



INVESTOR PRESENTATION

Magnit at a Glance

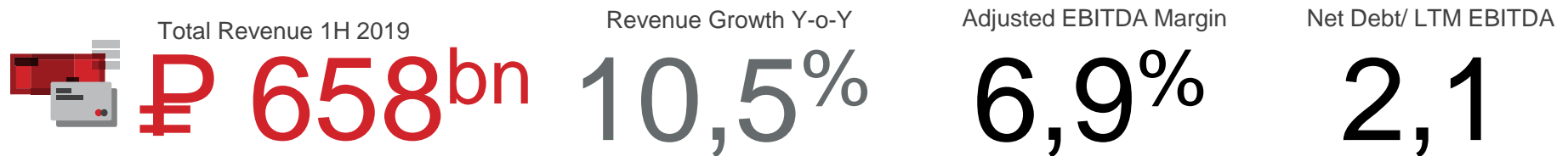
As of June 30, 2019



As of June 30, 2019



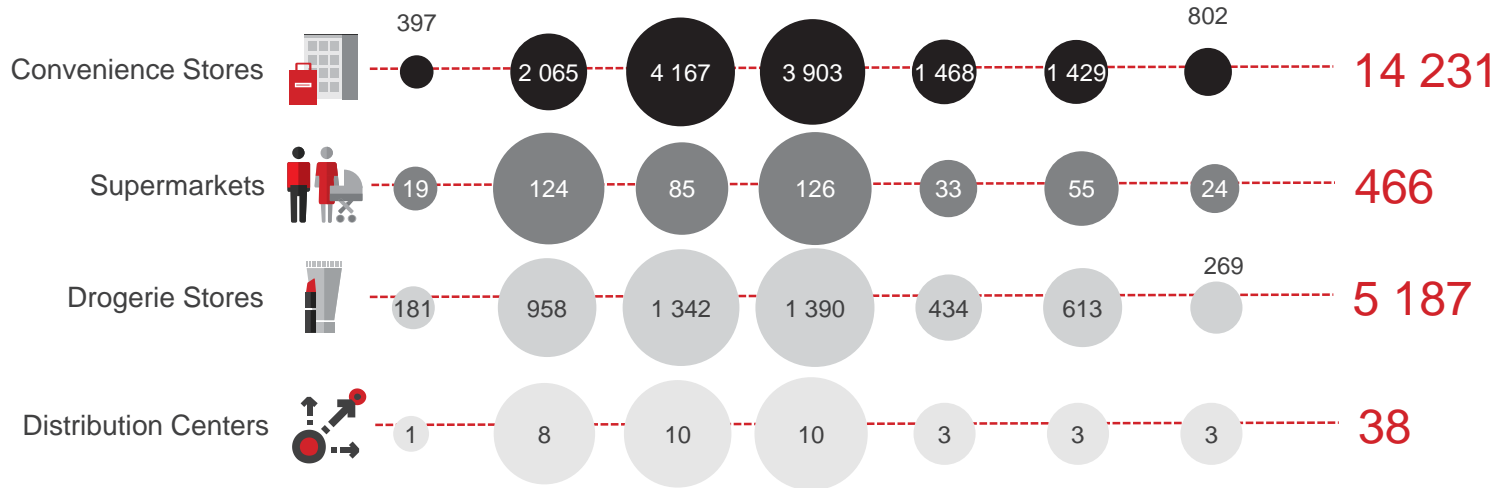
As of June 30, 2019



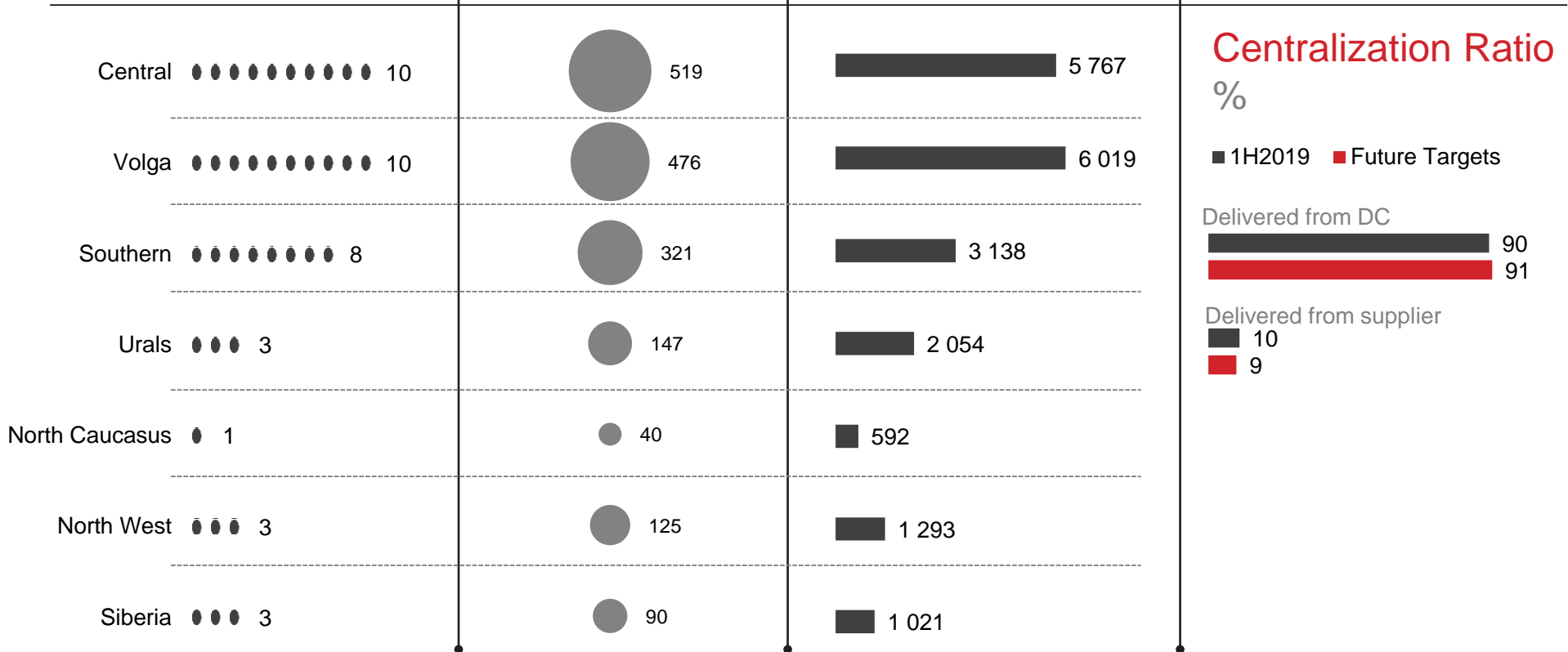
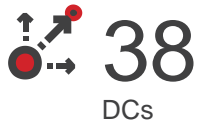
Geographical Coverage

