

MAGNIT PJSC (MGNT)

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PJSC "Magnit" Announces the Results of the BOD Meeting, Including the Decision to Call the EGM and Determination of the Record Date

Krasnodar, Russia (31 October, 2018): Magnit PJSC (MOEX and LSE: MGNT; "Company", "Issuer"), one of Russia's leading retailers announces the results of the Board of Directors meeting held on October 30, 2018.

Please be informed that on October 30, 2018 the BOD meeting was held (minutes of the BOD meeting of PJSC "Magnit" are w/o No. of October 31, 2018).

The meeting agenda:

1. Approval of the main principles of the investment policy of PJSC "Magnit".
2. Approval of the main principles of the financial policy of PJSC "Magnit".
3. Approval of the Regulations on Dividend Policy of PJSC "Magnit" in the new edition.
4. 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.
5. Approval of recommendations to the EGM on the dividend amount on PJSC "Magnit" shares following the results of the 9 months results of the reporting year, the procedure of its payment and the dividend record date.
6. Calling of the extraordinary general shareholders meeting ("the EGM") of PJSC "Magnit".
7. Determination of the form of holding the EGM of PJSC "Magnit".
8. Determination of the voting ballots acceptance deadline.
9. Determination of the postal address to send the filled voting ballots.
10. Determination of the PJSC "Magnit" EGM record date.
11. Determination of the agenda of the EGM of PJSC "Magnit".
12. Determination of the procedure of notification of shareholders of the holding of the EGM of PJSC "Magnit".
13. Determination of the list of information (materials) to be provided to shareholders to prepare for the EGM of PJSC "Magnit", and the procedure of its provision.
14. Determination of the form and the text of the voting ballots on the items to be considered at the EGM of PJSC "Magnit".
15. Determination of the position of the Board of Directors of PJSC "Magnit" on the agenda items of the EGM.
16. Consideration of the results of PJSC "Magnit" and its subsidiaries for 9 months and 3rd Quarter of 2018.
17. Approval of the Regulations on Internal Audit of PJSC "Magnit" in the new edition.
18. Approval of the Regulations on LTI program for key employees of JSC "Tander".
19. Approval of the additional agreement to the contract with a sole executive body of PJSC "Magnit".

7 (seven) of the 7 (seven) BOD members participating in the BOD meeting were present.

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

Voting Results:

Item 1-15

Mowat Gregor William - "for", Demchenko Timothy - "for", Simmons James Pat - "for", Makhnev Alexey Petrovich - "for", Foley Paul Michael - "for", Prsyazhnyuk Alexander Mikhailovich - "for", Ryan Charles Emmitt - "for".

Item 16

There were no issues put to the vote.

Item 17-19

Mowat Gregor William - "for", Demchenko Timothy - "for", Simmons James Pat - "for", Makhnev Alexey Petrovich - "for", Foley Paul Michael - "for", Prsyazhnyuk Alexander Mikhailovich - "for", Ryan Charles Emmitt - "for".

The decisions were made.

Content of the decisions:

The decision made on the Item 1 on the agenda:

"The Board of Directors has discussed the key principles of investment policy of PJSC "Magnit" and requested the management to provide more detailed analysis of their key parameters".

The decision made on the Item 2 on the agenda:

"The Board of Directors has discussed the key principles of financial policy of PJSC "Magnit" and requested the management to provide more detailed analysis of their key parameters".

The decision made on the Item 3 on the agenda:

"Having considered the management's proposal on the dividend policy, agree with the proposal to make dividend payments twice a year. The management to

present an updated version of the dividend policy together with the investment policy and financial policy at the next BOD meeting".

The decision made on the Item 4.1 on the agenda:

"To recommend the Chief Executive Officer of PJSC "Magnit" who is the sole shareholder of JSC "Tander" to make the following decision at the exercise of the voting right on shares of JSC "Tander" owned by the Company:

"Under the clause 14.2 of the Charter of JSC "Tander" to give JSC "Tander" (hereinafter - the Borrower) consent to entering into the Additional agreement to the Credit agreement No. 013P3L as of 29.04.2014 on the opening of a revolving credit line in Russian rubles (hereinafter - the Credit agreement 1) and the Additional agreement to the Credit agreement No. 01CC5L as of 12.01.2015 on the opening of a revolving credit line in Russian rubles (hereinafter - the Credit agreement 2), which are related transactions that the Borrower plans to execute in the future with Joint-Stock Company "ALFA-BANK" (hereinafter - the Creditor), related to acquisition, disposal and possible direct or indirect disposal by the company of the property, the cost of which amounts to 5 and more percent of the balance sheet of assets value 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:

Additional agreement to the Credit agreement 1:

1. the term of the Credit line - until December 31, 2025 inclusive;
2. the maximum interest rate for the use of the each Credit shall not exceed 14 (Fourteen) percent per annum;
3. other essentials of the Credit agreement 1 shall remain unchanged.

Additional agreement to the Credit agreement 2:

1. the maximum debt limit on the Credits which the Borrower is entitled to receive within the Credit line shall not exceed 22,000,000,000 (Twenty-two billion) rubles (hereinafter - the Debt limit) at any time of the term of the Credit line;
2. the term of the Credit line - until December 31, 2025 inclusive;
3. the maximum interest rate for the use of the each Credit shall not exceed 14 (Fourteen) percent per annum;
4. other essentials of the Credit agreement 2 shall remain unchanged.

Hereby to authorize the Chief Executive Officer of JSC "Tander" to sign the additional agreements, which change the terms and conditions of the Credit agreement 1, Credit agreement 2, including but not limited to the change of the interest rates, the credit amount and the period of the credit provision within the limits hereof".

