

**RECOMMENDATIONS OF THE BOARD OF DIRECTORS OF DETSKY MIR PJSC
IN RELATION TO THE VOLUNTARY OFFER RECEIVED BY DETSKY MIR PJSC FROM
DMI LLC ON THE ACQUISITION OF EQUITY SECURITIES OF THE JOINT STOCK
COMPANY**

**I. INFORMATION ABOUT THE VOLUNTARY OFFER RECEIVED FROM DMI LLC ON
THE ACQUISITION OF EQUITY SECURITIES OF THE JOINT STOCK COMPANY:
PRINCIPAL CONDITIONS**

On May 29, 2023, Detsky Mir Public Joint Stock Company (OGRN (Primary State Registration Number): 1027700047100; hereinafter referred to as **Detsky Mir PJSC**) received a Voluntary offer from DM–invest Limited Liability Company (OGRN (Primary State Registration Number): 1237700252844; hereinafter referred to as **DMI LLC**) (hereinafter referred to as the **Voluntary Offer of DMI LLC**) on the acquisition of equity securities of the Joint Stock Company – ordinary shares of Detsky Mir PJSC (state registration number of the issue 1-02-00844–A; hereinafter collectively – **Shares**, and separately – **Share**).

The Voluntary offer of DMI LLC contains the following principal conditions:

1. The number of Shares that DMI LLC intends to acquire: 317,770,000 (three hundred and seventeen million seven hundred and seventy thousand) Shares;
2. The proposed purchase price of Shares: RUB 60 (sixty) 77 (seventy-seven) kopecks per Share;
3. The deadline for accepting the Voluntary offer of DMI LLC (the period during which the application for the sale of securities must be received by DMI LLC): 71 (seventy-one) days from the date of receipt by Detsky Mir PJSC of the Voluntary offer of DMI LLC;
4. The term of payment for the purchased Shares: 90 (ninety) days from the date of expiry of the deadline for accepting the Voluntary offer of DMI LLC;
5. Form of payment for purchased Shares: payment for purchased Shares will be made in cash in the currency of the Russian Federation (Russian rubles).

Other conditions of the Voluntary offer of DMI LLC are specified in the Voluntary offer of DMI LLC, the text of which is published by DMI LLC on the Internet: <https://e-disclosure.ru/portal/company.aspx?id=38862>.

The voluntary offer of DMI LLC complies with the requirements of the Federal Law of the Russian Federation dated December 26, 1995 No. 208-FZ “On Joint Stock Companies” (hereinafter referred to as the **Law on JSC**), it is accompanied by a bank guarantee No. 000H00725–001, issued on May 10, 2023 by the Sberbank of Russia Public Joint Stock Company (OGRN (Primary State Registration Number) 1027700132195) in the amount of RUB 19,350,000,000 (nineteen billion three hundred and fifty million).

In accordance with Article 84.9 of the Law on JSC, the Voluntary Offer of DMI LLC has passed the procedure of state control over the acquisition of shares of a public company and contains a note from the Bank of Russia on the date of submission of a preliminary notification to it (May 11, 2023).

Due to the fact that on May 30, 2023 Detsky Mir PJSC received another voluntary offer from DM-Finansovye Aktivy Joint Stock Company (OGRN (Primary State Registration Number): 1227700800920, hereinafter referred to as **DMFA JSC**), the Voluntary offer of DMFA JSC in accordance with Article 84.5

of the Law on JSC is competing (hereinafter referred to as the **Competing Voluntary offer of DMFA JSC**).

II. RECOMMENDATIONS OF THE BOARD OF DIRECTORS OF DETSKY MIR PJSC REGARDING THE RECEIVED VOLUNTARY OFFER OF DMI LLC

In accordance with clause 1 of Article 84.3 of the Law on JSC, the Board of Directors of Detsky Mir PJSC (hereinafter referred to as the **Board of Directors**) makes the following recommendations regarding the received Voluntary offer of DMI LLC:

1. Evaluation of the proposed price of the purchased Shares

The Board of Directors evaluates the proposed price of the acquired Shares as fairly estimated, justified and in accordance with the requirements of the current legislation of the Russian Federation, taking into account the payment of funds for Shares without the use of type “C” accounts to the owners of Shares (hereinafter referred to as the **Shareholders**), referring to foreign persons associated with foreign states who commit unfriendly actions against the Russian Federation, Russian legal entities and individuals (including if such foreign persons have the citizenship of these states, the place of their registration, the place of their preferential conduct of economic activity or the place of their preferential extraction of profit from activities in these states), or persons who are under the control of these foreign persons, regardless of the place of their registration or the place of their primary economic activity (hereinafter referred to as **Persons of foreign States committing unfriendly acts**).