3 354 Cities & Towns

7 Federal Regions

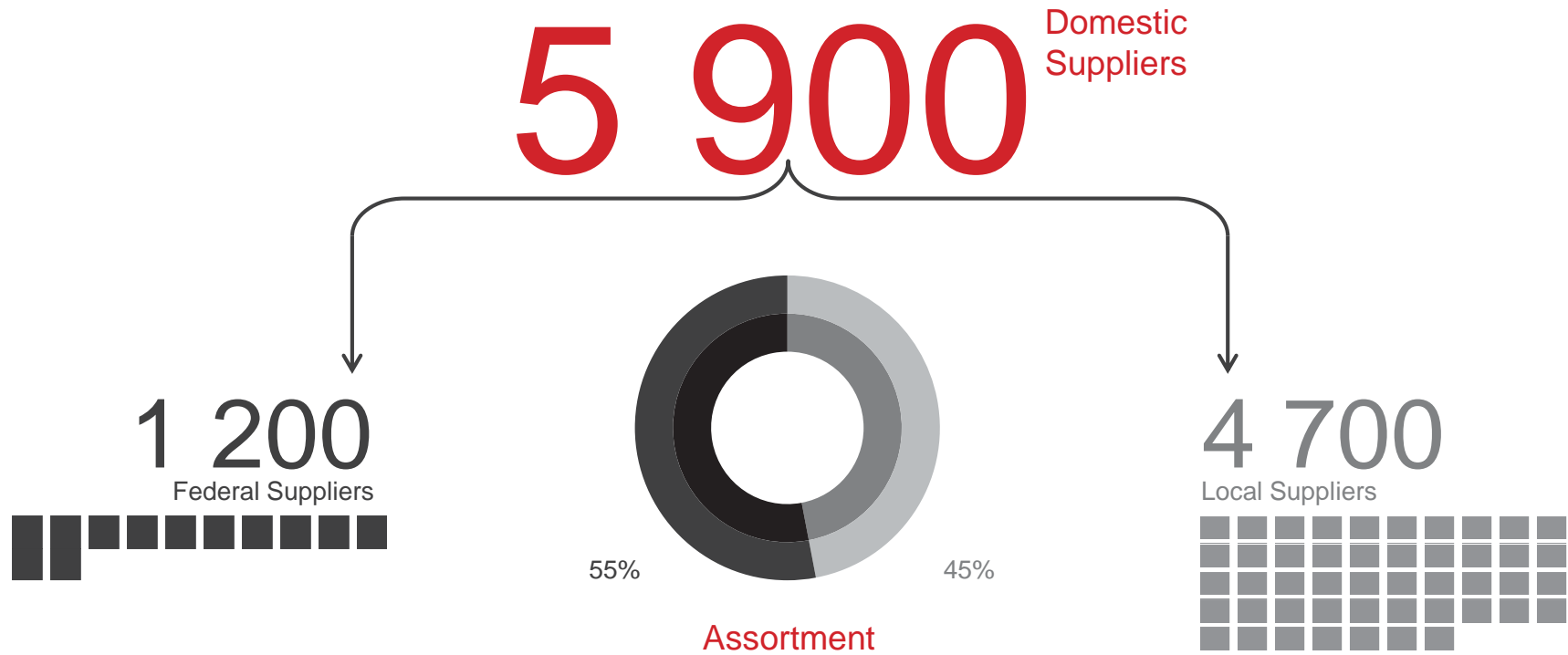


Logistics System

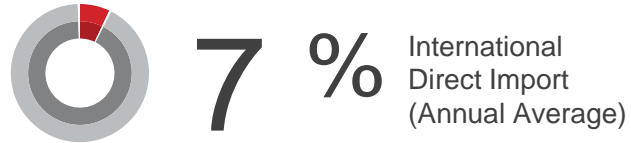


Source: Company,
as of June 30, 2019

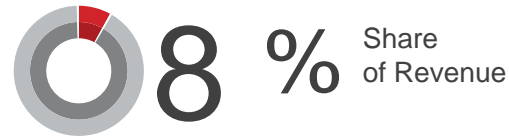
Suppliers



Direct Import



Private Label

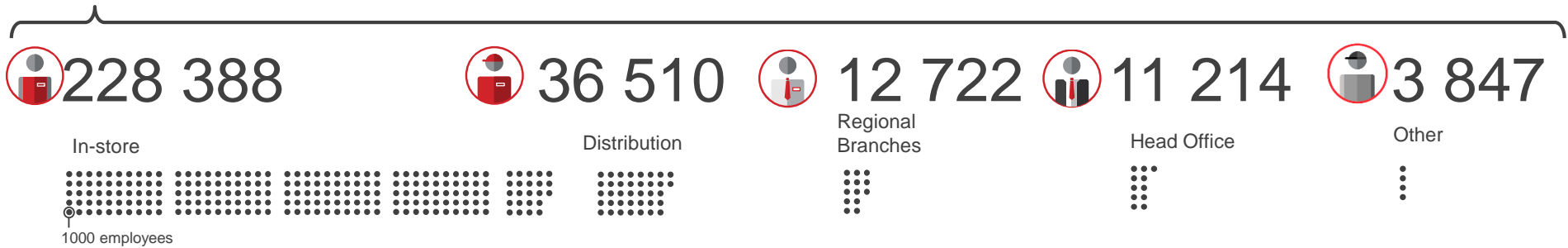


Source: Company,
as of December 31, 2018.

