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Pricing of public offering of quasi treasury ordinary shares in PIK

1 October 2021, Moscow, Russia. PJSC “PIK-specialized homebuilder” (“PIK” or the “Company”; MOEX: PIKK), the largest Russian residential developer and a fast-growing technology company, today announces the successful pricing of the public offering of quasi treasury ordinary shares of the Company (“Shares”) by LLC “PIK-INVESTPROEKT” (the “Selling Subsidiary”), a 100% owned subsidiary of PIK (the “Offering”).

Based on the results of the bookbuilding, the Selling Subsidiary has set the offer price at RUB1,275 per Share (the “Offer Price”).

Sergei Gordeev, CEO of PIK, said:

“The significant institutional investor interest in the Offering and the successful completion of the bookbuilding process clearly demonstrate a high level of investor confidence in the Company’s investment proposition. We are pressing ahead with the roll out of our innovative, industry-disrupting products and implementing our ambitious growth strategy”.

Transaction highlights

- The total number of Shares sold by the Selling Subsidiary pursuant to the Offering is 28,459,000 Shares. The total size of the Offering is RUB36,285,225,000.
- The net proceeds of the Offering will be approximately RUB35,885 million, all of which will be used by the Selling Subsidiary for the general corporate purposes of the Company group (the “Group”), including debt repayment and business expansion.
- In particular, the Selling Subsidiary will use RUB 11,600 million of the proceeds of the Offering to repurchase global depositary receipts representing Shares (the “Forward GDRs”) from VTB Bank under a forward agreement with VTB Bank (the “Forward Agreement”) by the end of October 2021.
- Immediately following the completion of the Offering, the free float of the Group will increase by the number of Shares sold pursuant to the Offering.
- The Company, the Selling Subsidiary and LLC PIK+ (a company which is controlled by Mr. Gordeev and which indirectly beneficially holds all the Shares that are beneficially owned by Mr. Gordeev) have entered into customary lock-up arrangements restricting the disposal of the Shares for 180 days.
- VTB Capital, J.P. Morgan, Morgan Stanley and SberCIB are acting as Joint Global Coordinators and Joint Bookrunners in connection with the Offering. ALFA-BANK, ATON, Credit Suisse, Gazprombank and SOVA Capital are acting as Joint Bookrunners in connection with the Offering.

About PIK

Founded in 1994, PIK is a vertically integrated real estate developer with one of the largest land banks (21.5 million m² as of September 2021) in Russia and market value (RUB689 billion as of 31 December 2020). The cornerstone of Company's business activity is economy and middle market residential real estate development in the Moscow and St Petersburg metropolitan areas, Ekaterinburg, Kazan, Rostov-on-Don and other prime geographical locations in Russia.

In addition to its status as an undisputed leader in the Russian real estate market and its c.27-year leadership history, PIK Group is currently diversifying its real estate development franchise by entering new markets and developing projects in other locations including the Philippines, as well as actively developing its new business divisions in its Con-tech and Prop-tech segments:

- Innovative Construction Technologies segment called Units helps to reduce construction timing to 0.5 month (vs 28-40 months industry average and 12 months for PIK now)
 - Units produces multi and single family, bathroom and HVAC units, with total prefab capacity expected to reach 575 thd m² per annum expected to reach 1.9 mn m² by 2023
- Fast growing Property Technologies segment called KVARTA enabling a more efficient property marketplace covering the primary, secondary and rental segments
 - Proprietary technology platform offering an automated broker and rental service as well as a white label sales solution for the primary market
 - KVARTA has witnessed 4x growth in YoY transactions to 2021 and is expected to generate 24bn RUB in revenue in 2021

With its unrivalled industry expertise and agile business model, the Company is capable of creating substantive value for its clients and shareholders. Coupled with traditional real estate development, the fast-growing Con-tech and Prop-tech business divisions are currently transforming the face of the industry by disrupting conventional residential real estate development approaches and creating new efficiency benchmarks within housing marketplace and classifieds.

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