



INVESTOR PRESENTATION

Magnit at a Glance

As of December 31, 2018



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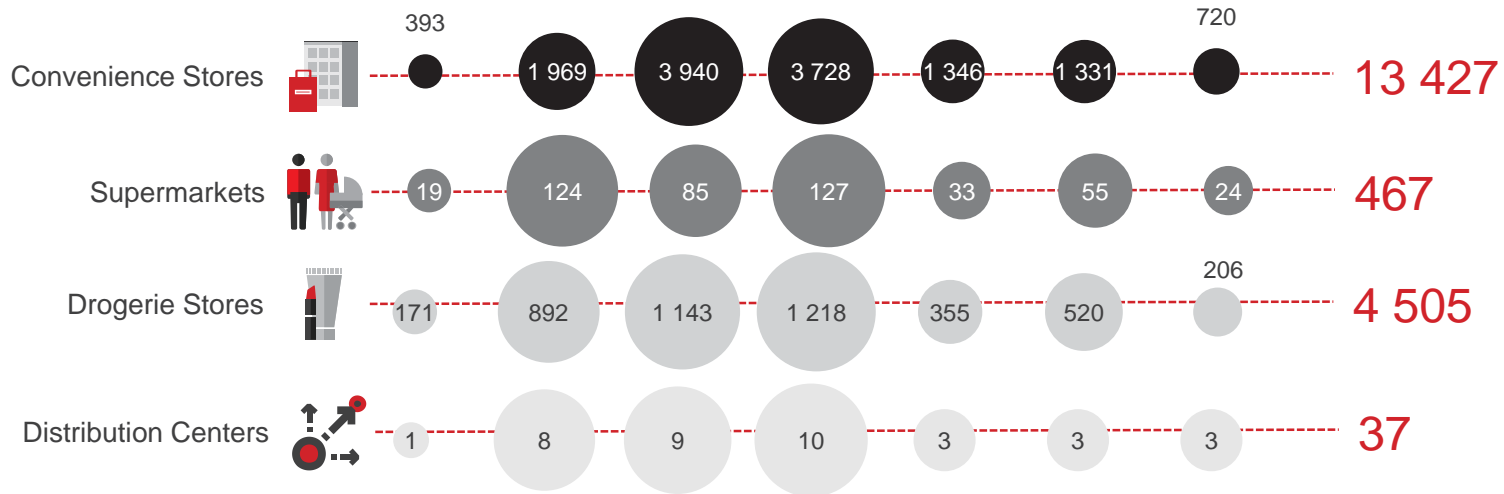
As of December 31, 2018



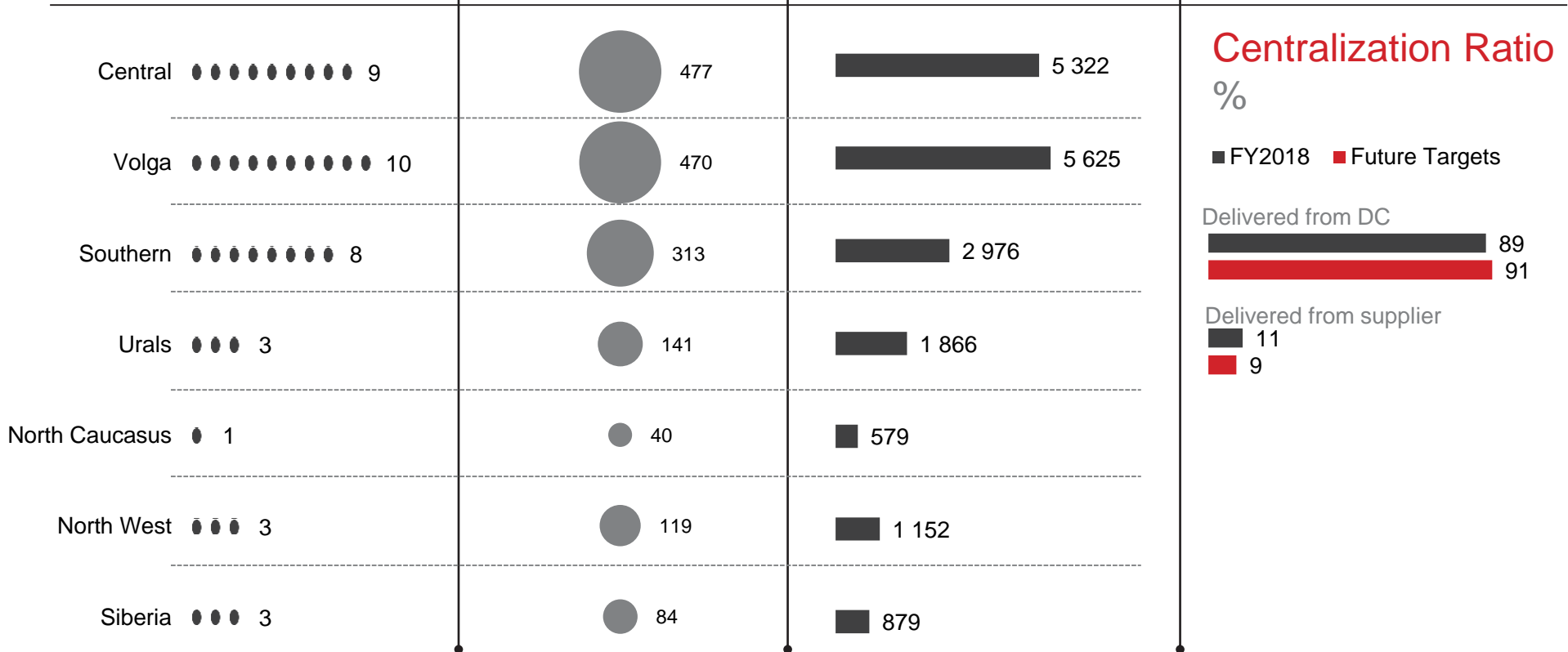
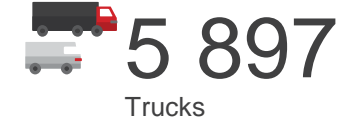
Geographical Coverage