Employees



292 681

 Employees

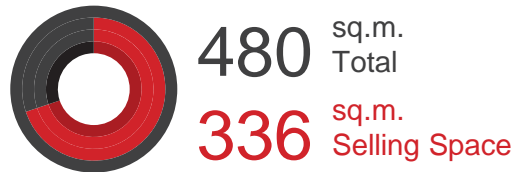
₹ 34 011 Average Monthly Salary*

Source: Company,
as of June 30, 2019
*as of December 31, 2018

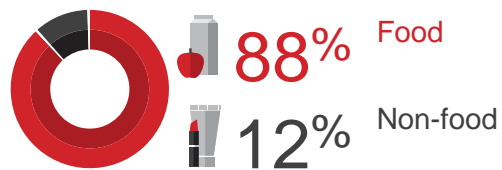
Convenience Store

Format Description

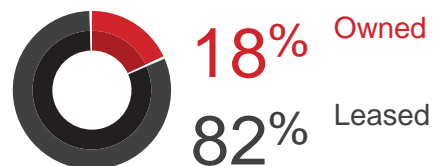
Size of the Store



Sales Mix



Store Ownership Structure



Source: Company,
as of June 30, 2019

Key Operational Statistics

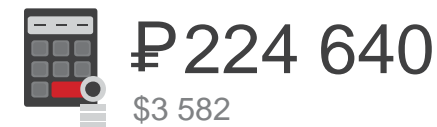
Average Ticket



Traffic tickets/sq.m./day



Sales Density sales/sq.m./year



LFL 6M2019 – 6M2018, %



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

17

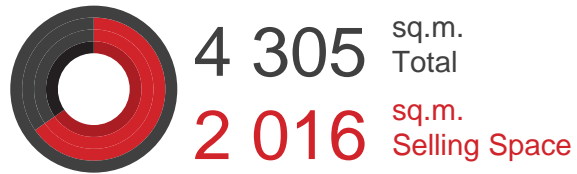
Time to Maturity



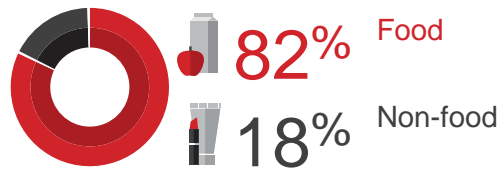
Supermarket

Format Description

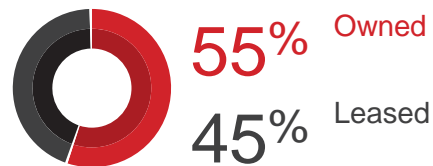
Size of the Store



Sales Mix



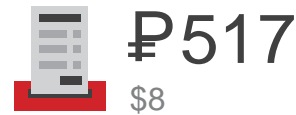
Store Ownership Structure



Source: Company, as of June 30, 2019

Key Operational Statistics

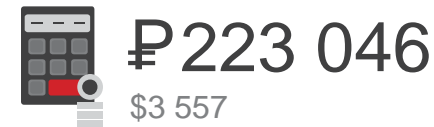
Average Ticket



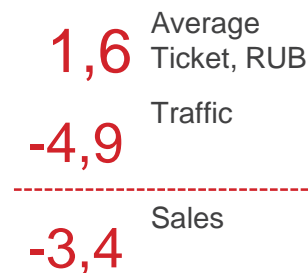
Traffic tickets/sq.m./day



Sales Density sales/sq.m./year



LFL 6M2019 – 6M2018,%



Opening

Payback



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

45

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

39

Time to Maturity



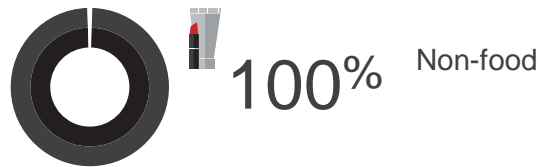
Drogerie Store

Format Description

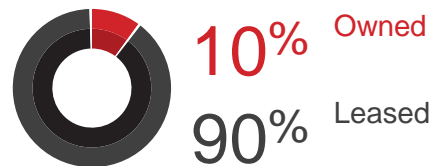
Size of the Store



Sales Mix



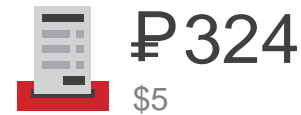
Store Ownership Structure



Source: Company,
as of June 30, 2019

Key Operational Statistics

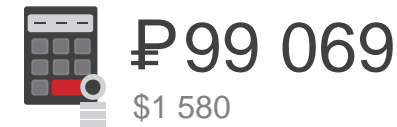
Average Ticket



Traffic tickets/sq.m./day



Sales Density sales/sq.m./year



LFL 6M2019 – 6M2018, %



Opening

Payback

If Leased



If Owned



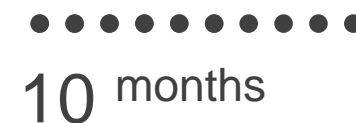
Cost of New Store
per sq.m. of Total Space, thousand RUB

18

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

15

Time to Maturity



Summary P&L

RUB MN	IAS 17*			IFRS 16**		
	1H 2018	1H 2019	Y-o-Y Growth	1H 2018	1H 2019	Y-o-Y Growth
Net sales	595,263	657,917	10.5%	595,263	657,917	10.5%
Cost of sales	(448,196)	(502,318)	12.1%	(448,196)	(502,318)	12.1%
Gross profit	147,067	155,598	5.8%	147,067	155,598	5.8%
Gross margin, %	24.7%	23.7%		24.7%	23.7%	
SG&A	(106,589)	(119,380)	12.0%	(79,969)	(88,926)	11.2%
Other income, net	2,945	5,539	88.1%	3,858	6,138	59.1%
Lease & sublease income	1,444	1,561	8.1%	1,444	1,561	8.1%
EBITDA	44,866	43,319	(3.4)%	72,400	74,371	2.7%
EBITDA margin, %	7.5%	6.6%		12.2%	11.3%	
Depreciation & Amortization	(17,437)	(23,270)	33.4%	(34,874)	(45,477)	30.4%
EBIT	27,429	20,049	(26.9)%	37,526	28,894	(23.0)%
FX gain/ (loss)	(703)	641	(191.2)%	(703)	641	(191.2)
Net finance costs	(4,264)	(7,442)	74.5%	(18,542)	(23,551)	27.0%
Profit before tax	22,462	13,248	(41.0)%	18,282	5,983	(67.3)%
Taxes	(4,697)	(3,443)	(26.7)%	(3,861)	(1,990)	(48.5)%
Effective tax rate	20.9%	26.0%		21.1%	33.3%	
Net income	17,765	9,805	(44.8)%	14,421	3,993	(72.3)%
Net margin, %	3.0%	1.5%		2.4%	0.6%	

