

MAGNIT FINALIZES DEAL TO ACQUIRE KAZANEXPRESS MARKETPLACE

Krasnodar, Russia (November 9, 2023): Magnit, one of Russia's leading retailers, finalized the deal to acquire the KazanExpress marketplace and began integrating this platform for the purpose of using it to launch its own marketplace – Magnit Market.

Under the deal, Magnit received 100% of shares of KazanExpress LLC as well as rights to the intellectual property and all infrastructure of KazanExpress (tech platform, pickup points, warehousing facilities, and truck fleet). The transaction has now been approved by the Federal Antimonopoly Service of Russia.

The acquisition of KazanExpress will enable Magnit to promptly enter the fast-growing marketplace segment, which is a new business area for the Company, and capture a significant market share while spending less time and other resources compared to launching its own marketplace from scratch.

KazanExpress will continue operating within Magnit as a separate business unit under the leadership of the current management team. However, within the next few months, its application, website, pickup points, warehousing facilities, and trucks will be rebranded to Magnit Market. In the future, the KazanExpress app will be integrated into Magnit's OMNI app.

In the course of integration, Magnit and KazanExpress will focus on exploring synergies in commercial conditions and category management to take advantage of the Company's purchasing power in FMCG categories and offer best prices to the marketplace's clients. Moreover, the Company will implement a number of preparatory activities and projects necessary for the effective rollout of Magnit Market across the country.



Guvenc Donmez

Magnit's Chief E-Commerce Officer

"E-com remains one of the fastest-growing retail segments and already accounts for a significant share of non-food retail. We want to be a prominent player in this market, and so have decided to launch our own marketplace. Having closed the KazanExpress deal, we now begin integrating it and preparing the platform for rollout under the Magnit Market brand. Magnit's technological capabilities, logistics service, dozens of distribution centers, and the largest chain of stores in Russia, which will serve as a basis for an expansive network of pickup points, combined with IT solutions, infrastructure facilities, and the experienced team of KazanExpress, will help Magnit Market to become one of the leaders in e-commerce".



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"Magnit" is one of Russia's leading retailers. Founded in 1994, the company is headquartered in the southern Russian city of Krasnodar. As of June 30, 2023, Magnit operated 45 distribution centers and 28,309 stores in 4,183 cities and towns throughout 7 federal regions of the Russian Federation and in the Republic of Uzbekistan.

In accordance with IAS 17 results for 1H 2023, Magnit had revenues of RUB 1,229 billion and an EBITDA of RUB 82 billion. Magnit's shares are listed on the Moscow Exchange (MOEX: MGNT).

Forward-looking statements

This document contains or may contain forward-looking statements that may or may not prove accurate. For example, statements regarding expected sales growth rate and/or store openings are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from what is expressed or implied by the statements. Any forward-looking statement is based on information available to Magnit as of the date of the statement. All written or oral forward-looking statements attributable to Magnit are qualified by this caution. Magnit does not undertake any obligation to update or revise any forward-looking statement to reflect any change in circumstances.