

@ mail.ru group

Quarterly presentation

Q1 2021



Table of contents

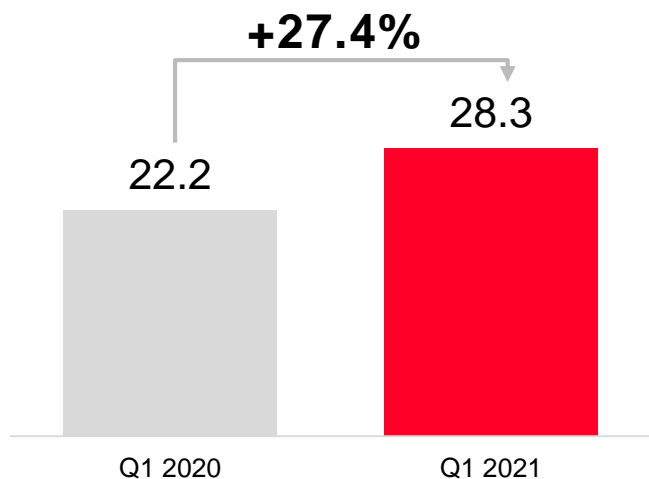
| | |
|---------------------------------------|----|
| Overview..... | 3 |
| Advertising..... | 4 |
| VK..... | 5 |
| OK..... | 11 |
| MY.GAMES..... | 15 |
| EdTech..... | 19 |
| Youla..... | 21 |
| O2O JV..... | 24 |
| FoodTech..... | 25 |
| Mobility..... | 33 |
| AliExpress Russia..... | 35 |
| Financial & segmental highlights..... | 39 |
| Headcount..... | 46 |
| Guidance..... | 47 |
| Shareholder structure..... | 48 |

Q1 2021 Overview

Trends across revenue streams

Revenue

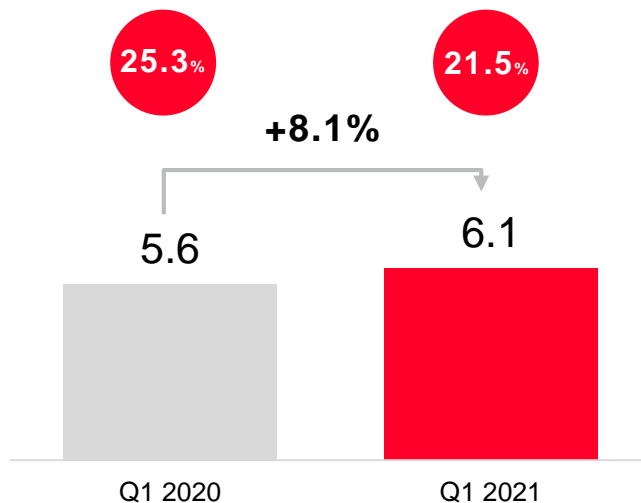
RUB bn



EBITDA

RUB bn

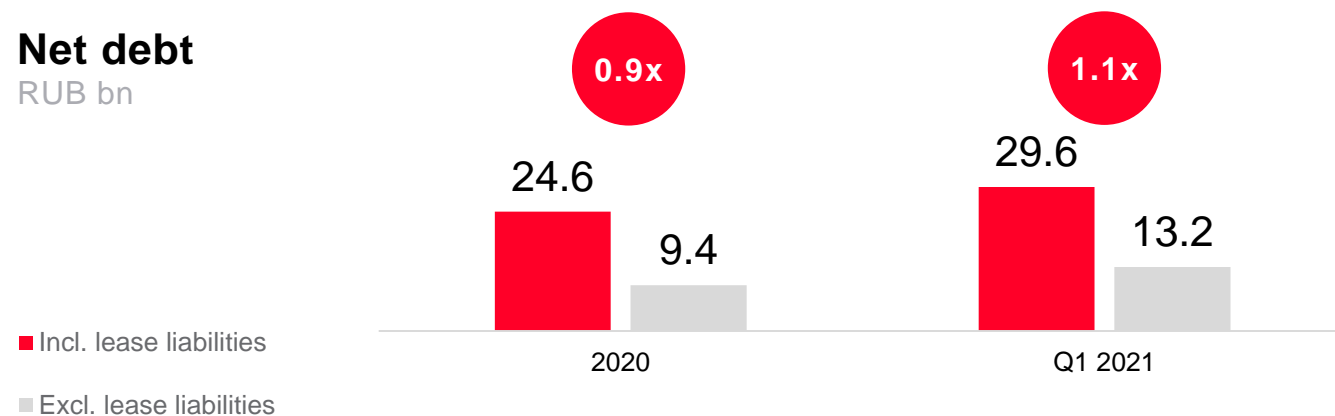
● EBITDA Margin, %



- **Advertising revenues: +22.0% YoY**, VK remains the growth engine (with its 21.2% total revenue growth). Trends were solid across performance formats (+41% YoY) and in-stream video advertising (+36% YoY), with active demand coming from SMBs
- **MMO revenues: +34.3% YoY**, with the recent launches of Grand Hotel Mania and Rush Royale being among the key drivers
- **Community IVAS revenues: -3.6% YoY** due to a temporary loss of VAT benefits due to the re-registration required as part of the domestic IT industry legislation changes. Excluding the effect, growth was 8%, with normalized growth expected in Q2
- **Other revenues: +99.8% YoY**, Online education (*Skillbox and GeekBrains*) was the largest contributor given the segment's 2.9x YoY revenue growth

Net debt

RUB bn



● Net Debt incl. lease liabilities / LTM EBITDA (according to CODM)



Advertising: focus on performance, video, SMB

- We are well positioned to help SMBs transition to online by ensuring continuous access to **superior reach** through **easy to manage ads** and **social mechanics**, as well as **increasing personalization**
- Our SMB strategy is focused on offering our growing pool of customers the **full-suite of simple business tools** including **highly-efficient ad products**
- ~3mn SMBs have active pages in VK and OK, with <10% of them paying for ads, there is significant **potential for growth in paying customers**

Examples of recent launches for SMBs

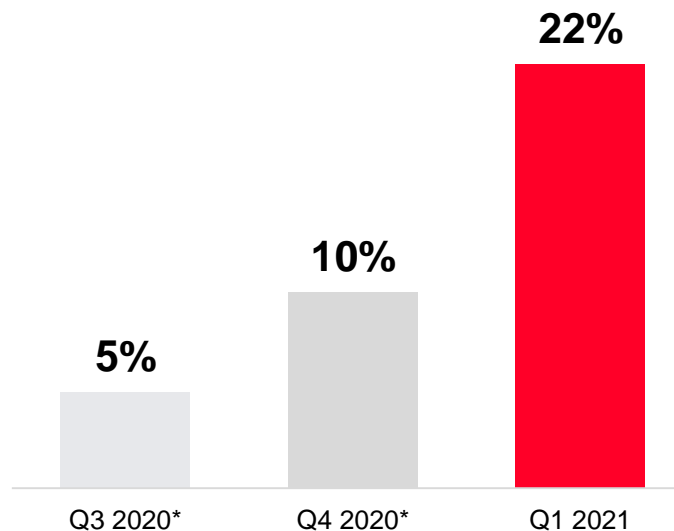
- **Pre-configured campaign goals with suggestions for applicable ad formats** simplifying campaign launch in VK
- **Sales analytics for goods from VK shops advertised in Dynamic ads (incl. ROMI)**

- We expect **Performance formats and video ads** – our key focus products – **to continue to gain share within digital ad budgets**
- As we further improve ad optimization and measurement tools, we aim to gradually shift towards **end-to-end campaigns to drive ROI**, while reducing advertiser involvement in campaign management

Examples of recent Ad Tech launches:

- **Advertising of mobile apps in VK ad manager** with 20+ optimization goals
- **Video ads in sport event live streaming** (pre-rolls in VK and OK)
- **Self-service digital OOH ads in retail stores**

Recovery of Online advertising YoY revenue growth



Source: Internal data

* - YoY growth based on pro-forma data as reported in corresponding quarterly results

Notes: Ad revenues do not account for external demand of 3rd parties ad networks with unknown product breakdown



VK: solid leadership in audience reach



- VK maintains its leadership among domestic social networks, with Russian MAU of **73mn** and DAU of **48mn (+5.9% YoY)** in March
- VK reaches **47%** of Russian internet users every day, with monthly reach **76%** in February
- Mobile time spent stood at **36 minutes** per day as of February, including **57 minutes** per day for the 12–24 age group, with focus on further growth in time spent through rollout of new use cases, including in video, social commerce or via Mini Apps

Some Q1 2021 highlights

47

Major updates in Q1

+36%

VK Mini Apps MAU, YoY

17.3mn

VK Pay users

+30%

Mobile games audience, YoY

970mn

Daily video views

Key Russia user stats (Q1 2021)

73mn

MAU

48mn

DAU

+21%

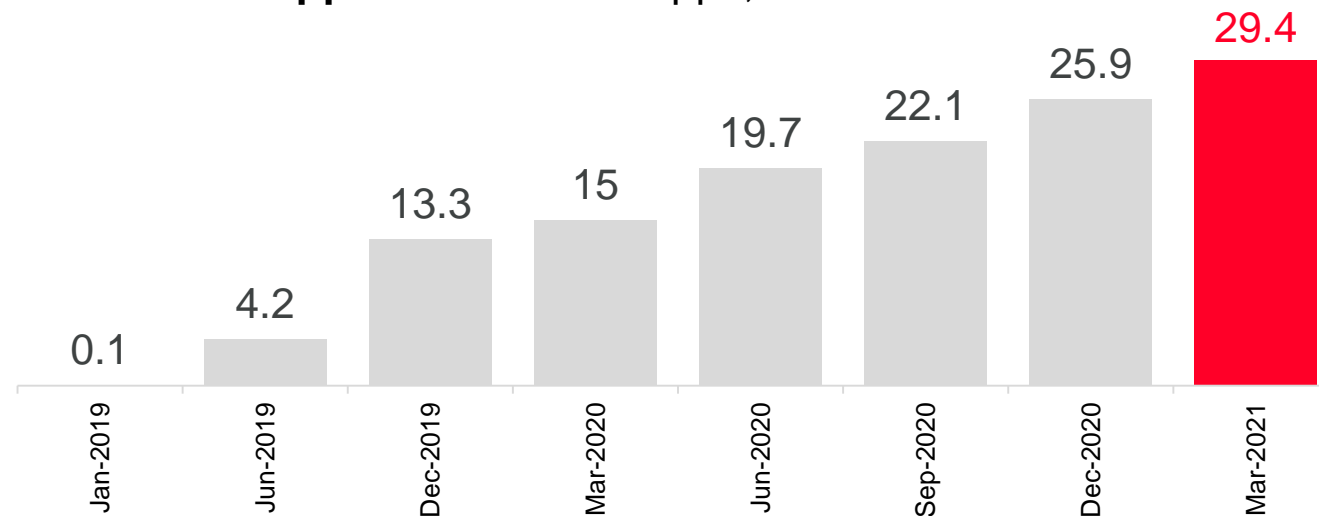
YoY revenue growth of VK in Q1 2021

VK Mini Apps: platform's expansion continues

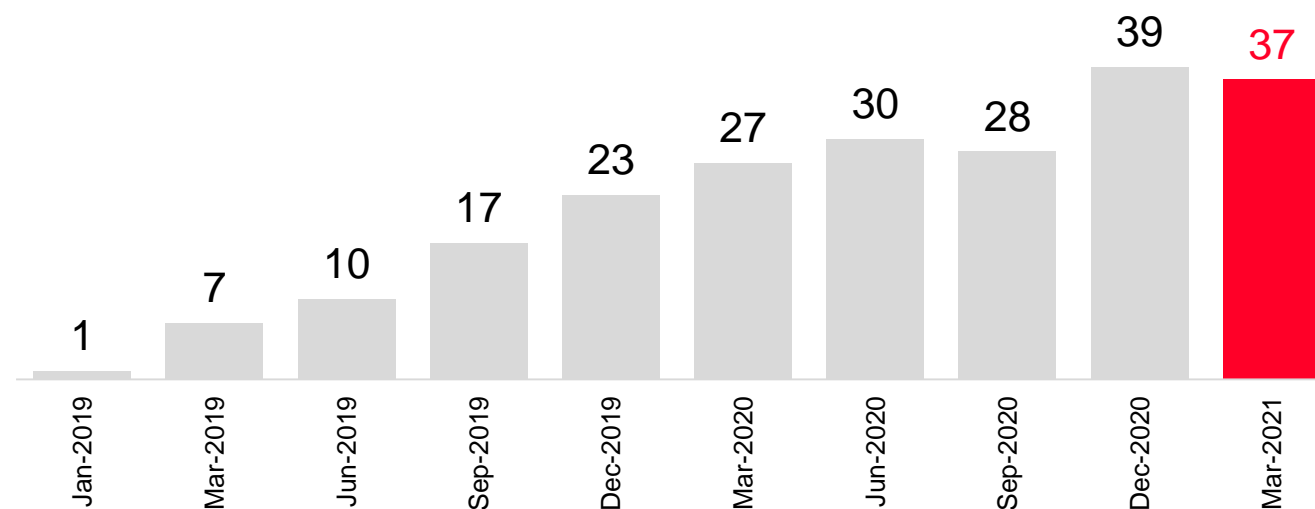


- MAU: **+36% YoY** to **37mn** in March, which means **51% penetration into VK's Russia MAU**
- DAU: **+80% YoY**
- The number of active services on the VK Mini Apps platform rose by **90% YoY** in to **>29,000** in Q1
- The most used mini apps include AliExpress, VK Food, VK Taxi, VK Classifieds, VK Health, and VK Work, with all having MAU in excess of **1mn**
- Among the latest mini app developments, VK Work (*former Worki*) automated paid placement of vacancies in VK groups and opened access to its base of **>7mn** resumes with payment for access to candidates' contacts

Active Mini Apps – Number of apps, thousands



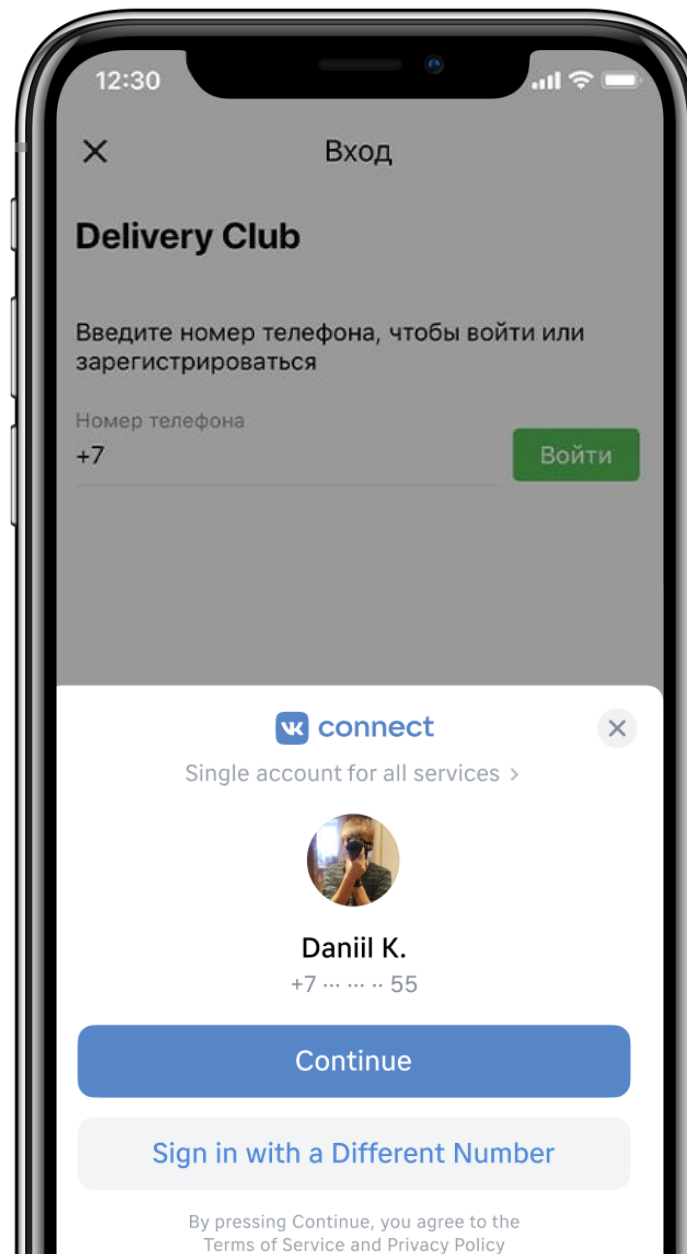
VK Mini Apps – MAU, mn



VK Connect: active roll out continues



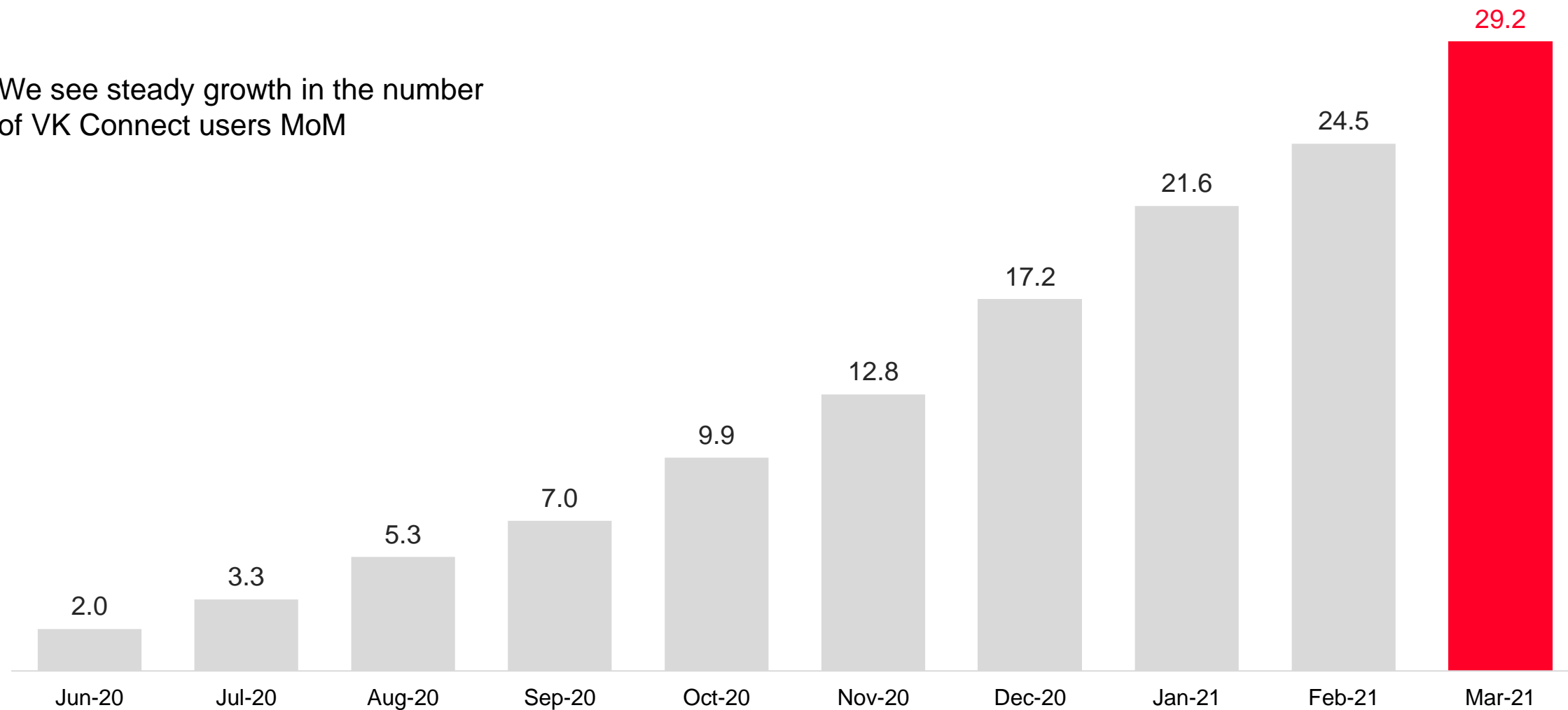
- **VK Connect**, the single sign-on platform for all Mail.ru Group products formed on the basis of VK
- Since its launch in June 2020 >**29.2mn** people used VK Connect for authentication (excluding authentication on vk.com), with their number **growing by 69% QoQ**
- **16 Group's services** have now been integrated into VK Connect vs 12 as of December 2020