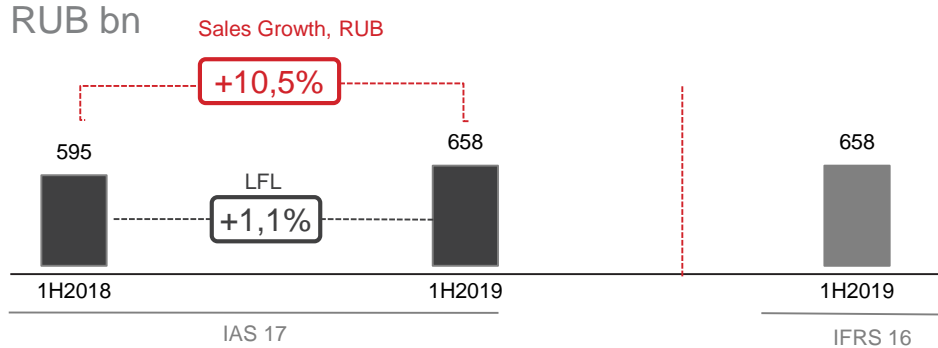
Source: * Company's calculations based on Management accounts for 1H 2018 - 1H 2019.

**Company's calculations based on IFRS for 1H 2018 - 1H 2019

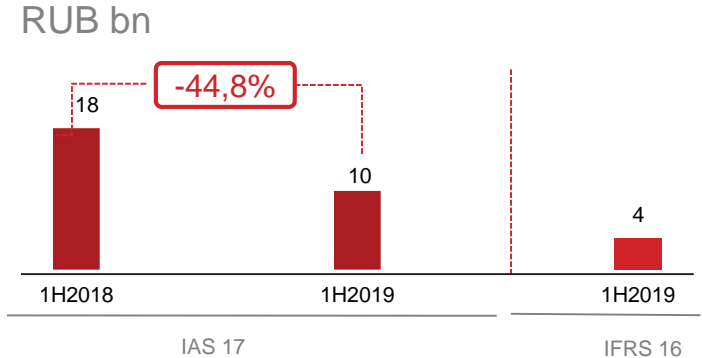
Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals

Revenue & Costs

Revenue Dynamics

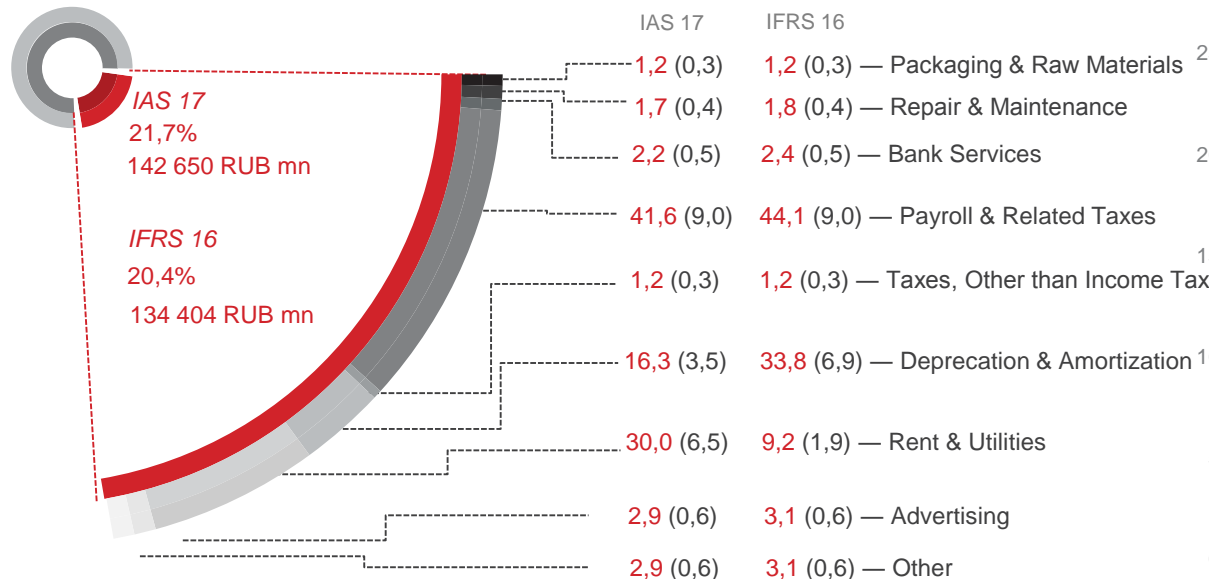


Net Income Dynamics

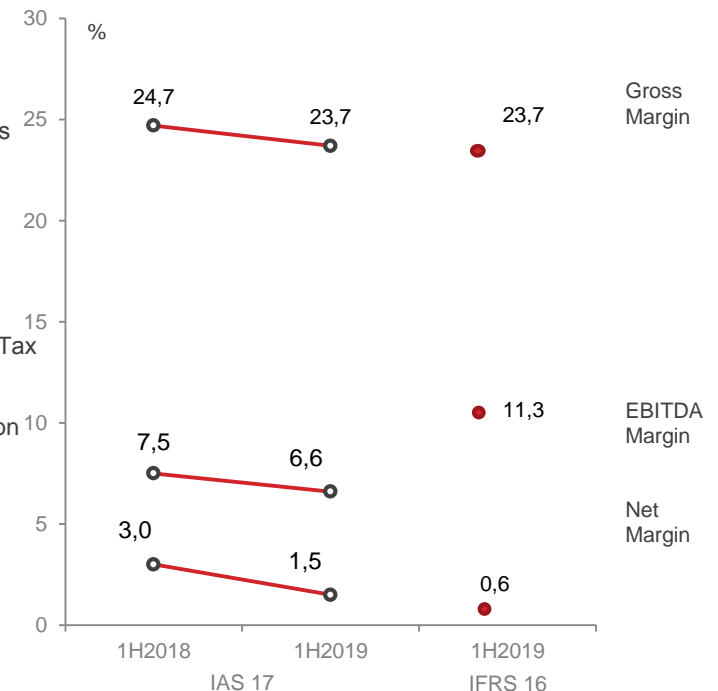


SG&A Expense Structure 1H 2019

Revenue — 658 RUB bn

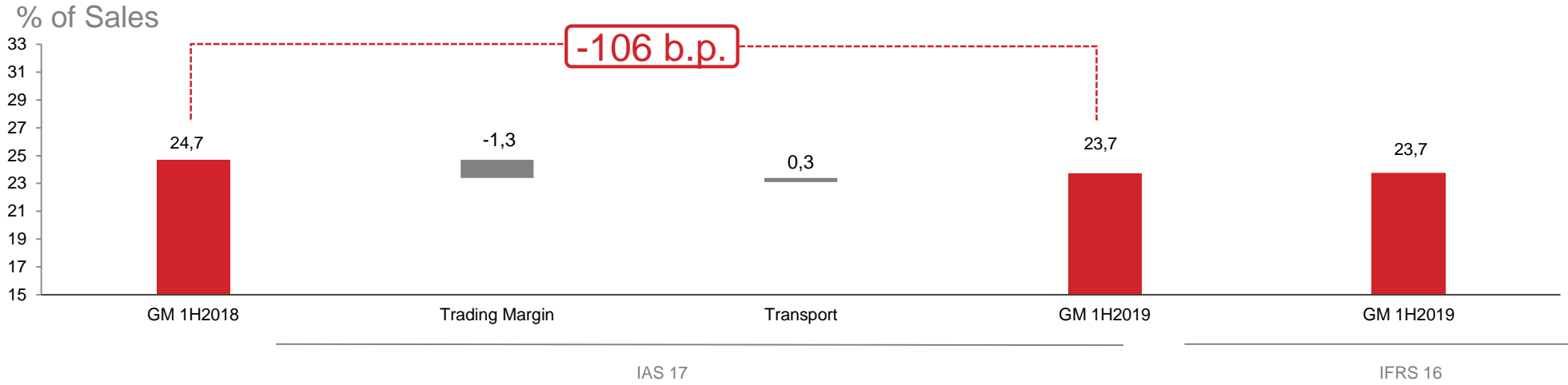


Margin Dynamics

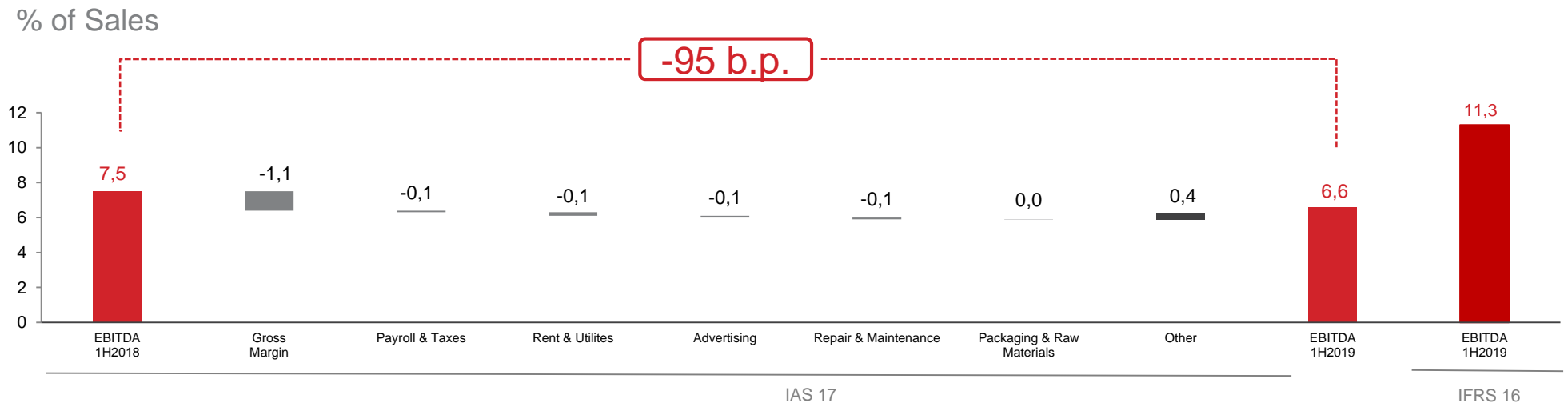