2 976 Cities & Towns

7 Federal Regions

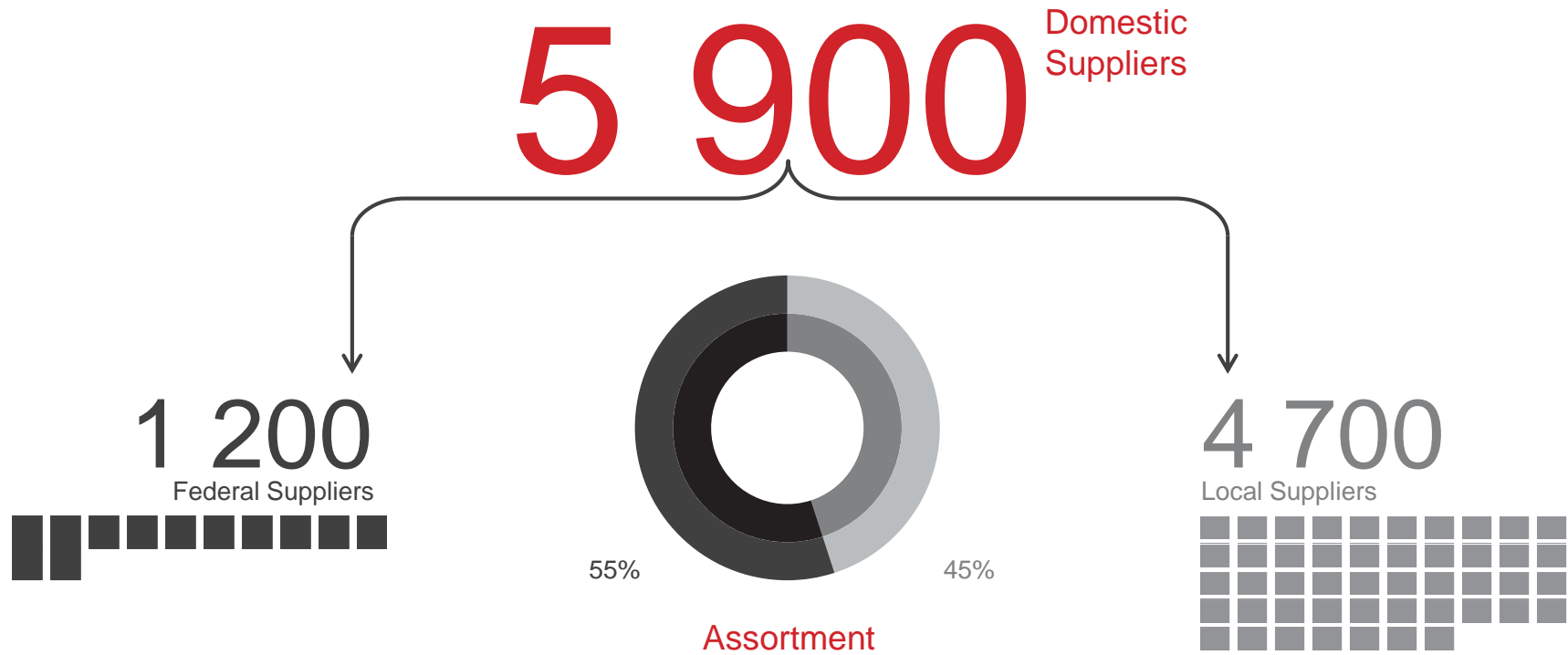


Logistics System

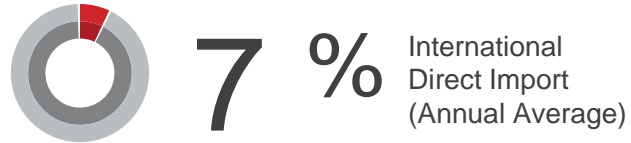


Source: Company, as of December 31, 2018

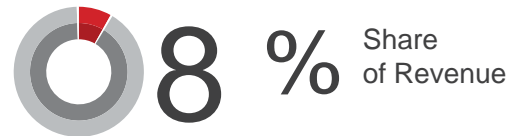
Suppliers



Direct Import



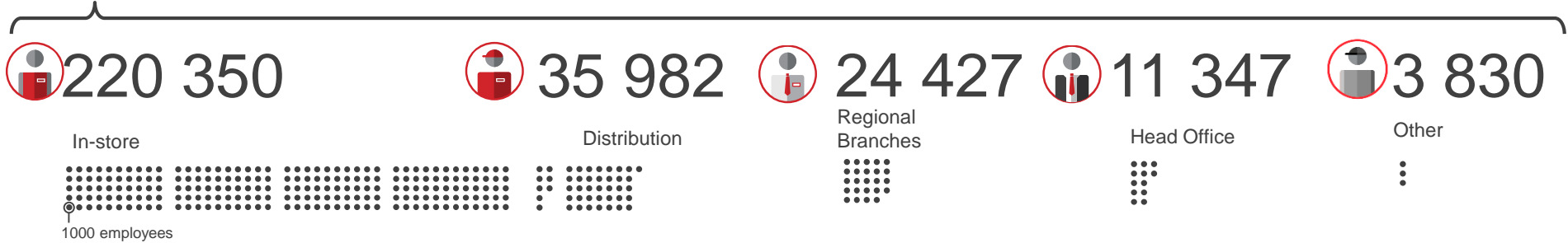
Private Label



Employees



295 936 Employees

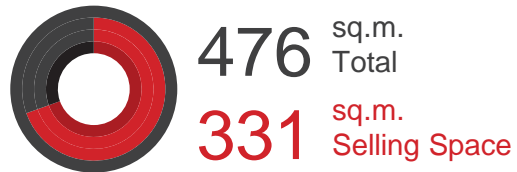


₹ 34 011 Average Monthly Salary

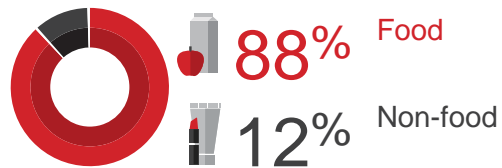
Convenience Store

Format Description

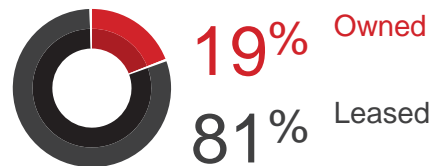
Size of the Store



Sales Mix



Store Ownership Structure



Source: Company,
as of December 31, 2018

Key Operational Statistics

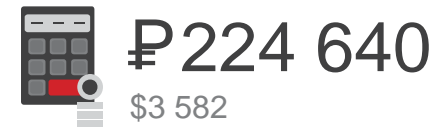
Average Ticket



Traffic tickets/sq.m./day



Sales Density sales/sq.m./year



LFL 12M2018 – 12M2017, %



Opening

Payback

If Leased



If Owned



Cost of New Store
per sq.m. of Total Space, thousand RUB

26

Cost of Refits
per sq.m. of Total Space, thousand RUB

20

Cost of Light Refits
per sq.m. of Total Space, thousand RUB

10

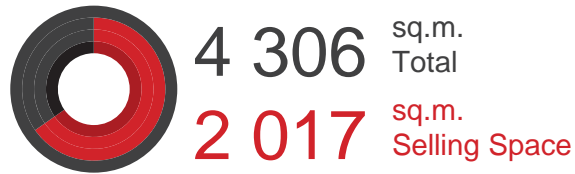
Time to Maturity



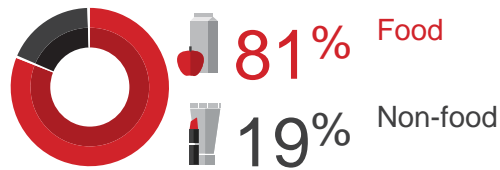
Supermarket

Format Description

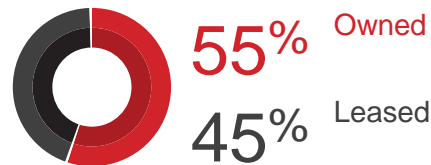
Size of the Store



Sales Mix



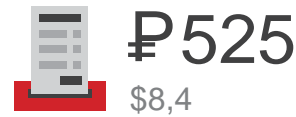
Store Ownership Structure



Source: Company, as of December 31, 2018

Key Operational Statistics

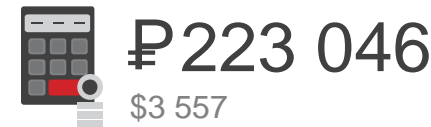
Average Ticket



Traffic tickets/sq.m./day



Sales Density sales/sq.m./year



