

TCS GROUP HOLDING PLC
Registered Number H.E. 107963
(the 'Company')

NOTICE OF EXTRAORDINARY GENERAL MEETING ("EGM" or "the Meeting")

To all the members of the Company (the "Shareholders" and each a "Shareholder")

Notice is hereby given that an EGM of the Company will be held at 5th Floor, 25 Berengaria, Spyrou Araouzou 25, Limassol 3036, Cyprus on 27 June 2019 at 9am, for the Shareholders to consider and if deem fit approve the matters set out below.

The board of directors of the Company (the "Board of Directors") proposes the following agenda:

AGENDA

- i. Welcoming the Shareholders.
- ii. Shareholders present at the EGM.
- iii. Appointment of Chairperson of the Meeting.
- iv. Resolutions to be considered and voted upon:
 1. **MAJORITY RESOLUTION** - Variation of Special Rights of the Shares
 2. **ORDINARY RESOLUTION** - Increase of share capital.
 3. **SPECIAL RESOLUTION** - Authority to the Board of Directors to allot and issue shares.
 4. **MAJORITY RESOLUTION** - Waiver of Pre-emption Rights.
- v. Result of Resolution Voting.
- vi. Close of Meeting.

A more detailed description and the background to items 1 – 4 and the proposed resolutions are attached hereto as Appendix 1.

NOTES

A. Record Date

The record date for participation at the Meeting is set to be 25 June 2019 (the "Record Date").

Only holders of shares conferring the right to attend and vote at the Meeting registered as at the opening of business in Limassol, Cyprus on the Record Date in the Company's register of members shall be entitled to participate and vote at the Meeting. Any change in the recording in the register after the opening of business on the Record Date will not be taken into account in determining the right of any person to attend and vote at the Meeting.

Evidence of the shareholder's status may be established with the presentation of the Identity Card or other certificate of recognition, based on which the Company can verify the identification with the register of members.

A copy of the notice of the Meeting is also available on the website of the Group at <https://www.tinkoff.ru/eng/investor-relations/>.

B. Shareholders' rights

Right of submission of questions

Subject to any measures the Company may take in order to safeguard the identity of the shareholders and in accordance with the provisions of article 128C(2) of the Companies Law Cap 113 as amended (the "**Law**"), any shareholder has the right to submit questions relating to the subjects of the agenda of the Meeting and obtain answers to those questions by the Company. The Company may provide a general answer to questions having the same content.

C. Right to Appoint Proxy

Any shareholder entitled to attend and vote at the Meeting, is entitled to appoint pursuant to section 130 of the Law, a proxy to attend and vote in his place. The proxy may not be a member of the Company. The Form of Proxy is attached hereto as Appendix 2 and is also available on the website of the Group at <https://www.tinkoff.ru/eng/investor-relations/>. The Form of Proxy must be completed and returned by regular mail, facsimile or e-mail so as to be received at least 48 hours before the time fixed for the Meeting to:

TCS GROUP HOLDING PLC
Attn: Ioanna Georgiou

Phone: +357 2505 0668
Facsimile: +357 2504 0415
E-mail: ioanna.georgiou@royalpine.com

The securities to which this notice and the materials appended hereto relate have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state of the United States or other jurisdiction and may not be offered, sold, pledged or otherwise transferred in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act and in compliance with any applicable state securities laws.

APPENDICES

1. Background and Proposed Resolutions;
2. Proxy Form; and
3. Board of Directors' Report on waiver of pre-emption rights.

Limassol, 3 June 2019



BY THE ORDER OF THE BOARD OF DIRECTORS

Ioanna Georgiou
on behalf of
CAELION SECRETARIAL LIMITED
Secretary

NB: The Majority Resolution requires either (a) a majority of over one-half of the votes cast by the Shareholders present in person, or telephonically by conference call or by Proxy and entitled to vote, in the case where all the Shareholders present in person or telephonically by conference call or by Proxy and entitled to vote, hold or represent in aggregate not less than 50% in nominal capital value of the entire issued share capital of the Company; or (b) in any other case by a majority of not less than two-thirds of the votes cast by the Shareholders present in person or telephonically by conference call or by Proxy and entitled to vote.

