

OR PJSC, Parent Company of Obuv Rossii Group, to Issue Additional Shares of RUB 2.8 bln

Novosibirsk, 11 August 2020 — On August 10, the Board of Directors of OR PJSC, the parent company of Obuv Rossii Group (MOEX: OBUV/ here in after the "Company" or, together with its subsidiary and dependent companies, "Obuv Rossii" or the "Group"), the first publicly traded company in the Russian fashion retail, made a decision to increase the Company's share capital by placing additional shares worth RUB 2.8 bln (hereinafter "additional issue"). Funds from the additional issue will be used to implement the Company's strategy for the business's digital transformation and financial services development.

It will be the public offering with the pre-emption right for Company's shareholders to buy the shares. The number and the category of the placed shares: 28,264,000 ordinary shares, which is 25% of the previously placed ordinary shares. The par value is RUB 100 per share. The price, terms, and other placement characteristics will be determined by the OR Board of Directors later.

The aim of the additional issue is to finance further development of the Company and to implement the new business model – a unique retail format including a retail network, a marketplace, and an online platform. Another aim is the further development of the financial services including cash loans. Considering the current economic situation and the history of OR JSC's listed stock quotation, OR PJSC will hold follow-on offering only if the share price is significantly higher than the existing levels, and at least RUB 100 per share.

"The decision to issue additional shares is connected with the change of Company's strategy. We have been implementing the main elements of this strategy since the end of 2019. While dealing with the suppliers, we have transferred to the marketplace model; we are reformatting our stores to be mini general stores. The integration into the logistic infrastructure of the Russian e-commerce market and the development of our own online stores will be our priority line for the nearest future. In addition, we will continue implementing the concept of a store as a service outlet, developing financial services, in the online format as well," comments Anton Titov, CEO of Obuv Rossii Group.

OR PJSC held an IPO in 2017 placing its shares at MICEX for RUB 5.9 bln. For over three years, the Company's shareholder structure has changed: in the initial placement, mainly European financial institutions participated, while at the present moment over 18% of the share capital accounts for individual investors amounting to more than 14 thousand.

Company profile:

Obuv Rossii (MOEX: OBUV) is a nationwide footwear company, the first publicly traded company in the Russian fashion retail. Obuv Rossii was established in 2003, it is headquartered in Novosibirsk and has a representative office in Moscow. The main Group business line is the production and sale of footwear and related goods. The Company manages 851¹ stores (175 operate as a franchise) under the brands of Westfalika (a monobrand store of classic footwear), Peshekhod ("Pedestrian") (a multibrand footwear supermarket), Rossita (a store for the whole family), Emilia Estra and Lisette (salons of fashionable footwear), in addition to developing brands of clothes and footwear for the active lifestyle brands of S-TEP, all.go and Snow Guard. Furthermore, the Group also owns two manufacturing facilities in the Novosibirsk region.

In October 2017, Obuv Rossii raised 5.9 billion rubles in an IPO on the Moscow Exchange (ticker: OBUV), the issuer being OR PJSC, and in doing so became the first publicly listed company within the Russian footwear and fashion market.

In December 2019, RAEX (Expert PA) assigned the creditworthiness rating to Obuv Rossii Group at ruBBB+ level, a "stable" forecast.



In accordance with the audited Financial Statements under the IFRS Group, revenue amounted to RUB 13.7 billion for the full year of 2019, net profit was RUB 1.7 billion, and EBITDA was RUB 3.6 billion.

Website of the Group: www.obuvrus.ru; online stores: www.westfalika.ru, www.westfalika-home.ru, www.emilia-estra.ru, www.rossita.com, www.lisette.me.

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