LFL 12M2018 – 12M2017,%

-2,0 Average Ticket, RUB

-1,3 Traffic

-3,3 Sales

Opening

Payback



Cost of New Store per sq.m. of Total Space, thousand RUB

40

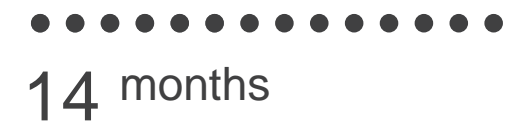
Cost of Refits per sq.m. of Total Space, thousand RUB

30

Cost of Light Refits per sq.m. of Total Space, thousand RUB

15

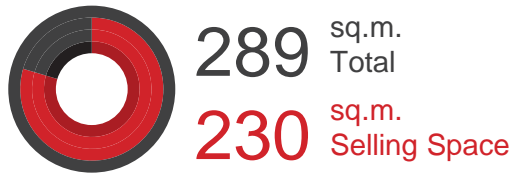
Time to Maturity



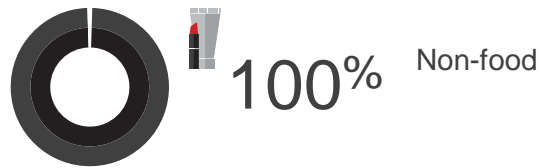
Drogerie Store

Format Description

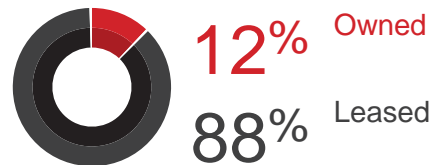
Size of the Store



Sales Mix



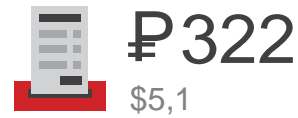
Store Ownership Structure



Source: Company,
as of December 31, 2018

Key Operational Statistics

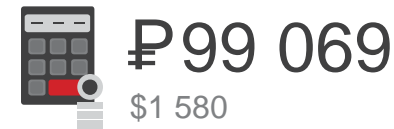
Average Ticket



Traffic tickets/sq.m./day



Sales Density sales/sq.m./year



LFL 12M2018 – 12M2017,%



Opening

Payback

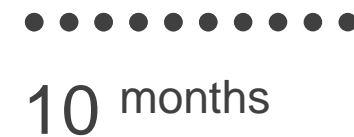
If Leased



If Owned



Time to Maturity



Summary P&L

RUB MN	2017	2018	Y-o-Y Growth
Net sales	1,143,314	1,237,015	8.2%
Cost of sales	(853,817)	(940,568)	10.2%
Gross profit	289,498	296,447	2.4%
Gross margin, %	25.3%	24.0%	
SG&A	(204,877)	(214,319)	4.6%
Other income, net	7,024	7,803	11.1%
EBITDA	91,644	89,931	(1.9%)
EBITDA margin,%	8.0%	7.3%	
Depreciation & Amortization	(33,716)	(36,517)	8.3%
EBIT	57,928	53,413	(7.8%)
Net finance costs	(12,504)	(10,341)	(17.3%)
Profit before tax	45,424	43,072	(5.2%)
Taxes	(9,885)	(9,207)	(6.9%)
Effective tax rate	21.8%	21.4%	
Net income	35,539	33,865	(4.7%)
Net margin, %	3.1%	2.7%	