APPENDIX 1 - BACKGROUND AND PROPOSED RESOLUTIONS

1. Variation of Special Rights of the shares

According to Regulation 6.2.5 of the Company's Articles of Association (the "**Articles**") waiver or relaxation of the pre-emption rights as proposed by Majority Resolution No 2, is a deemed variation of the special rights conferred or carried by the Class A Shares and the Class B Shares.

Pursuant to Regulation 12 of the Articles, any variation of abrogation of the special rights of the shares of any class may be varied or abrogated by way of a Majority Resolution of the general meeting of the holders of shares of that class.

Subject to section 59A(1)(a) of the Law, separate voting shall take place for each class of shares, the rights of which are affected by the change. Therefore first holders of Class A Shares and holders of Class B Shares shall vote separately and decide on the proposed resolutions, such voting to be deemed to be taken in separate class meetings and in the case of their positive decision determined in accordance with section 59A(1)(b) of the Law, finally the General Meeting shall consider and vote on the proposed matter.

PROPOSED RESOLUTION:

MAJORITY RESOLUTION No 1

THAT to the extent that it may be relevant, necessary or applicable under or pursuant to sections 59A and 70 of the Law, and Regulation 6.2.5 and 12 of the Articles, by this Majority Resolution, CONSENT is given to every (if any) variation or abrogation of the share rights carried or conferred by the shares of each Member in relation to Majority Resolution No 2.

2. Increase of share capital

It is proposed to increase the authorised share capital of the Company to US\$8,401,385.92 by the creation of 18,263,882 new shares of nominal value US\$0.04 each. This would result in the total number of unissued shares being 27,395,823.

PROPOSED RESOLUTION:

ORDINARY RESOLUTION

THAT the authorised share capital of the Company be increased from US\$7,670,830.64 to US\$8,401,385.92 by the creation of 18,263,882 undesignated shares of nominal value US\$0.04 each.

3. Authority to the Board of Directors to issue and allot shares

Conditional upon the Ordinary Resolution for the increase of the share capital being sanctioned, authority is sought for the Board of Directors to allot and issue shares.

PROPOSED RESOLUTION:

SPECIAL RESOLUTION

Authority is hereby given to the Board of Directors to allot and issue, out of the authorised/registered (as increased) but unissued share capital of the Company, up to 18,263,882 shares at par or at a premium as they may deem appropriate up to an aggregate nominal amount of US\$730,555.28,

provided that this authority shall expire on 30 September 2019, save that the Company may before such expiry make offers, agreements or arrangements which would or might require shares to be allotted after such expiry and so that the Board of Directors may allot shares in pursuance of such offers, agreements or arrangements as if the authority conferred hereby had not expired.

4. Waiver of Pre-emption Rights

In accordance with Regulations 6.2.5 and 8 of the Articles, unissued shares in the registered (authorised) share capital of the Company which are proposed to be issued for cash, must first be offered by notice to the members of the Company holding one or more shares of the same class as, or carrying or conferring the same Special Rights (as defined in the Articles) as, or otherwise ranking *pari passu* in all respects with, the shares proposed to be issued.

Under section 60B(5) of the Law the pre-emption rights may not be restricted or excluded from the Articles of Association of the Company, except by way of a Majority Resolution of the general meeting and the general meeting shall decide in accordance with the provisions of section 59A of the Law as for the proposed Majority Resolution No 1.

The Board of Directors are requesting a specific disapplication of pre-emption rights of up to 18,263,882 shares (the "**Proposed Shares**") which may be issued as Class A Shares and/or Class B Shares.

In order for the Shareholders to consider and decide whether to waive the pre-emption rights, the Board of Directors in accordance with section 60B of the Law, has prepared a written report indicating the reasons for wishing to exclude the pre-emption rights and justifying the subscription price of the Proposed Shares (the "**Report**"). A copy of the Report is attached hereto as Appendix 3.