2. Possible change in the market value of Shares after the acquisition of Shares

After the completion of the procedure for the acquisition of Shares at the Voluntary Offer of DMI LLC, the number of freely traded Shares may decrease, which may lead to a decrease in trading amounts and volatility of the share price. This circumstance, along with other factors that are beyond the control of Detsky Mir PJSC and the Board of Directors, including changes in macroeconomic indicators, the state of the global and Russian economies, the level of household income, a potential decrease in liquidity and demand for Shares on the stock market may affect the share price. Shareholders are invited to evaluate these circumstances when deciding to participate in the Voluntary Offer of DMI LLC.

3. Evaluation of the plans of DMI LLC in relation to Detsky Mir PJSC and its employees

In accordance with the plans of DMI LLC in relation to Detsky Mir PJSC, specified in clause 6.3.6 of the Voluntary offer of DMI LLC, the Voluntary offer of DMI LLC is sent as part of the implementation of the business transformation plan of Detsky Mir PJSC, published on November 07, 2022 in the press release “Information on activities the company of Detsky Mir PJSC”.

DMI LLC plans to retain employees of Detsky Mir PJSC, necessary for the activities of Detsky Mir PJSC.

The Board of Directors positively assesses the plans of DMI LLC in relation to Detsky Mir PJSC and its employees, specified in the Voluntary offer of DMI LLC.

4. Restrictions of the current legislation of the Russian Federation applicable to individual Shareholders

According to the information specified in clause 8.1 of the Voluntary offer of DMI LLC on obtaining permission by the sub-commission of the Government Commission for the Control of Foreign Investment

in the Russian Federation (hereinafter referred to as the **Sub-Commission**) to carry out (execute) transactions (operations) within the framework of the Voluntary offer of DMI LLC, the Sub-Commission decided to allow DMI LLC to carry out (execute) transactions (operations) entailing the emergence of ownership rights to Shares in a total amount of no more than 317,770,000 (three hundred seventeen million seven hundred seventy thousands) pieces, with Persons of foreign states committing unfriendly acts, the prohibition on the implementation (execution) of which is established by the third clause of sub-clause “a” of clause 1 of the Decree of the President of the Russian Federation dated 01.03.2022 No. 81 and clause 1 of the Decree of the President of the Russian Federation dated 08.09.2022 No. 618, subject to payment of the share price to Persons of foreign states committing unfriendly acts within 3 months from the date of the end of acceptance of applications from Shareholders within the framework of a Voluntary offer of DMI LLC, in the amount of no more than RUB 8,000,000,000 per month, with payment of funds for Shares to Persons of foreign states who commit unfriendly actions, without using accounts of type “C”, the regime of which is established by the decision of the Board of Directors of the Central Bank of the Russian Federation in accordance with the Decree of the President of the Russian Federation dated 05.03.2022 No. 95.

The Board of Directors recommends that Persons of foreign states who commit unfriendly actions evaluate the prospects of accepting the Voluntary offer of DMI LLC, taking into account the payment of funds for Shares without using accounts of type “C”.

Taking into account the above, the Board of Directors recommends that Shareholders make a decision regarding their participation in the Voluntary offer of DMI LLC within the period specified in the Voluntary offer of DMI LLC on the basis of the information contained in the Voluntary offer of DMI LLC, taking into account the current stock price on the stock exchange and possible scenarios for its changes, their own investment preferences and trading strategies of Shareholders, as well as publicly available information about the business transformation plans of Detsky Mir PJSC.

Persons of foreign States who commit unfriendly acts are recommended to take into account the information specified in clause 4 of these Recommendations.

The Board of Directors recommends that Shareholders who do not belong to Persons of foreign States who commit unfriendly actions make a decision taking into account the conditions of the Competing Voluntary offer of DMFA JSC.

The Board of Directors recommends that Shareholders, before making a decision, familiarize themselves with the texts of the Voluntary offer of DMI LLC and the Competing Voluntary offer of DMFA JSC, with the requirements of Chapter XI.1 of the Law on JSC, as well as take into account the information contained in these Recommendations.

III. OTHER PROVISIONS

These Recommendations of the Board of Directors are based solely on the information contained in the Voluntary Offer of DMI LLC, in the Competing Voluntary offer of DMFA JSC, as well as information publicly available on the date of these Recommendations.