Source: Company's calculations based on IFRS for FY 2017, FY2018

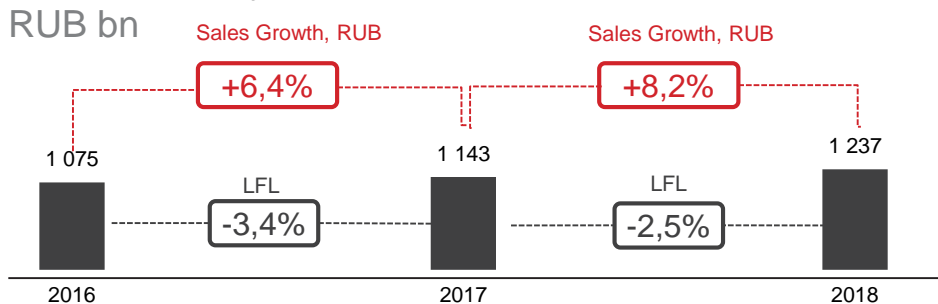
Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals

In the 4th quarter of 2018, the Company revised the composition of expenses for the processing of goods, which are included in the cost of goods sold.

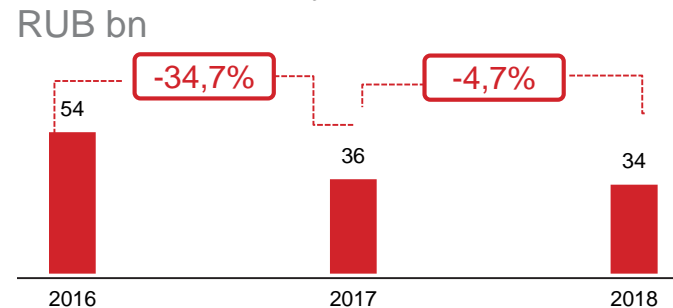
The Company applied changes retrospectively and recalculated comparable data for the full year 2017-2018.

