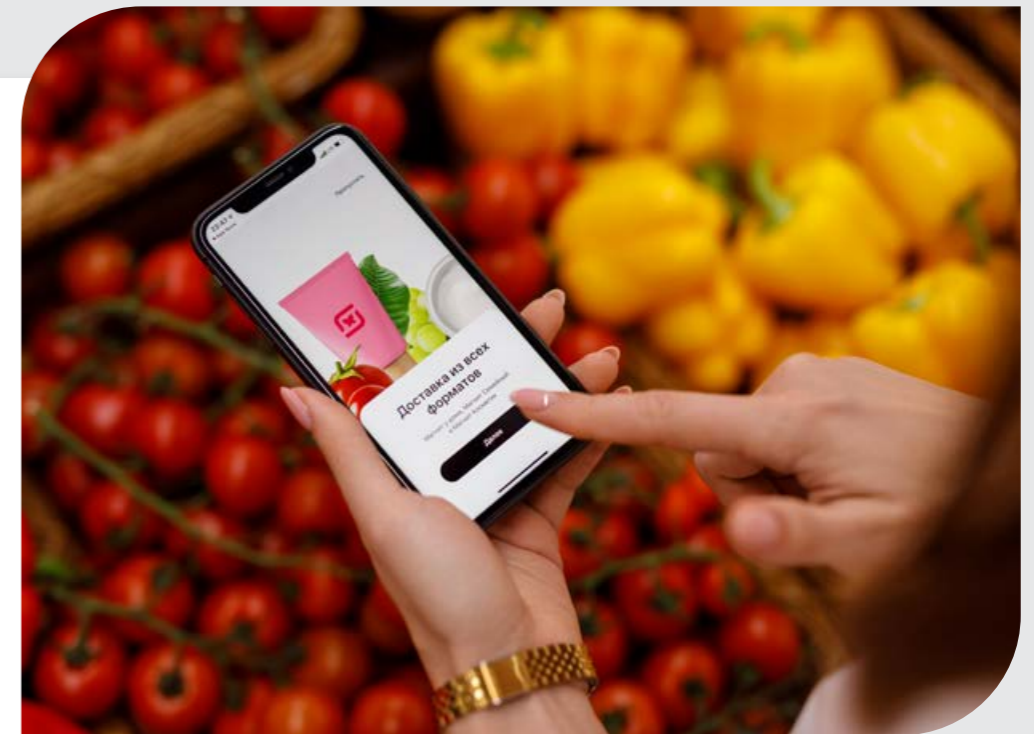
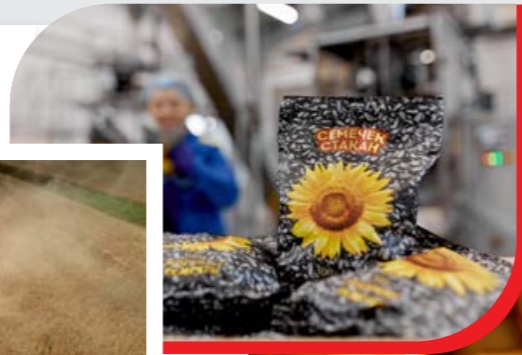


# Faster. Closer. Stronger



## Faster

### Response to market challenges



► Growth in our own production

**64%**

own production capacity utilisation at Magnit in 2022



► Transition to digital checks

**~1 mln km**

of cash register tape to be saved by Magnit annually thanks to the use of digital checks



► Capped markup on socially important goods

**5%**

maximum markup on key consumer basket goods at Magnit stores



► Among the first Russian retailers to launch a food sharing programme

**18 tonnes**

of products donated to vulnerable population groups as part of the programme in 2022

### Adjustment to changing consumer needs



► Enhanced private label offering

**+700**

new private label products on offer in 2022



► Launch of self-service cash desks

**20%**

reduction in queuing at stores with self-service terminals

### Introduction of new technologies



► Testing of AI-based promotions

**x3 ROI<sup>1</sup>**

from promotions driven by Magnit's in-house ML-based innovations



► Improvements in efficiency powered by Big Data and neural networks

**RUB 2.1 bln**

contribution in EBITDA from digital projects in 2022



► Transition to cloud-based technologies

**up to 20%**

of Magnit's services to migrate to the cloud until the end of 2023

<sup>1</sup> Return on investment



# Faster. Closer. Stronger



## Closer

*Bringing our products closer to customers*



► Expanding into marketplaces

**6 thous.**

SKUs from the Magnit Cosmetics product range available on Ozon and Wildberries at the end of 2022



► Developing our own delivery service

**121**

cities and towns covered by Magnit's own delivery service



► Launching ready-to-eat foods across stores in Moscow and the Moscow region

**1.5 thous.**

stores in the Moscow region now offering ready-to-eat foods



► Increased cashback available

**x20**

bonuses accrued for favourite product categories



► More stores of all formats

**+1,736**

new stores (gross) in 2022



► Scaling up soft discounters

**>500**

My Price soft discounters opened in 2022



► Opening new dark stores

**+11**

dark stores in 2022



# Faster. Closer. Stronger



## Stronger

### Operational performance



▶ Streamlined logistics

**>5.5%**

average cost saving potential across certain product categories available from streamlined supplier logistics



▶ Investments in customer experience

**RUB 13 bln**

invested in product and service quality and customer experience in 2022

### Financial performance



▶ Growing volume

**+26.7%**

sales growth in 2022 YoY



▶ Developing online sales

**2.9x**

E-commerce GMV growth in 2022

### Employee and customer engagement



▶ Improved engagement

**84.9%**

employee engagement rate achieved by Magnit in 2022



▶ Improved loyalty

**76.9%**

of employees are loyal to the Company



▶ Winning customers over

**70%**

of purchases made with Magnit loyalty cards by the end of 2022

