


Investor Presentation

2Q 2023 RESULTS

A woman with blonde hair tied back, wearing a light blue blazer over a beige top, is smiling and looking at a young boy. They are in a grocery store, standing in front of a display of fresh produce. The woman is holding a red tomato in her hands, and the boy is also looking at a tomato. The display is filled with various vegetables, including cucumbers and tomatoes. The background shows shelves stocked with various grocery items.

 **MAGNIT**



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Magnit at a Glance



Key differentiation points

- ✓ Multi-format model
- ✓ Strong regional coverage and "Best-in-local" offering
- ✓ Own production and private label
- ✓ ESG



#1 retailer in Russia

by number of stores with unrivalled infrastructure platform

28,309

Total Number of Stores

9,753

Selling Space, thousand sq. m

45

Distribution Centers

5,412

Trucks



Consistent revenue growth

backed by solid market share, strong EBITDA margin and low leverage

8.2%

Revenue Growth
1H 2023, YoY

12.8%

Share in Russian Grocery Sector,
end of year 2022

6.7%

EBITDA Margin
(IAS 17)
1H 2023

0.7x

Net Debt / EBITDA (IAS 17)
as of
30 June 2023



Geographical Coverage

4,183 Cities & Towns
7 Federal Regions

We cover all highly populated regions

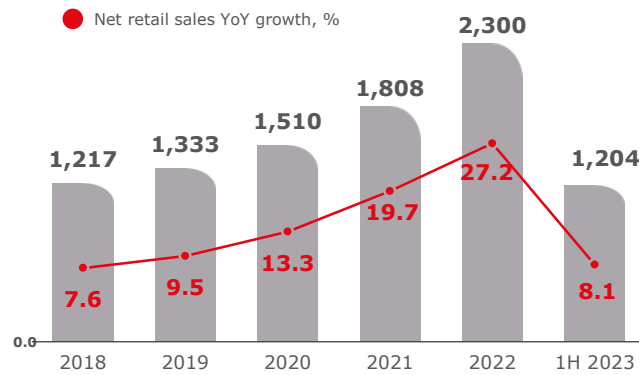


As of June 30, 2023
 Magnit convenience stores include Convenience stores, Magnit City, My Price, hard discounters
 Magnit supermarkets include Magnit Family supermarkets, superstores
 Magnit operates 28 drogerie stores in Uzbekistan

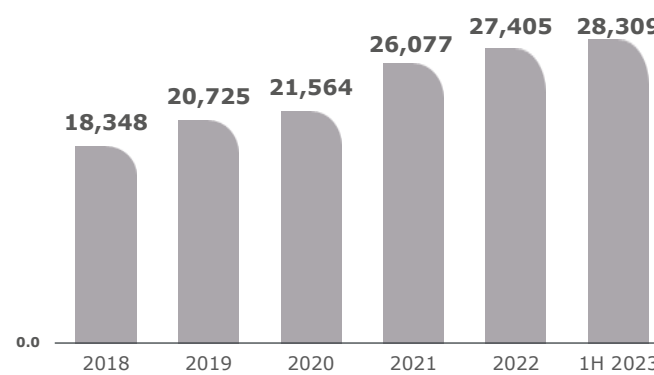


Operating Highlights

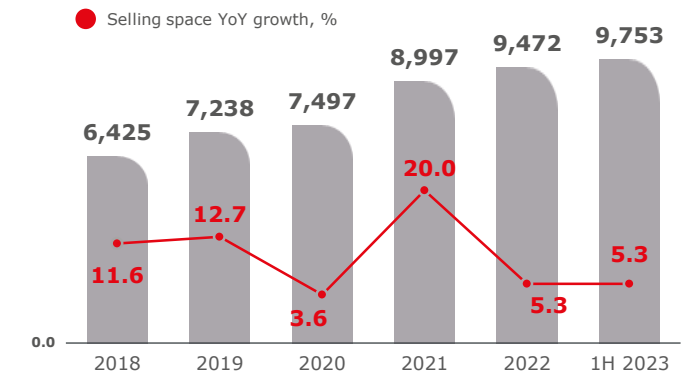
1 Net retail sales, RUB bln



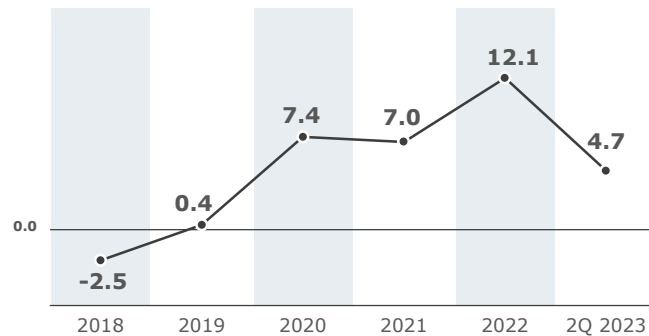
2 Number of stores, EOP



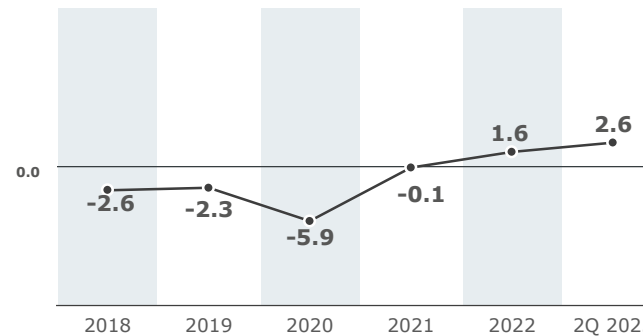
3 Selling space, th. sq. m



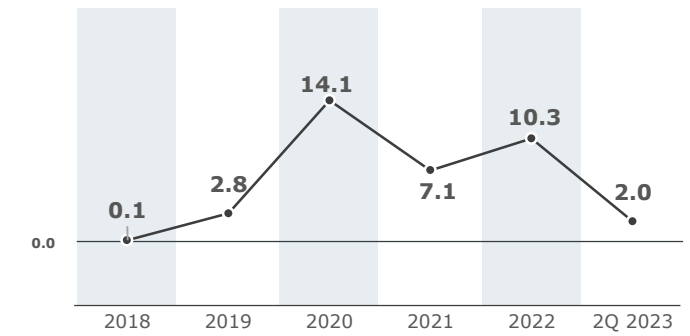
A LFL sales growth, %



B LFL traffic growth, %



C LFL ticket growth, %





Financial Performance

Core achievements



Improvement of sales densities across all formats



Sustainable margin



Strict cost control



Net working capital turned to negative driven by significant inventory days improvement



Healthy financial position

Concise Profit & Loss

	1H 2021	1H 2022	1H 2023	YoY
Sales , bn Rub	822.2	1,136.3	1,229.5	+8.2%
Gross margin , %	23.2	23.2	22.7	-0.5pp
SG&A , %	(20.2)	(19.7)	(19.9)	-0.2pp
EBITDA , bn Rub	57.9	80.1	81.8	+2.1%
EBITDA , %	7.0	7.0	6.7	-0.4pp
Net income , bn Rub	22.9	32.0	37.3	+16.5%
Net income , %	2.8	2.8	3.0	+0.2pp
LTM - Sales Density , ths. Rub / sq.m	209	241	252	+4.4%
Net Debt , bn Rub	136.1	184.0	116.8	-36.5%
Net Debt / EBITDA	1.2x	1.2x	0.7x	-0.5x
CAPEX , bn Rub	25.6	23.4	25.4	+8.6%



Russian Market Overview

Russian Macro Environment • Russian Food Retail Market Potential



Russian Macro Environment






Russian Food Retail Market Potential

Magnit is a leading company on the growing Russian food retail market

1 Russian grocery retail market is big

#8

Russia's place in the list of world's largest grocery retail markets, which is higher than Poland, Turkey, Spain and Italy

 Grocery retail market 2022

2 There is still room for growth

23%

Share of traditional retail in Russia is still relatively high...

 Modern VS Traditional Retail

3 Modern retail market in Russia is fragmented

#2

Magnit is the second largest food retailer in Russia


 Share of TOP-5 retail chains

 TOP-10 Russian food retailers

4 Growth is coming from federal players

+21%

sales growth of TOP-10, YoY

 Share in Market Growth



Strategy

Our Strategic Goal • Our Strategy at a Glance
Dixy Acquisition: Integration Plan & Timeline
Sustainability



Our Strategic Goal

Cement current leading federal retail positions by growing market share significantly and profitably

How we get there — at a glance



Keep improving CVP as a key driver of density and profitability



Enhancing ways of working to improve profitability and cash generation



Keep focus on smart organic expansion implying high return targets for new openings while piloting new concept and niches



Continue looking for M&A opportunities for active consolidation play with the aim to selectively (based on strategic and value accretive approach) strengthen our overall positioning



Multi-format OMNI proposition via partners and own services



Process automation, building modern cloud based platform and creating product centric technology organization



Our Strategy at a Glance

Consumer first

Consumer-centric decision-making with enhanced loyalty and improved personalisation powered by AI / Big Data

Enhanced CVP and clustering to better serve consumer needs

Improved brand positioning (incl. care, safety, ESG, and value for money)

E2E consumer offering going beyond traditional offline space

Digital / ecosystem

Employer of choice

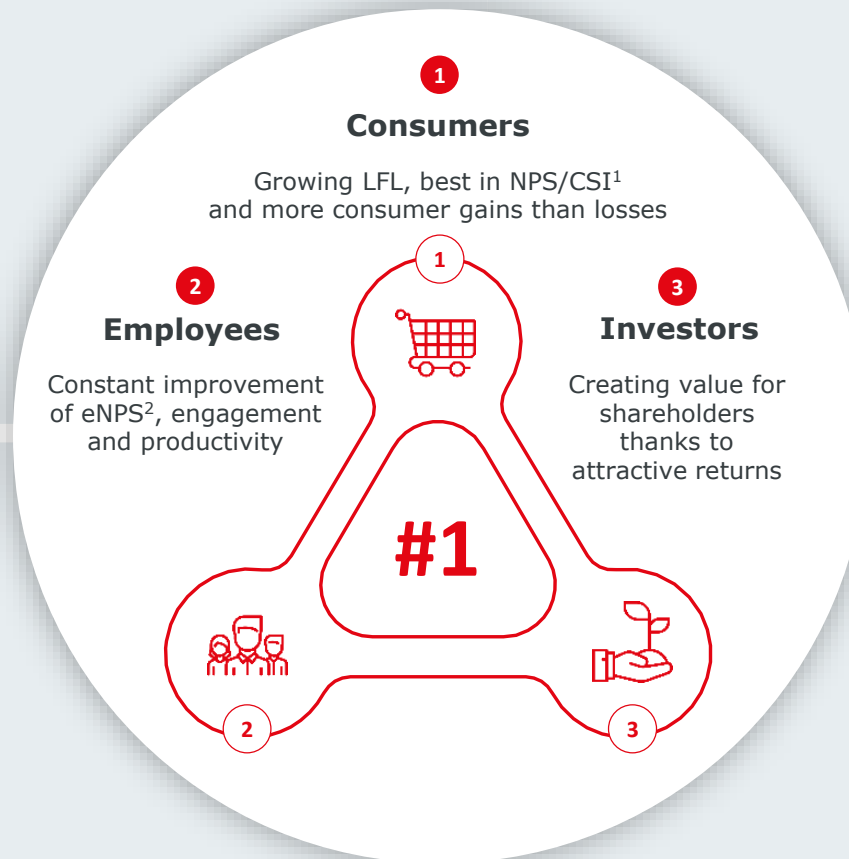
Flexible and proactive approach to personnel attraction

Intensified investment in people to ensure best competences and business continuity

One team approach as the base for effective cross-functional cooperation

Talent assessments and social lifts

Agility and innovative thinking



Most efficient & promising ways to market

Smart expansion in core formats to profitably grow the market share, including M&As

Actively and structurally consider new sales lines, new niches / markets

OMNI including online

Agile sourcing including partnerships with suppliers, crystalised offering in own production / PL³ to enhance offering and secure positioning

Vertical integration (agro / FMCG)

Modern and efficient platform

Defined and straightforward functional strategies

Smooth and efficient processes

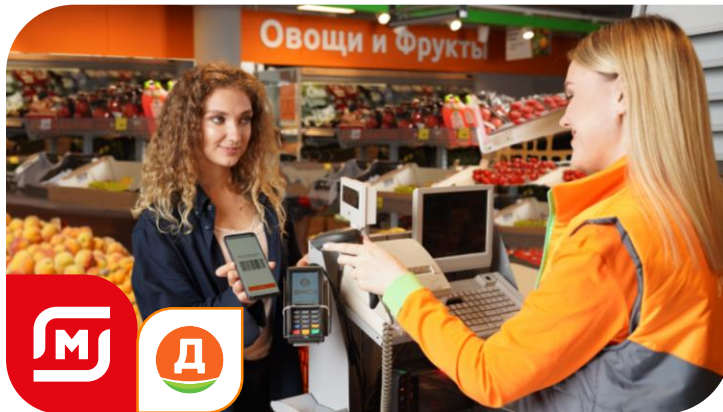
Flexible org. structure, clear responsibility split combined with entrepreneurial culture

Flexible, reliable and scalable cloud-based IT solutions and Data platform

Product-centric technology organisation

Completion of Dixy Integration

The process of Dixy business integration into the Company's structure was successfully completed in 2022



