

BRAND PORTFOLIO

M.VIDEO

BRAND

Year founded	1993	Number of visitors to mvideo.ru per year, millions	384
Net turnover with VAT, RUB billion	279.8	Number of stores	475
Share in the Group's net turnover, %	66.4	Retail area, ths m ²	758
Average check, RUB	8,512		

* Operational indicators are provided for 2018 and year-end 2018.



Customer value proposition

M.Video is developing as a universal retailer in the household appliances and electronics sector, providing an excellent customer experience, premium service and the best-possible combination of new products and leading electronics brands on one website or in ONE RETAIL network. The M.Video brand is meant to deliver a unique form of emotional engagement and to provide customers with an attractive offer while conveying the benefits associated with long-term loyalty. The ONE RETAIL concept, an integrated digital environment and service based on in-depth knowledge of customer needs, will be a key driver for M.Video's development in the years to come.

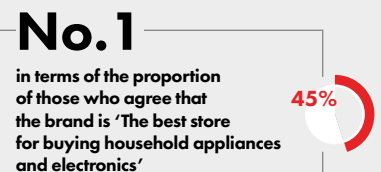
Strategy

The goal of M.Video's strategy is to strengthen its position as the Group's leading brand and as the best-known and most reliable retailer in the Russian market for household appliances, digital equipment and gaming devices. M.Video's market share will be increased by expanding its audience, developing its online business, providing a better product range in the mid-price and premium-class segments, as well as improving the quality of service through the introduction of digital technologies, ecosystems and implementing the ONE RETAIL concept.

The ONE RETAIL concept

an integrated digital environment and service based on in-depth knowledge of customer needs, will be a key driver for M.Video's development in the years to come.

BRAND RECOGNITION



ELDORADO

BRAND

Year founded	1994	Number of visitors to eldorado.ru per year, millions	228
Net turnover with VAT, RUB billion	141.6	Number of stores	461
Share in the Group's net turnover, %	33.6	Retail area, ths m ²	633
Average check, RUB	6,106		

m_mobile

BRAND

Year founded	2016
Number of stores	5
Retail area, m ²	1,405



Customer value proposition

Eldorado is developing as an affordable retailer and a convenient universal online platform. The brand's key advantage for consumers is that it offers the best deals through promotions and an affordable range of consumer electronics and digital equipment. Simplicity and customer focus are key aspects of the brand's new approach to merchandising, with a single customer service centre inside stores. The brand's main values are its offer of the best deals, simplicity and proximity.

Strategy

Eldorado's strategy is to become an aggressive player in the consumer electronics market with strong expertise in digital equipment. Within the Group, Eldorado is a attacking, competing brand. The network uses a model of effective cost control, offering customers savings on hot deals with a basic set of services here and now both in proximity stores and through its omni-channel model.

BRAND RECOGNITION

No. 2

in the minds of household appliances and electronics consumers

19%

No. 3

in terms of the share of customers in the preceding six months

26%

No. 1

in terms of advertising recognition

72%

No. 3

in terms of the share of those who called the network the main store where they buy appliances and equipment most often

24%

No. 2

in terms of the proportion of those who agree that the brand is 'The best store for buying household appliances and electronics'

34%

Customer value proposition and brand strategy

m_mobile zones within the 'store within a store' format have been operating in M.Video retail stores since the end of 2016; the brand was launched in the format of individual stores in 2018.

m_mobile – is a trendsetting brand in digital equipment retail. Stores offer premium service in the best locations and the best deals using a 'price plus value' formula for mobile devices.

The network is a leader in the distribution of new products in the field of mobile devices, gadgets and accessories, while providing qualified, independent and personalised sales assistance.

The new m_mobile sales points can be found in high-end, high-traffic locations and are managed cross-functionally within the framework of the M.Video business structure. Strategically, the Group sees potential to establish up to 150 m_mobile stores in Russia.