Cumulative number of people using VK Connect for authentication, excluding authentication on vk.com, mn

We see steady growth in the number of VK Connect users MoM

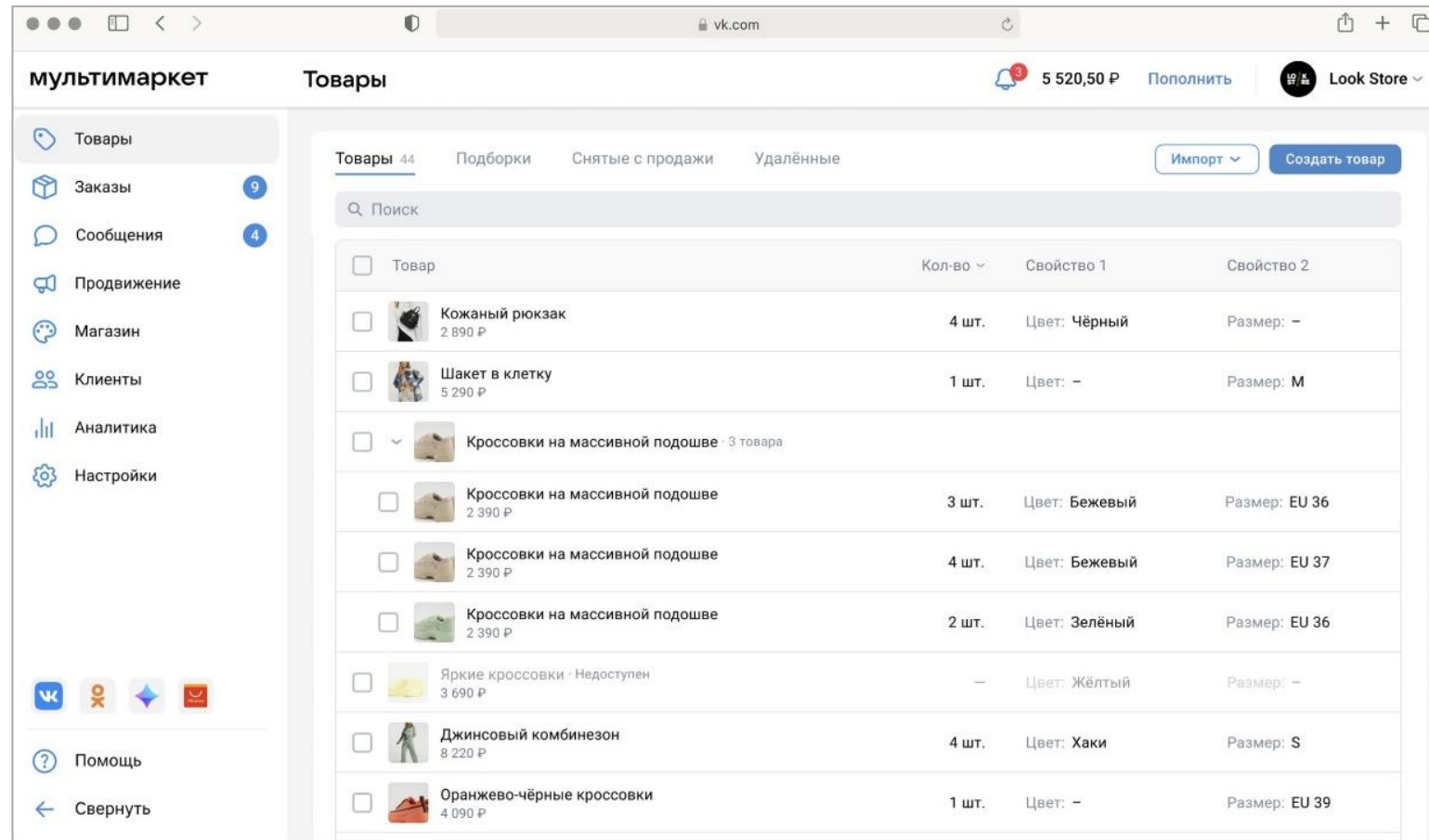


E-commerce: Multimarket launch in Q1



- We continue to develop the VK ecosystem by providing businesses and customers with helpful tools and features, all in one place
- As part of related initiatives, **Multimarket, a single B2B platform for managing stores on VK, OK, AliExpress and Youla** was launched in Q1
- Through Multimarket businesses receive access to the entire audience of all these platforms, at **170mn MAU (excluding overlaps)**, while also optimizing time spent servicing own stores

- Multimarket allows businesses to work with all orders in one window. Businesses can see a full list of orders and change their statuses
- Managing products is also easy, as the platform adjusts product descriptions depending on the platform and keeps track of inventory
- In the meantime, there has been no change on the side of customers who can continue to shop on the platform most convenient for them



VK: further enhancements in video offering



- VK remains highly focused on enhancing its video offering, including through development of different types of video content, such as exclusive broadcasts of events
- In Q1, users uploaded **+7%** more videos YoY to VK (excl. short videos from Clips), with the number of daily video views reaching **970mn in March**
- The number of views per day in VK Clips reached a new peak of **246mn** in March, with time spent per user up **49%** vs September
- We continue to roll out more PUGC* and other exclusive content (e.g. mini series) to drive engagement and time spent on Clips. These complement ongoing **product enhancements** (e.g. Duets, new personalized recommendations, technological improvements to the Clips Player)
- Monetization experiments are also ongoing but with further product development and engagement increase currently prioritized



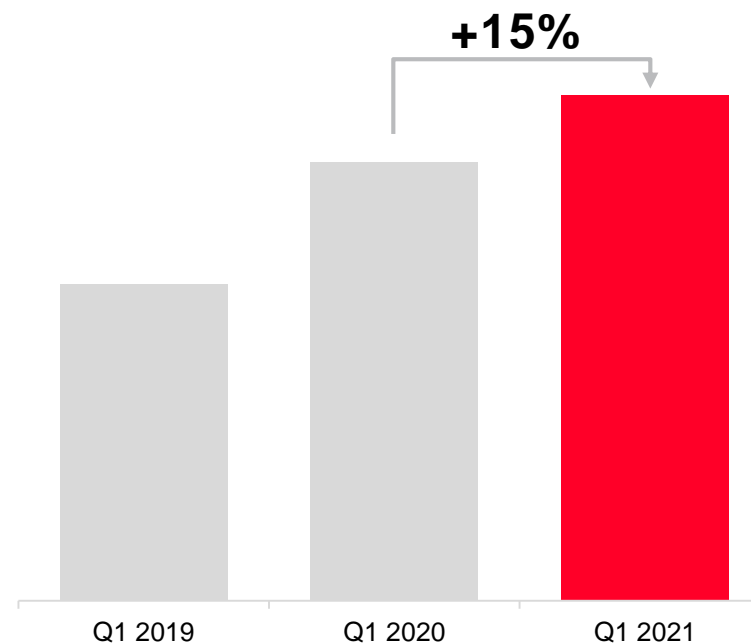


OK: social and entertainment platform



- Russia average MAU in Q1 stood at **40mn**, supported by the ongoing engagement growth
- IVAS, including games, remain the main driver, with OK users having sent a record of **12.5mn** stickers and **1.4bn** gifts over the March holidays. In total in Q1 the number of stickers sent grew by **15% YoY** with number of stickers sent in comments up **by 51% YoY**
- Engagement in groups continues to rise, including the number of group publications, which was up by **47.8% YoY** in Q1

Number of stickers sent



>650 mn

Gifts sent on 8th of March

+51%

The number of stickers sent in comments, YoY

Entertainment continues to be the major driver in user activity:

- Mobile games DAU continues to grow, up by **17% YoY** in March, with related total time spent up by **10% YoY**
- Video uploads in Russia grew by **25% YoY** in Q1
- OK released its first own original comedy series “Five plus”. First episodes got more than **6mn** views each with an average number of unique viewers of **3mn**

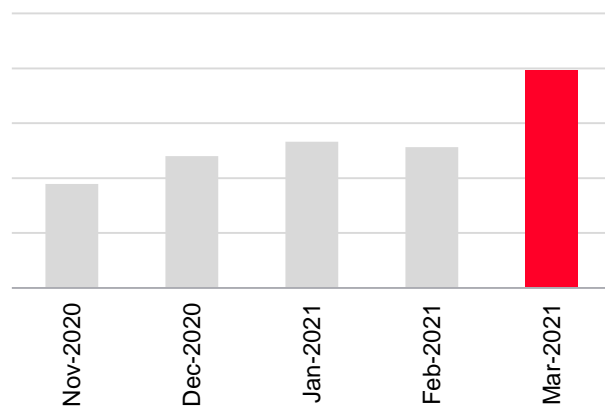
OK: Moments is seeing strong initial traction

Recently launched service **Moments** with disappearing photo and video continued to see strong traction:

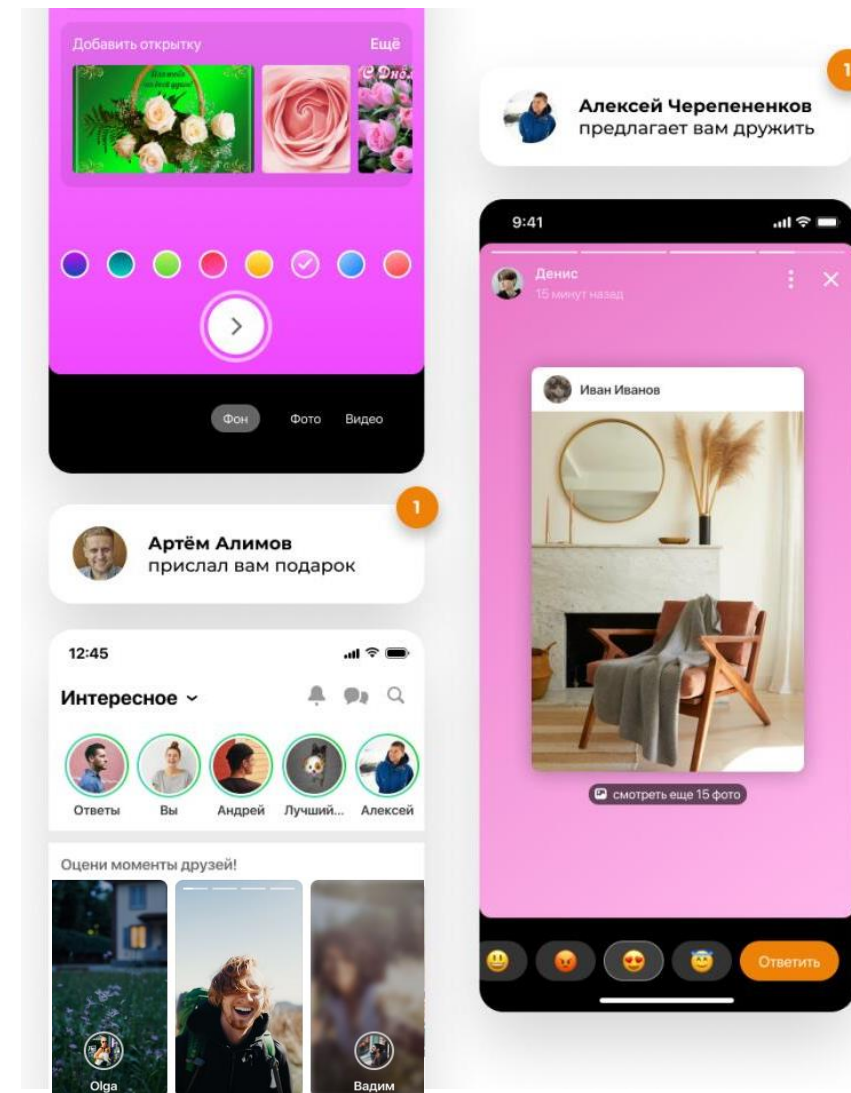
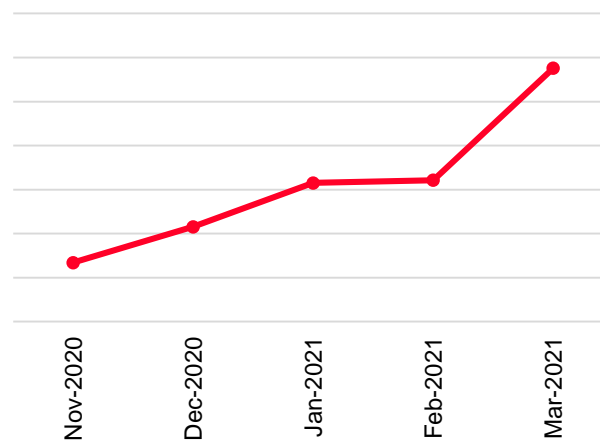
- MAU in Q1 exceeded 20mn, up by **49%** versus December, with **83%** and **84%** respective increases in the number of views and reactions
- Links for official profiles and new feedback motivators in Moments were added in Q1

Moments key metrics

MAU



Views





OK: product updates continue

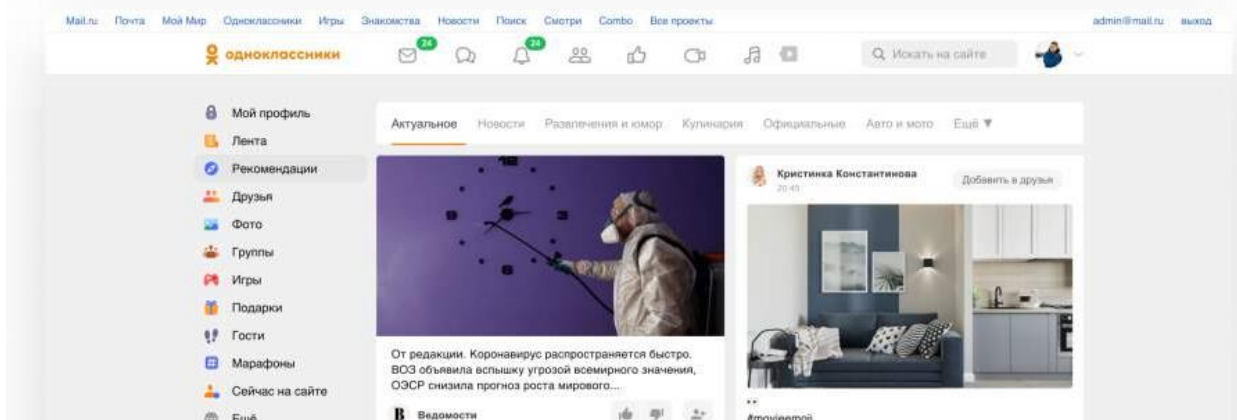
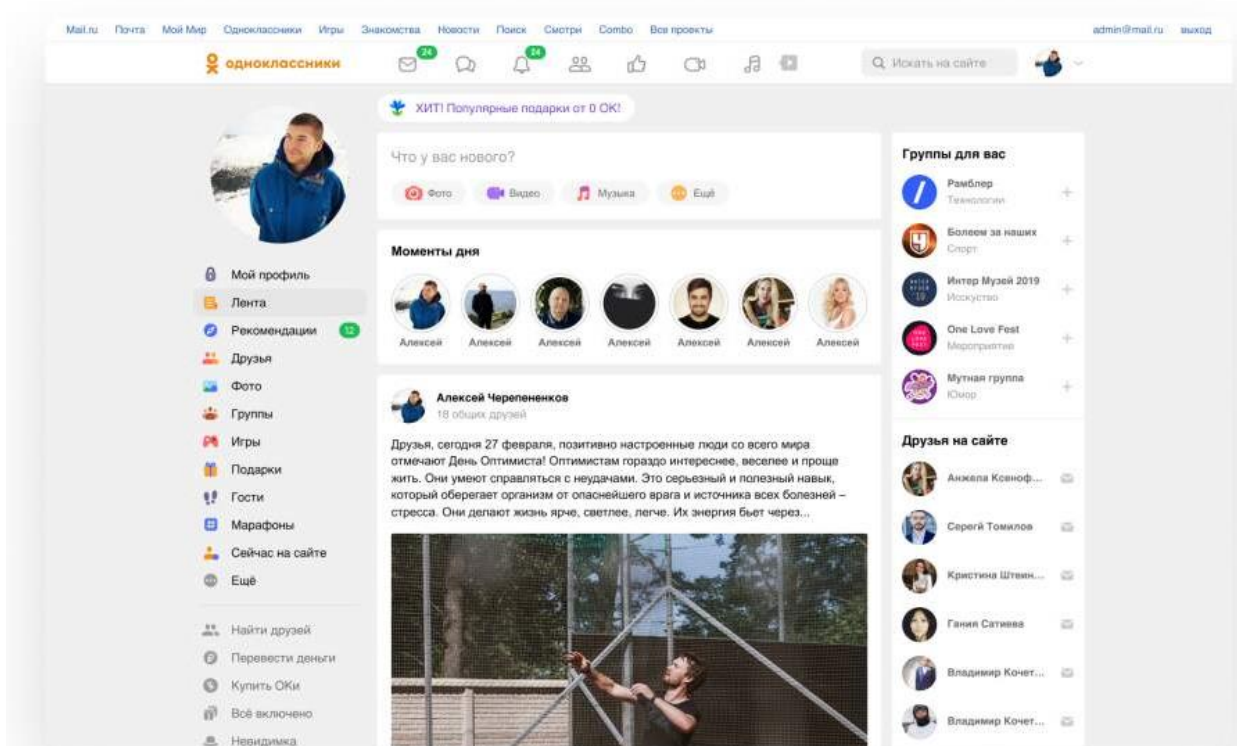


Product updates continued in Q1:

- OK updated the logo, its **desktop version** and presented a **new design of its mobile application**
- **Noise cancelling feature** to improve calls over the platforms OK, VK and the email service Mail.ru was launched

Plans for Q2:

- Ability to create thematic contests on any topic in Moments
- Launch of **stickers with sound** – a new format of visual communication in private messages and comments

