

**RECOMMENDATIONS OF THE BOARD OF DIRECTORS OF DETSKY MIR PJSC
IN RELATION TO THE MANDATORY TENDER OFFER RECEIVED BY DETSKY MIR PJSC
FROM DMFA JSC ON ACQUISITION OF THE JOINT-STOCK COMPANY'S EQUITY
SECURITIES**

**I. INFORMATION ABOUT THE MANDATORY TENDER OFFER RECEIVED FROM
DMFA JSC ON ACQUISITION OF THE JOINT-STOCK COMPANY'S EQUITY
SECURITIES: MAIN TERMS**

On 6th of October 2023, Detsky Mir Public Joint-Stock Company (OGRN (Primary State Registration Number): 1027700047100; hereinafter — “**Detsky Mir PJSC**”) received a Mandatory Tender Offer from DM-Finansovye Aktivy Joint-Stock Company (OGRN (Primary State Registration Number): 1227700800920; hereinafter — “**DMFA JSC**”) (hereinafter — the “**Mandatory Tender Offer**”) on acquisition of the joint-stock company's equity securities — ordinary shares of Detsky Mir PJSC (state registration number of the issue 1-02-00844-A; hereinafter collectively — the “**Shares**,” and individually — the “**Share**”).

The Mandatory Tender Offer was sent to DMFA JSC pursuant to the requirements set forth in Clause 1, Article 84.2, Chapter XI.1 of Federal Law No. 208-FZ dated 26.12.1995 “On Joint-Stock Companies” (hereinafter — the “**JSC Law**”).

The obligation of DMFA JSC to send the Mandatory Tender Offer arose due to the acquisition by DMFA JSC of over 30 percent of the total number of Shares, accounting for the Shares held by DMFA JSC and its affiliates, based on the Voluntary Tender Offer by DMFA JSC on the acquisition of Shares pursuant to Chapter XI.1 of the JSC Law received by Detsky Mir PJSC from DMFA JSC on May 30, 2023 (hereinafter — the “**Voluntary Tender Offer**”), and the acquisition of Shares by DMI LLC (OGRN (Primary State Registration Number) 1237700252844), a DMFA JSC affiliate (hereinafter — “**DMI LLC**”) on the basis of the Voluntary Tender Offer by DMI LLC on the acquisition of Shares pursuant to Chapter XI.1 of the JSC Law received by Detsky Mir PJSC from DMI LLC on May 29, 2023.

The Mandatory Tender Offer contains the following main terms:

1. Number of Shares that DMFA JSC intends to acquire: 307,140,398 (three hundred seven million one hundred forty thousand three hundred ninety-eight) Shares;
2. Proposed acquisition price for the Shares: 71 (seventy-one) rubles 50 (fifty) kopecks per Share;
3. Deadline for acceptance of the Mandatory Tender Offer (period during which the application for the sale of securities must be received by DMFA JSC): 70 (seventy) days from the date of Detsky Mir PJSC's receipt of the Mandatory Tender Offer;
4. Term of payment for the acquired Shares: 17 (seventeen) days from expiration of the deadline for acceptance of the Mandatory Tender Offer;
5. Form of payment for the acquired Shares: payment for the acquired Shares shall be made in cash in the currency of the Russian Federation (Russian rubles).

Other terms of the Mandatory Tender Offer are specified in the Mandatory Tender Offer, the text of which is published by DMFA JSC on the Internet: <https://e-disclosure.ru/portal/company.aspx?id=38840>.

The Mandatory Tender Offer conforms to the requirements of the JSC Law: it is affixed with bank guarantee No. 000H00719-002 for the amount of 21,960,538,457 (twenty-one billion nine hundred sixty million five hundred thirty-eight thousand four hundred and fifty-seven) rubles, issued on September 18, 2023 by Sberbank of Russia Public Joint-Stock Company (OGRN (Primary State Registration Number) 1027700132195).

Pursuant to Article 84.9 of the JSC Law, the Mandatory Tender Offer 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 preliminary notification thereto (September 19, 2023).

II. RECOMMENDATIONS OF THE BOARD OF DIRECTORS OF DETSKY MIR PJSC REGARDING THE RECEIVED MANDATORY TENDER OFFER

Pursuant to Clause 1, Article 84.3 of the JSC Law, the Board of Directors of Detsky Mir PJSC (hereinafter referred to as the “**Board of Directors**”) makes the following recommendations regarding the received Mandatory Tender Offer:

1. Evaluation of the proposed price for the acquired Shares

The proposed price for the acquired Shares specified in Clause 6.1.1 of the Mandatory Tender Offer is in line with the requirements set forth in Clause 4, Article 84.2 of the JSC Law.

The Shares being acquired pursuant to the Mandatory Tender Offer are traded on the on-exchange trade of MOEX PJSC. The Shares are not traded on the on-exchange trade of any other trade organizers.

The proposed price for the Shares being acquired is not less than the weighted average price thereof, as determined on the basis of the results of the on-exchange trade of MOEX PJSC over the six months immediately preceding the date of the Mandatory Tender Offer’s submission to the Bank of Russia. This data is confirmed by the information on the weighted average price of the Shares received from MOEX PJSC based on the results of the trade organizer’s trading on the securities market for the period from 18.03.2023 to 18.09.2023.

The proposed purchase price for the Shares indicated in Clause 6.1.1 of the Mandatory Tender Offer is not less than the maximum price at which DMFA JSC or its affiliates acquired or assumed the obligation to acquire said Shares during the six months immediately preceding the date of the Mandatory Tender Offer’s submission to Detsky Mir PJSC (such maximum price was 71 (seventy-one) rubles 50 (fifty) kopeks per Share).

2. Possible change in the market value of the Shares following their acquisition

After completion of the procedure for acquisition of the Shares under the Mandatory Tender Offer, the number of freely-traded Shares may significantly decrease, which could lead to a decrease in the liquidity and trading volumes of the Shares. This circumstance, along with other factors beyond the control of Detsky Mir PJSC and its Board of Directors, including changes in macroeconomic indicators, the state of the global and Russian economies, and the level of household income may affect the Share price. The holders of the Shares (hereinafter — the “**Shareholders**”) are encouraged to evaluate these circumstances when deciding on participation in the Mandatory Tender Offer.

3. Evaluation of DMFA JSC's plans in relation to Detsky Mir PJSC and its employees

DMFA JSC's plans in relation to Detsky Mir PJSC and its employees are not specified in the Mandatory Tender Offer; therefore, no evaluation of DMFA JSC's plans in relation to Detsky Mir PJSC and its employees shall be conducted.

In light of the foregoing, the Board of Directors recommends that Shareholders make a decision regarding their participation in the Mandatory Tender Offer within its specified period on the basis of the information contained therein taking into account the current stock price of the Shares on the stock exchange and possible scenarios for its fluctuation, their own investment preferences and the trading strategies of Shareholders, as well as publicly-available information about Detsky Mir PJSC's business transformation into a private business.

The Board of Directors recommends that Shareholders, before making a decision, familiarize themselves with the text of the Mandatory Tender Offer, with the requirements of Chapter XI.1 of the JSC Law, as well as take into account the information contained in these Recommendations.

III. MISCELLANEOUS

These Recommendations of the Board of Directors are based solely on the information contained in the Mandatory Tender Offer, as well as information publicly available as of the date of these Recommendations.