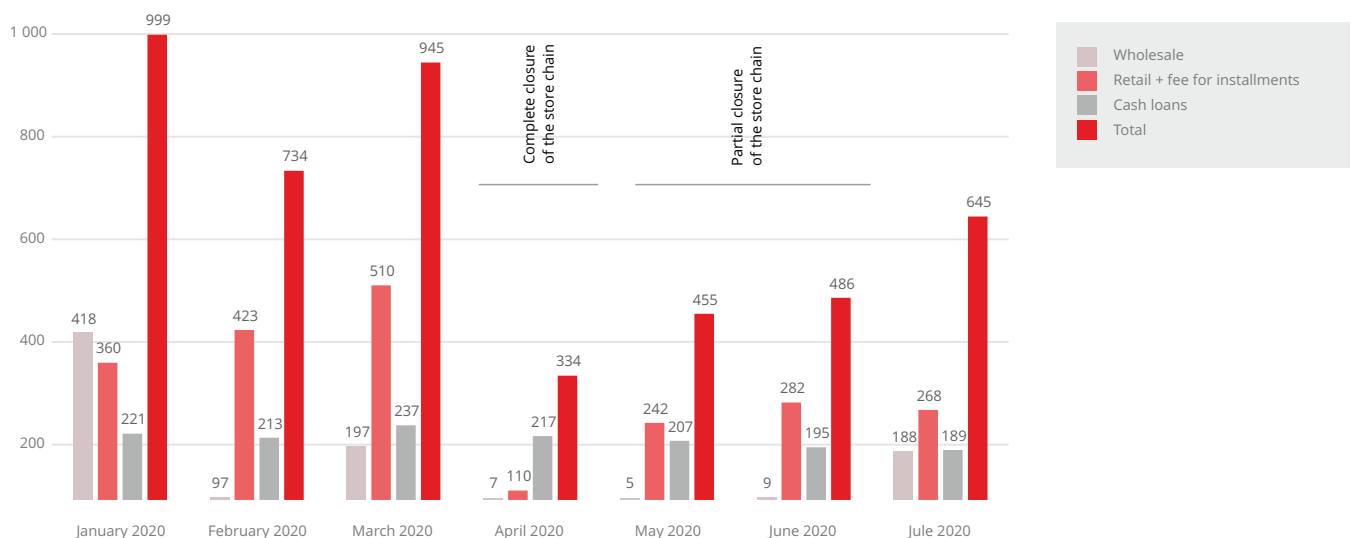


Obuv Rossii Group is steadily recovering the revenue losses caused by pandemic restrictions

26 August 2020, Novosibirsk, Russia: 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, comprising 851* stores in 341 cities of Russia and two production facilities, starts its monthly publication of operating results and announces preliminary operating results for July 2020.

The Company continues to restore its proceeds that decreased to a multi-year low in April-May due to almost complete business suspension because of pandemic restrictions. Unaudited proceeds in July amounted to RUB 645 mln (excl. VAT) as compared to RUB 486 mln in the previous month or as compared to RUB 455 mln and RUB 334 mln in May and April. As a result, the total proceeds of the Group in July made up 72% of the average monthly proceeds of the pre-crisis first quarter of 2020 and 73% of the total proceeds in July 2019.

Monthly unaudited proceeds of Obuv Rossii Group, bln RUB



Proceeds of Arifmetika MKK LLC that is part of the Group and specializes in cash loans, having achieved RUB 189 mln in July, is already 3% higher than the proceeds of July last year (RUB 183 mln).

Arifmetika Microcredit Company LLC occupies the seventh place in EXPERT RA's** ranking according to the volume of microloans extended in 2019. As of the end of July, the cash loan portfolio increased by 21%, year-to-year – up to RUB 2.615 bln. The average loan amount in July increased by 34.2% up to RUB 26,317 due to the growth of the number of repeated loans with higher limits.

* As of 26 August 2020.

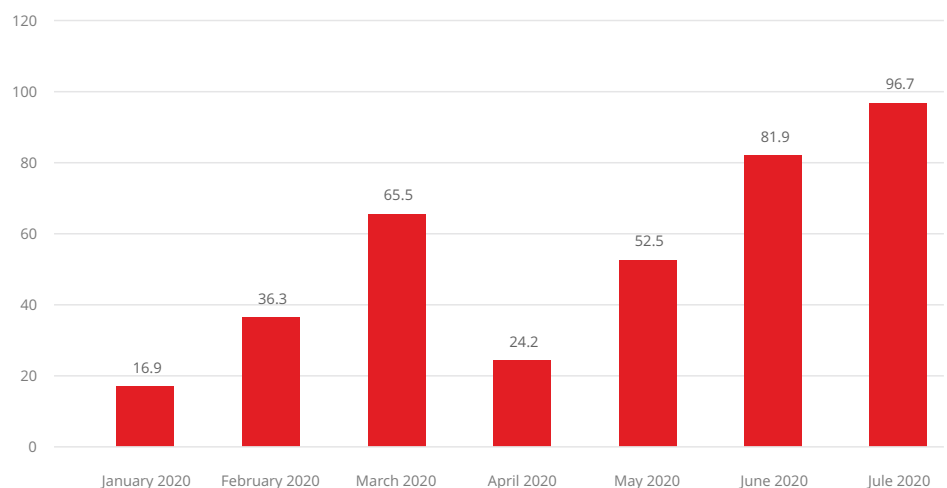
** Ranking of microfinance organizations according to the volume of microloans extended in 2019 <https://www.raexpert.ru/rankingtable/mfi/2019/tab2>

The wholesale proceeds (175 franchise stores, big corporate buyers) are outperforming in recovering; they achieved RUB 188 mln in July, which is 79% of the average monthly proceeds of the first quarter of 2020. It is worth mentioning that pandemic restrictions affected this business most of all: in April, May and June, the wholesale proceeds were close to zero.

The Group expands the stock to attract new buyers, to increase the frequency of purchase, to smoothen the seasonality, and, as a result, to grow sales. In addition to footwear, clothing, and accessories, the products include household goods, glassware, small household appliances, toys, etc. Not to accumulate “solid” stock, the Group develops the Prodayom platform for suppliers and cooperates with its partners using a marketplace model. The suppliers deliver the goods to the Company on consignment.

The platform was launched less than a year ago, in December 2019, but the share of products that the Group is selling under the Prodayom project achieved already in July 36% of retail sales (the proceeds of the platform in July 2020 were RUB 96.7 mln).

Monthly proceeds of the Prodayom Platform, bln RUB



The Group continues to develop the Pick-up Points project. In July 2020, over 60 thousand parcels were delivered, over seven months of 2020 — more than 424 thousand parcels. Pick-up Points development is part of the Company's strategy aimed at the integration into the logistic infrastructure of the Russian e-commerce market allowing the attraction of additional traffic to the retail network and an increase of cross sales in future.

The number of participants of the Arifmetika loyalty program that is valid in the Company's stores is steadily increasing. Over the 12 months, the number grew by 13.2% up to 2.708 mln people as compared to 2.392 mln participants as of July 2019. 62% of purchases over this period were made with the help of the loyalty cards.

Publication of the operating results of August is planned for the second part of September. Preliminary, the audited financial results of OR PJSC for the first six months of 2020 according to IFRS, will be published by 15 September. In Autumn, the Group will present a new midterm development strategy as well, taking into account the changes that have happened in the Company and on the market, as well as new consumer trends.

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 851* 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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