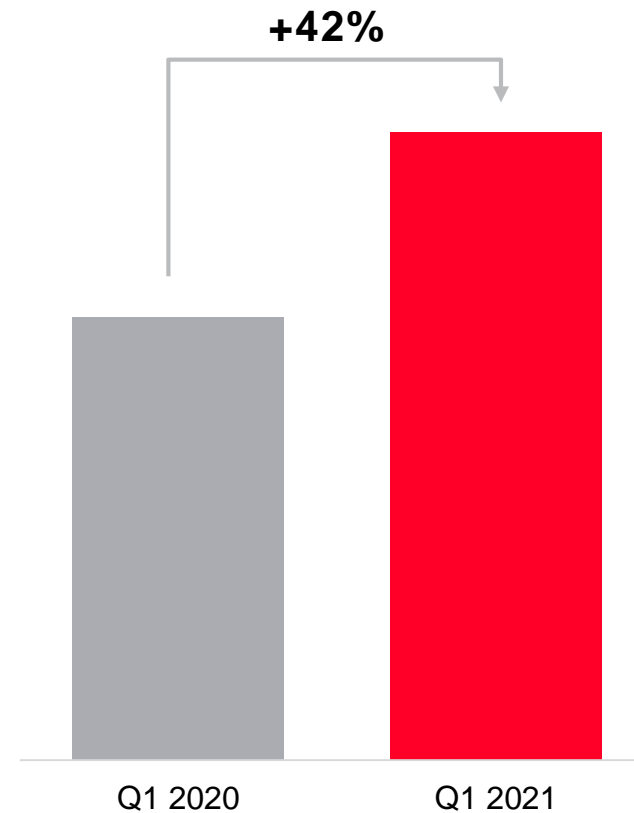


OK: SMB among the key ad revenue drivers

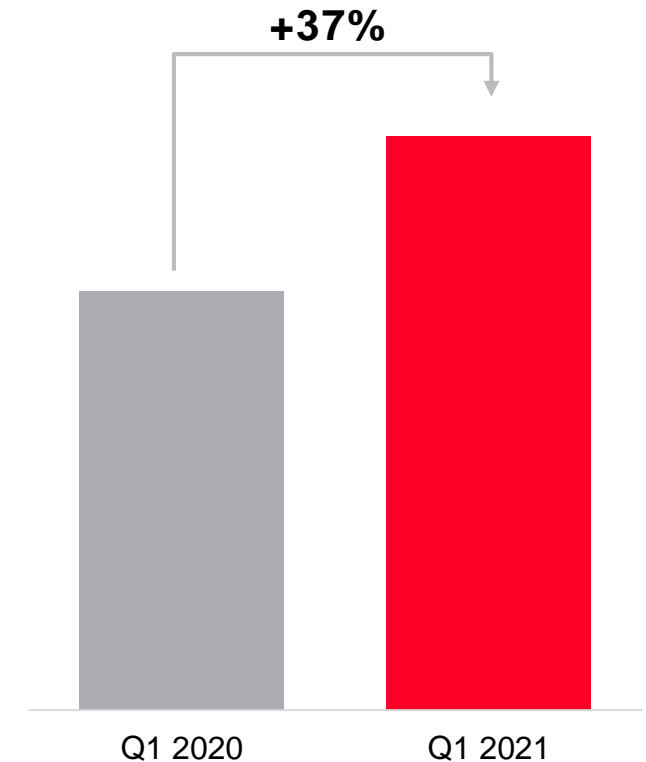


- The number of SMB advertisers in the OK Ads Manager (internal ad creation tool for SMB) grew by **36.9% YoY** in Q1, with SMB revenue up by **42% YoY**
- OK continues to invest into SMB solutions, with launching **Canvas and Lead Ads ad formats** for all the advertisers in Q1

SMB revenue



The number of SMB advertisers using internal ad creation tool for SMB



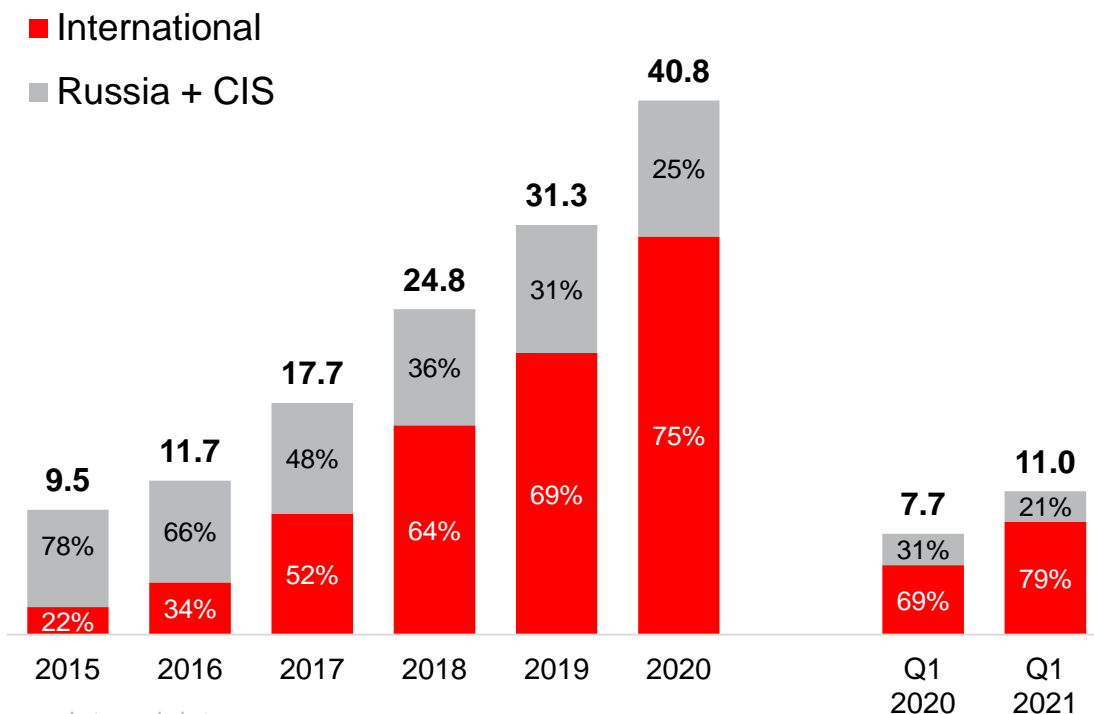


MY.GAMES: international revenue driver for the Group

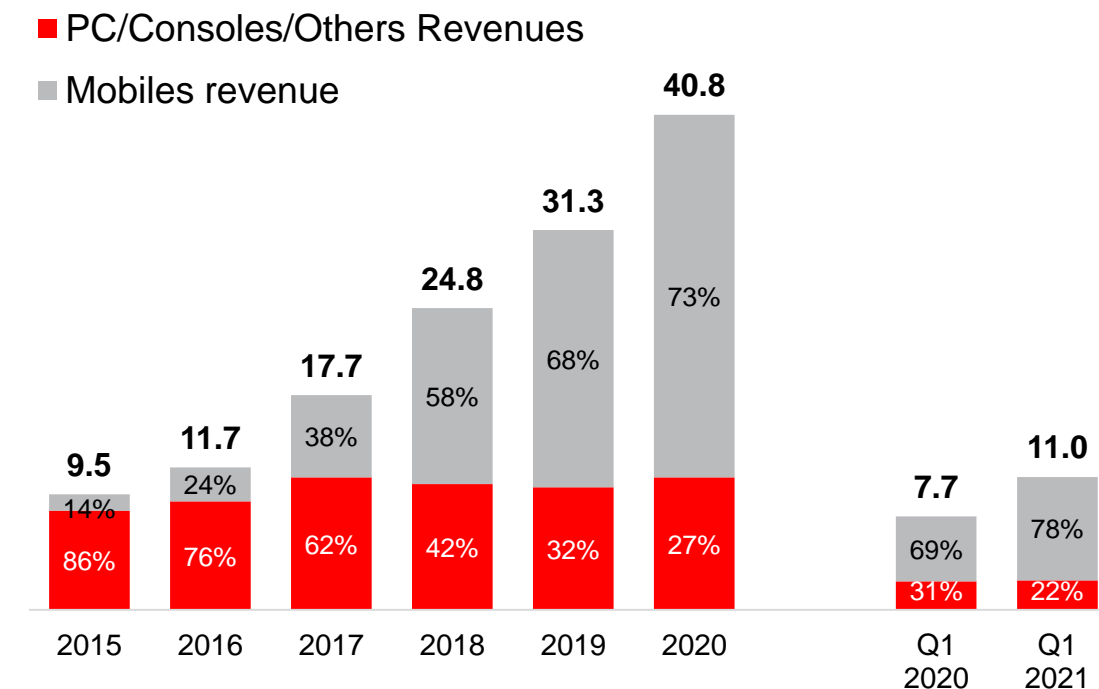


- MY.GAMES revenue rose by **42% YoY** in Q1 (to RUB **11bn**) and accounted for **39%** of Group's revenues
- **International** (ex Russia + CIS) gaming revenue share in Q1 2021 stood at **79%** (vs 69% in Q1 2020)
- Majority of MY.GAMES revenues (**78%**) come from **mobile** (vs 69% in Q1 2020)

International revenue exposure,
RUB bn*



Revenue split by platform,
RUB bn*



Source: Internal data

*- Historical annual numbers are shown on the basis of pro-forma data, while Q1 2021 and Q1 2020 numbers are shown excluding pro-forma

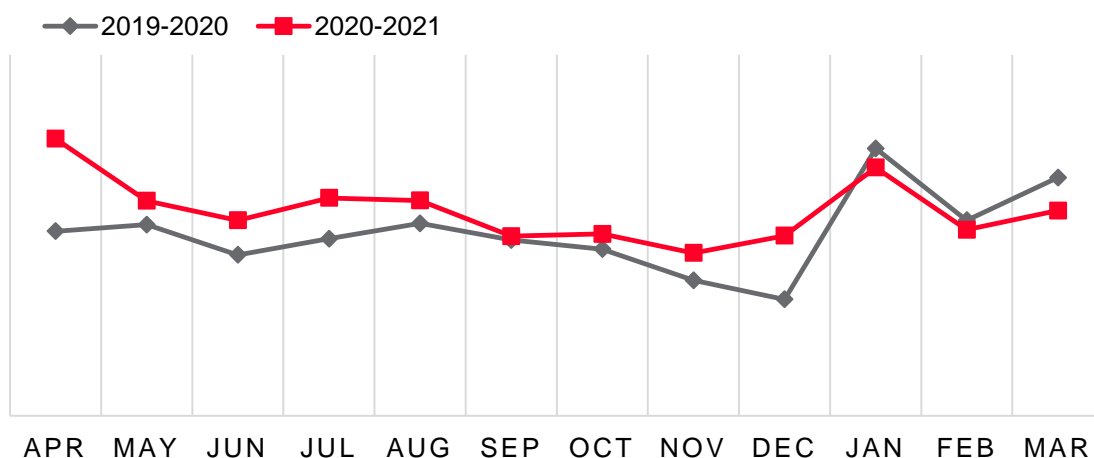


MY.GAMES: solid post-lockdown user trends



- Average **MAU** stood at **22.7mn** in Q1¹
- **Franchise titles (War Robots, Warface, Hustle Castle) remain the top-3** revenue generators, with the newly launched **Rush Royale** from ITT entering into the top-5
- We have **20+ games** in development pipeline (excl M&A), with potential to launch **1-2 PC/Console products and up to 4 mobile games within the next 12 months**

New registrations / installs in games April 2020-March 2021 vs April 2019-March 2020*



Source: Internal data;

¹ - We refined previous historical data for MAU, registrations, installations excluding pro-forma

² - Warface franchise includes Warface PC/Console, Warface Breakout Console, Warface GO

TOP 10 revenue generating products in Q1 2021

| Title | Lifetime installs (as of the end of March) (mn) | Q1 installs (mn) |
|--------------------------------|-------------------------------------------------|----------------------|
| War Robots | 191 | 7 |
| Hustle Castle | 70 | 4.7 |
| Warface franchise ² | 114 | 6 |
| Grand Hotel Mania | 10 | 2.3 |
| Rush Royale | 5 | Launched in Dec-2020 |
| Left to Survive | 33 | 2.8 |
| Zero City | 17 | 1.2 |
| Tacticool | 18.3 | 1.9 |
| Love Sick | 27 | 2.3 |
| Conqueror's Blade | 3.1 | 0.5 |

MY.GAMES: main mobile titles

- At 78% of revenues in Q1, mobile remains the top business driver for MY.GAMES
- Grand Hotel Mania reached 10m downloads since its release in July 2020, while Hustle Castle reached 70m downloads within 3 years post its release
- Rush Royale had a strong start, with 5mn+ downloads and RUB1bn in cumulative revenues within < 4 months since launch



War Robots (2014)

Lifetime downloads*:
191mn



Hustle Castle (2017)

Lifetime downloads
70mn



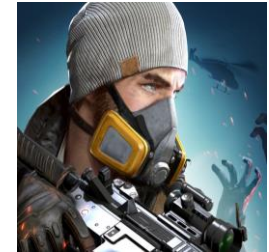
Grand Hotel Mania (2020)

Lifetime downloads:
10mn



Rush Royale (2020)

Lifetime downloads:
5mn



Left to Survive (2018)

Lifetime downloads:
33mn



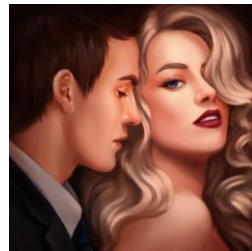
Zero City (2020)

Lifetime downloads:
>17mn



Tacticool (2019)

Lifetime downloads:
18.3mn



Love Sick (2019)

Lifetime downloads:
~27mn



American Dad (2019)

Lifetime downloads:
>8mn



Storyngton Hall (2020)

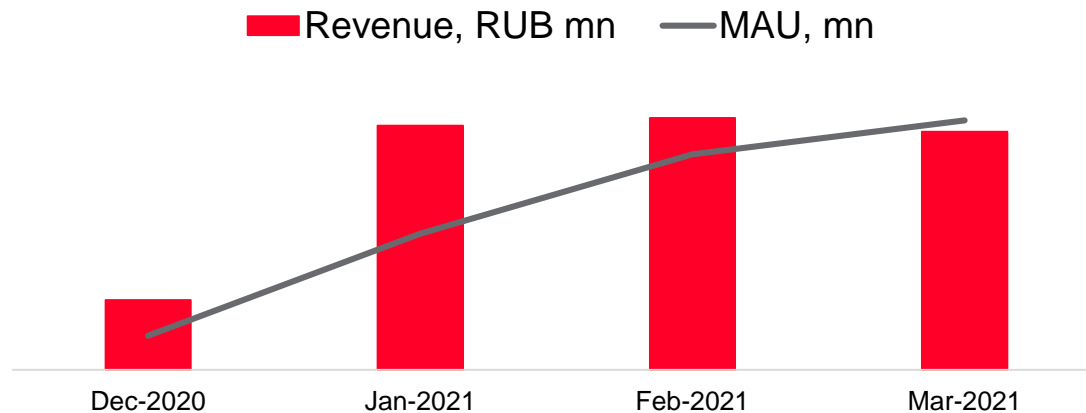
Lifetime downloads:
2mn

Source: Internal data
* As of the end of March 2021

MY.GAMES: successful launch of Rush Royale

- Rush Royale mobile game was developed by a small team within the internal IT Territory studio in a fully remote-work regime, with upfront development cost limited to ~\$300k
- Game features elements of tower defense and card collecting games
- Worldwide launch on iOS and Android devices took place in December, with cumulative revenues surpassing RUB1bn already in April
- Rush Royale is the latest example of quality organically produced IP with an attractive revenue profile as well as payback cycle

Results during the first 4 months



>5mn

Installs

>440k

Peak DAU

>RUB 1bn

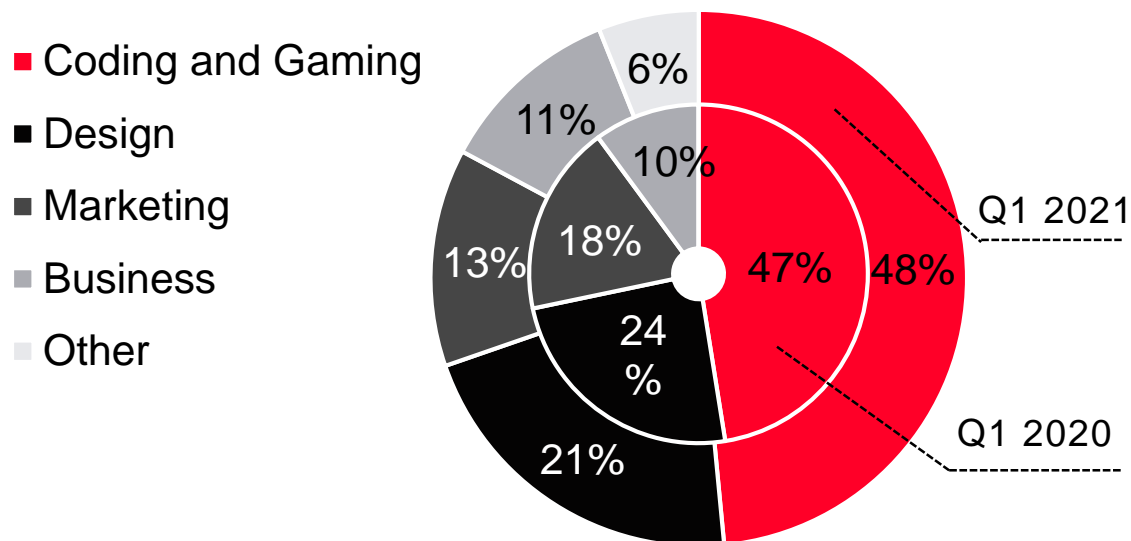
Revenue



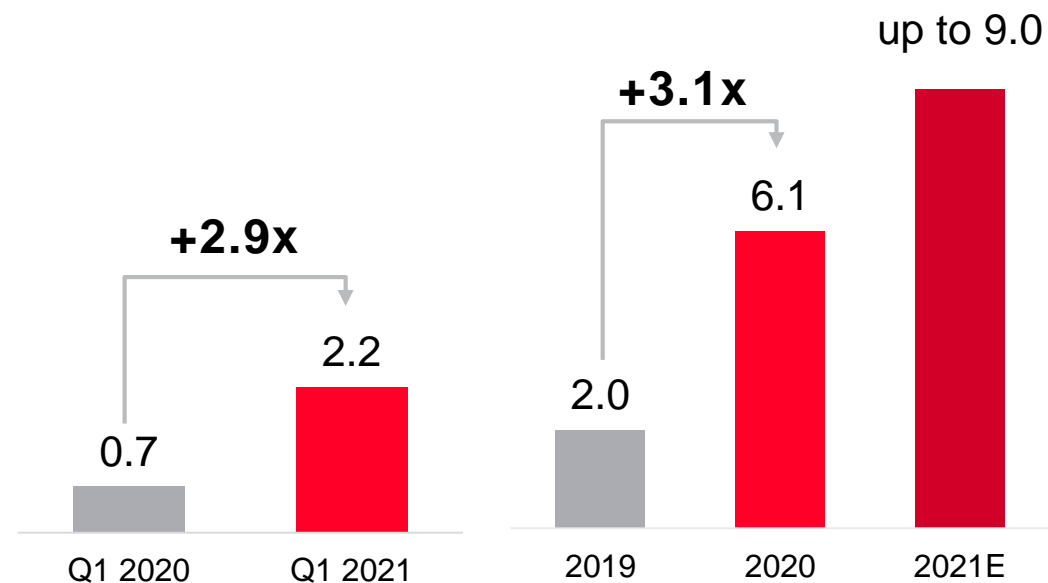
EdTech: ~3x YoY growth in Q1

- Skillbox and GeekBrains are the leading services on the growing market of online education in the segment of additional education for adults
- Service is provided on own platforms (LMS), which allows to track different metrics and users' patterns
- Platforms offer an opportunity to expand a matrix of products based on proprietary high-quality content