Revenue & Costs

Revenue Dynamics



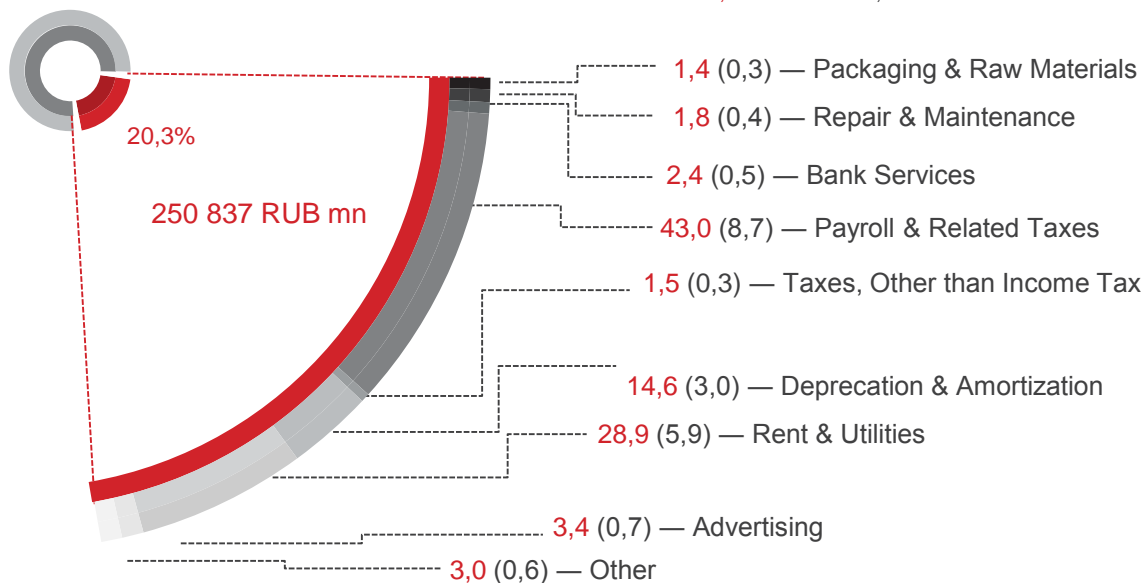
Net Income Dynamics



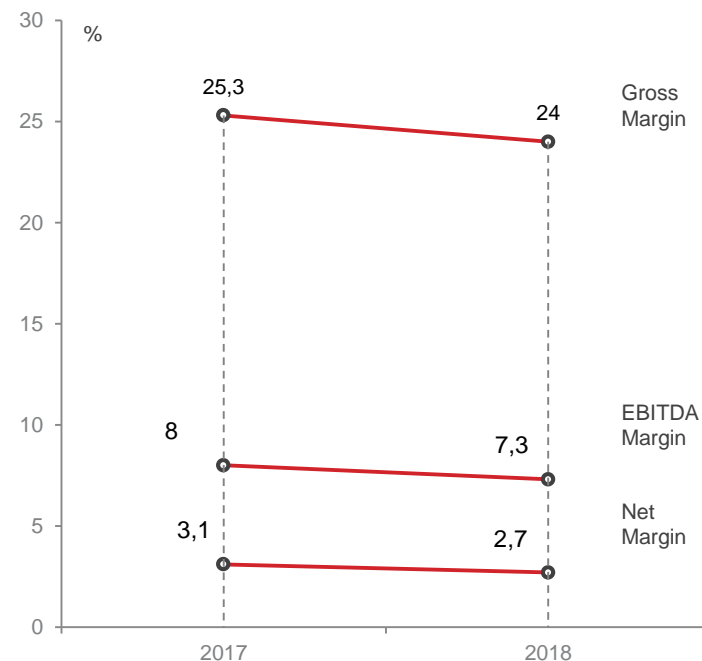
SG&A Expense Structure 2018

Revenue — 1 237 RUB bn

in SG&A,% in Revenue, %

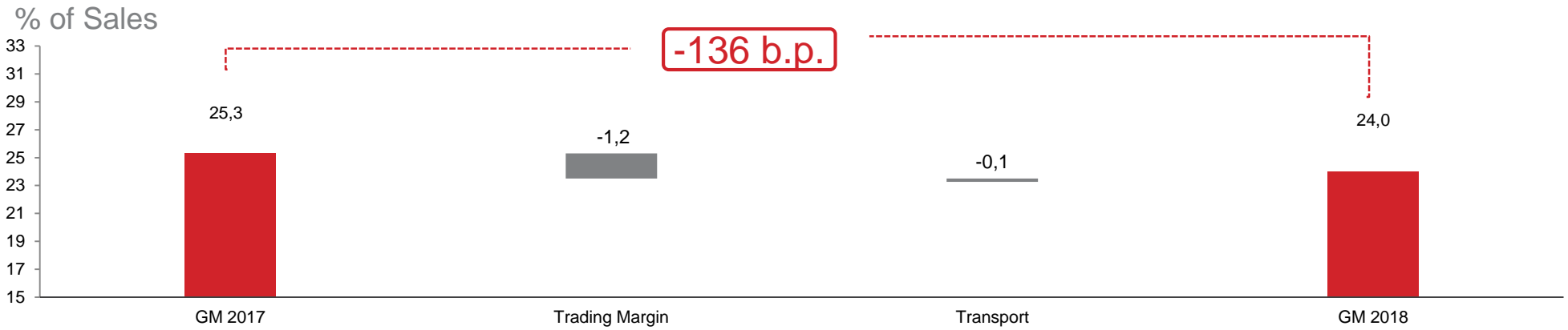


Margin Dynamics

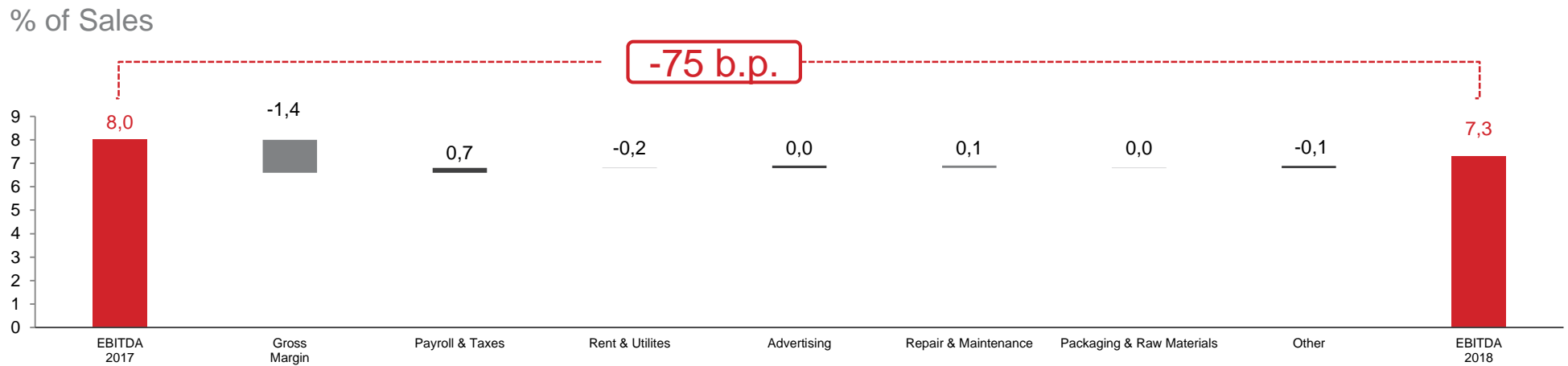


Source: Company's calculations based on IFRS for 2016, 2017 and 2018
 Please note: new LFL calculation base includes stores, which have been opened for 12 months since its first day of sales.
 Previously LFL calculation base included stores, which have been opened 12 months prior to the last month of the reporting period.