Key integration achievements

- Aligning commercial conditions for both chains as a result of negotiation campaign with suppliers
- Improving Dixy acquiring terms
- Magnit's side personnel costs optimisation
- Advertising savings by using the same providers for both chains
- Recyclables sales optimisation
- Magnit & Dixy rental rates optimisation
- Both chains' IT systems harmonisation

Key results



Smooth integration allowing not to lose pace, but even meet initial Dixy goals: revenue, sales density and EBITDA



Commercial synergies driven by joint Magnit & Dixy commercial team work



Implementation of HR and Operations best practices



Moving Dixy EBITDA closer to Magnit level

-39%

TMMA¹ Dixy staff turnover decrease

+70%

Dixy EBITDA growth following integration



Sustainability Strategic Framework

To Become #1 Retailer with Purpose in Russia



Ambitions

1.	2.	3.	4.	5.
Leader in environmental impact reduction in the industry	Positive impact on the quality of life of all people in Russia	100% responsible supply chain	Improvement of health and well-being of customers and local communities	Employer #1 in industry

Strategic principles

Rational environmental stewardship	Respect human rights	Responsible production and consumption	Partnership for sustainable development	Diversity, inclusion and equality



2025 Sustainability Commitments

1 Environmental stewardship

50%
Private labels and own production packaging be recyclable, reusable or compostable

100%
Recyclable plastics in own operations are recovered and recycled

▼ **50%**
Food waste reduction

▼ **30%**
Greenhouse gas emissions reduction

▼ **25%**
Water and energy consumption reduction

2 Sustainable sourcing

100%
Responsible sourcing for socially important categories

100%
Responsible own production and agriculture

Partnership
Partnership programmes for local suppliers & farmers

3 Employees

70%
Rate of employee satisfaction

40%
Maximum turnover rate

▼ **50%**
Injury rate reduction and zero fatalities

4 Communities

10%
Employee volunteers

Community
Programmes for all the regions of the Company's presence

5 Health and well-being

Healthy lifestyle
Information about healthy lifestyles and nutrition is available to all customers

Healthy food
Related products are available to all customers

- Dixy integration into Magnit's sustainability strategy is on the way
- Progress towards commitments 2025 including Dixy cases will be reported in dedicated Sustainability Report 2022

ФРУКТЫ И ОВОЩИ

САЛАТЫ

%

Magnit Today

Magnit Umbrella Brand • Convenience Store • Supermarket • Drogerie
Discounter Store Format Summary
Other Small Formats and Pilots • Dixy Convenience Store • Launch of E-commerce • Own Production & Private Label • Logistics System • Employees Shareholder Structure





Magnit Umbrella Brand – Consumer Missions and Formats

Everything that matters is close to you

- Focus
- Additional

Core offline formats incl. pharmacies in grocery and drogerie stores

New promising ventures

		Near home Convenience	Family Supermarket	Extra Superstore	Cosmetic Drogerie	Apteka Pharmacy	My price Soft discounter	Near home Convenience Plus	City Food-to-go focus	GO Kiosk	V1 Hard discounter
		+ e-commerce covering all missions with broad assortment offering									
Core missions	On-the-go	●							●	●	
	Food for tonight ¹	●	●	●			●	●	●		●
	Regular shopping	●	●	●	●		●	●			●
	Major stock-up		●	●				●			
	Special need / occasion		●	●	●			●			
	Size, sq. m	200-500	800-2 300	2 000-6 000	120-350	20-70	150-300	550-900	100-250	15-50	330-400
	Assortment, SKU	~5,300	~15,200	~23,000	~7,800	~5,000	~2,000	~8,000	~3,300	~400	~1,000

Differentiating pillars

- Multi-format model
- One brand
- One loyalty program
- Emotional touch
- Own production facilities

1. Including Ready-to-eat as of June 30, 2023



Magnit Convenience Store

01

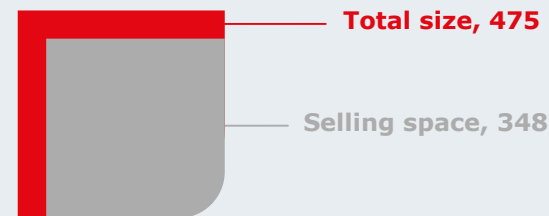


A convenient and affordable store for everyday shopping

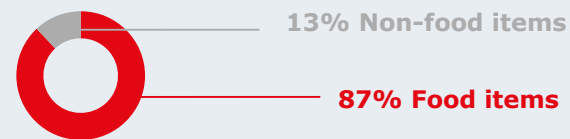
3D-tour



Size of the Store. sq. m



Sales mix



SKUs, average number



5,292

Overview

- Routine shopping
- Food for tonight / now
- Minor stock-up

Location

Residential and business areas



Share of net retail sales

70%

In 2Q 2023



Magnit Convenience Store

02

Key operating statistics

Selling space, thousand sq. m



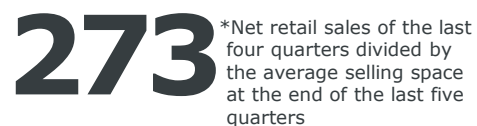
Average ticket
(excl. VAT) 2Q 2023, RUB



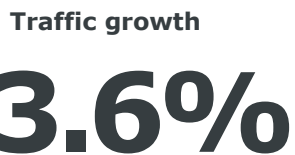
Number of tickets
2Q 2023, mln



LTM - sales density*,



LFL 2Q 2023



Store openings

Payback period



CAPEX th RUB

sq. m of selling space



Time to maturity





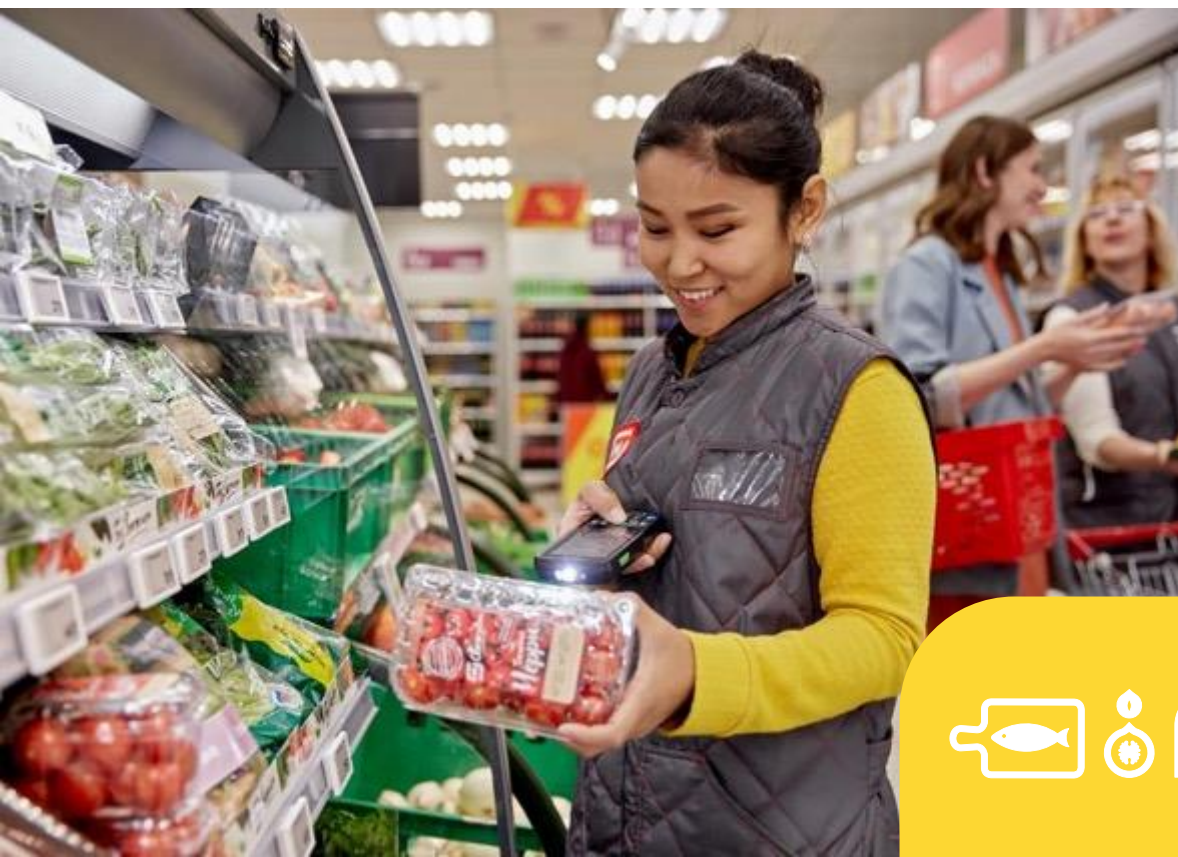
Magnit Supermarket

01

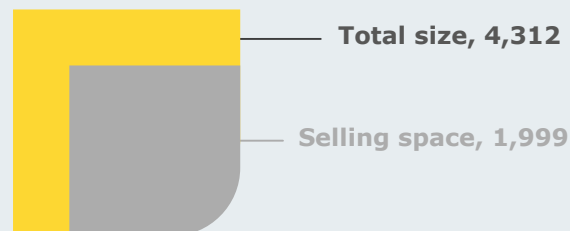


3D-tour

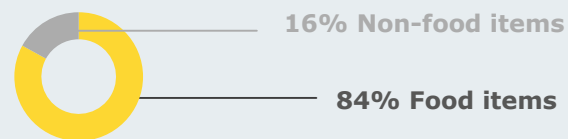
Comfortable and affordable store for everyday and major shopping



Size of the Store. sq. m



Sales mix



SKUs, average number



Overview

- ✓ Major shopping
- ✓ Special occasion
- ✓ Routine shopping
- ✓ Food for tonight

Location

Residential and business areas, shopping centers



Share of net retail sales

10%

In 2Q 2023



Magnit Supermarket

02

Key operating statistics

Selling space, thousand sq. m

980 4.9%
Increase YoY



Average ticket
(excl. VAT) 2Q 2023, RUB

709 2.7%

Number of tickets
2Q 2023, mln

87 6.7%

LTM - sales density*,
th RUB/sq.m/year

252 *Net retail sales of the last four quarters divided by the average selling space at the end of the last five quarters

LFL 2Q 2023

Ticket growth

3.1%

Traffic growth

1.9%

Sales growth

5.1%

Store openings

Payback period

Leased



CAPEX th RUB
sq. m of selling space

New store



Redesign



Time to maturity

14 months



Magnit Drogerie Store

01



3D-tour

Within walking distance to buy beauty and health products

Magnit Cosmetic is #1 Health and Beauty Specialist retailer in Russia by sales, number of stores and selling space



Size of the Store, sq. m



Sales mix



SKUs, average number



Overview

- ✓ Regular shopping for personal care and household goods

Location

Residential and business areas



Share of net retail sales

8%

In 2Q 2023



Magnit Drogerie Store

02

Key operating statistics

Selling space, thousand sq. m

1,730 **4.9%**
Increase YoY



Average ticket
(excl. VAT) 2Q 2023, RUB

440 **5.5%**

Number of tickets
2Q 2023, mln

108 **2.2%**

LTM - sales density*,
th RUB/sq.m/year

117 *Net retail sales of the last four quarters divided by the average selling space at the end of the last five quarters

LFL 2Q 2023

Ticket growth
5.5%

Traffic growth
-0.7%

Sales growth
4.7%

Store openings

Payback period

Leased

2-3 years

CAPEX th RUB

sq. m of selling space

New store

26

Redesign

19

Time to maturity

12 months

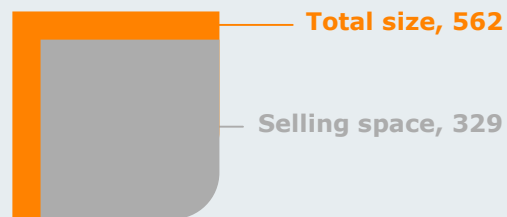


Dixy Convenience Store

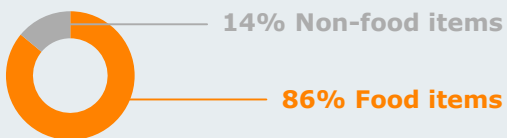
A convenient and affordable store for everyday shopping



Size of the Store, sq. m



Sales mix



SKUs, average number



Key operating statistics

Selling space, thousand sq. m

728



Average ticket
(excl. VAT)
2Q 2023, RUB

408

Number of tickets
2Q 2023, mln

175

Overview

- ✓ Routine shopping
- ✓ Food for tonight / now
- ✓ Minor stock-up



Location

Residential and business areas



Share of net retail sales

12%

In 2Q 2023



My Price Soft Discounter

A low price no frills store with nice atmosphere offering limited assortment satisfying main needs



My Price soft discounters¹

1,063

Average ticket
(incl. VAT)²

354 rub

+15.6%

LFL sales growth²

Store size

150-300 sq. m

✓ Target audience

Rational price-sensitive consumers, retirees, families with low income

✓ Assortment

high-demand ~2,000 SKUs with a dominant share of the entry price segment and private labels

✓ Pricing

'EDLP' (everyday low price) policy providing its customers low regular prices

✓ Staffing

2-3 employees per shift

📍 Location

residential areas, low-budget or low-populated regions with lower rent profile

1. As at June 30, 2023

2. In 2Q 2023



V1 Hard Discounter

A technologically advanced and innovative store focused on a limited assortment of high-quality yet affordable products that meet the basic consumer needs



10 hard discounters¹

Assortment

up to 1,000 SKUs

Store size

330-400 sq. m

✓ **Target audience**

Rational consumers of any income with a focus on high-quality assortment

✓ **Overview**

routine top-up for several days and daily fresh products top-up

✓ **Assortment**

mostly products from the medium price tier, with a small share of the "first price" segment and private labels which in future are planned to account for around 50% of the format assortment

✓ **Pricing**

everyday low price instead of regular promotions

1. As at June 30, 2023



Other Small Formats and Pilots



City

Small store offering ready-to-go / ready-to-eat products as well as basic grocery and non-food items in areas with high traffic. There is a café area where customers can charge their phones and use Wi-Fi



Pharmacy

Pharmaceutical & health care products at an affordable price and in convenient locations



Magnit Go

A kiosk offering ready-to-eat and on-the-go in the most high traffic locations



Convenience Plus

Store with an expanded assortment and a larger store space

Size & location

100–250 sq. m

High traffic areas — near office buildings, universities, and enterprises

20-70 sq. m

Located inside Magnit cosmetics stores and appropriate food stores

15-50 sq. m

High-traffic locations: office buildings, transport hubs, pedestrian streets, parks, sports facilities, educational institutions.