Skillbox and GeekBrains are diversifying portfolio of courses



EdTech revenues*, RUB bn



Source: Internal data. EdTech revenues include revenues only from the currently consolidated assets: Skillbox, GeekBrains

*- Historical annual numbers are shown on the basis of pro-forma data, while Q1 2021 and Q1 2020 numbers are shown excluding pro-forma



EdTech: rapid expansion of product matrix and customer base

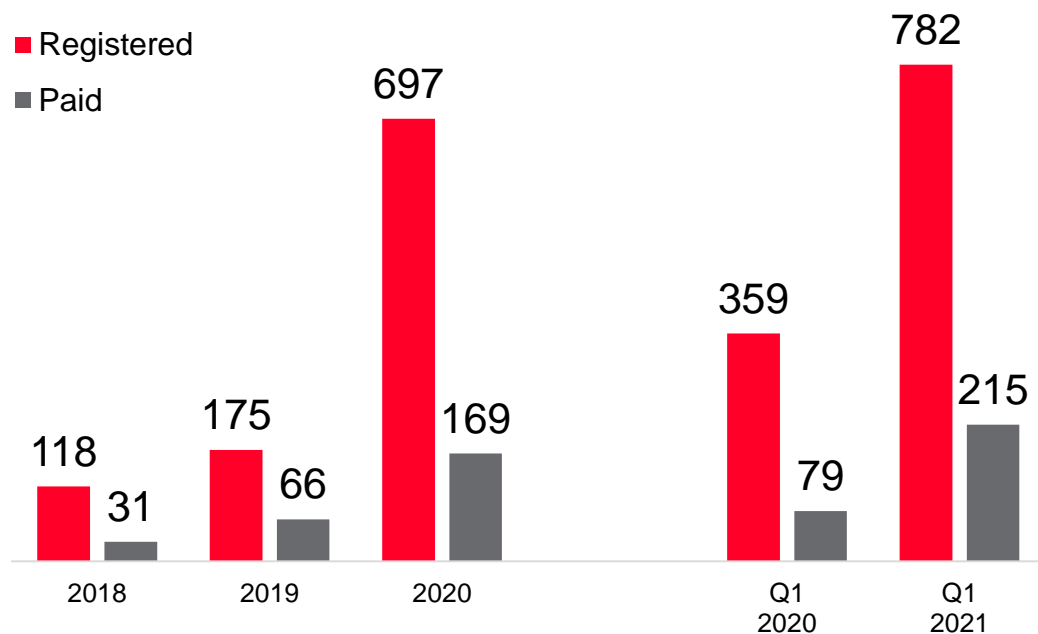
Cumulative number of registered and paid students, thousands*

2018-2020 CAGR
+144%

Q1 2021 vs. Q1 2020
+118%

2018-2020 CAGR
136%

Q1 2021 vs. Q1 2020
+172%

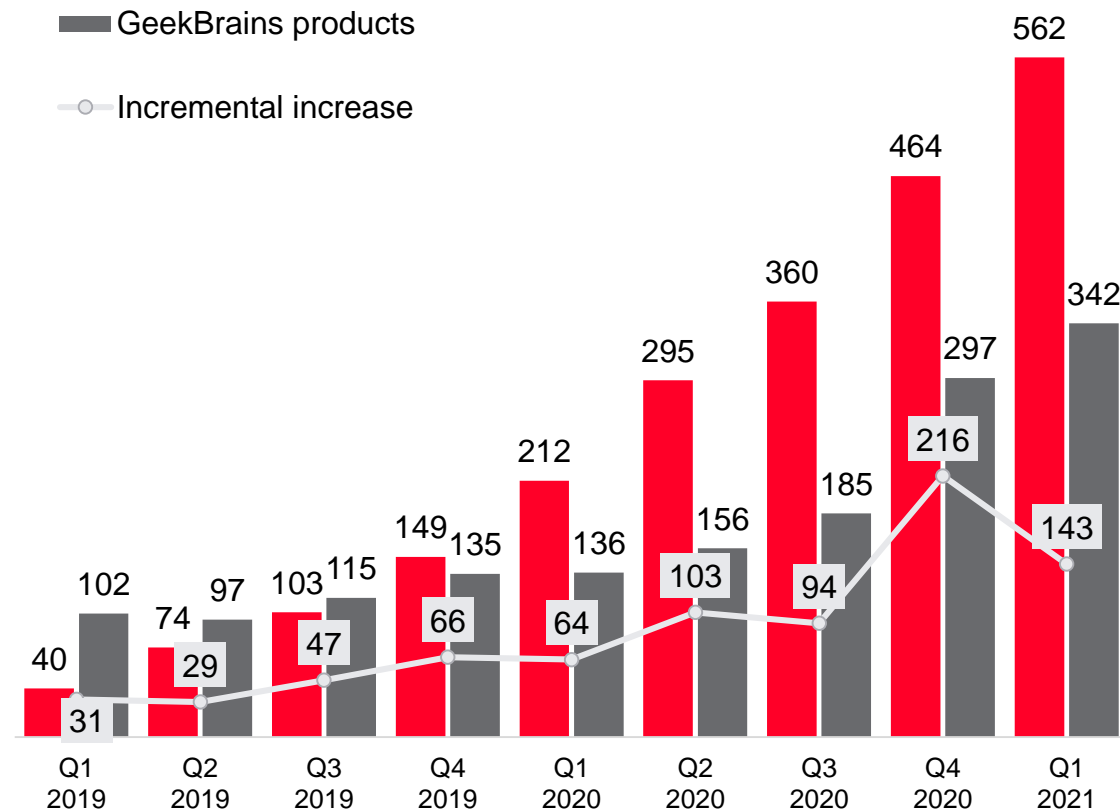


Growing number of courses and professions

■ Skillbox products

■ GeekBrains products

— Incremental increase





Youla: steady growth in revenue and traffic



Revenues:

- Revenue was up **15% YoY to RUB 0.8bn** in Q1. Revenue target for 2021 remains RUB 3.6-3.9bn
- Drivers: Strong pipeline of Group's ecosystem integrations (particularly, further integration with **VK Classifieds**) and **B2B** focused developments

EBITDA:

- EBITDA loss as a proportion of revenue declined to **<30%** in Q1 2021 vs. **>130%** in Q1 2020
- EBITDA target for 2021: a progress towards break-even (anticipated in 2022)

Generals & Services:

- Holds the largest share of classified revenue and is less cyclical
- Further audience growth and monetization through VK Classifieds development

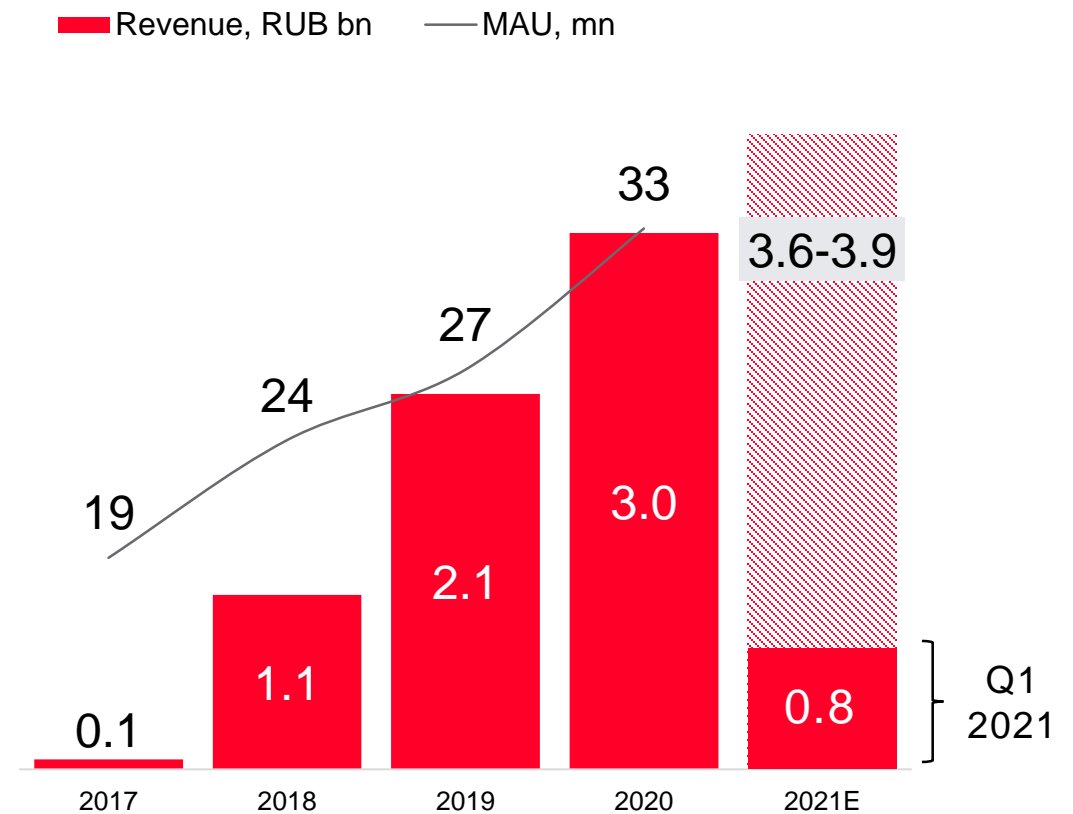
Real estate:

- Growing penetration in the regions, with initiatives in B2B to support growth

Jobs:

- Focus on blue-collar and development of VK Rabota, team expects **+2x YoY revenue growth** in the vertical in 2021

Youla revenue and traffic growth 2017- 2021E





Youla: VK Classifieds and VK Rabota progress



VK Classifieds product launches:

- **VK Classifieds development:** desktop version for listings launched in March (following the launch on mobile in December)
- **Social graph development:** profile data of sellers such as ratings, number of friends and reviews are now available for buyers
- **Bookmarks in VK Classifieds** are implemented and synchronized with Youla favorites and main bookmarks in VK
- **Recommended groups in VK Classifieds:** listing cards can now include recommendation for relevant groups in VK (led to 1.5x growth in subscriptions to these groups)

30%

of overall Youla MAU comes from VK*

VK Rabota product launches:

- **Demo access to CV data base:** 30% of new recruiters in Q1 came from the launched demo-access
- **Free vacancies for white collars:** 45% of registrations in free vocations in Q1 cam from new users
- **«Vacancies exchange» with VK:** possibility for job posting via VK Rabota app directly to job-related groups in VK

20%

of new recruiter registration are drawn from VK traffic

19%

of SMB revenue in VK Rabota comes from VK traffic

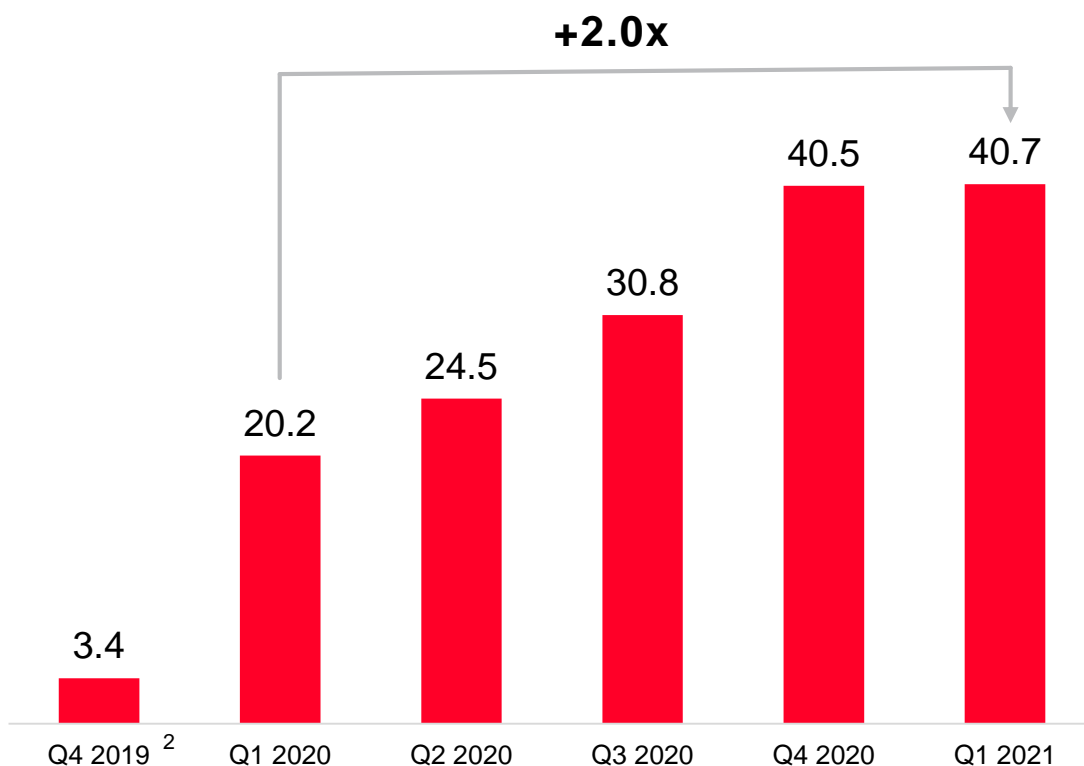


Joint Ventures

O2O & AliExpress Russia

GMV of O2O JV doubled in Q1

O2O GMV¹, RUB bn



- O2O JV perimeter includes Delivery Club, r_keeper (former Foodplex), Citymobil, Citydrive (former Youdrive), Local Kitchen and Samokat (the latter two businesses were consolidated in 2020)
- **O2O GMV doubled YoY to RUB 40.7bn** in Q1 2021, despite no significant regional rollout from the largest assets (Delivery Club, Citymobil)
- GMV in Q1 2021 was similar to Q4 2020 level due to seasonality, particularly in relation to the Mobility segment where Q4 is the highest season. At the same time, **EBITDA loss of the O2O JV was down 25% QoQ**, with an improvement in unit economics across the board

Source: Internal data

¹ For commission businesses GMV is defined as gross turnover before deduction of discounts and VAT. For non-commission revenue GMV is defined as Revenue before deduction of discounts and VAT. In line with the Group's reporting approach, O2O GMV is now reported O2O excluding pro-forma, i.e. assets' contributions are taken into account from the date of related consolidation

² Since O2O foundation (18.12.2019)

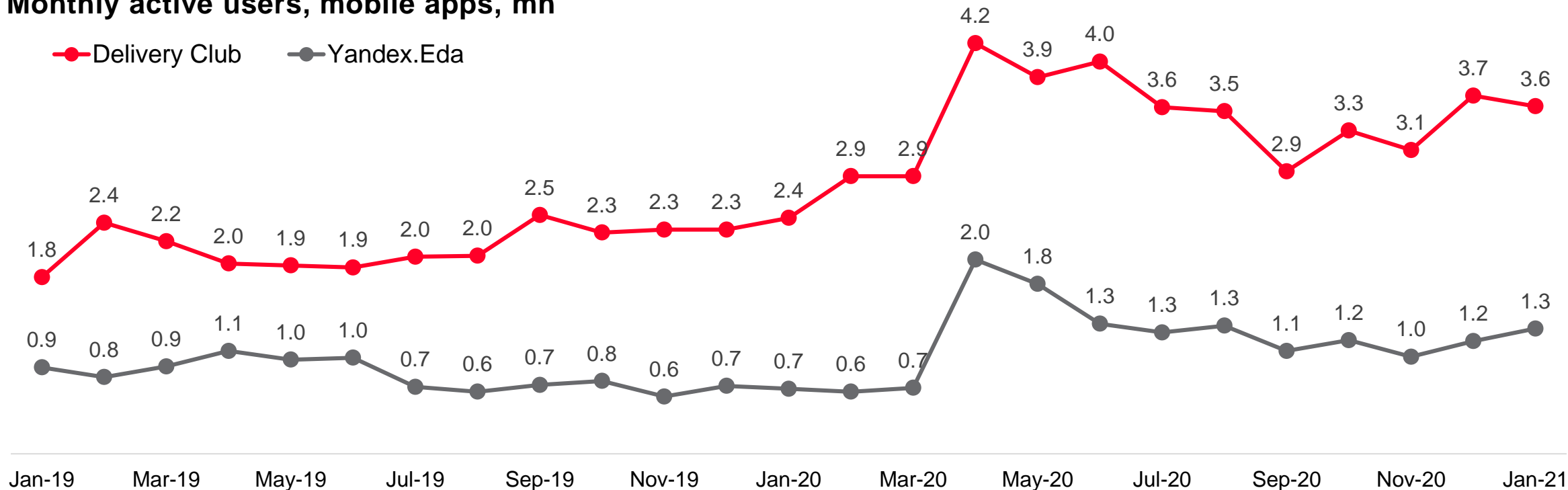


Delivery Club: ready-to-eat (RTE) food delivery market leader in terms of users...