Gross Margin Bridge



EBITDA Margin Bridge

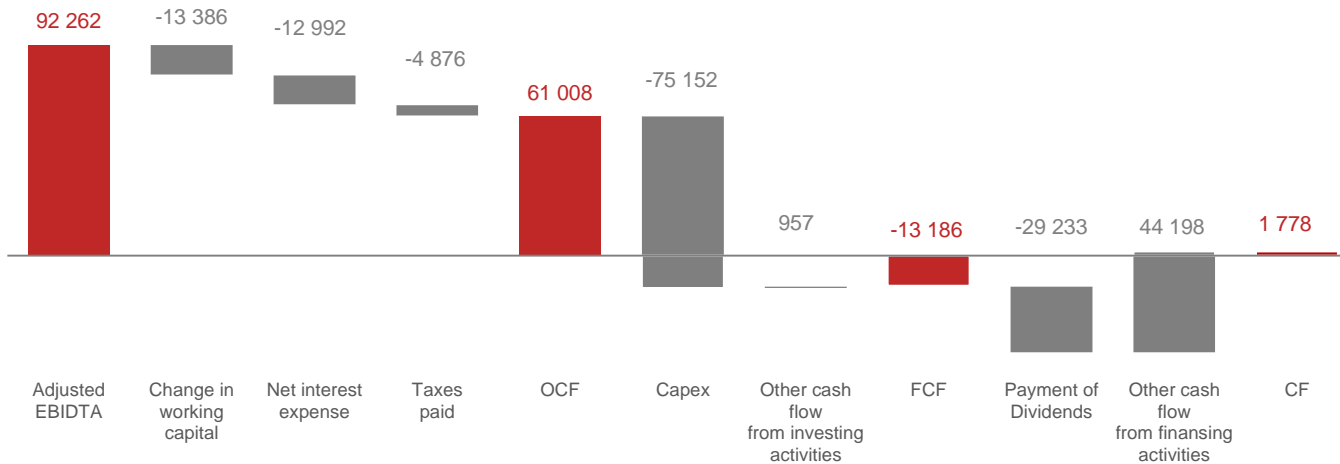


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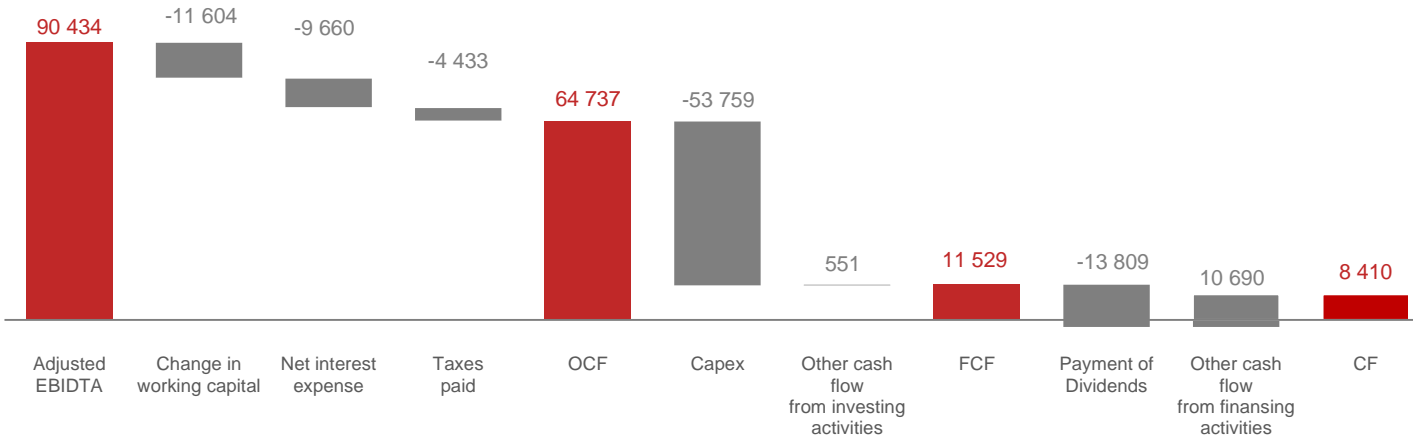
Free Cash Flow

RUB mn

2017



2018



Adjusted for loss from disposal of PPE, provision for doubtful receivables, foreign exchange loss, gain on disposal of subsidiary

Calculated as additions + transfers of PP&E during the respective period

Does not include cash flow from financing activities

Working Capital Analysis

Average Days Payable to Suppliers is 41 Days.