PROPOSED RESOLUTION:

MAJORITY RESOLUTION No2

THAT any pre-emption rights under Regulation 8 of the Articles and section 60B of the Law, as well as any other pre-emption rights or rights of first refusal, howsoever arising, be and are hereby unconditionally WAIVED and DIS-APPLIED in connection with the proposed issue of up to 18,263,882 shares at par or at a premium as the Board of Directors deems fit, in the period ending 30 September 2019.

APPENDIX 3 - BOARD OF DIRECTORS REPORT ON WAIVER OF PRE-EMPTION RIGHTS

TCS GROUP HOLDING PLC

HE 107963
(the "**Company**")

DIRECTORS REPORT

(the "**Report**")

IN ACCORDANCE WITH SECTION 60B(5) OF THE COMPANIES LAW, CAP 113 OF THE STATUTE LAWS OF
CYPRUS

IN RELATION TO THE RESTRICTION AND EXCLUSION OF THE PRE-EMPTION RIGHTS OF THE HOLDERS
OF CLASS A AND CLASS B SHARES IN THE COMPANY

This Report has been prepared in connection with the extraordinary general meeting of the Company to be held on 28 June 2019 (the "**EGM**"), where it is proposed to waive the pre-emption rights of the holders of Class A and Class B shares in the Company under or pursuant regulations 6.2.5 and 8 of the articles of association of the Company and section 60B of the Companies Law Cap. 113 (the "**Companies Law**") of the statute laws of the Republic of Cyprus (the "**Pre-emption Rights**"), in respect of the possible issue in one or more tranches of up to 18,263,882 (i.e. up to 10% of the issued shares) Class A and/or Class B Shares of nominal value of \$0.04 each, with a view to raising gross proceeds between USD250M and USD300M.

Proposal

As set out in the notice sent calling the EGM, we propose to increase our share capital by up to 18,263,882 shares to be allotted and issued as Class A Shares and/or Class B Shares (the "**Proposed Shares**") to our existing and new investors, which will allow us to capture growth opportunities. This exercise, however, will require the members of the Company to waive and disapply the Pre-emption Rights. In order for the members of the Company to consider and decide whether to waive and disapply the Pre-emption Rights, the board of directors (the "**Board**") must prepare in accordance with section 60B of the Companies Law, a written report indicating the reasons for wishing to exclude the Pre-emption Rights and justifying the proposed issue price and such report must be presented to the EGM. This Report constitutes the mandatory report required to be made under the Companies Law in connection with this proposed specific disapplication of Pre-emption Rights until 30 September 2019.

Background and rationale

The background to this capital raising proposal is as follows: net loan portfolio growth of 21% in 1Q2019 with the strong growth continuing into 2Q2019 as evidenced by our Russian accounting standards numbers. More than half of this growth is driven by the Group's new credit business lines (personal loans, POS loans, car loans, and home equity loans). These loans already comprised 32% of the loan book at the end of 1Q2019. Many of these loans are cross-sold to existing customers whom Tinkoff Group has brought into its ecosystem through current accounts and lifestyle services; they are also sold to new-to-bank mass-affluent and affluent customers. The initial results of new loan product pilots are positive and the Group is therefore planning to scale up these business-lines thereby continuing the loan growth.

This loan growth is happening against a backdrop of higher RWAs (risk weighted assets) (four RWA uplifts in the period from March 2017 to April 2019).

The Group has been weighing the various alternatives to ensure an adequate capital position to support this growth.

The Board intends to offer the Proposed Shares to investors following a bookbuilding exercise addressed to institutional investors and coordinated by one or more market-leading investment banks/bookrunners. The offer(s) would be made on a non-preemptive basis but the Board will use reasonable endeavours to give preferential allocations to existing institutional and other qualifying shareholders of the Company, pro rata to their existing shareholding. The Board believes this would give the Company a more flexible offer structure and should result in more advantageous fund-raising results, while being fair to existing investors.

The disapplication of Pre-emption Rights would be effective only until 30 September 2019.

The Company has no current or contingent obligations to issue shares.

The subscription price of the Proposed Shares would be determined by the Board on the basis of a bookbuilding exercise addressed to institutional and other qualifying investors with the assistance of the Company's financial and other advisors.

The Directors of the Company consented to the contents of this Report and approved it at a meeting of the Board on 31 May 2019.



Constantinos Economides
Director