Platform is seeing stable growth trend in MAU since September 2020, despite the ongoing “post-COVID” normalization, which suggests increased confidence and solid retention of Russian users in relation to RTE and e-grocery delivery

Monthly active users, mobile apps, mn



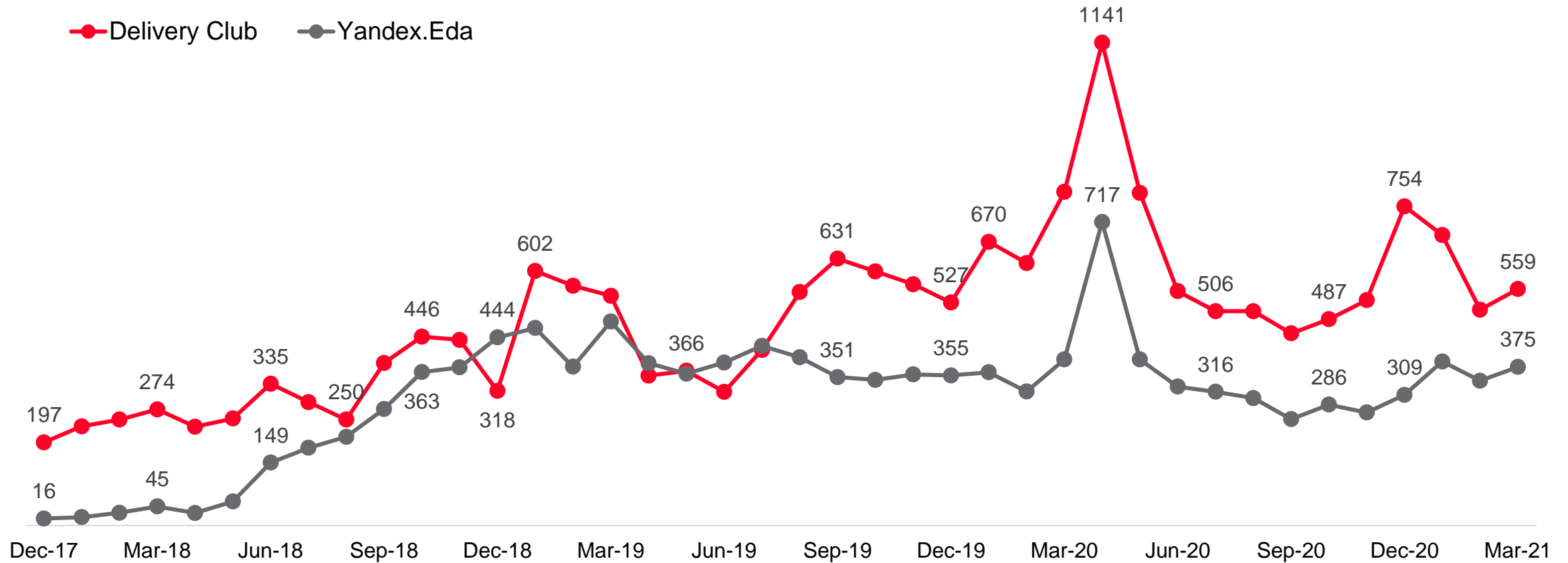
Source: Mediascope, Russia, mobile apps only, cities 100k+, age 12-64



...and downloads



Downloads, iOS and Android combined, thousands



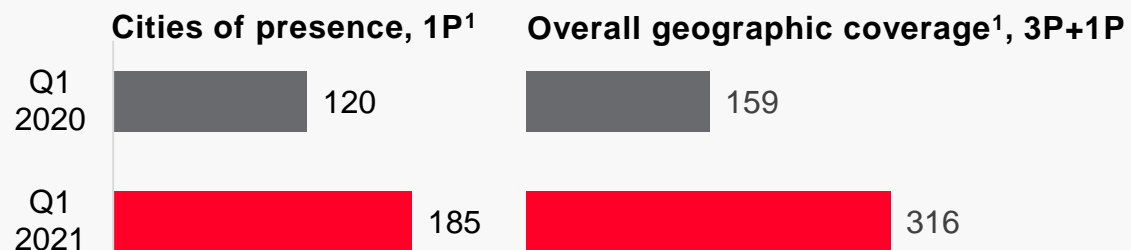
Source: AppAnnie



Delivery Club: ~1.8x YoY revenue growth in Q1

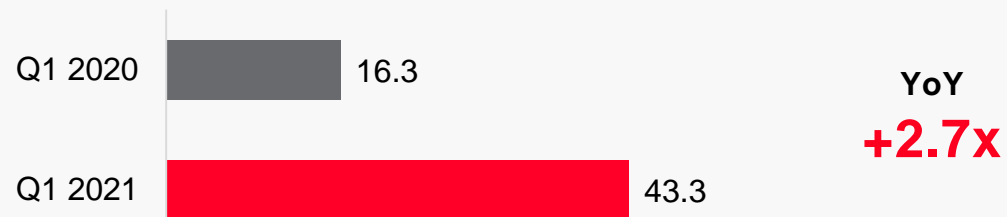


Geographic reach

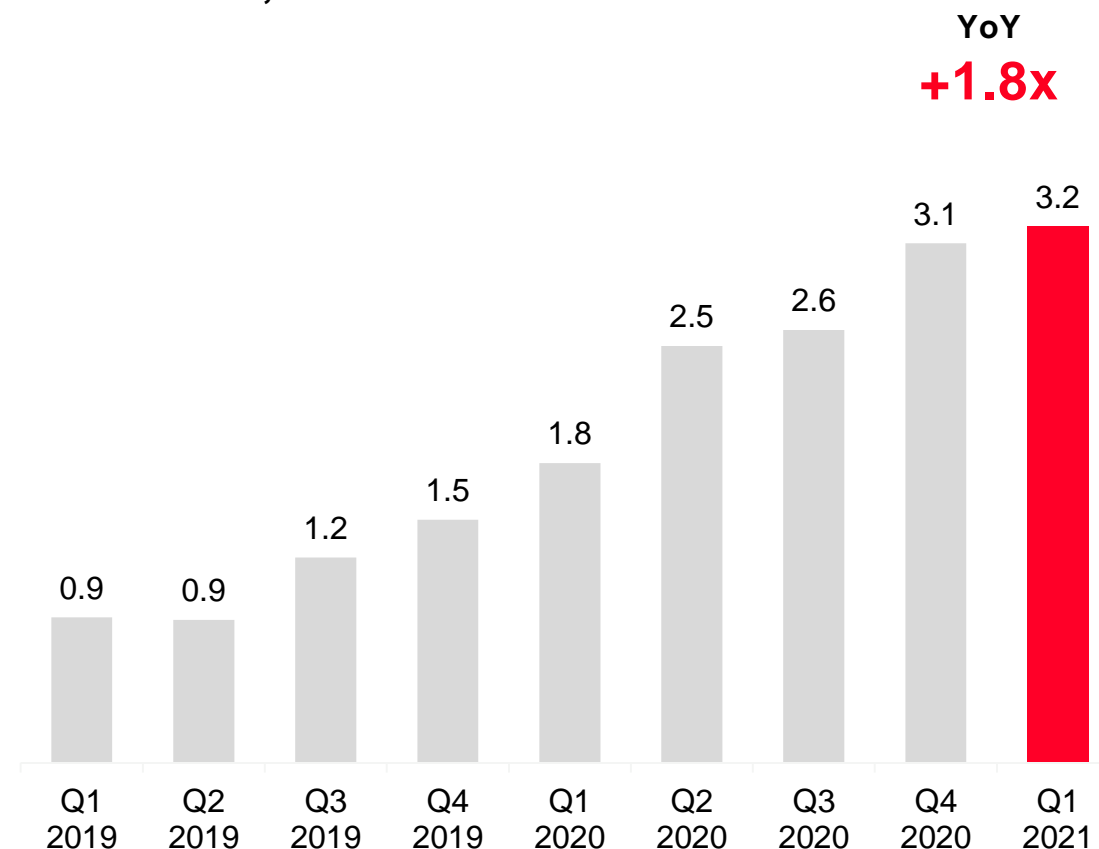


Vendors on the platform

Number of vendors², thousands



Revenue³, RUB bn



Source: Internal data

¹ Including city-like districts

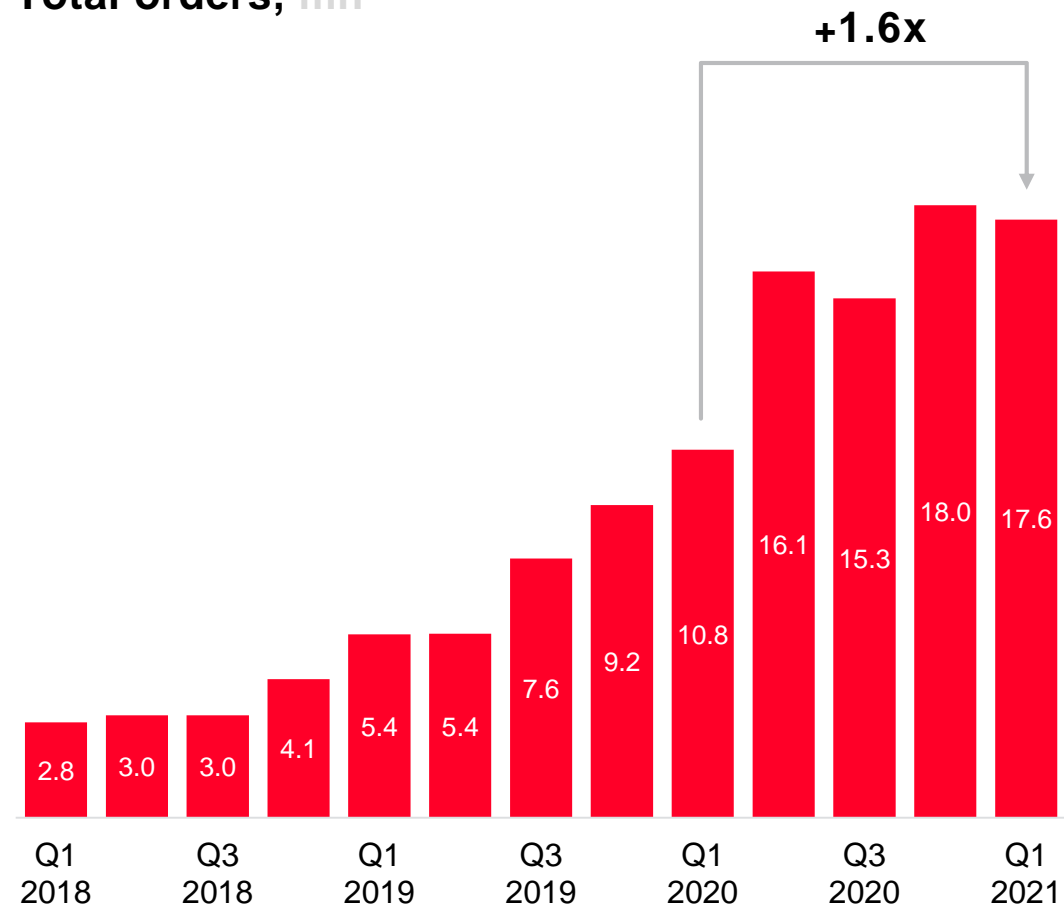
² Partners available for taking orders during the last month of reporting period

³ Gross revenue (before deduction of discounts to customers), based on management accounts

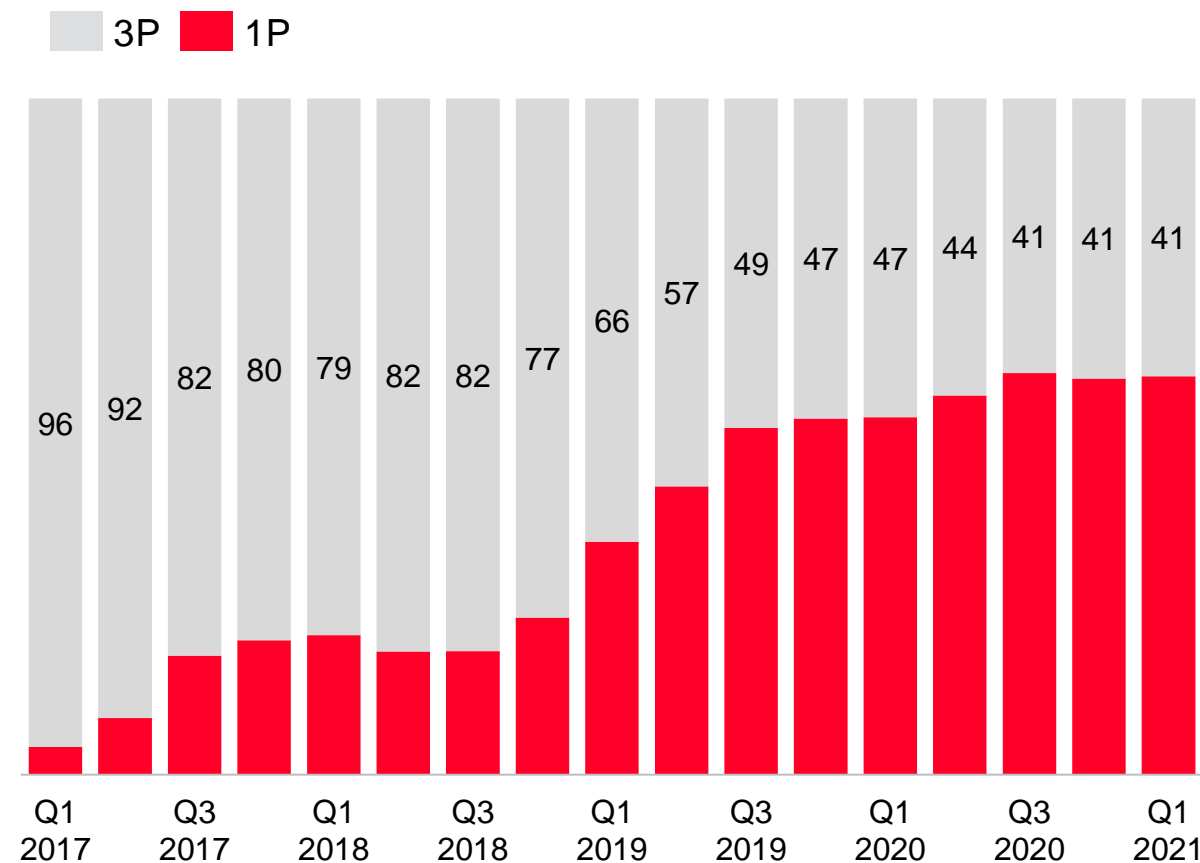


Delivery Club: 1.6x YoY growth in orders with a balanced 1P share

Total orders, mn



1P/3P orders split, %



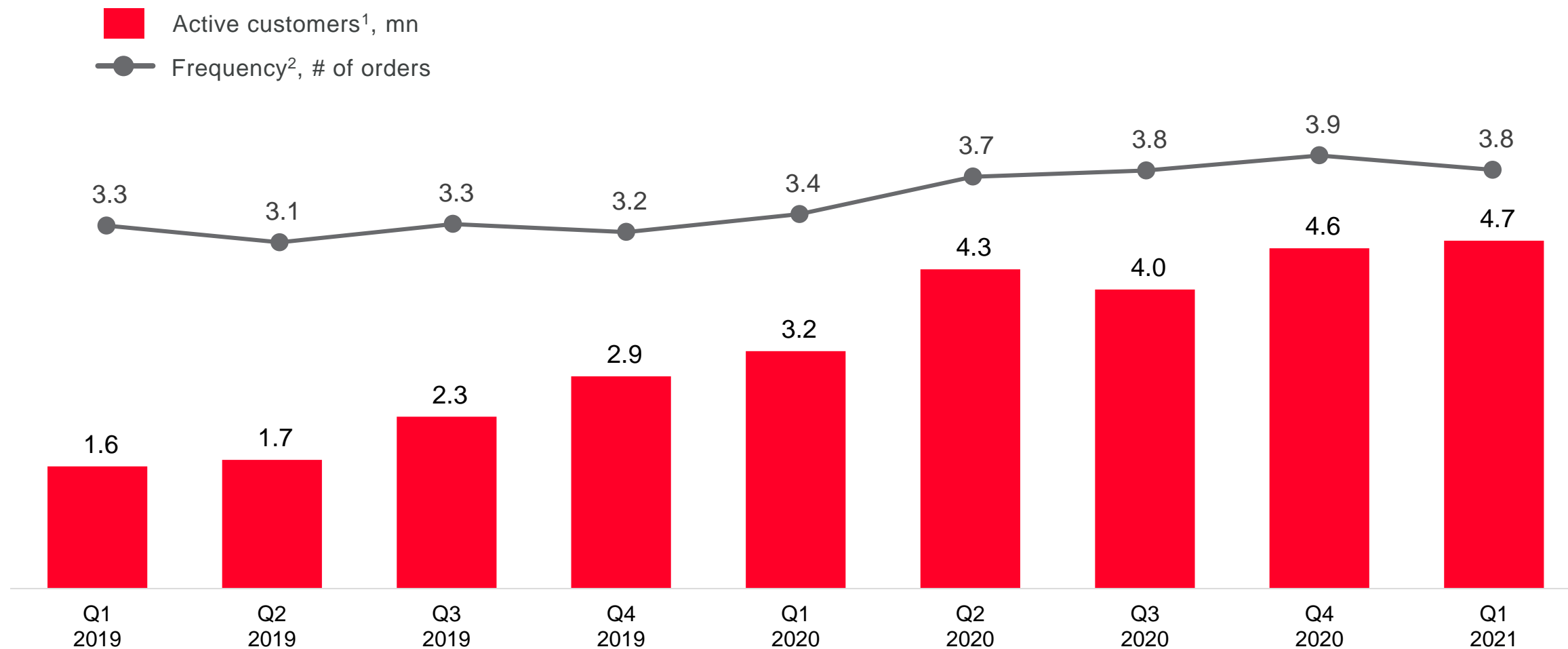
Source: Internal data



Delivery Club: Growing active users and frequency



The number of active users increased by 46% YoY in Q1 (to 4.7mn), with frequency up by 18% YoY in Q1, approaching 4 orders per active user per quarter



Source: Internal data

¹ Unique users made at least 1 order during the quarter

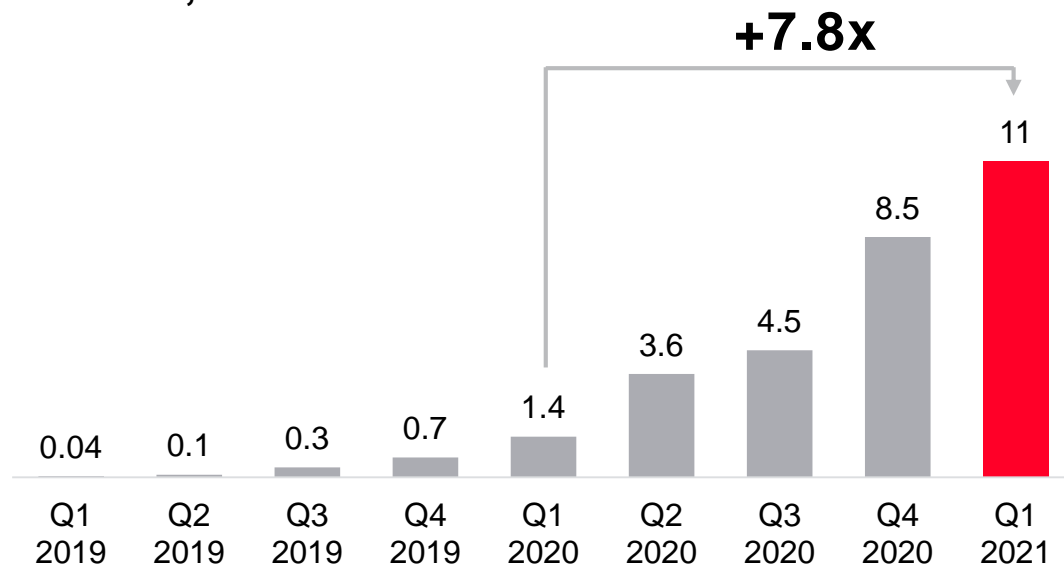
² Frequency is defined as total orders made during the quarter divided by active customers base in this quarter