Inventory Management Days is 67 Days

Working Capital: RUB 49 959 mn as of 31.12.2018









Balance Sheet

RUB MN	2017	2018
ASSETS		
Property plant and equipment	329,827	350,331
Other non-current assets	6,959	32,568
Cash and cash equivalents	18,337	26,748
Inventories	162,205	187,779
Trade and other receivables	1,399	6,961
Advances paid	4,990	5,655
Taxes receivable	598	67
Short-term financial assets	215	489
Prepaid expenses	640	522
Income tax receivable	1,154	468
TOTAL ASSETS	526,325	611,588
EQUITY AND LIABILITIES		
Equity	259,307	253,304
Long-term debt	86,338	93,736
Other long-term liabilities	22,622	28,935
Trade and other payables	99,142	131,173
Short-term debt	40,122	70,837
Dividends payable	1	13,630
Other current liabilities	18,792	19,973
TOTAL EQUITY AND LIABILITIES	526,325	611,588

Source: Company's calculations based on IFRS accounts for 2017 and 2018

Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals

Capex Figures

			
Buildings: Complete & under Construction	Machinery & Equipment	Other Assets	Land
31 414	14 693	7 601	51
 <small>RUB 500 mn</small>			

FY 2018

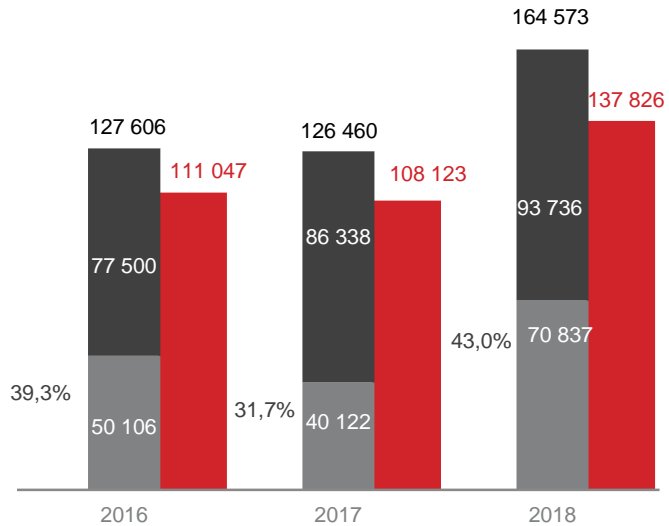
RUB 54 bn

Debt Burden

Debt Level Dynamics

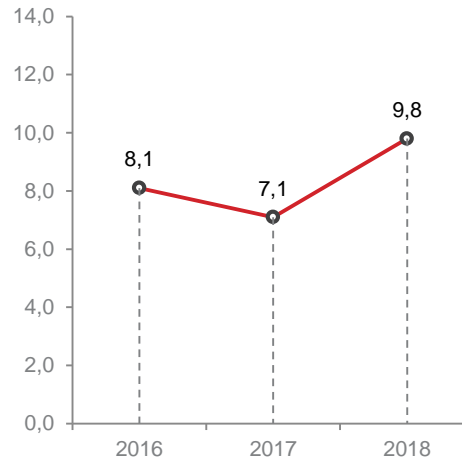
RUB mn

■ Net Debt ■ Short-term Debt ■ Long-term Debt ■ %

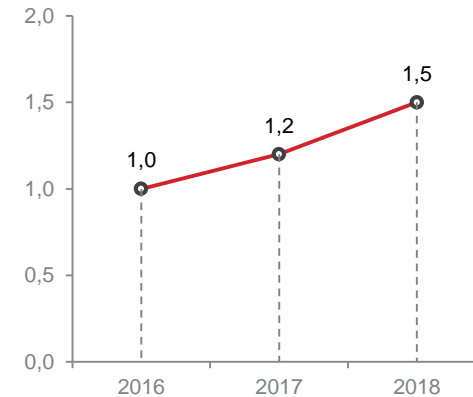


Credit Metrics

EBITDA / Finance Expenses



Net Debt / LTM EBITDA



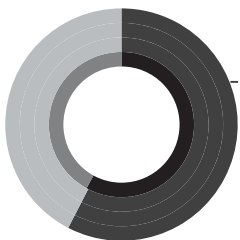
Credit Profile



The Company has an Impeccable Credit History
 Collaboration with the Largest Banks
 Low Debt Burden:
 Net Debt / LTM EBITDA Ratio of 1,5



No Currency Risk: 100% of Debt is Rub Denominated
 Matching Revenue Structure
Insignificant Interest Rate Risk:
 Interest Payments are Made at Fixed Rates Primarily



57% of Debt is Long-term