550-900 sq. m

Located in areas of heavy pedestrian and car traffic

Assortment, SKUs

3,300

5,000

400

8,000

Distinctive features

- Pastries (cooked in-store)
- Ready-to-go products (sandwiches, coffee, drinks, etc.)
- Washed and ready-to-eat fruits
- Dairy products
- Ice cream
- Wine

- Pharmacies, cosmetics and grocery stores are mutual drivers of consumer traffic, which provides a multiplier economic effect
- Synergies in supply chain and store operational expenses

- Ready-to-eat food
- Quick snacks
- Drinks
- Ice cream
- Confections

- Cafeteria
- Expanded assortment of ready-to-eat products
- Culinary products sold by weight
- Cutting service for cheese and sausages



Roll-Out of E-commerce Across All Missions

Missions

Express

Express (30-60 mins)
Casual small purchase

Regular

Stock-up (2 hours+)
Big ticket purchase

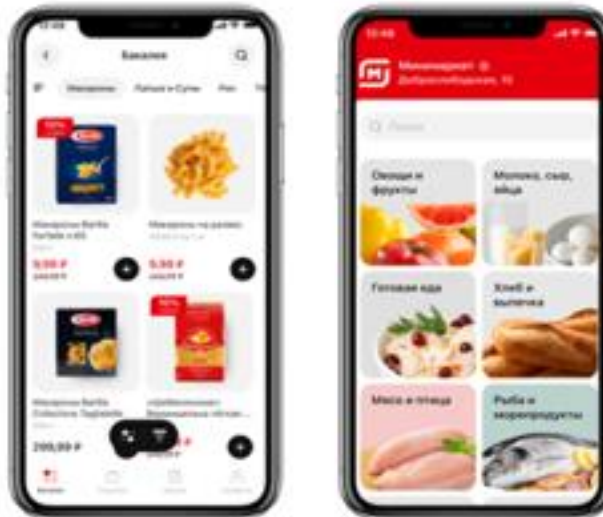
E-Pharma

E-Pharma
Current needs & Regular purchases

Magnit Cosmetic Online

Magnit Cosmetic Online
Current needs & Regular purchases

Magnit Own Delivery



Partners

Яндекс  Еда



 СБЕР МАРКЕТ



Online Delivery Has Good Traction



~63,300

avg. # of orders per day



1,447

avg. ticket across all online services¹



~86,000 SKUs

available across all services



~11,700

stores connected



561

cities in 67 regions served



76%

of e-com revenues outside of Moscow and St. Petersburg



8.3 bn ₺

online GMV² for 2Q 2023

Data as of June 30, 2023

1. Including VAT | 2. Gross Merchandizing Value including VAT



Private Label, Own Production & Direct Import as Differentiation Pillars

Private Label

Improve own brand portfolio to support a range of consumer missions

Up to **25%** PL share in sales by 2025



Consumer as the main priority – focus on Quality with degustation studios, feedback collection via App, 100% SKUs passing laboratory analyses

Goal to reach 100% core PL SKUs availability in all Magnit stores

Min. 2 faces for most PL Brands¹

Own production

to provide exclusive goods with better quality and price

Further selective investments to ensure differentiation and high returns

6 Agricultural complexes



Cucumbers, tomatoes, lettuce



Potatoes, onion, beetroot, carrots



Mushrooms

14 industrial production



Confectionery and sweets



Grains, cereal products, pasta



Vinegar, syrups



Coffee



Instant food



Spices, sunflower seeds, nuts



Frozen fish



Frozen food

Direct import

differentiating offering

- Dedicated team with 60+ members
- New office openings: Central and Eastern Asia

Strategic partnerships with suppliers

Not only exclusive brands / SKUs, but

- Strategic projects in Supply Chain
- Merchandising cost optimization
- Data exchange
- Marketing and promo

Development of own production in 2022



Utilisation of the Company's own production capacity rose to 64%



Magnit plans to increase the supply of Russian vegetables of the borscht set by 25% in the new agricultural season 2023-2024



In September 2022 the Company launched own coffee production facility in Tver



Magnit plans to launch mycelium production



Magnit opened a brewery and a deli and sausage production line



The Company increased sugar packaging capacity from 4.5 to 107 tons per day



Magnit won five prizes at the Private Label Awards 2022



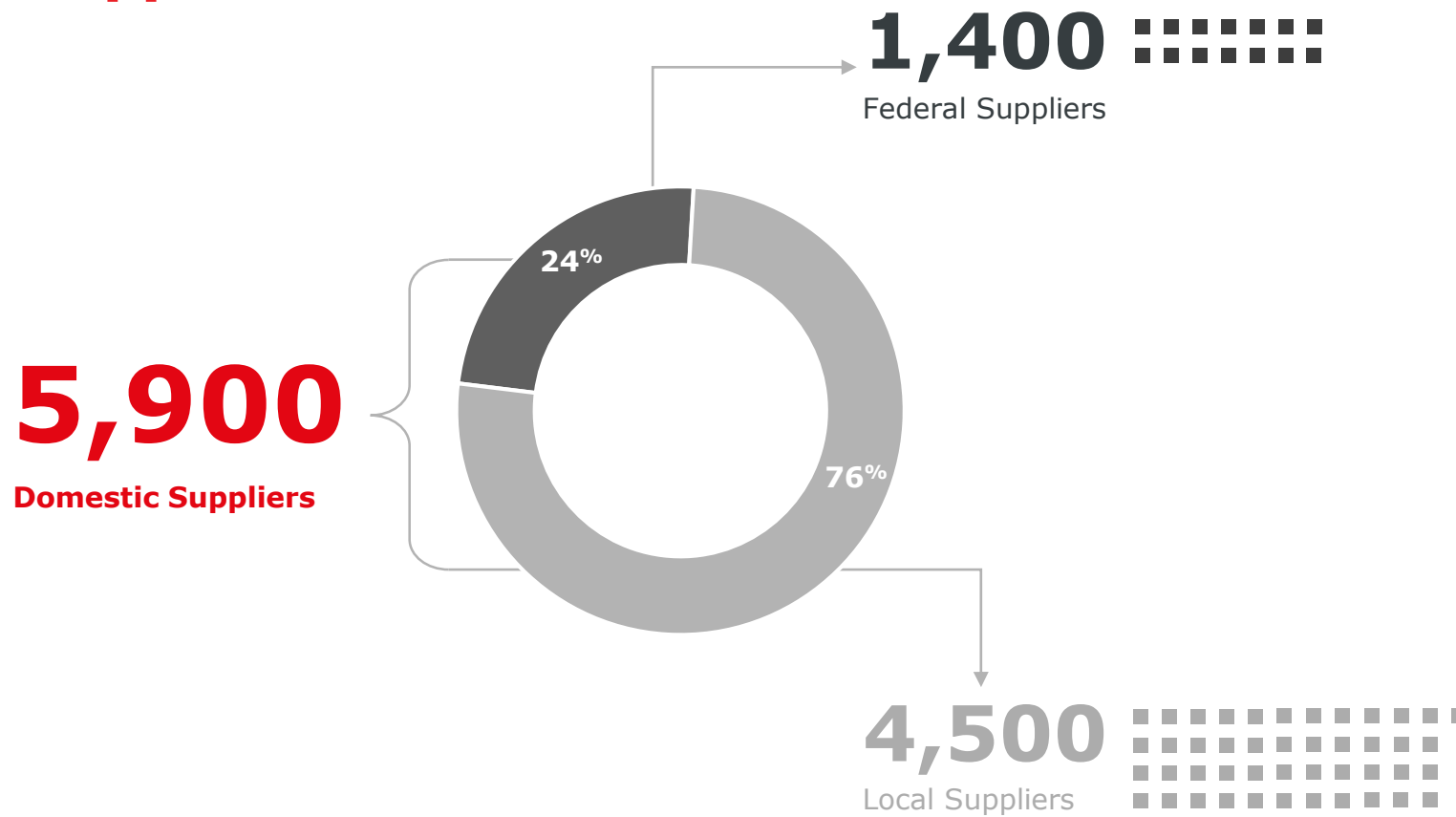
In December 2022 Magnit launched a center for growing oyster and velvet pioppini mushrooms



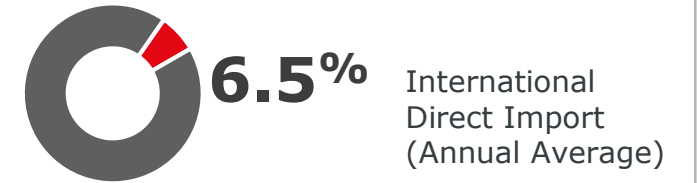


Suppliers

Suppliers



Direct Import



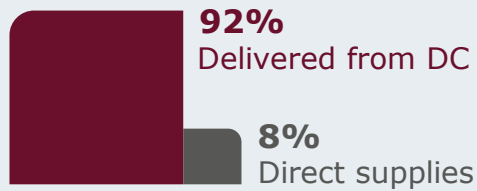
Private Label



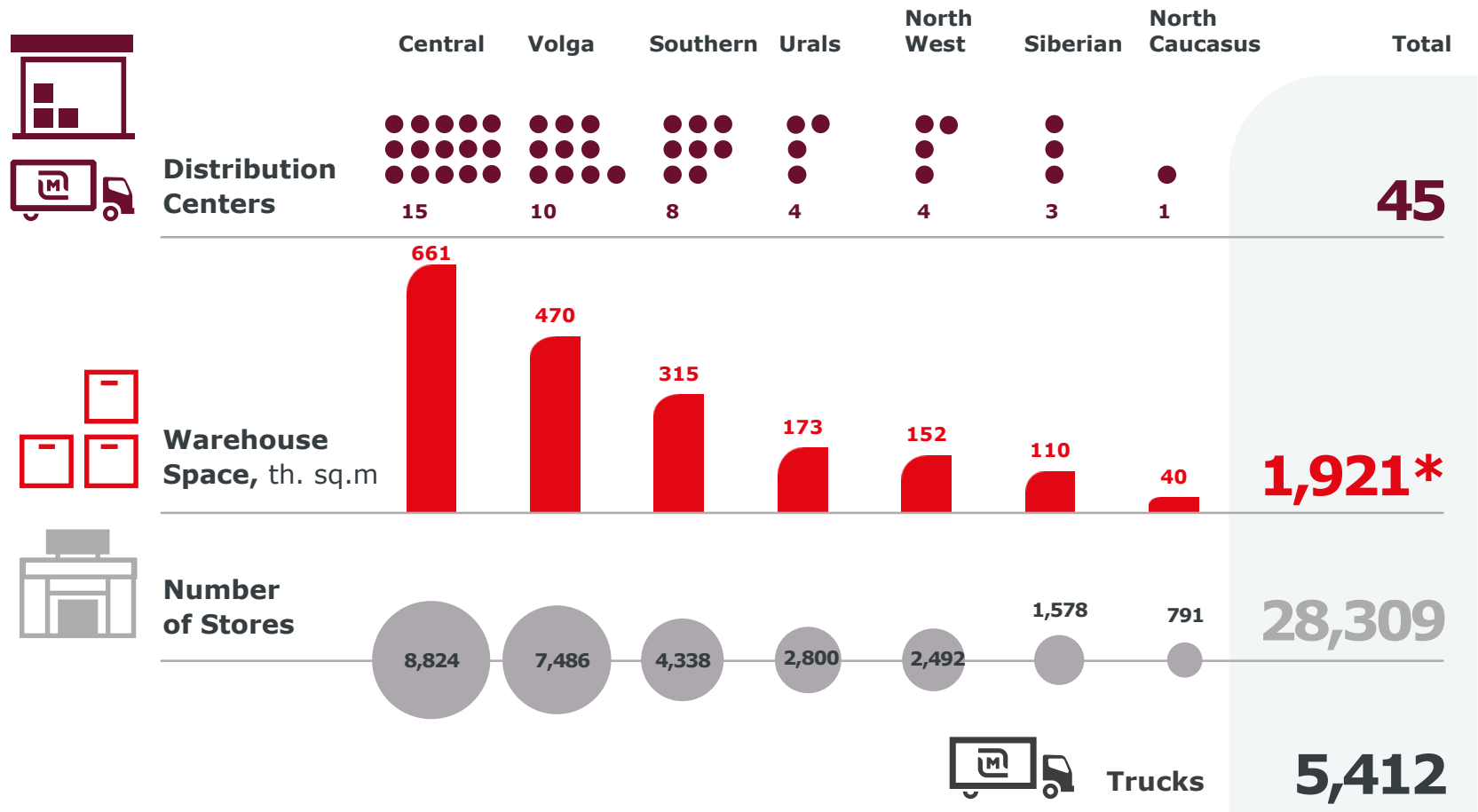


Logistics System

Centralization Ratio 2Q 2023



- 1 Nationwide coverage Federal, regional and import sourcing capabilities
- 2 A combination of in-house and outsourced fleet of vehicles ensures high service level and control
- 3 Efficient ownership model ensures high reliability and cost control