Samokat: 10x YoY revenue growth in Q1

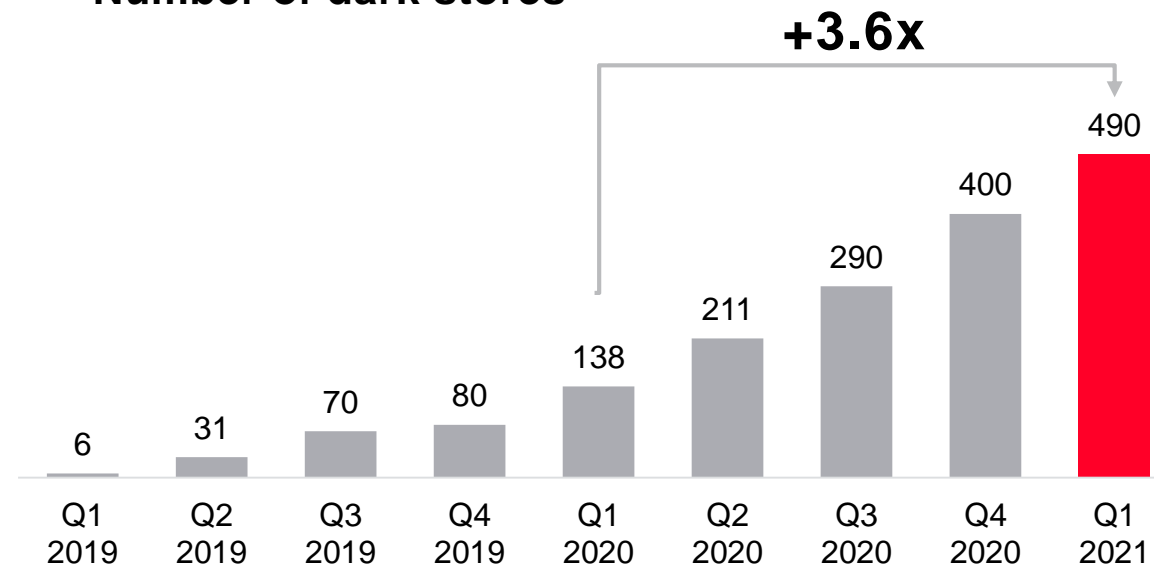


- Samokat express e-grocery platform approached **11mn orders in Q1 (+7.8x YoY)** with up to **160,000 in daily orders at peak** in March
- **Revenue grew 10x YoY** in Q1 to **RUB 6bn**, with the number of dark stores reaching **490** in March (**+3.6x YoY**)
- In Q1 Samokat launched operations in **Novosibirsk, Ekaterinburg, Krasnodar** and **Samara**, in addition to its presence in **Moscow, St Petersburg, Nizhny Novgorod** and **Kazan**
- Samokat continues to expand its **private label** assortment, now at **350+ SKUs** and accounting for **>17%** of revenue in Q1

Orders, mn



Number of dark stores



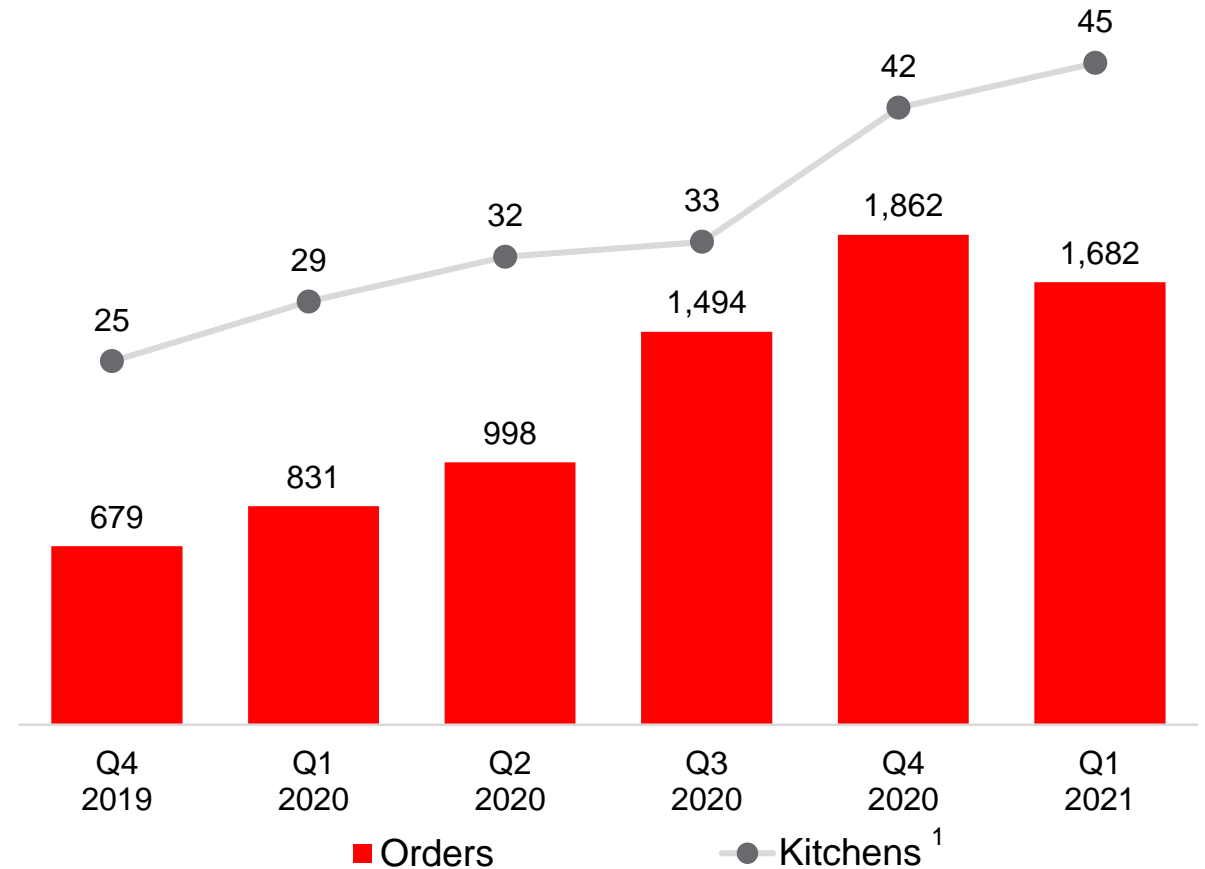
Source: Internal data

Local Kitchen: doubling YoY in Q1



- In Q1 Local Kitchen dark kitchen operator had an average of 45 kitchens across Moscow vs. 29 in Q1 2020
- Revenue increased 2.2x YoY in Q1, with 2x growth in orders to 1.7mn in Q1 2021. Daily orders of the top-performing kitchens reached 875 orders per day
- Slight QoQ decline in orders QoQ was due to ~20% of kitchens reaching full order capacity as well as certain seasonality of statutory holidays and weather conditions
- In Q1 Local Kitchen started construction of Food Laboratory in order to drive further product quality and volume growth

Orders (thousands) and dark kitchens



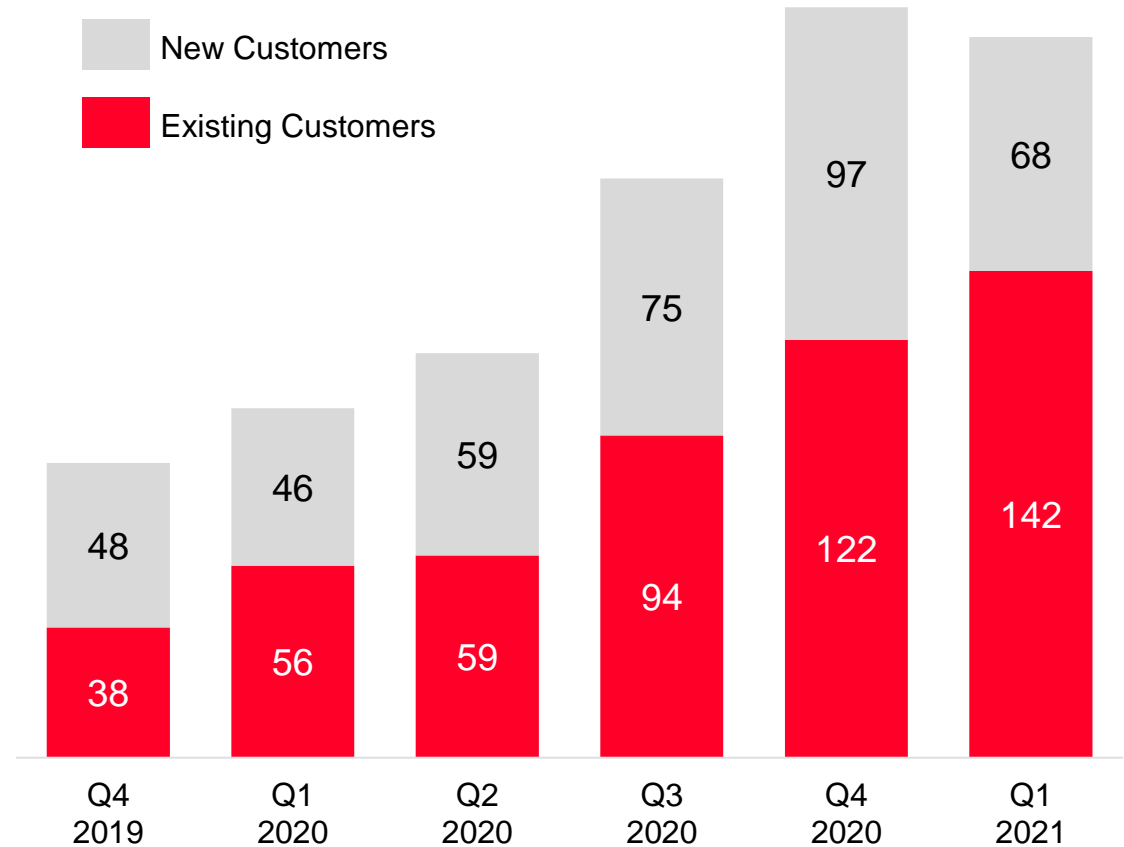
Source: Internal data

¹ Average number per quarter

Local Kitchen: rising retention across cohorts

- Active¹ customer base reached **~130,000 unique monthly users** in March 2021 (**~2.1x YoY growth**), with rising **retention across cohorts** on the back of the high service quality
- Share of **existing customers** within a total active customer base in Q1 2021 stood at **~70%**, which creates a strong base for further growth

Active users, thousands



Source: Internal data

¹ Active customer is a customer who made at least 1 order per period



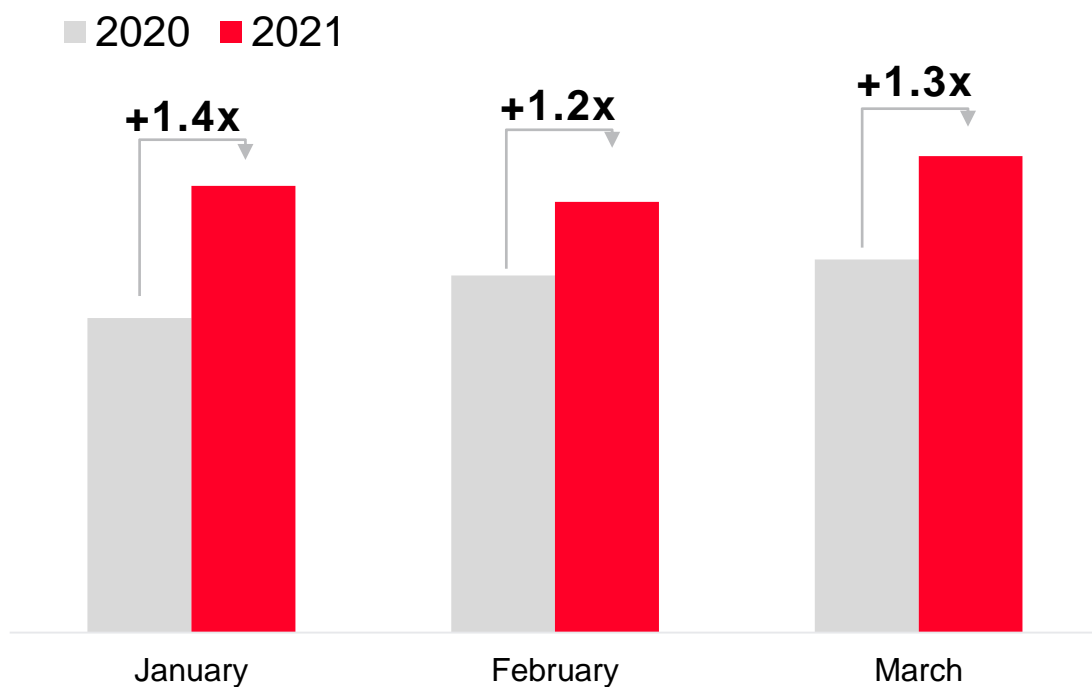
Citymobil: ~30% YoY growth in rides in Q1



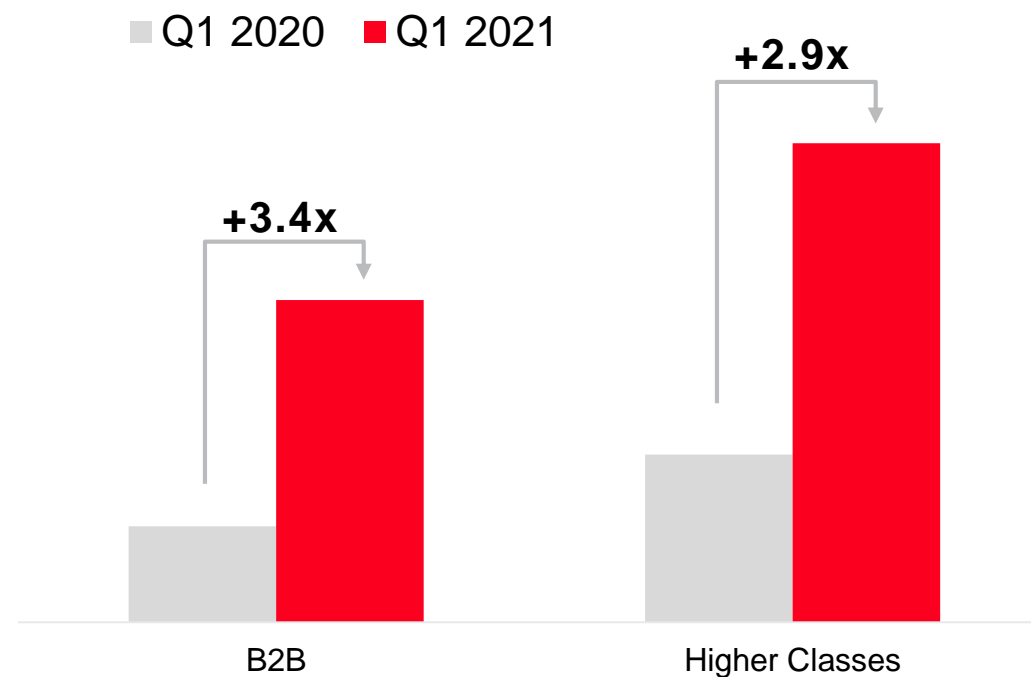
Growth in rides continues, despite no new regional launches

Growth is supported by rapid expansion into B2B and Premium segments

Citymobil rides by months



Citymobil B2B & Higher Classes rides



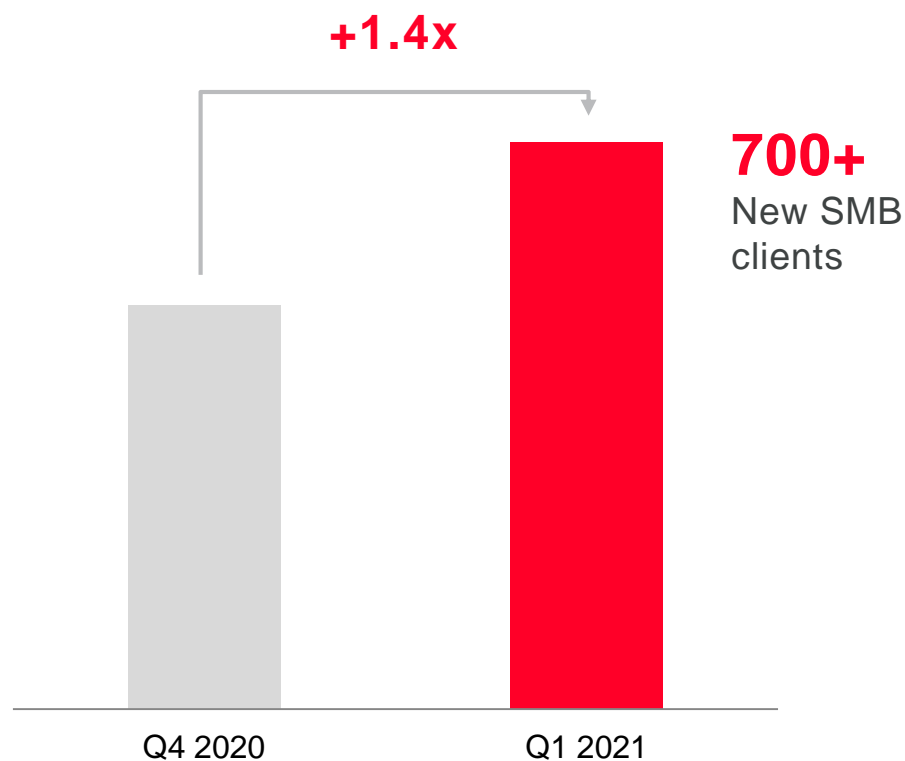
Citymobil: continued platform development



Delivery business expansion continues

To support the growth of the entire platform **Citymobil signed a strategic partnership with Gett...**

Citymobil delivery rides



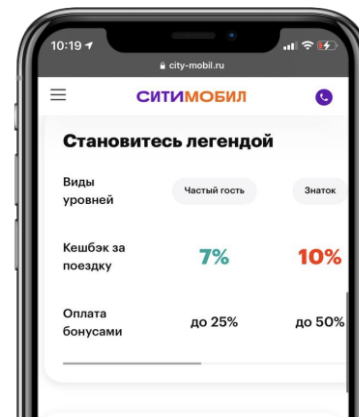
Collaboration allows Citymobil drivers in all regions of presence to receive orders from the Gett rider app

X



Partnership supports growth and Citymobil's operational efficiency

...and launched a brand **new loyalty program**



Launch in January



40% of clients already spend bonuses



Results: better retention and higher frequency



AliExpress Russia: wide assortment and major audience

> 140mn
SPUs

225k

cross-border sellers

45k

local sellers

229.3bn RUB

GMV in FY2021 (ended in March 2021, excluding services)

> 130mn

Registered accounts

>26mn

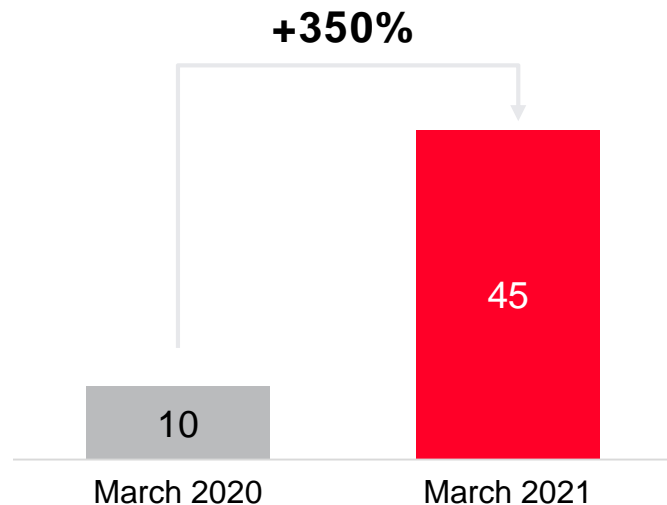
People made purchases in FY2021



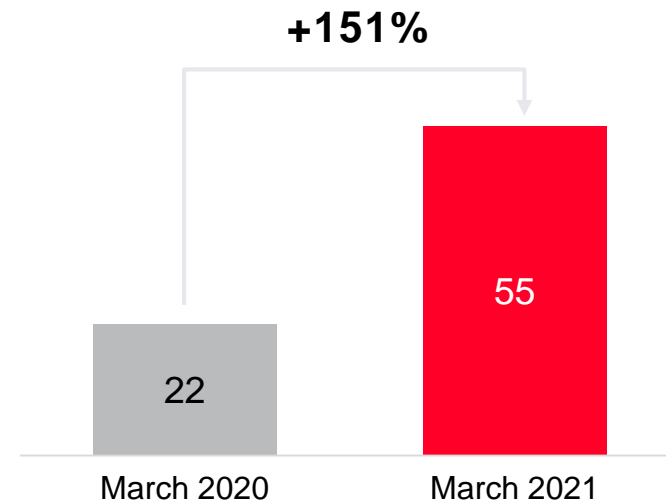
AliExpress Russia: local business generated almost 25% of GMV in FY2021 (ended in March 2021)



