions executed by PJSC "Magnit" in 2017".

Item 3 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 decisions at the exercise of the voting right on shares in the charter capital of Retail Import LLC owned by the Company:

"1. To approve the annual financial statements of Retail Import LLC for the financial year 2017.

2. To approve the Limited Liability Company Audit firm "Faber Leks" (Principal State Registration Number 1022301213197, Taxpayer Id. Number 2308052975, address: 144/2 Krasnykh Partizan, Krasnodar, 350049) as the auditor of Retail Import LLC for 2018 under the Russian accounting standards.

3. To determine the payment amount for the services of the audit of financial statements of Retail Import LLC for 2018 under the Russian accounting standards in the amount not exceeding 500,000 (Five hundred thousand) rubles excluding VAT".

Item 4 on the agenda:

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

"To approve the annual financial statements of LLC "Alkotrading" for the financial year 2017".

Item 5 on the agenda:

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

"To approve the annual financial statements of LLC "Tandem" for the financial year 2017".

Item 6 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:

"To provide consent to major transaction to be executed in future between JSC "Tander" (hereinafter - the Borrower) and VTB Bank (Public Joint Stock Company) (hereinafter - the Creditor, the Bank) - the Additional agreement (Addendum) to the Credit agreement No. ~~BC~~ 730750/2015/00024 as of December 31, 2015 (as amended under the Additional agreement No.1 as of May 5, 2016) (hereinafter - the Credit agreement, the Agreement) under the following essential terms and conditions:

1. maximum debt limit under the Credit agreement shall not exceed 60,000,000,000 (Sixty billion) rubles;
2. purpose of the credit line (the aggregate amount of credit transactions which the Borrower is entitled to obtain under the Credit agreement):
 - 2.1. financing of the ordinary course of business for the purpose of working capital financing;
 - 2.2. financing of the current operations and financing of operations stipulated in the charter of the Borrower;
 - 2.3. financing of the cash flow gaps;
 - 2.4. financing of the general corporate objectives;
 - 2.5. acquisition of financial assets;
 - 2.6. acquisition, repair, modernization of fixed assets;
 - 2.7. organization of new production line/business activity;
 - 2.8. construction (reconstruction) of real estate for production/commercial activities;
 - 2.9. acquisition of real estate for production/commercial activities;
 - 2.10. refinancing of real estate construction (reconstruction) costs for production/commercial activities;
 - 2.11. acquisition of securities issued by the Bank (including promissory notes with a maturity of not less than 180 days from the issue date);
 - 2.12. settlement of the Borrower's liabilities to repay loans and borrowings obtained from the third parties (except for loans provided by the Bank) in respect of the borrowed funds used for the purposes authorized by the Addendum;
3. the interest rate within the Credit line is determined according to the terms of the Credit agreement and shall not exceed 26 (twenty six) percent per annum for each particular Credit transaction;
4. the Borrower shall repay (return) the full amount of the Credits on the date on 1825 (one thousand eight hundred twenty five) calendar days from the execution date of the Addendum. The Borrower shall repay (return) the Credits within 1825 (one thousand eight hundred and twenty five) calendar days from the execution date of the Addendum within the Credit line;
5. the terms, procedure of provision and repayment of credit amounts, interest and other payments shall be determined by the Credit agreement.

To provide hereof the chief executive officer of JSC "Tander" the right to sign additional agreements which change the terms and conditions of the Credit agreement, including but not limited to the change of the interest rates, the credit amount and the term of the credit provision within the limits hereof".

Item 7 on the agenda:

"To take into consideration the report of the HR and Remuneration Committee of the PJSC "Magnit" Board of Directors on the performance evaluation of PJSC "Magnit" Board of Directors in 2017".

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.

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