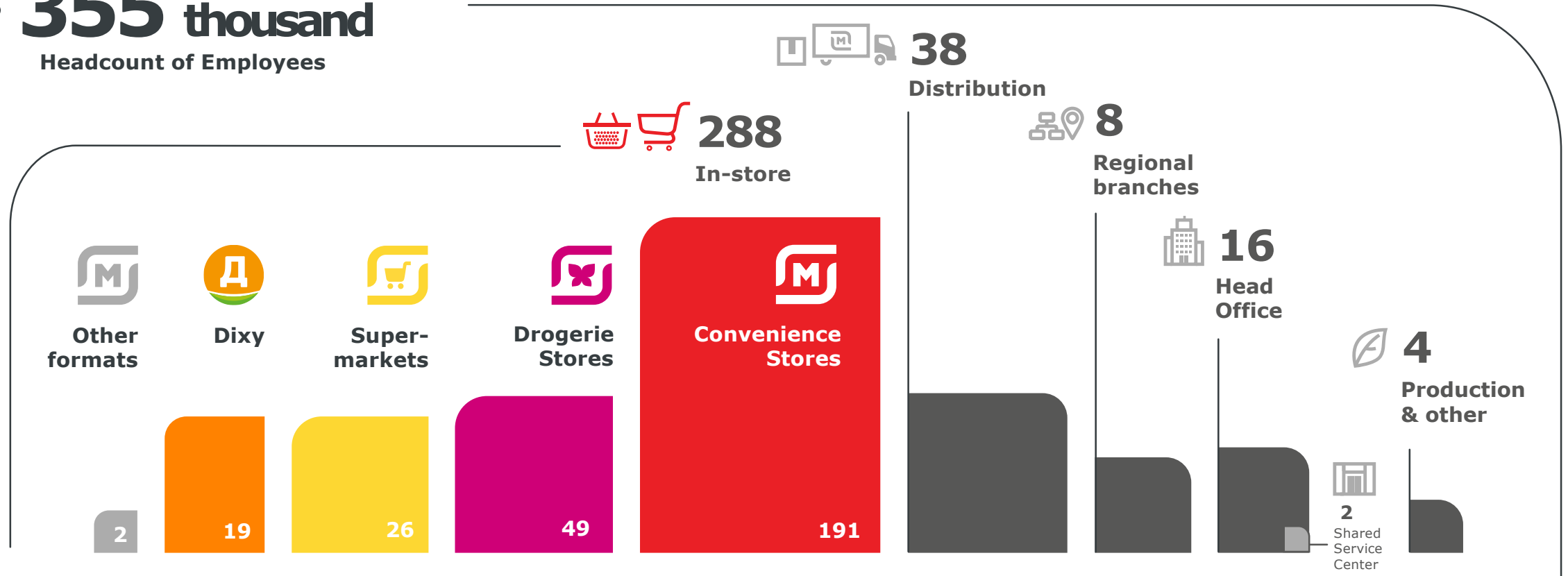




Employees



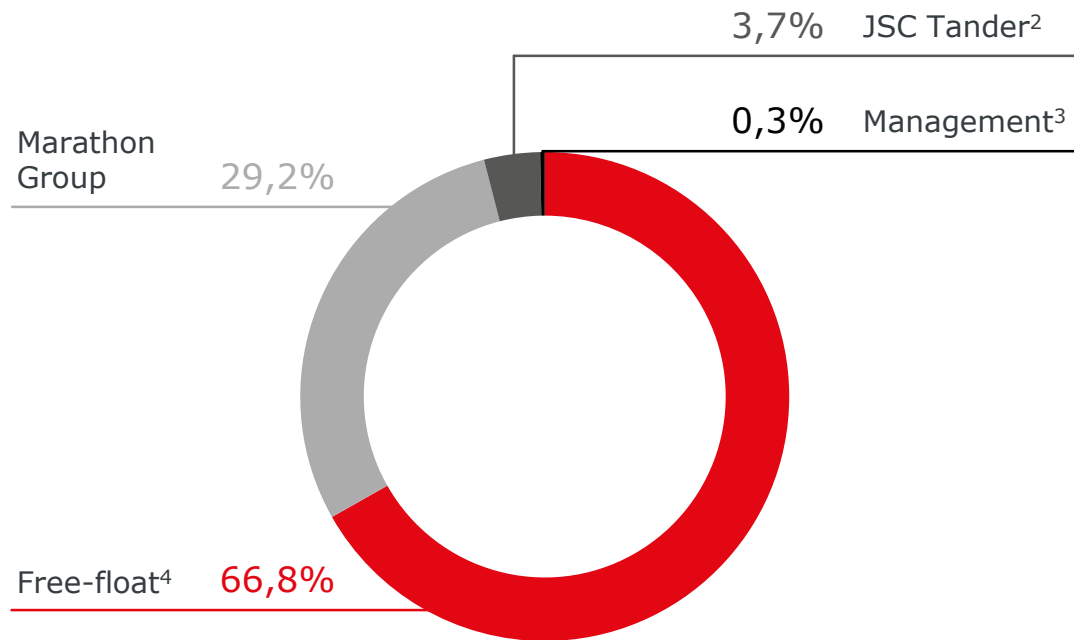
355 thousand
Headcount of Employees





Shareholder Structure

Information on persons who hold, dispose of votes accounted for and/or are beneficiaries of PJSC "Magnit" shares¹



1. As of December 31, 2022 according to information available to PJSC "Magnit".
2. Subsidiary of PJSC "Magnit" (100% of shares of JSC "Tander" are owned by PJSC "Magnit").
3. Information is given on shares owned by the members of PJSC "Magnit" Management Board.
4. According to PJSC "Magnit" own estimates, based on the [Methodology for calculating the free-float ratio used by the Moscow Exchange](#)





Operating and Financial Results

Quarterly Operating Highlights • Summary Profit & Loss
Revenue & Costs • Gross Margin & EBITDA • Balance Sheet
Debt Portfolio • Working Capital • CAPEX Analysis • Free Cash Flow

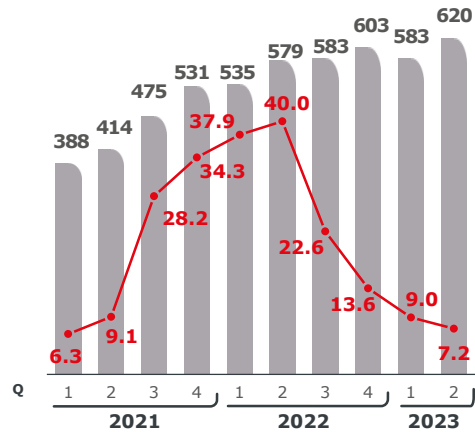


Quarterly Operating Highlights

[Return to parent slide →](#)

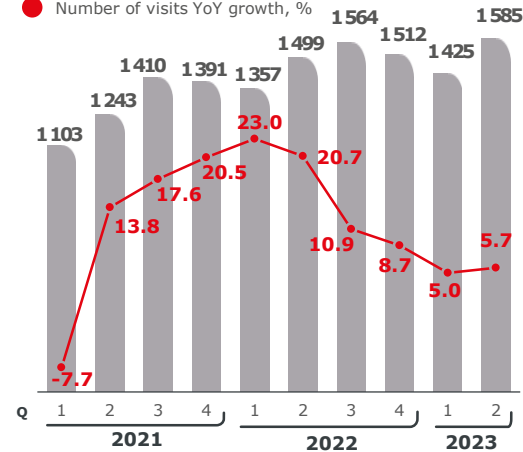
1 Net retail sales, RUB bln

● Net retail sales YoY growth, %



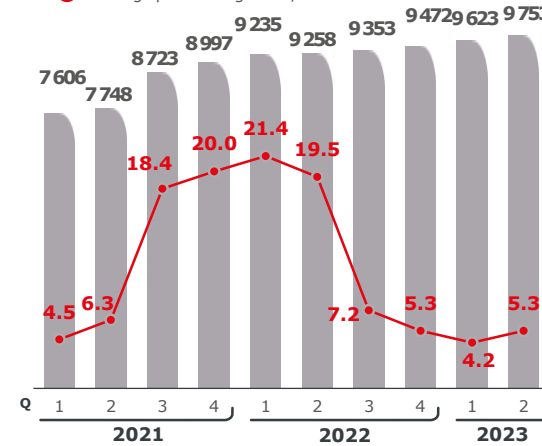
2 Number of visits, mln

● Number of visits YoY growth, %



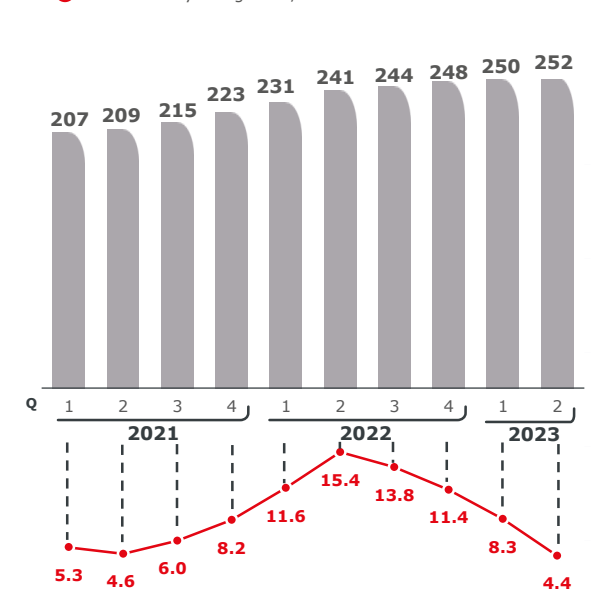
3 Selling space, th. sq. m

● Selling space YoY growth, %

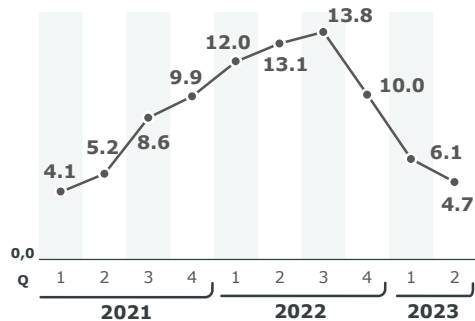


4 LTM - sales density*, th. RUB/sq.m/year

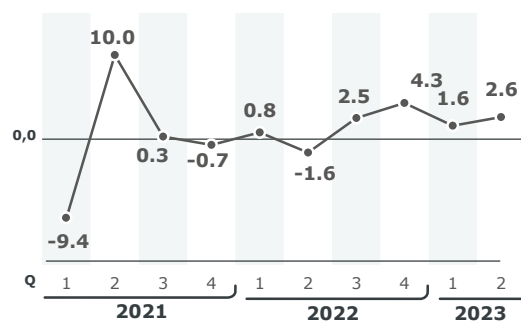
● Sales density YoY growth, %



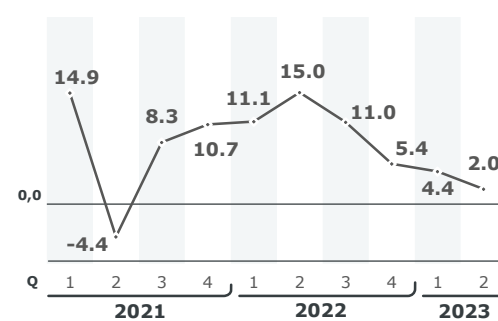
A LFL sales growth, %



B LFL traffic growth, %



C LFL ticket growth, %



* Net retail sales from last four quarters divided by average selling space of last 5 quarters



Summary Profit & Loss

RUB mln	IAS 17			IFRS 16		
	1H 2022	1H 2023	YoY Growth	1H 2022	1H 2023	YoY Growth
Net sales	1,136,266	1,229,456	8.2%	1,136,266	1,229,456	8.2%
Cost of sales	-872,641	-949,769	8.8%	-871,919	-948,935	8.8%
Gross profit	263,624	279,687	6.1%	264,347	280,521	6.1%
Gross margin, %	23.2%	22.7%	-45 bps	23.3%	22.8%	-45 bps
SG&A ²	-193,209	-211,307	9.4%	-146,833	-161,839	10.2%
Other income, net	7,288	10,939	50.1%	8,541	11,261	31.8%
Lease & sublease income	2,401	2,484	3.5%	2,384	2,482	4.1%
EBITDA pre-LTI¹	80,526	82,142	2.0%	128,860	132,762	3.0%
EBITDA margin pre-LTI	7.1%	6.7%	-41 bps	11.3%	10.8%	-54 bps
EBITDA	80,105	81,804	2.1%	128,439	132,424	3.1%
EBITDA margin,%	7.0%	6.7%	-40 bps	11.3%	10.8%	-53 bps
Depreciation & Amortization	-30,528	-32,807	7.5%	-62,325	-65,328	4.8%
EBIT	49,577	48,996	-1.2%	66,114	67,096	1.5%
FX gain/ (loss)	-2,111	6,077	-387.8%	-1,906	6,137	-421.9%
Net finance costs	-6,592	-7,975	21.0%	-26,699	-30,261	13.3%
Profit before tax	40,874	47,098	15.2%	37,508	42,972	14.6%
Taxes	-8,838	-9,781	10.7%	-8,166	-8,956	9.7%
Effective tax rate	21.6%	20.8%	-86 bps	21.8%	20.8%	-93 bps
Net income	32,035	37,317	16.5%	29,343	34,016	15.9%
Net margin, %	2.8%	3.0%	22 bps	2.6%	2.8%	18 bps

Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals

¹ Long-Term Incentive Program

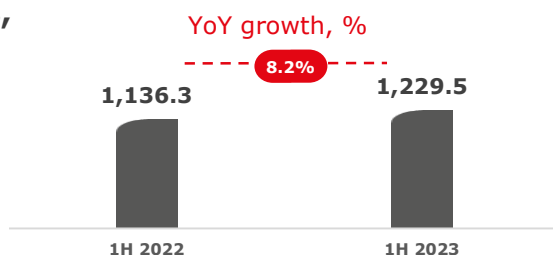
² Excluding Depreciation & Amortization & Impairment

Source: IAS 17 — based on Management accounts; IFRS 16 — audited results prepared in accordance with IFRS

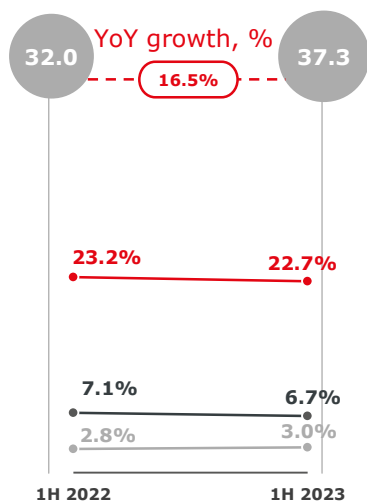


Revenue & Costs

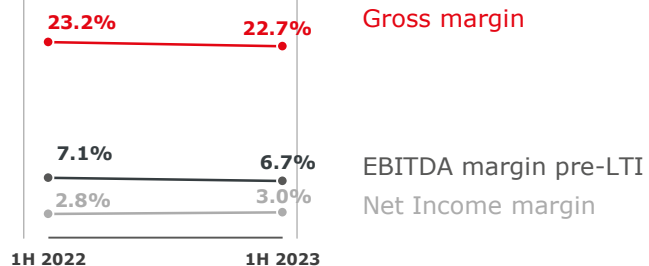
Revenue Dynamics, RUB bln



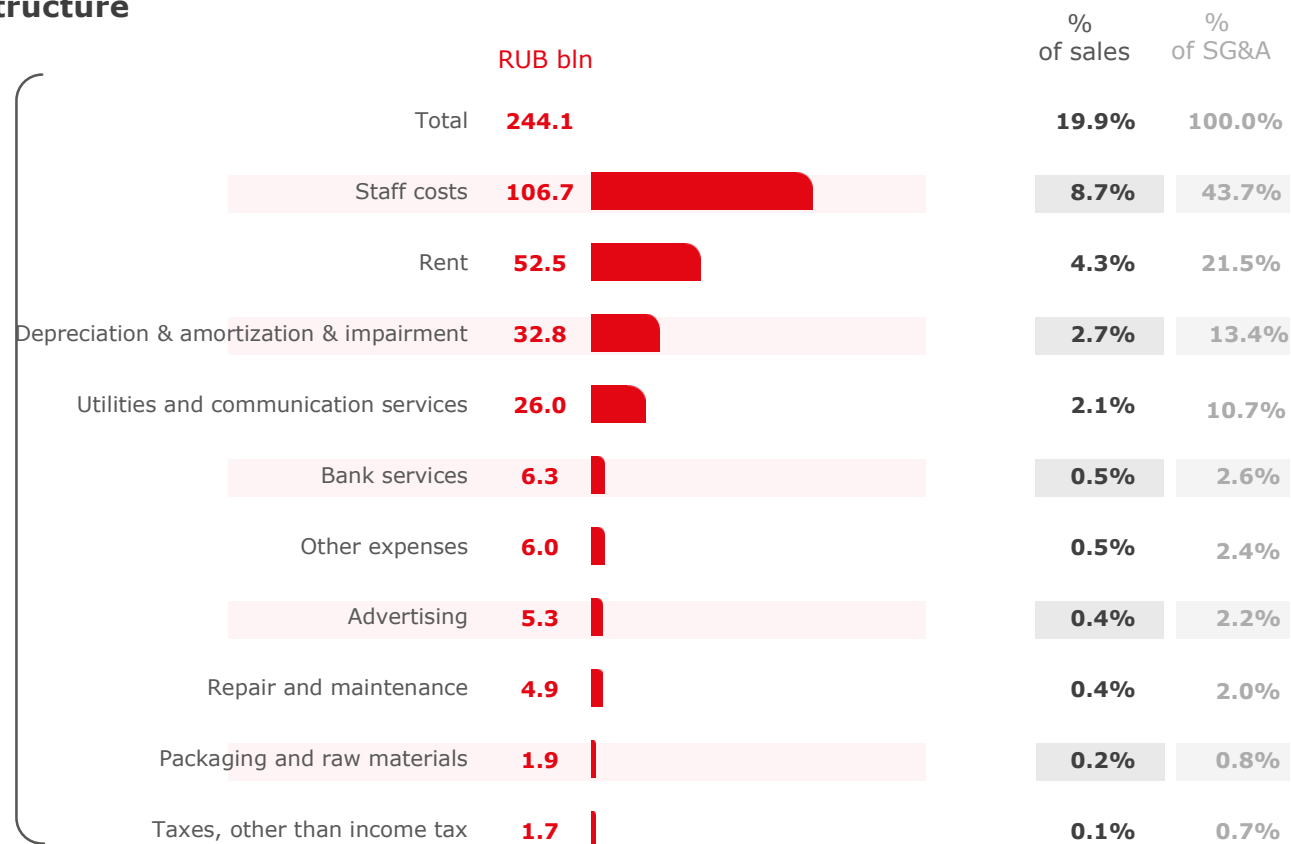
Net Income Dynamics, RUB bln



Margin Dynamics



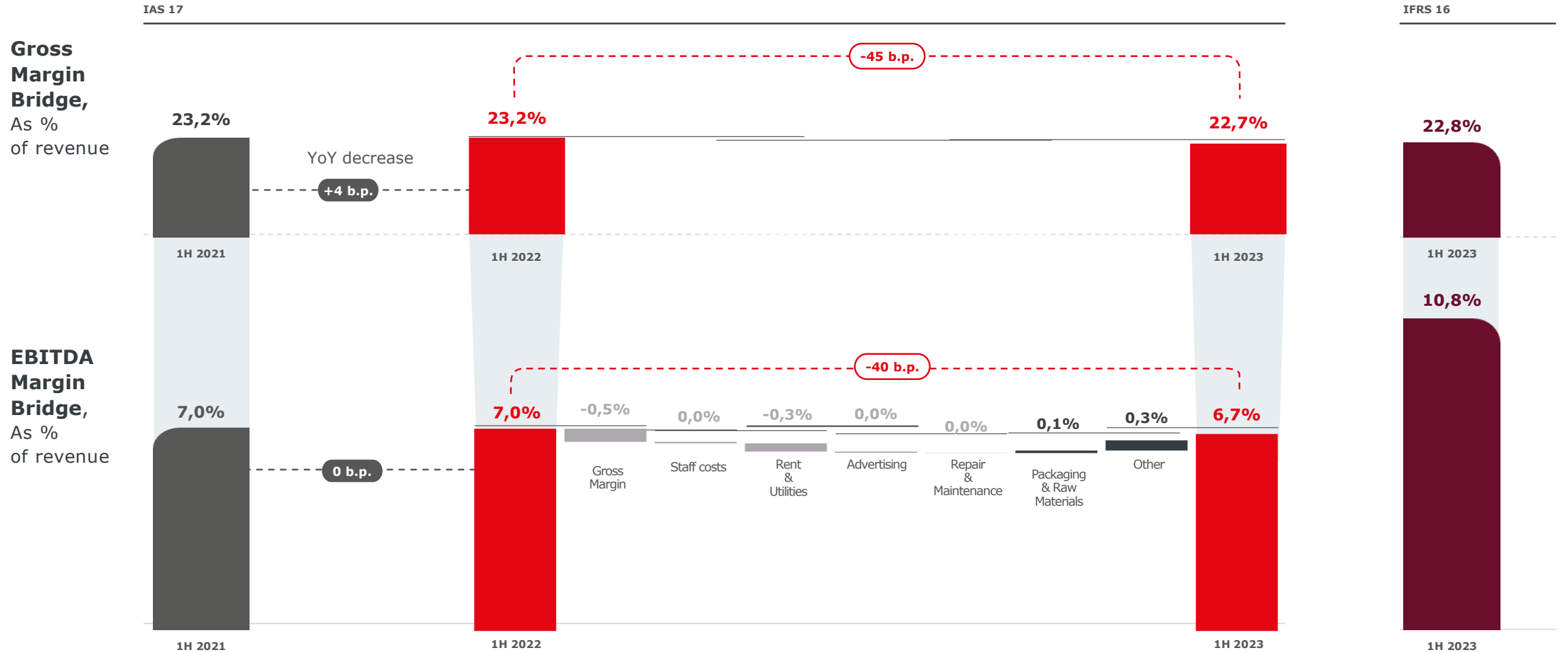
SG&A Expense Structure



Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals
Based on IAS 17 – based on Management accounts, 1H 2023



Gross Margin & EBITDA



Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals
 Source: IAS 17 – based on Management accounts; IFRS 16 – reviewed results prepared in accordance with IFRS



Balance Sheet

RUB mln

ASSETS	31.12.2022	30.06.2023
Property plant and equipment	361,751	355,702
Right-of-use assets	383,269	391,740
Other non-current assets	82,357	81,816
Cash and cash equivalents	314,912	299,454
Inventories	219,436	218,716
Trade and other receivables	20,197	12,233
Advances paid and other prepaid expenses	12,729	38,114
Taxes receivable	84	283
Short-term financial assets	1,163	1,352
Short-term net investments in sublease	2	4
Income tax receivable	100	727
TOTAL ASSETS	1,395,998	1,400,140

EQUITY AND LIABILITIES	31.12.2022	30.06.2023
Equity	207,382	240,397
Long-term loans and borrowings	273,271	282,216
Long-term lease liabilities	385,528	397,829
Other long-term liabilities	6,794	5,269
Trade and other payables	273,972	232,543
Short-term loans and borrowings	147,022	134,059
Short-term lease liabilities	61,283	61,078
Other current liabilities	40,746	46,748
TOTAL EQUITY AND LIABILITIES	1,395,998	1,400,140

Source: Based on IFRS 16 – reviewed results prepared in accordance with IFRS

Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals



Debt Portfolio

Low Currency Risk

No loans denominated in foreign currency

Low Interest Rate Risk

97,2% of debt is at fixed rate and 2,8% of debt exposed to interest rate changes*

Average Debt Maturity

20 months

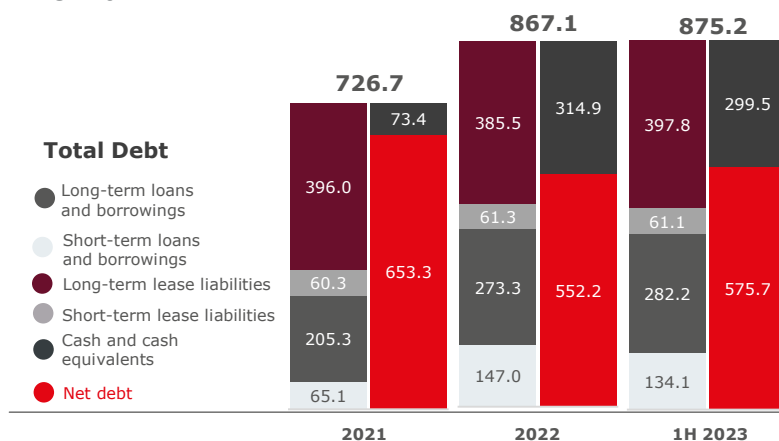
Weighted average cost of debt

8.9% as of June 30, 2023

Low Debt Burden

Net Debt / LTM EBITDA is 2.2x

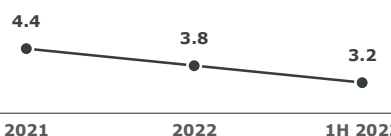
Debt Level Dynamics, RUB bln



Net debt / LTM EBITDA ratio

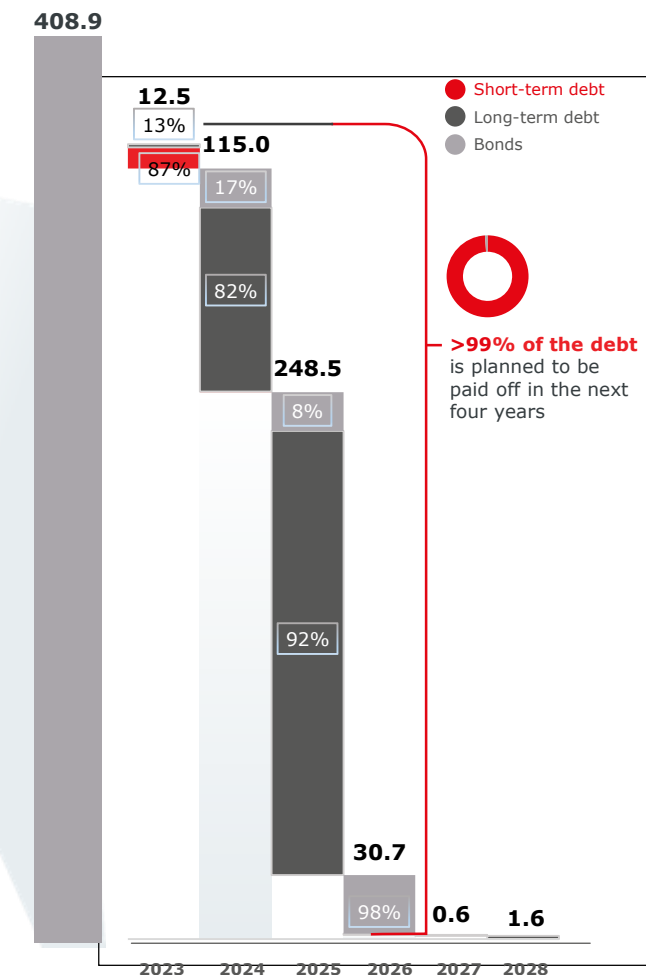


EBITDA / Finance expenses



Debt portfolio maturity*

RUB bln



>99% of the debt is planned to be paid off in the next four years

As of June 30, 2023

Based on IFRS 16 – reviewed results prepared in accordance with IFRS

*Exclusive of the repurchase agreements. The type of debt depends on the loan maturity. Loans exceeding 365 days are considered long-term