Source: IAS 17- based on Management accounts; IFRS 16 – reviewed results prepared in accordance with IFRS. Please note: LFL calculation base includes stores, which have been opened for 12 months since its first day of sales.

Gross Margin Bridge



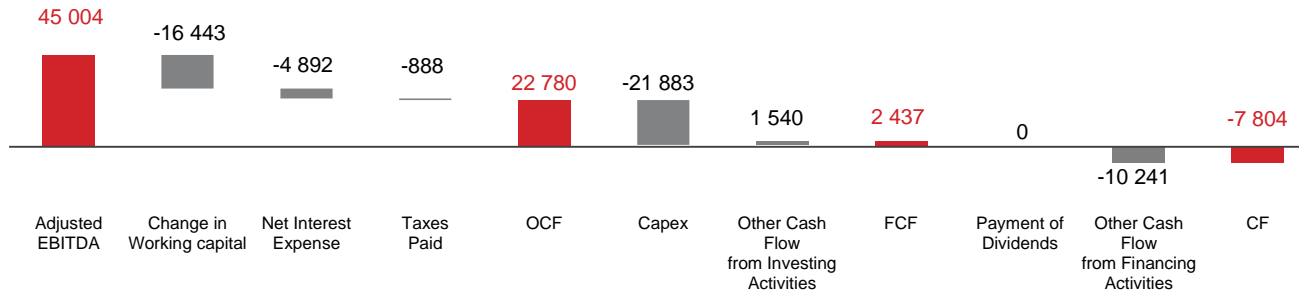
EBITDA Margin Bridge



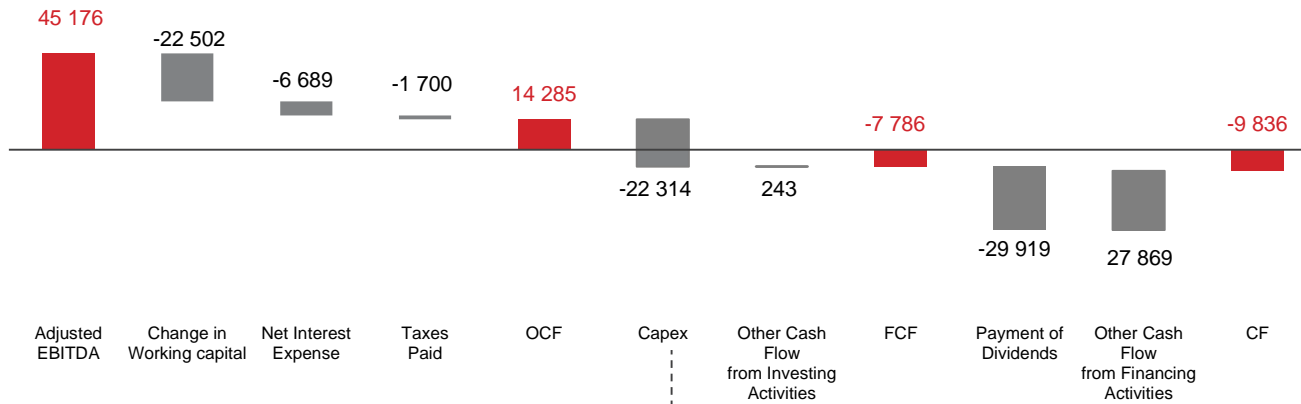
Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals
 Source: IAS 17- based on Management accounts; IFRS 16 – reviewed results prepared in accordance with IFRS.

Free Cash Flow

RUB mn
1H2018



1H2019



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

Source: IAS 17- based on Management accounts.

Working Capital Analysis

Average Days Payable to Suppliers is 41 Days.