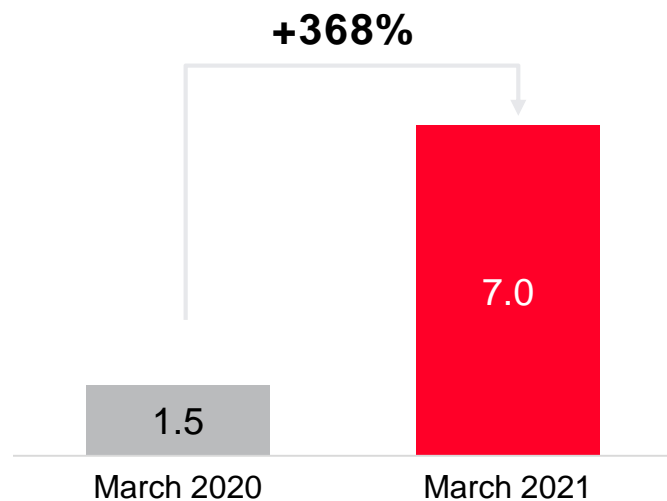
Number of local sellers, thousands



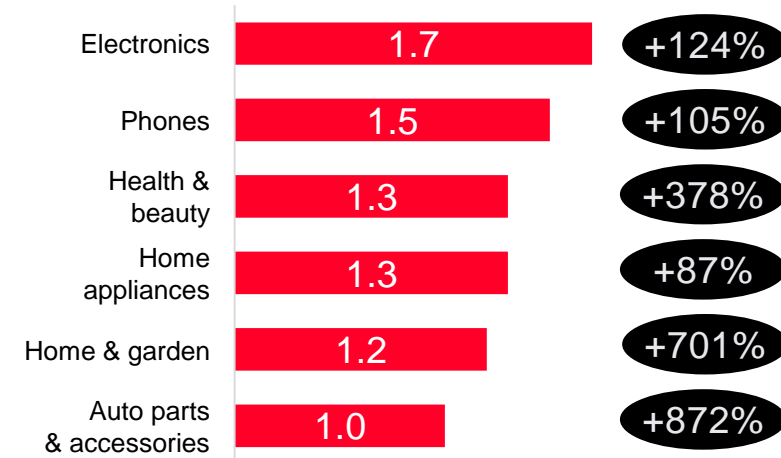
Local GMV in FY2021 (ended in March 2021), RUB bn



Number of SPUs offered by local sellers, mn



Number of orders in key categories in local marketplace (mn orders) and YoY growth



AliExpress Russia: ongoing transformation

Recent improvements and new launches:

- **Group purchase option** on the basis of VK mini apps
- **Payments for goods in installments** for purchases completed within the AER mini app in VK and using VK Pay
- **Single B2B platform** for sellers to manage online stores, including related inventory and pricing simultaneously across VK, OK, AliExpress and Youla
- AER and Svyaznoy have started testing **joint pick-up points** in Moscow and Kazan

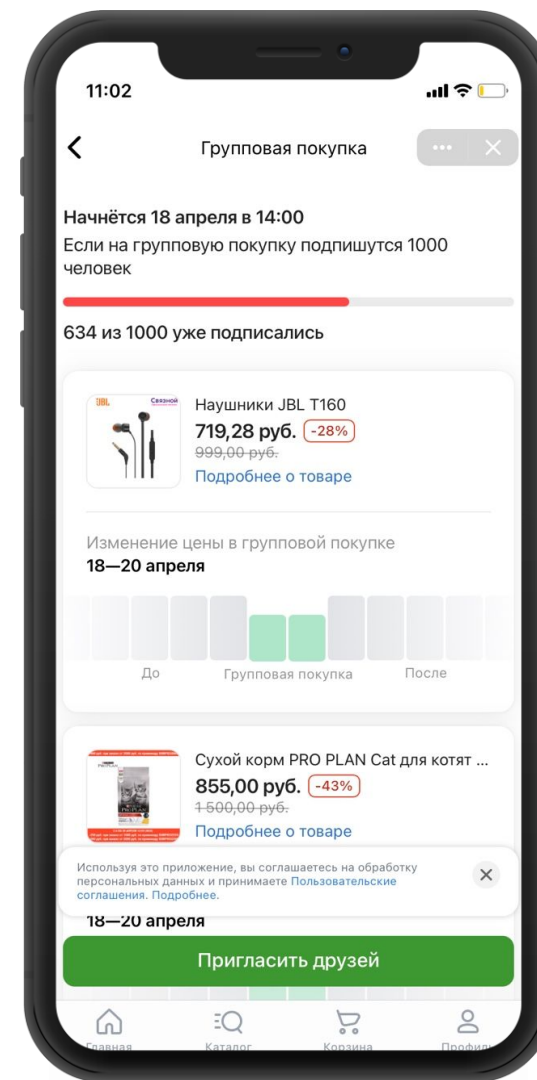




AliExpress Russia: ongoing transformation (cont)

Recent improvements and new launches:

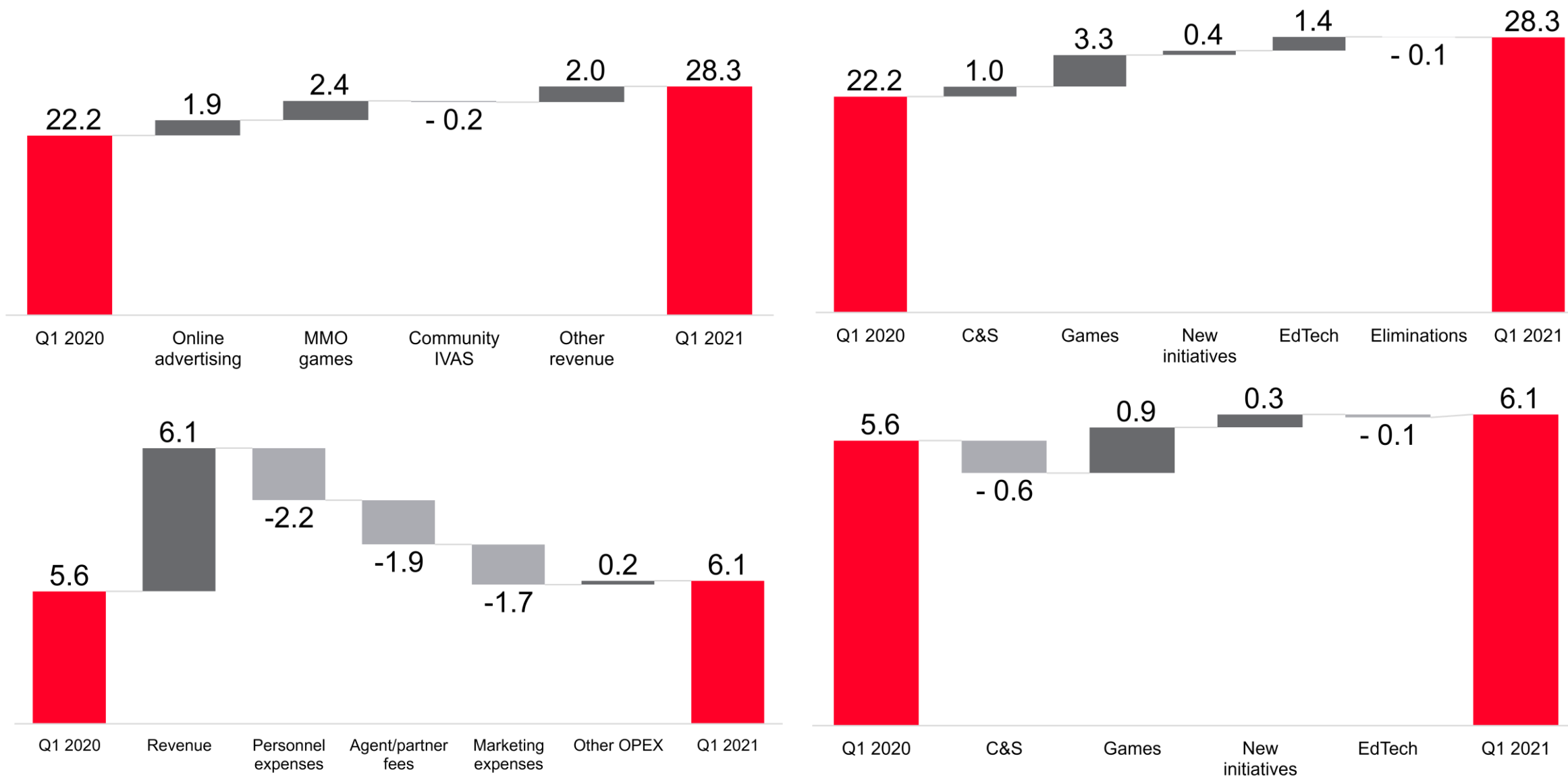
- **Subsidies for discounts for local sellers** with a plan to invest ~RUB 1.5bn into such subsidies during the calendar 1H 2021
- **Free of charge delivery for the first 100 orders** to any Russia's region for sellers who started using Cainiao logistic service since 1 March. Overall, AER and Cainiao plan to invest RUB 3bn+ into support of local sellers in calendar 2021
- Social commerce development continues, with AER's active MAU in VK mini app reaching **4.6mn** in March, up 2.2x YoY
- Average delivery time for AliExpress Plus (faster delivery option) goods **dropped by 1.8x YoY in March to 15 days** with AliExpress Plus accounting for **38% of total AER GMV** share during the calendar Q1



Financial & segmental highlights



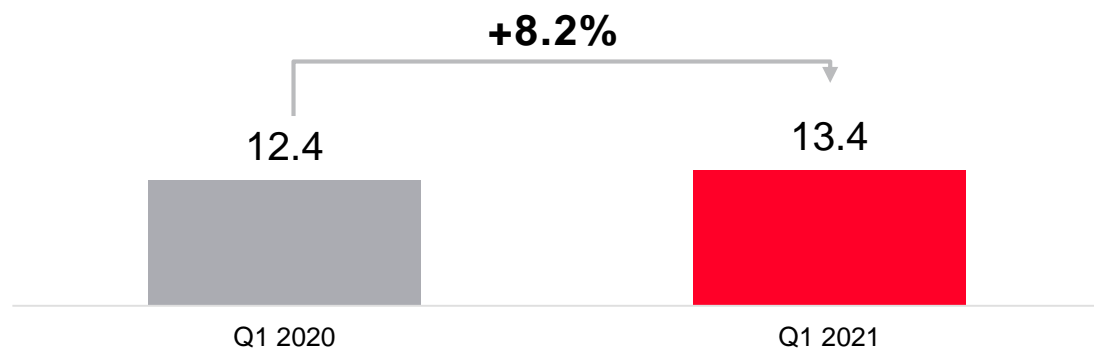
Revenue and EBITDA dynamics, RUB bn



Source: Internal data

Communications and Social segment performance review

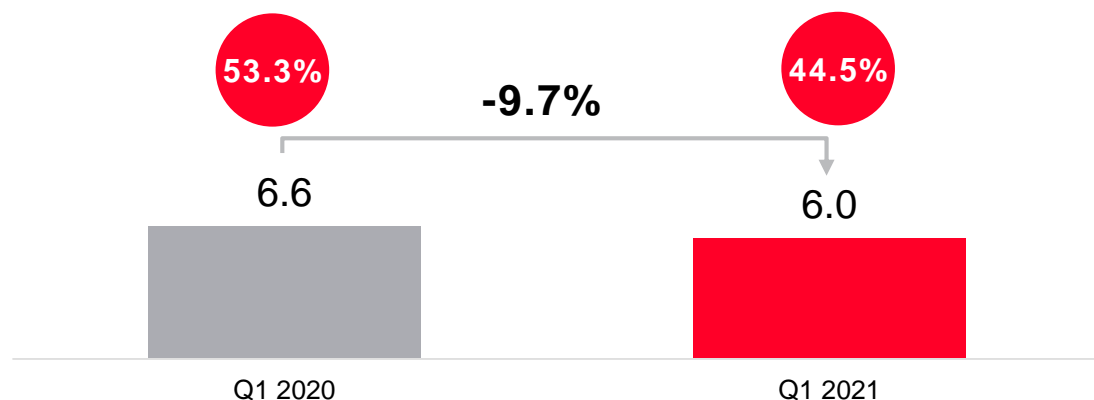
Communications and Social Revenue, RUB bn



Revenue growth drivers in Q1 2021:

- Recovery of the ad market, with online advertising accounting for ~60% of segment's revenues
- The growth of the segment revenue was muted by temporary weakness of Community IVAS revenue, which accounted for >30% of segment's revenues in Q1

Communications and Social EBITDA, RUB bn



EBITDA margin pressure in Q1 2021 was due to:

- Temporary weakness in high-margin Community IVAS revenue, to be reversed in Q2
- Continuing investments into our social platforms to offer new products, content types and use cases through mini apps, social commerce and other areas
- This drove an increase in personnel expenses, agent/partner fees as well as marketing expenses

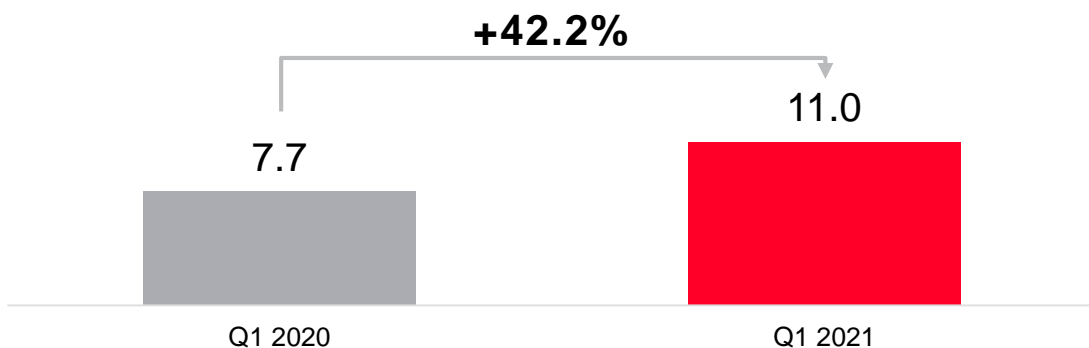
● EBITDA Margin, %

Source: Internal data

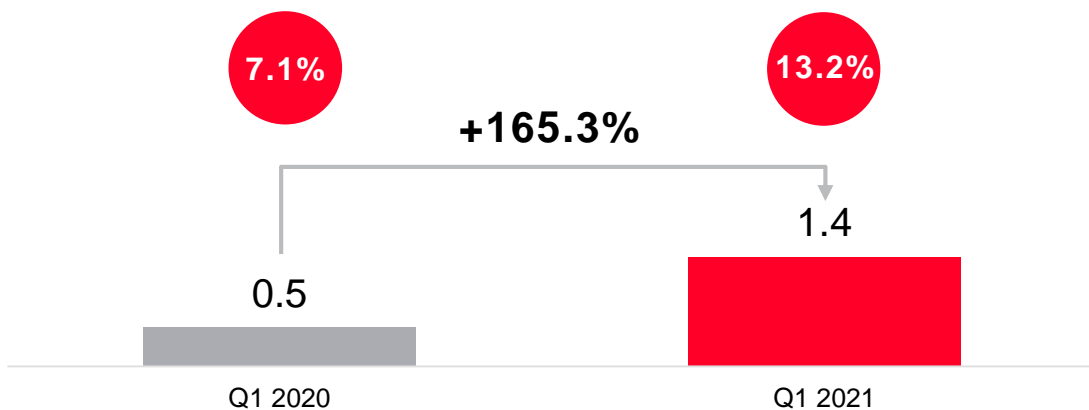
Notes: Segment includes: Social networks (VK, OK and My World), email, instant messaging, search, portal (main page and media projects) and music services (UMA). It earns revenues from advertising, commissions from application developers based on the respective applications' revenue, user payments for virtual gifts, stickers and music subscriptions

Games segment performance review

Games Revenue, RUB bn



Games EBITDA, RUB bn



● EBITDA Margin, %

Revenue growth drivers in Q1 2021:

- Grand Hotel Mania (from Deus Craft studio acquired in October 2020) and Rush Royale (from IT Territory, released in December 2020) were the main revenue drivers in Q1 2021. Zero City, War Robots and Left to Survive were also among the main contributors to MY.GAMES revenue YoY growth in Q1 2021
- RUB weakness, as 79% of MY.GAMES revenues were international as of Q1 2021 (vs 69% in Q1 2020)

EBITDA margin showed YoY improvement in Q1 2021:

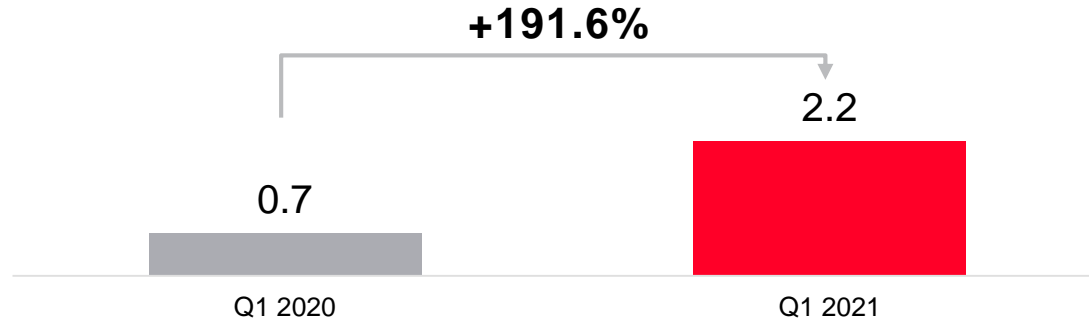
- As revenue growth surpassed operating expenses growth (particularly, due to slower personnel expense growth and decline of outsource costs)
- At the same time, Q1 margin reflected typical seasonal boost in marketing investment, with margins expected to improve throughout the year versus Q1 level