CAPEX Analysis

1H 2023

RUB mln

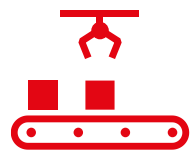
25,443

1H 2022

RUB mln

23,436

Total



Machinery and equipment

11,870
46.7%



Construction in progress and buildings

10,345
40.7%

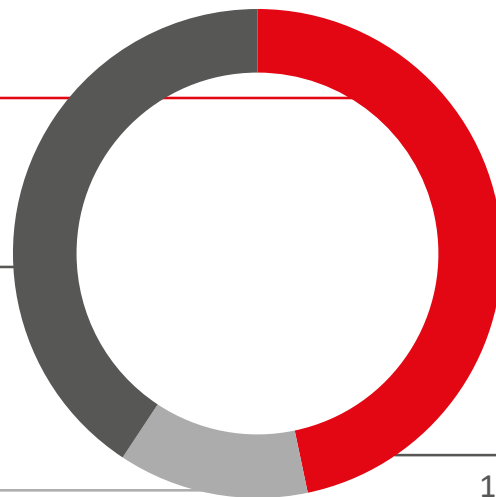


Other assets

3,215
12.6%

Land

12
0,0%



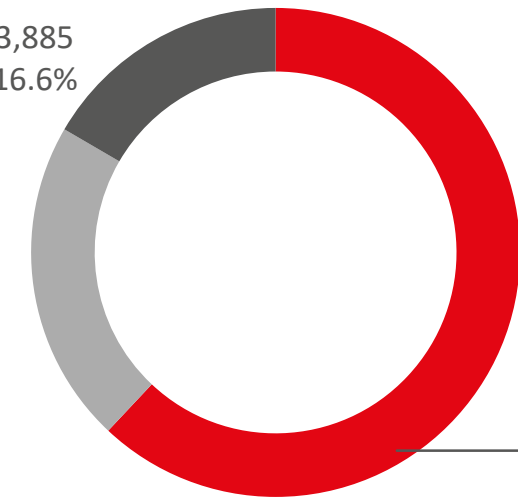
3,885
16.6%

5,026
21.4%

14,522
62.0%

Land

3
0.0%

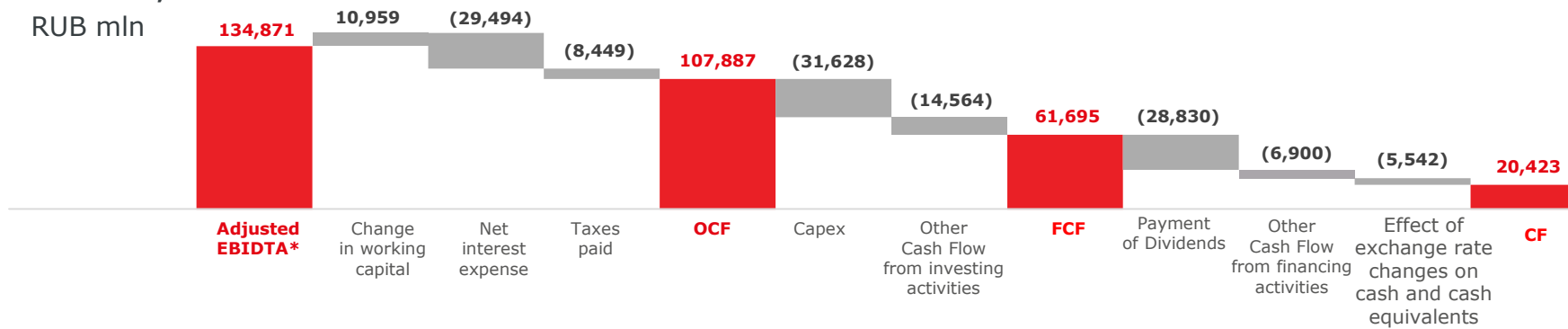


Please note: there may be small variations in calculation of totals, subtotals, and/or percentage change due to rounding of decimals
As of June 30, 2023
Based on IAS 17 — Management accounts

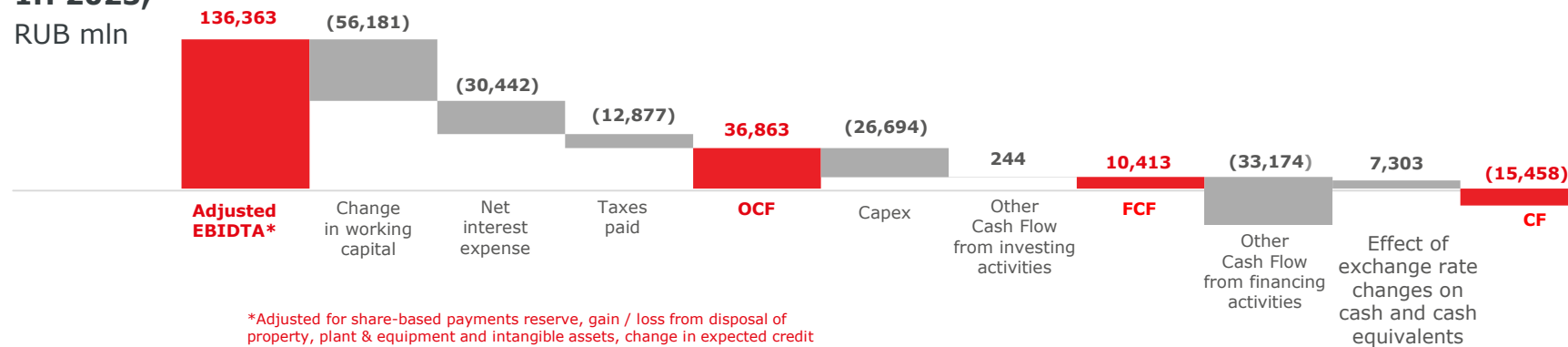


Free Cash Flow

1H 2022,
RUB mln



1H 2023,
RUB mln



*Adjusted for share-based payments reserve, gain / loss from disposal of property, plant & equipment and intangible assets, change in expected credit losses on receivables and financial assets, impairment and write-offs of advances paid, income from government grants, expenses for inventories carried at net realizable value, income from write-off of accounts payable, gain from cancellation of lease contracts & gain from Covid-19 related rent concessions

Working Capital Analysis

37

Average Days
Payable to Suppliers

42

Inventory
Management Days

Appendix

Russian Macro Environment • Russian Food
Retail Market Potential • Top-10 Russian Food
Retailers • Convenience Store • Supermarket
Drogerie store • Quarterly Operating Data Summary

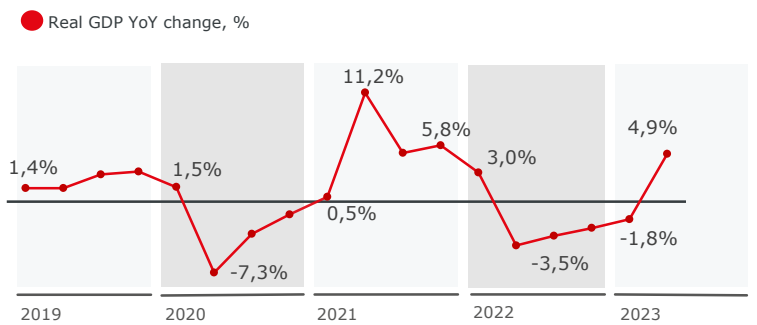




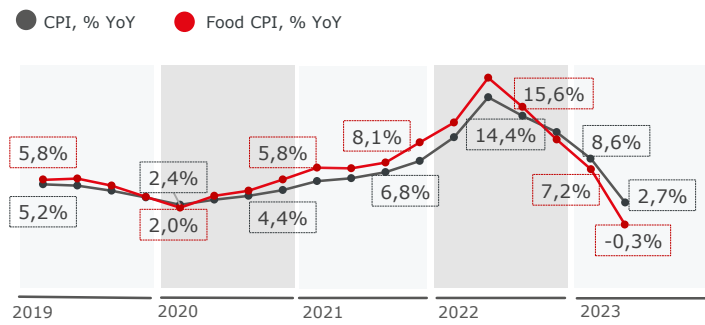
Russian Macro Environment

[Return to parent slide →](#)

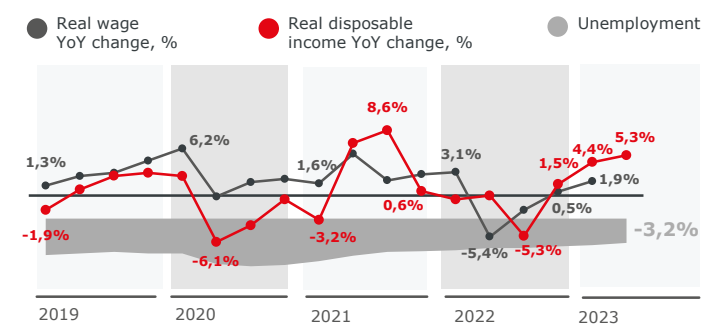
1 Real GDP in 2Q 2023 improved y-o-y after the decline in 1Q 2023



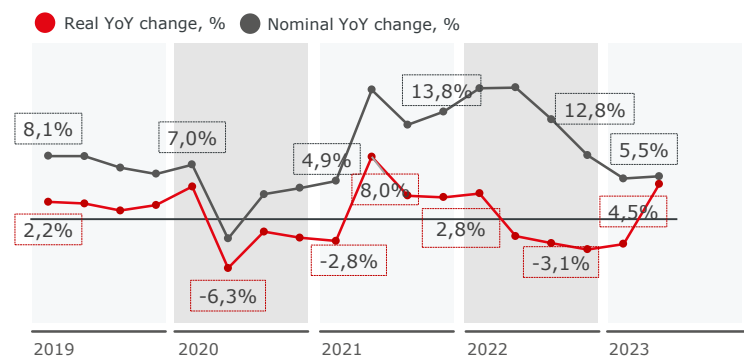
2 Food deflation was recorded in 2Q 2023



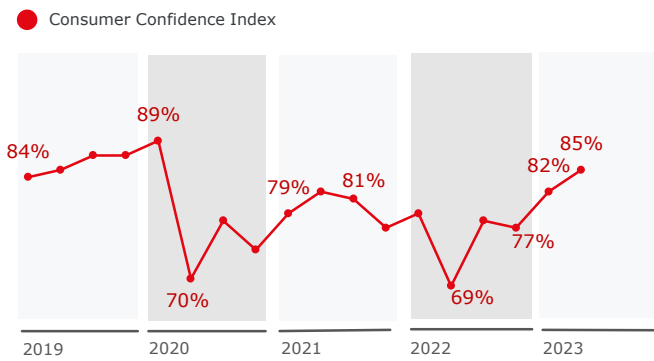
3 Real disposable income rose by 5.3% y-o-y – the maximum growth for about 2 years. Unemployment level improved to 3.2% in 2Q 2023



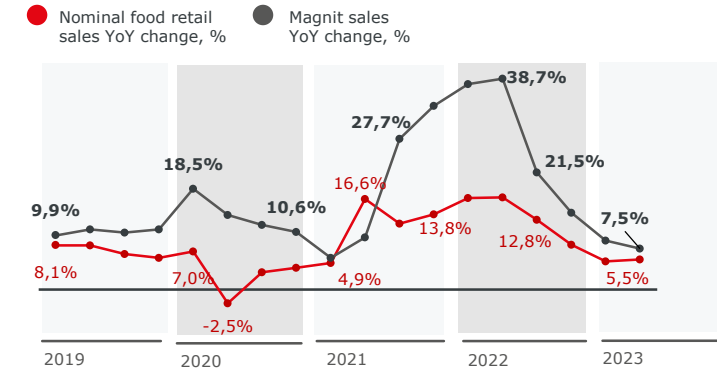
4 Real food retail sales growth picked up. Market leaders are gaining market share