Inventory Management Days is 69 Days

Working Capital: RUB 72 931 mn as of 30.06.2019









Balance Sheet

RUB MN	2018	1H2019
ASSETS		
Property plant and equipment	346,013	343,647
Right-of-use assets	285,969	308,555
Other non-current assets	37,653	40,214
Cash and cash equivalents	26,748	16,912
Inventories	187,779	199,040
Trade and other receivables	6,961	8,741
Advances paid	5,448	4,409
Taxes receivable	67	152
Short-term financial assets	489	501
Prepaid expenses	522	401
Income tax receivable	468	754
TOTAL ASSETS	898,117	923,325
EQUITY AND LIABILITIES		
Equity	217,137	201,041
Long-term debt	93,736	120,789
Long-term lease liabilities	290,581	315,487
Other long-term liabilities	28,935	31,580
Trade and other payables	131,129	118,834
Short-term debt	70,837	77,524
Short-term lease liabilities	32,160	35,123
Dividends payable	13,630	2
Other current liabilities	19,973	22,945
TOTAL EQUITY AND LIABILITIES	898,117	923,325

Source: IFRS 16 – reviewed results prepared in accordance with IFRS for 2018, 1H 2019

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	7 589	51
 <p>RUB 500 mn</p>			

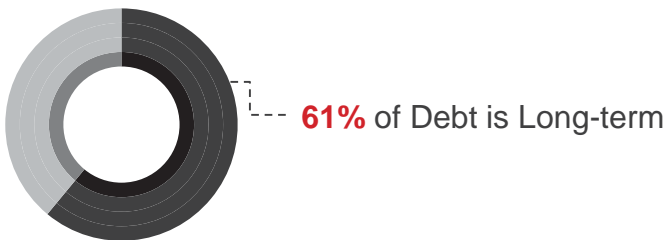
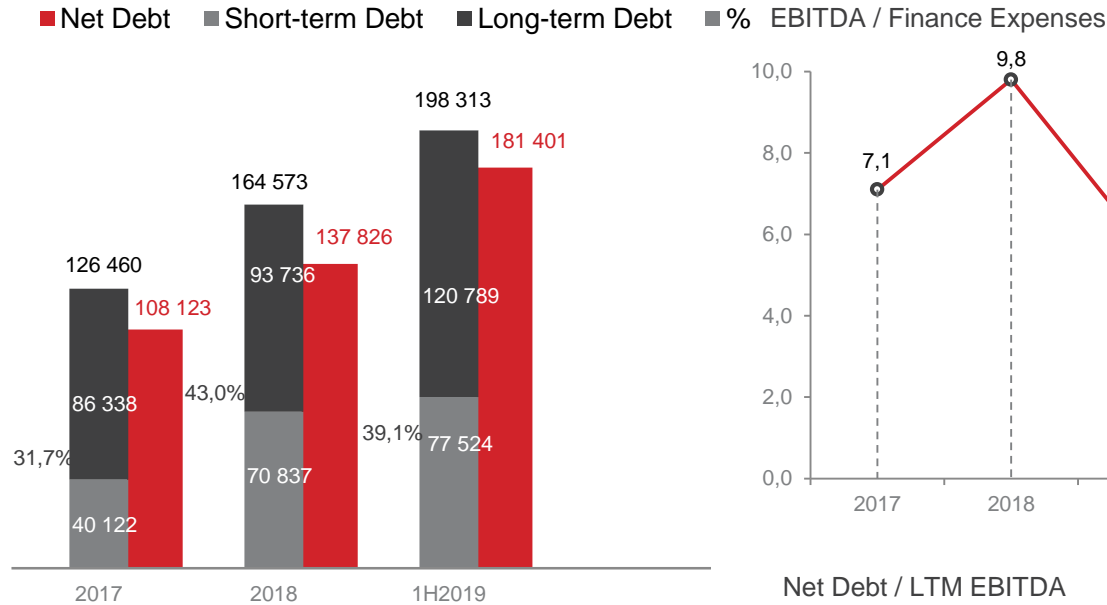
FY 2018

RUB 54 bn

Debt Burden

Debt Level Dynamics

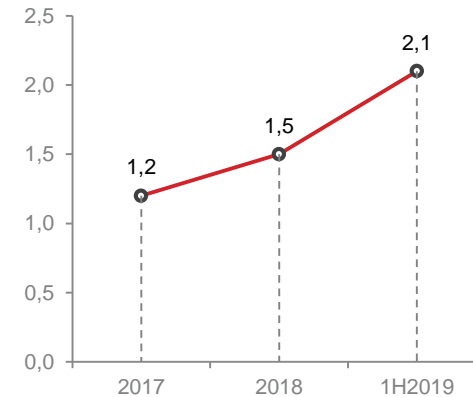
RUB mn



Credit Metrics



Net Debt / LTM EBITDA



Credit Profile



The Company has an Impeccable Credit History Collaboration with the Largest Banks

Debt Burden: Net Debt / LTM EBITDA Ratio of **2,1**



No Currency Risk: 100% of Debt is Rub Denominated Matching Revenue Structure

Insignificant Interest Rate Risk: Interest Payments are Made at Fixed Rates Primarily