

## About the report

The Annual Report of PJSC «Magnit» for 2018 (hereinafter also referred to as «Magnit» or the Company) was prepared based on the information available to PJSC «Magnit» and its subsidiaries (hereinafter referred to as “Magnit”) **as of December 31, 2018, unless otherwise implied by the meaning or content of the information provided.**

This Annual Report is addressed to a wide range of stakeholders and reflects the key performance results of “Magnit” for 2018 in such matters as strategic and corporate governance as well as financial and operating results.

The Report was prepared in accordance with the regulatory requirements of existing legislation. Among other things, the principles and requirements of the following were used and taken into account during its preparation:

- the Legislation of the Russian Federation, including the Regulation on Information Disclosure by Issuers of Equity Securities approved by the Bank of Russia on December 30, 2014 as No. 454-P;
- the Moscow Exchange;
- Letter No. 06-52/2463 of the Bank of Russia dated April 10, 2014 “On the Corporate Governance Code”;
- the London Stock Exchange;
- the UK Financial Conduct Authority (FCA);
- the Regulation on the Company’s Information Policy.

## Disclaimer

This Annual Report contains forward-looking statements that reflect the expectations of the Company’s management. Forward-looking statements are not based on actual circumstances and include all statements concerning the Company’s intentions, opinions, or current expectations regarding its performance, financial position, liquidity, growth prospects, strategy, and the industry in which PJSC “Magnit” operates. By their nature, such forward-looking statements are characterized by risks and uncertainties since they relate to events and depend on circumstances that may not occur in the future.

Such terms as “assume,” “believe,” “expect,” “predict,” “intend,” “plan,” “project,” “consider,” and “could” along with other similar expressions as well as those used in the negative usually indicate the predictive nature of the statement. These assumptions contain risks and uncertainties that are foreseen or not foreseen by the Company. Thus, future performance may differ from current expectations, therefore the recipients of the information presented in the Annual Report should not base their assumptions solely on it.

In addition to official information on the activities of PJSC “Magnit,” this Annual Report contains information obtained from third parties and from sources which PJSC “Magnit” finds to be reliable. However, the Company does not guarantee the accuracy of this information, as it may be abridged or incomplete. PJSC “Magnit” offers no guarantees that the actual results, scope, or indicators of its performance or the industry in which the Company operates will correspond to the results, scope, or performance indicators clearly expressed or implied in any forward-looking statements contained in this Annual Report or elsewhere. PJSC “Magnit” is not liable for any losses that any person may incur due to the fact that the above person relied on forward-looking statements. Except as expressly envisaged by applicable law, the Company assumes no obligation to distribute or publish any updates or changes to forward-looking statements reflecting any changes in expectations or new information as well as subsequent events, conditions, or circumstances.

## Management statement on responsibility and approval of the report

I hereby confirm that:

- the financial statements prepared in accordance with International Financial Reporting Standards represent an accurate and fair reflection of the Company’s assets, liabilities, financial position, profits, and losses as well as those of its consolidated subsidiaries as a whole; and
- the management report includes a fair description of the development and performance of business operations and the Company’s position as well as that of its consolidated subsidiaries as a whole along with a description of the main risks and uncertainties they face.

On behalf of the Management Board:

CEO and Chairperson of the Management Board

O.V. Naumova

The information presented in the Report was confirmed by the Audit Commission, preliminary approved by the Board of Directors on April 24, 2019 (minutes w/o No. as of April 26, 2019) and approved by the Annual general shareholders meeting of PJSC «Magnit» on May 30, 2019.