5 Consumer confidence increased by 3 pp in 2Q 2023 to 85%



6 Food retail sales growth decelerated in nominal terms

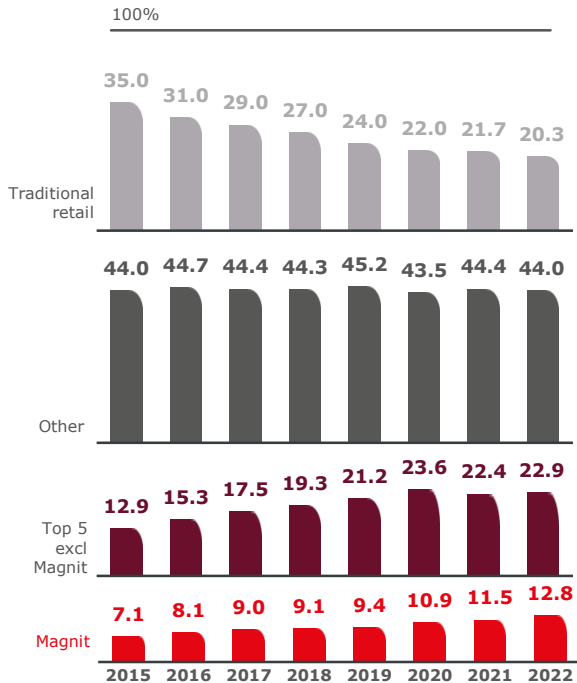




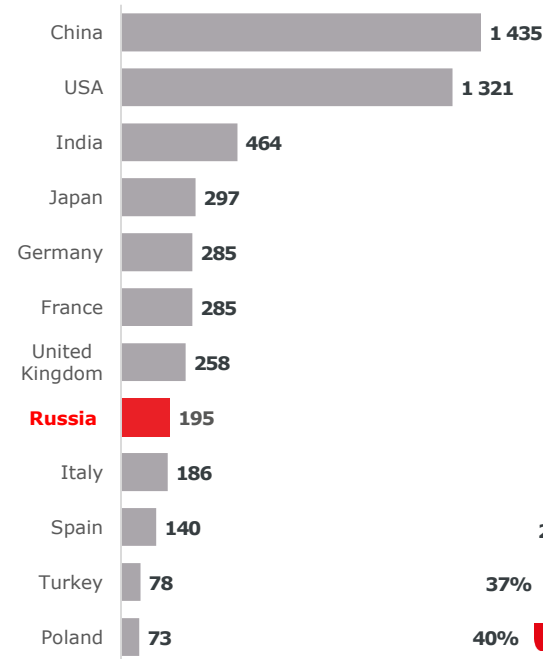
Russian Food Retail Market Potential

[Return to parent slide →](#)

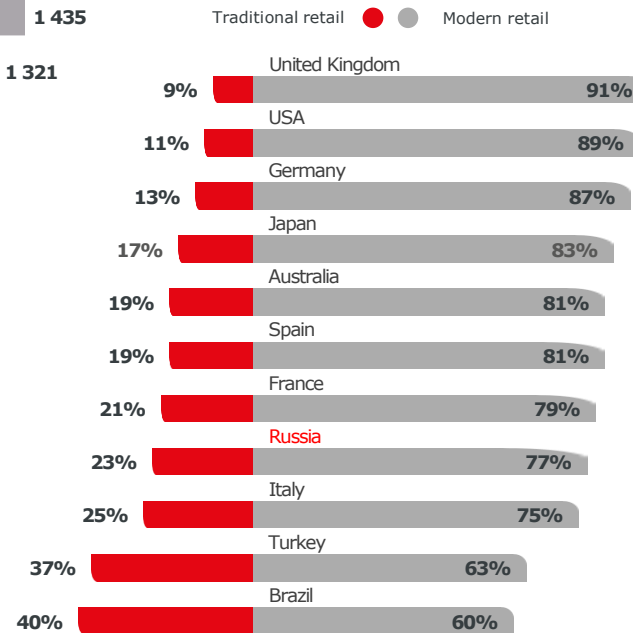
1 Market Share, %



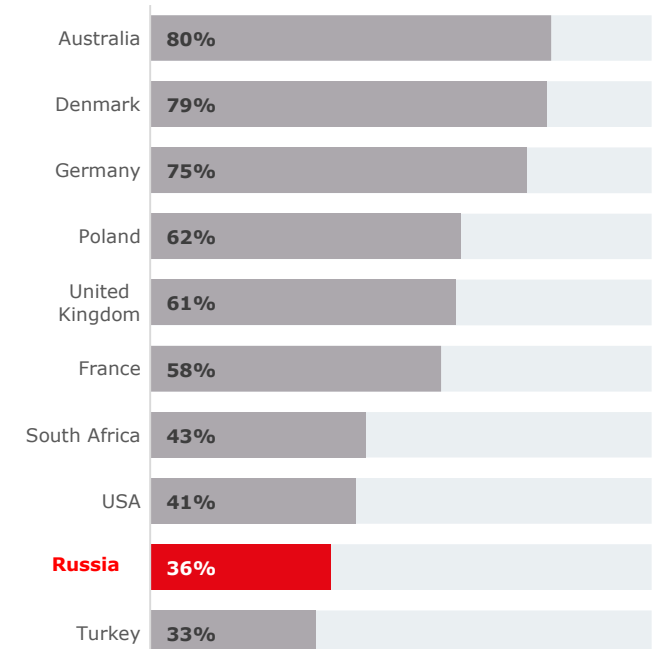
2 Grocery retail market, USD bn



3 Modern VS Traditional Retail



4 Share of TOP-5 retail chains, %

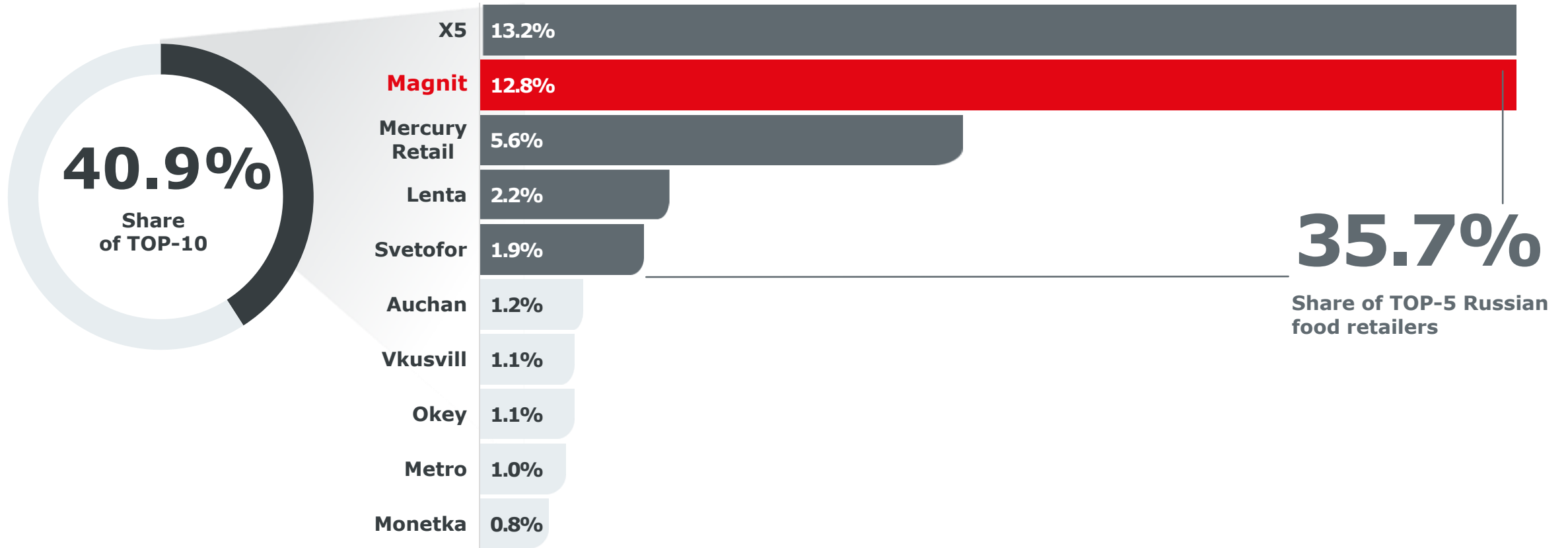


Source: Infoline, Euromonitor, Magnit analysis 2022



Top-10 Russian Food Retailers

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Source: Infoline, Magnit analysis, 2022

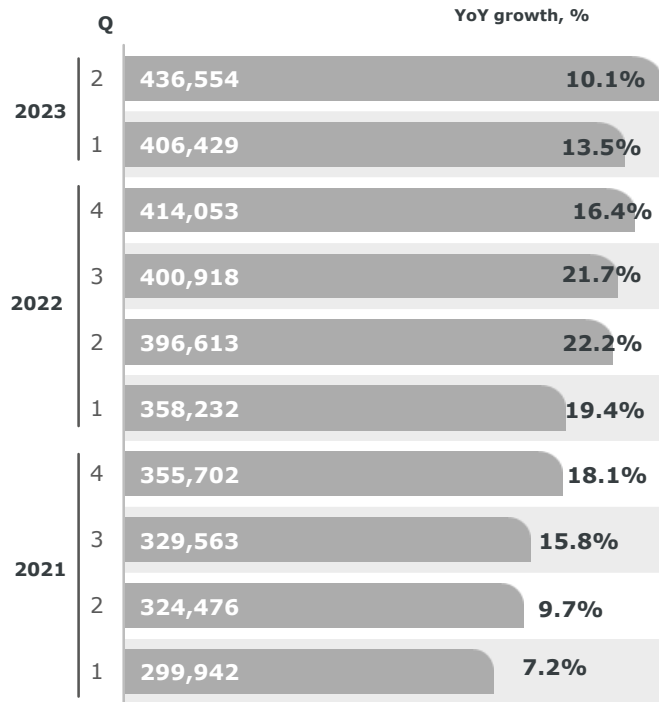


Magnit Convenience Store

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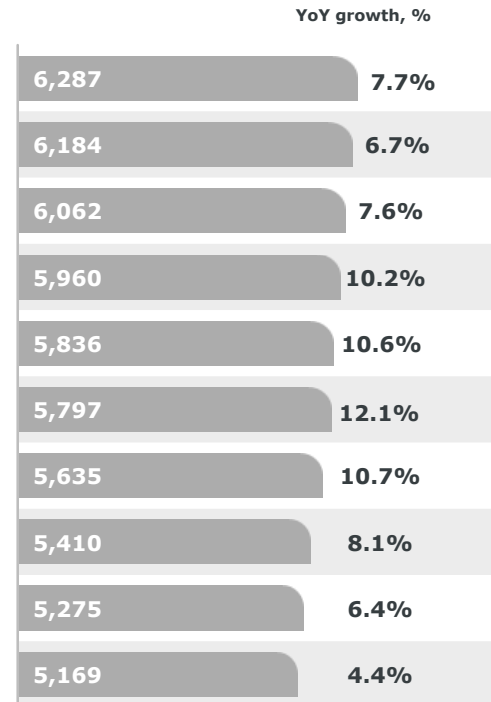
Net retail sales

RUB mln



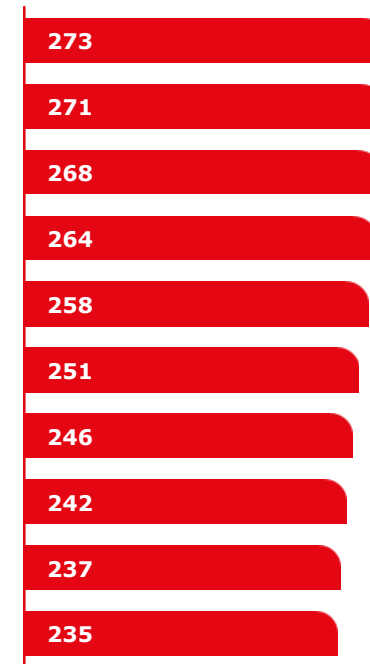
Selling space

th sq. m



LTM - sales density*

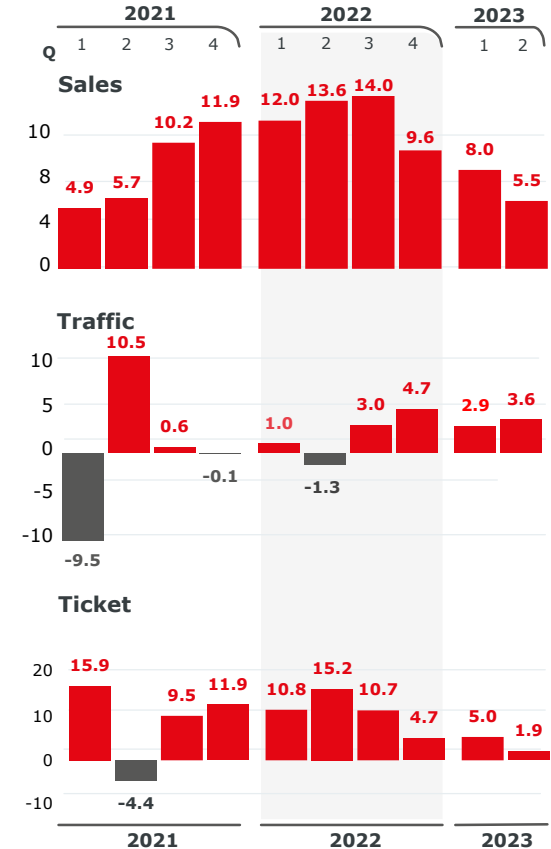
th RUB/sq.m/year



* Total net retail sales from last four quarters divided by average selling space of last five quarters