The decision made on the Item 4.2 on the agenda:

"To recommend the sole executive body of PJSC "Magnit" being the sole shareholder of JSC "Tander" to make the decision at the exercise of its voting right on JSC "Tander" shares owned by the Company as follows:

"To pay dividends on JSC "Tander" ordinary registered shares following 9 month 2018 results in the amount of 15,000,000,000 (fifteen billion) rubles" which constitutes 1.50 rubles (one ruble 50 kopecks) per one share.

To determine the date on which the list of persons entitled to receive the dividends: November 12, 2018.

To effect payment of dividends under the procedure and terms set by the legislation of the Russian Federation".

The decision made on the Item 5 on the agenda:

"To approve the recommendations to the EGM on the dividend amount on PJSC "Magnit" shares following the results of the 9 months results of the reporting year, the procedure of its payment and the dividend record date".

The Board of Directors of PJSC "Magnit" recommends the following:

- To pay dividends on ordinary registered shares of PJSC "Magnit" following the 9 months of 2018 reporting year in the amount of 14,000,581,949.90 rubles, which accounts for 137.38 rubles per one ordinary share.

- To approve the following procedure of dividend payment:

- Payment of dividends shall be made in monetary funds;

- The following date shall be determined as the dividend record date: December 21, 2018;

- Payment of dividends shall be made pursuant to the procedure and within the time limit stipulated by the legislation of the Russian Federation".

The decision made on the Item 6 on the agenda:

"To call the extraordinary General Shareholders Meeting of PJSC "Magnit".

The decision made on the Item 7 on the agenda:

"To hold the extraordinary General Shareholders Meeting of PJSC "Magnit" in the form of absentee voting".

The decision made on the Item 8 on the agenda:

"To determine the voting ballots acceptance deadline - December 05, 2018".

The decision made on the Item 9 on the agenda:

"To determine the postal address to send the filled voting ballots: 15/5 Solnechnaya street, Krasnodar, 350072, Russian Federation".

The decision made on the Item 10 on the agenda:

"To determine the following record date of the extraordinary General Shareholders Meeting of PJSC «Magnit»: November 12, 2018".

The decision made on the Item 11 on the agenda:

"To approve the following agenda of the extraordinary General Shareholders Meeting of PJSC "Magnit":

1. Approval of the Regulations on the Board of Directors of PJSC "Magnit" in new edition.

2. Payment of dividends on shares of PJSC "Magnit" following the 9 months of 2018 reporting year".

The decision made on the Item 12 on the agenda:

"To approve the text of the EGM announcement and, according to the clause 13.10 of the PJSC "Magnit" Charter, to publish this announcement on the official website of the Company in Russian at <http://ir.magnit.com/ru/tsentr-aktsionera/sobraniya-aktsionerov/>, and in English at <http://ir.magnit.com/en/shareholder-center/egm-egm-voting/> on or before November 2, 2018".inclusive".

The decision made on the Item 13 on the agenda:

"To approve the following list of information (materials) to be presented to the shareholders entitled to participate in the extraordinary General Shareholders Meeting of PJSC "Magnit" within the period of preparation for the extraordinary General Shareholders Meeting:

- draft Regulations on the Board of Directors of PJSC "Magnit" in the new edition;

- information on amendments to the Regulations on the Board of Directors of PJSC "Magnit";

- recommendations of PJSC "Magnit" Board of Directors of on the dividend amount on PJSC "Magnit" shares following the results of the 9 months of the reporting year, the procedure of its payment, and the dividend record date;

- draft decisions of the extraordinary General Shareholders Meeting of PJSC "Magnit";

- position of PJSC "Magnit" Board of Directors on the agenda issues of the Extraordinary general shareholders meeting of PJSC "Magnit".

To authorize the sole executive body to provide access to the above mentioned information (materials) starting from November 14, 2018 on business days from 10 am to 5 pm (break from 12 pm to 1 pm) in PJSC "Magnit" headquarters at the following address: 15/5 Solnechnaya street, Krasnodar, Russia, tel. (861) 210-98-10 ext. 14992".

The decision made on the Item 14 on the agenda:

"To approve the form and the text of the voting ballots on agenda issues to be considered at the extraordinary General Shareholders Meeting of PJSC "Magnit" and draft decisions on the agenda issues of the extraordinary General Shareholders Meeting 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".

The decision made on the Item 15 on the agenda:

"To approve the position of the Board of Directors of PJSC "Magnit" on the agenda of the extraordinary General Shareholders Meeting".

Item 16 on the agenda:

"With regards to the item on the Agenda "Consideration of the results of PJSC "Magnit" and its subsidiaries for 9 months and 3rd Quarter of 2018" the

management represented the main information on the results of activities of PJSC «Magnit» and its subsidiaries for 9 months of 2018 and for the 3rd quarter of 2018.

No issues were put to vote with regards to this item on the Agenda.

The decision made on the Item 17 on the agenda:

"To approve the Regulations on the internal audit of PJSC "Magnit" in the new edition".

The decision made on the Item 18 on the agenda:

"Having reviewed the draft of the Regulation on LTI program for key employees of JSC "Tander", the Board decided to postpone the approval of the Regulation until the next BOD meeting".

The decision made on the Item 19 on the agenda:

"Having reviewed the draft of the additional agreement to the contract with the person exercising the power of the sole executive body of PJSC "Magnit", the Board decided to postpone the approval of the additional agreement until the next BOD meeting".

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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Note to editors:

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, 2018, Magnit operated 37 distribution centers and 17,442 stores (12,813 convenience, 457 supermarkets and 4,172 drogerie stores) in 2,866 cities and towns throughout 7 federal regions of the Russian Federation.

In accordance with the reviewed IFRS consolidated financial statements for 1H 2018, Magnit had revenues of RUB 595 billion and an EBITDA of RUB 44 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.

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