Source: Internal data

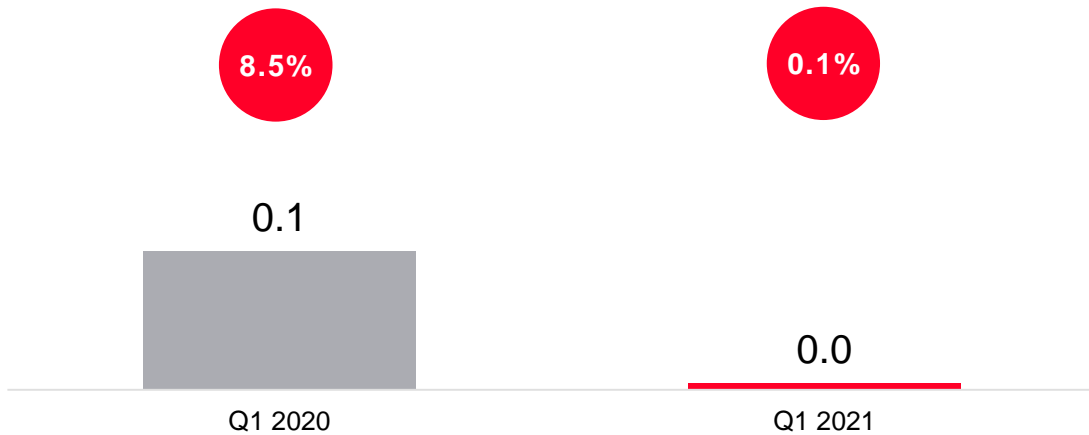
Notes: The Games segment contains online gaming services, incl MMO, social and mobile games, games streaming and platform solutions operated by the Group under the MY.GAMES brand and within the MY.GAMES ecosystem. It earns substantially all revenues from sale of virtual in-game items to users (f2p) or sale of digital copies of the games (b2p), royalties for games and gaming solutions licensed to third-party online game operators, in-game advertising and revenues from streaming services and gaming platform services

EdTech segment performance review

EdTech Revenue, RUB bn



EdTech EBITDA, RUB bn



● EBITDA Margin, %

Revenue growth drivers in Q1 2021:

- Launch of new products. Our consolidated assets launched >140 new courses and programs (professions and faculties) during Q1, including in cybersports, design, B2B, music and many others, with the overall number of available courses surpassing 900
- Growth in the number of students. Cumulative number of paying students exceeded 215,000, up 2.7x YoY, with nearly 46,000 in new paying students added during the quarter

EBITDA was largely flat YoY in Q1 2021, with the balance of:

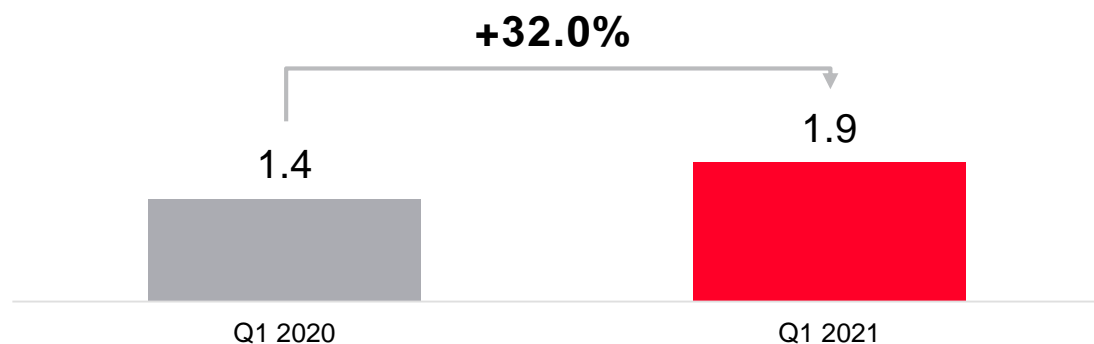
- Strong revenue growth
- Higher tax burden and active marketing of an increasing course offer

Source: Internal data

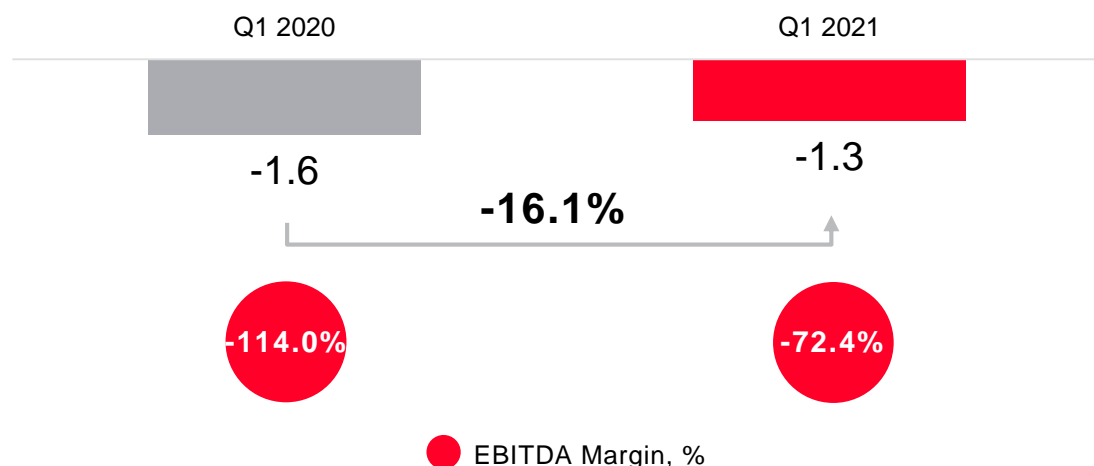
Notes: The Education Technologies (EdTech) segment includes our consolidated education businesses presented by GeekBrains and Skillbox. The businesses earn substantially all revenues from educational services.

New Initiatives segment performance review

New Initiatives Revenue, RUB bn



New Initiatives EBITDA, RUB bn



Revenue growth drivers in Q1 2021:

- B2B projects were the main contributors to the growth of New Initiatives in Q1
- Youla (delivered 15% YoY revenue growth) and is the largest component of the New Initiatives segment
- Recommendation systems Pulse and Relap saw combined revenue more than doubled YoY, but remain a small contributor in absolute terms

EBITDA loss declined YoY in Q1 2021:

- Mainly due to significant improvement in Youla's EBITDA burn (to <30% of revenue in Q1 2021 vs. >130% in Q1 2020) as the asset continues to progress towards break-even
- This was partially offset by investments in VK Clips and ecosystem-related projects

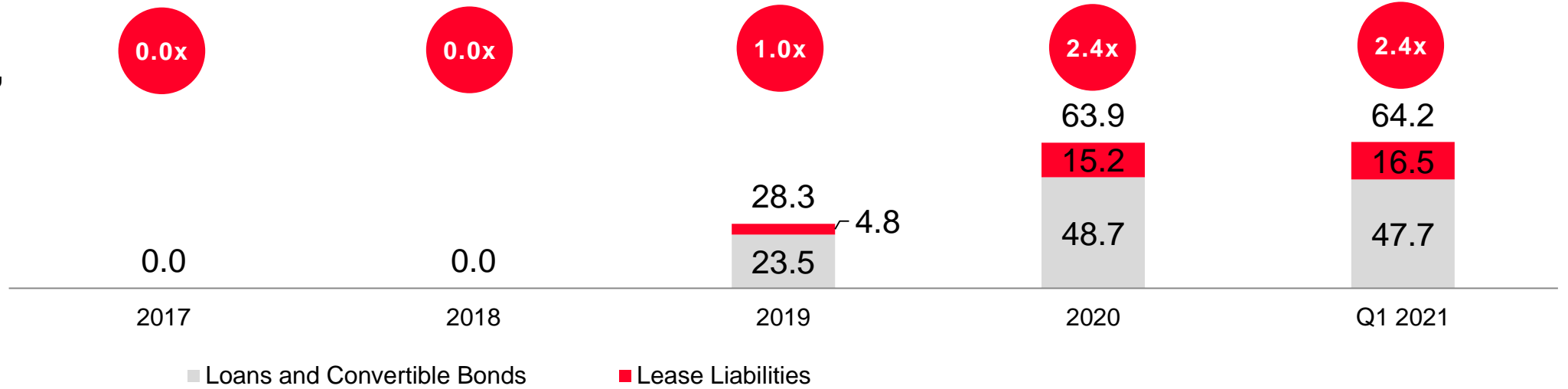
Source: Internal data

Notes: The New initiatives reportable segment represents separate operating segments aggregated in one reportable segment for its similar nature of newly acquired or newly launched and dynamically developing businesses. This segment primarily consists of the Youla classifieds earning substantially all revenues from advertising and listing fees, B2B new projects including cloud, Voice and hardware initiatives, VK Clips and ecosystem products (VK Connect, VK Superapp Kit) along with certain other experimental services

Leverage

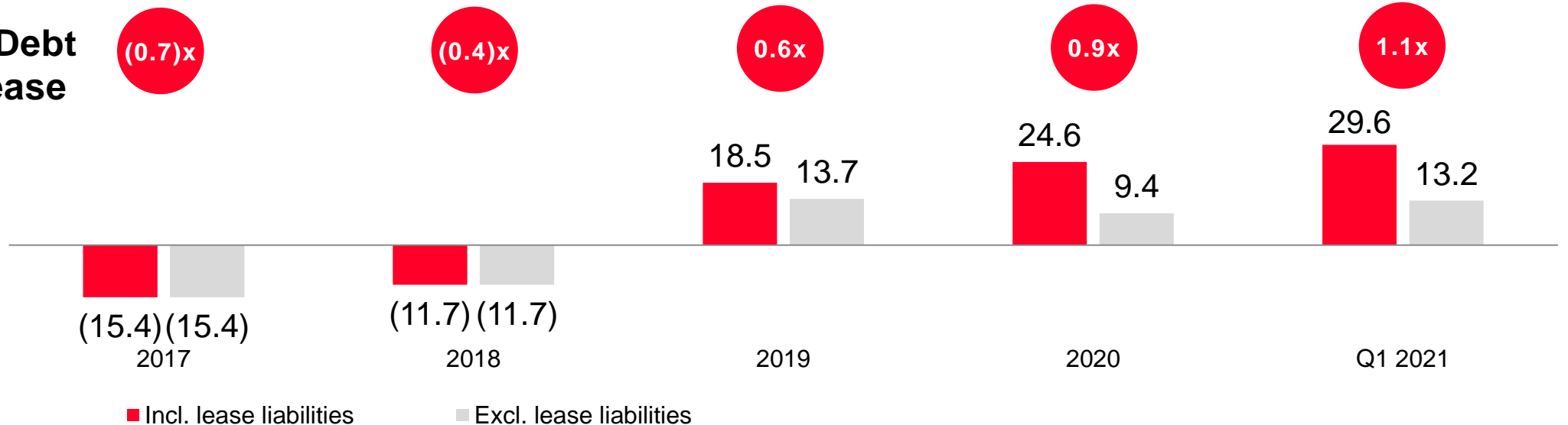
Gross Debt, RUB bn

Gross Debt incl. lease liabilities / LTM EBITDA



Net (Cash) Debt including lease liabilities, RUB bn

Net Debt incl. lease liabilities / LTM EBITDA



Source: Internal data, IFRS financial statements

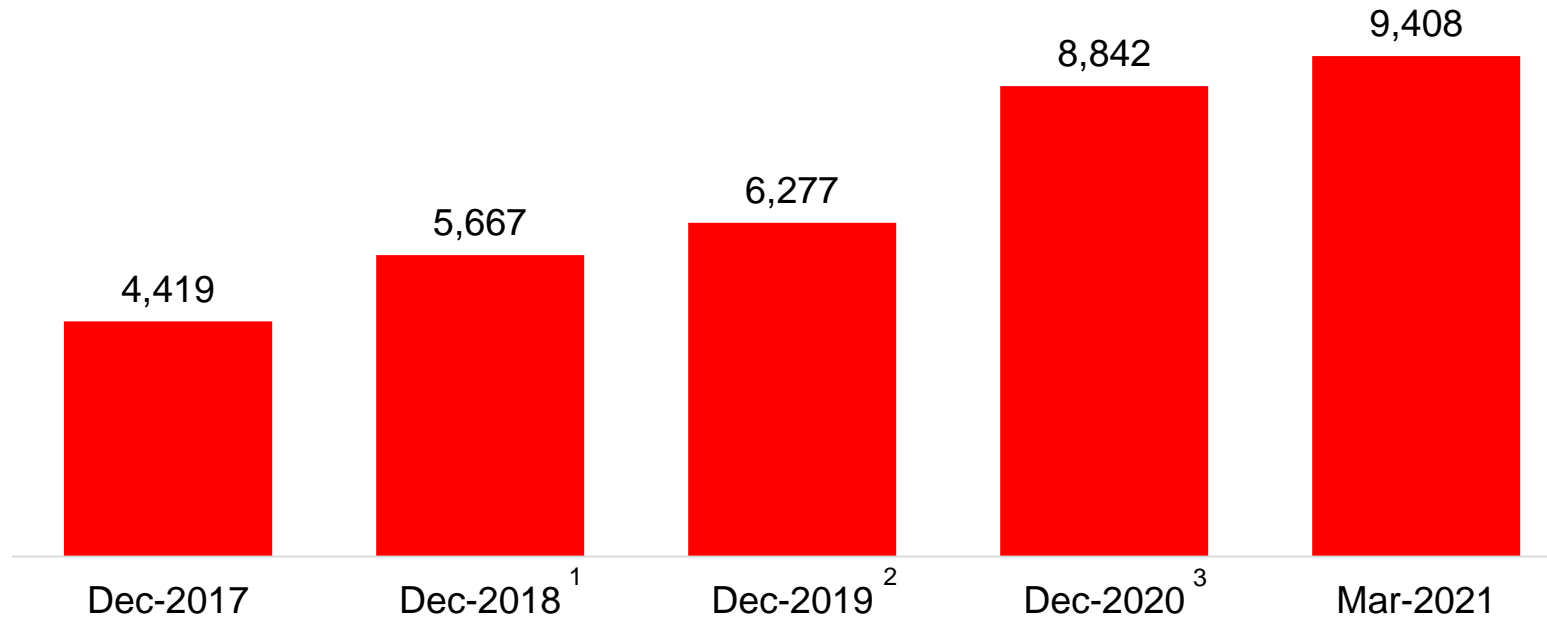
Notes: For 2017-2019 leverage calculation EBITDA as per CODM was used on pro-forma basis, with EBITDA excluding pro-forma used for the 2020-2021 leverage calculations



Headcount

In Q1 2021 MRG headcount expanded by ~6% QoQ (to 9,408 people), with Online Education accounting for >80% of net hires, given the segment's ~3x YoY growth

Total headcount, eop



Source: Internal data;

¹ Acquisition of ESforce, BitGames, 33 Slona and InShopper

² ESforce was reclassified into assets held for sale; O2O deal was finalized in December 2019 and Delivery Club was transferred into O2O; the Group acquired Skillbox, Native Roll, Worki, Relap, Panzerdog, Swag Masha

³ The Group sold MAPS.ME and acquired Deus Craft and Belngame studios; ESforce was reclassified

Consolidated Group guidance for 2021

Group revenue

~RUB127-130bn

Group EBITDA

Improvement in margin YoY

Community IVAS

Mid-single digit growth in revenue

Games

Double-digit organic revenue growth,
with YoY improvement in profitability




Youla

~RUB 3.6-3.9bn in revenues with a progress towards
break-even (anticipated in 2022)

Online Education

Revenue of up to RUB 9bn, positive EBITDA margin

Shareholder structure

| |  prosus |  Alibaba Group 阿里巴巴集团 |  Tencent 腾讯 | MFT | Others |
|----------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------|--------|
| Economic | 25.7% | 9.5% | 7.0% | 4.8% | 53.0% |
| Voting | 12.3% | 4.5% | 3.3% | 57.3% | 22.6% |

Source: Internal data

Notes:

1. Calculated using 239,375,040 shares issued, with 225,571,004 shares issued and outstanding (excludes 13,804,036 DRs (5.8% of total) currently held within Mail.ru Employee Benefit Trustees Limited (non-voting) to be used for existing and future management options programs)
2. Naspers holding is done through Prosus since 3Q19
3. MFT shareholder structure (11,500,100 Class A shares): MegaFon (45%), Sberbank (36%), Rostec (10%), USM (9%)
4. USM/MegaFon votes (~54%) within MFT have been delegated to the CEO of Mail.ru Group (Russia) – Boris Dobrodeev since October 2018
5. Mail.ru Group GDRs are trading on London Stock Exchange (since Nov 5, 2010) as well as Moscow Stock Exchange (since July 2, 2020)



For further information please contact:
E-mail: ir@corp.mail.ru



This presentation has been prepared by Mail.ru Group Limited (the “Company”) and comprises the written materials for a presentation to syndicate research analysts or certain institutional investors.

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words “believe”, “expect”, “anticipate”, “intend”, “estimate”, “forecast”, “project”, “will”, “may”, “should” and similar expressions identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements appear in a number of places in this presentation and may include statements regarding: strategies, outlook and growth prospects; future plans, expectations, projections and potential for future growth; plans or intentions relating to acquisitions; future revenues and performance; liquidity, capital resources and capital expenditures; economic outlook and industry trends; the impact of regulatory initiatives; competitive strengths and weaknesses; and the strengths of competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including, without limitation, management’s examination of historical operating trends, data contained in Company records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of the Company or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement. No one undertakes to publicly update or revise any such forward-looking statement.

Investment in the GDRs may involve substantial risk. References to future returns are not promises or even estimates of actual returns an investor may achieve. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The information herein reflects the Company’s judgement of the prevailing conditions as of this date, all of which are subject to change. Past performance or experience does not necessarily give a guide for the future. Neither the delivery of this presentation nor any further discussions with any recipient shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.

This presentation does not constitute or form a part of, and should not be construed as, an offer or invitation to subscribe for or purchase any securities of the Company and neither this presentation nor anything contained herein shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever.

The Company’s shares and GDRs have not been and will not be registered under the U.S. Securities Act of 1933, as amended. Securities may not be offered or sold in the United States absent registration under that Act or an available exemption from it, and the Company does not intend to make a public offer of any securities in the United States

Within the member states of the European Economic Area (the “EEA”) this presentation is only addressed to and directed at persons who are “qualified investors” (“Qualified Investors”) within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) (including any relevant implementing measure in each relevant member state of the EEA). In addition, in the United Kingdom, this presentation is being distributed only to, and is directed only at (i) Qualified Investors who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) or high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (ii) persons to whom it may otherwise lawfully be communicated (all such persons in this paragraph collectively being referred to as “Relevant Persons”). This presentation must not be acted on or relied on (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in any member state of the European Economic Area other than the United Kingdom, by persons who are not Qualified Investors. Any investment or investment activity to which this presentation relates is available only to Relevant Persons or will be engaged in only with Relevant Persons.

The information and opinions contained in this presentation are for background purposes only and do not purport to be full or complete. No reliance may be placed for any purpose on the information or opinions contained in this presentation or their accuracy or completeness. No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this presentation by the Company and no liability is accepted by us for the accuracy or completeness of any such information or opinions.

The information in this presentation is being circulated on a confidential basis, and is neither to be disclosed to any other person, nor copied or reproduced, in any form, in whole or in part without the Company’s prior consent.

By accepting delivery of this presentation you agree to be bound by the foregoing terms and acknowledge that you will be solely responsible for your own assessment of the market, the market position of the Company and the GDRs and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business.



@ mail.ru group