LFL

YoY growth, %



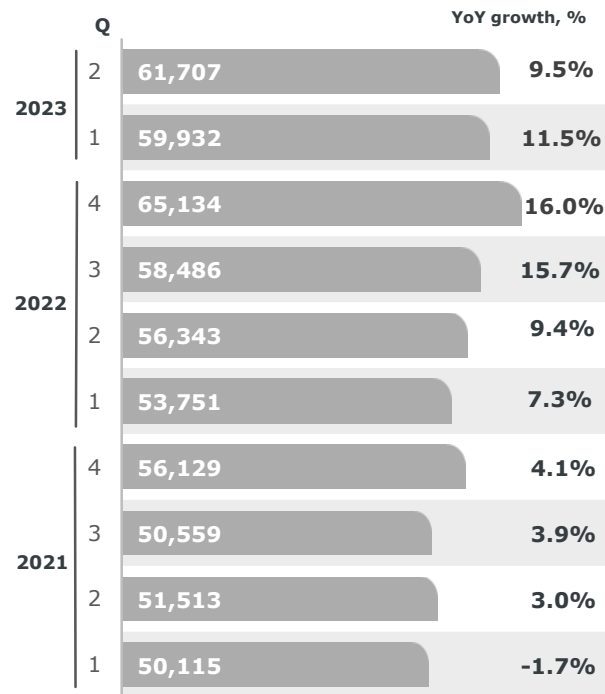


Magnit Supermarket

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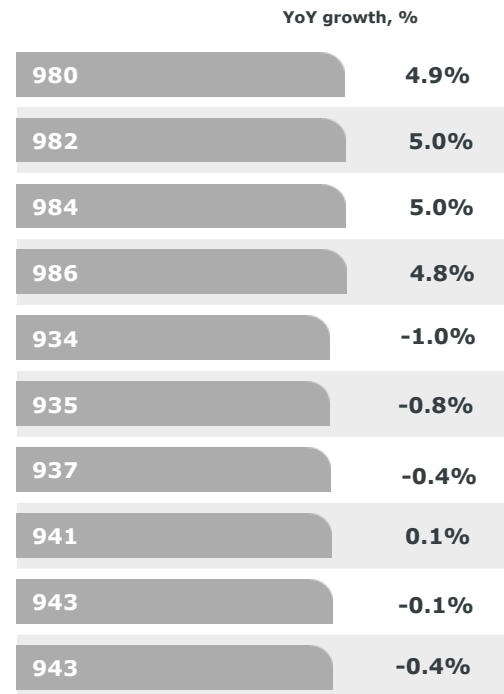
Net retail sales

RUB mln



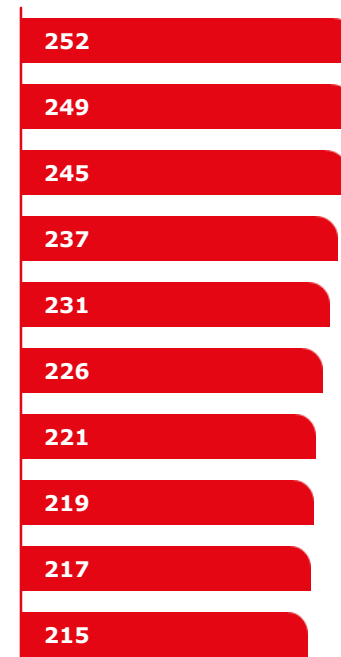
Selling space

th sq. m



LTM - sales density*

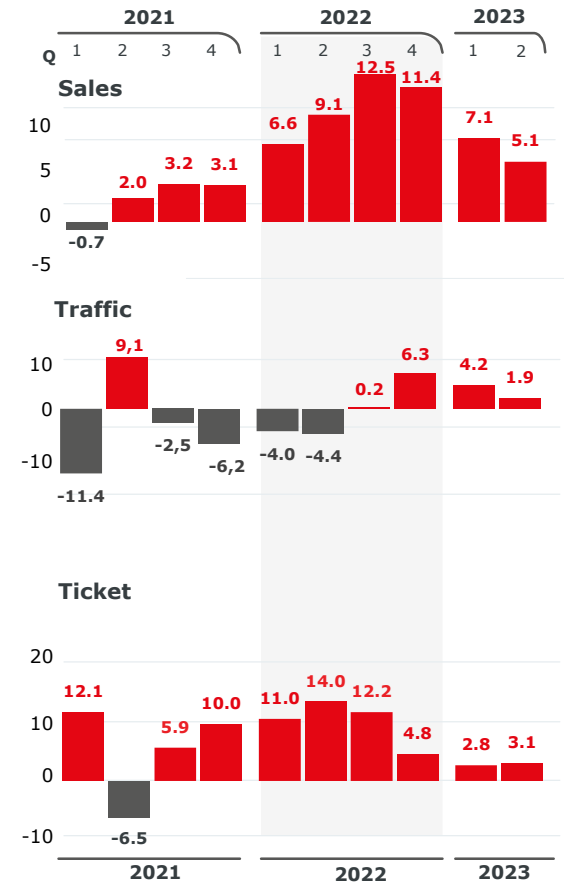
th RUB/sq.m/year



* Total net retail sales from last four quarters divided by average selling space of last five quarters

LFL

YoY growth, %



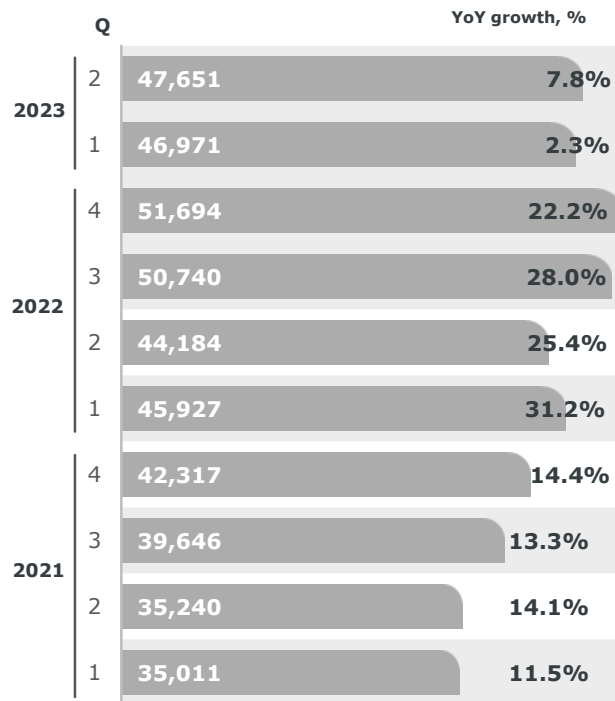


Magnit Drogerie Store

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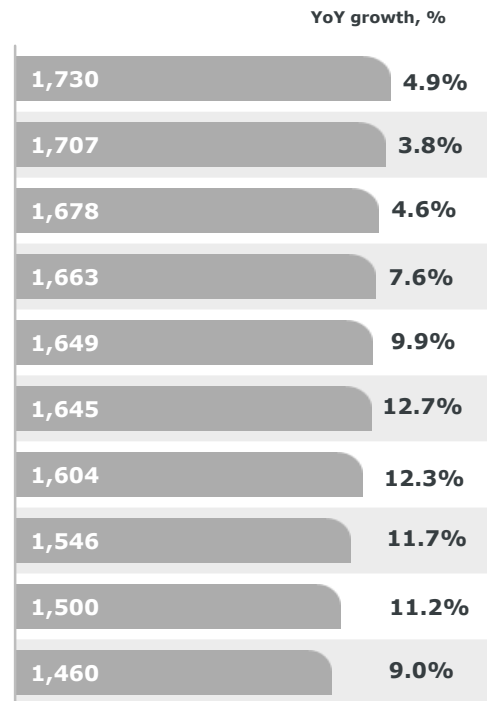
Net retail sales

RUB mln



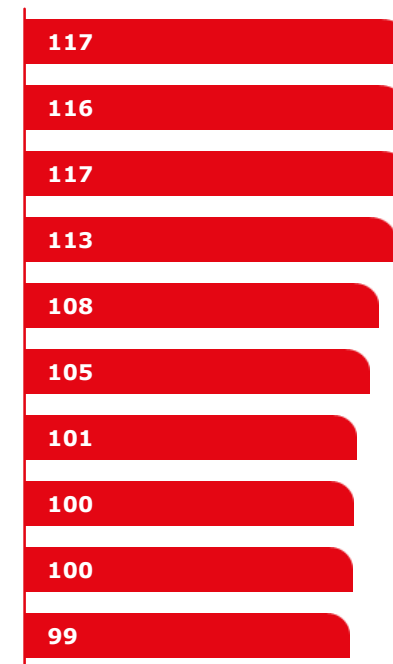
Selling space

th sq. m



LTM - sales density*

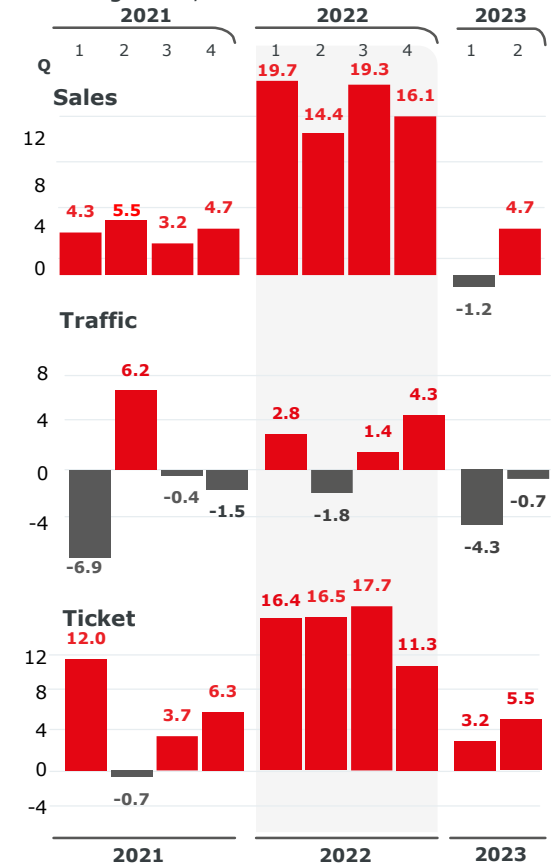
th RUB/sq.m/year



* Total net retail sales from last four quarters divided by average selling space of last five quarters

LFL

YoY growth, %





Quarterly Operating Data Summary

RUB bln	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	FY 2022	1Q 2023	2Q 2023
SALES TOTAL	397.9	424.3	489.3	544.6	1,856.1	547.7	588.6	594.4	621.3	2,352.0	596.8	632.7
YoY growth, %	5.8%	9.6%	27.7%	33.7%	19.5%	37.7%	38.7%	21.5%	14.1%	26.7%	9.0%	7.5%
NET RETAIL SALES	387.9	413.7	475.5	530.7	1,807.8	534.8	579.0	582.9	603.0	2,299.7	583.2	620.5
YoY growth, %	6.3%	9.1%	28.2%	34.3%	19.7%	37.9%	40.0%	22.6%	13.6%	27.2	9.0%	7.2%
Magnit	387.9	413.7	422.1	456.8	1,680.5	460.7	499.5	512.7	534.1	2,007.0	516.6	548.9
Convenience	299.9	324.5	329.6	355.7	1,309.7	358.2	396.6	400.9	414.1	1,569.8	406.4	436.6
Supermarket	50.1	51.5	50.6	56.1	208.3	53.8	56.3	58.5	65.1	233.7	59.9	61.7
Drogerie	35.0	35.2	39.6	42.3	152.2	45.9	44.2	50.7	51.7	192.5	47.0	47.7
Other formats	2.8	2.5	2.4	2.6	10.3	2.8	2.3	2.5	3.3	11.0	3.2	3.0
DIXY	n/a	n/a	53.3	73.9	127.2	74.1	79.5	70.2	68.8	292.7	66.6	71.5
Convenience	n/a	n/a	50.5	70.1	120.6	70.5	75.9	69.7	68.8	284.9	66.6	71.5
Supermarket	n/a	n/a	2.8	3.9	6.7	3.6	3.7	0.5	0	7.8	0	0
Number of stores	21,900	22,344	25,315	26,077	26,077	26,605	26,731	27,059	27,405	27,405	27,909	28,309
Magnit	21,900	22,344	22,838	23,626	23,626	24,234	24,376	24,851	25,197	25,197	25,702	26,096
Convenience	15,098	15,348	15,657	16,190	16,190	16,620	16,748	17,139	17,416	17,416	17,787	18,072
Supermarket	471	469	467	470	470	468	467	493	493	493	492	490
Drogerie	6,331	6,527	6,714	6,966	6,966	7,146	7,161	7,219	7,288	7,288	7,423	7,534
DIXY	n/a	n/a	2,477	2,451	2,451	2,371	2,355	2,208	2,208	2,208	2,207	2,213
Convenience	n/a	n/a	2,438	2,412	2,412	2,333	2,326	2,208	2,208	2,208	2,207	2,213
Supermarket	n/a	n/a	39	39	39	38	29	0	0	0	0	0
Selling space th. sq. m	7,606	7,748	8,723	8,997	8,997	9,235	9,258	9,353	9,472	9,472	9,623	9,753
Magnit	7,606	7,748	7,924	8,204	8,204	8,405	8,446	8,636	8,752	8,752	8,901	9,025
Convenience	5,169	5,275	5,410	5,635	5,635	5,797	5,836	5,960	6,062	6,062	6,184	6,287
Supermarket	943	943	941	937	937	935	934	986	984	984	982	980
Drogerie	1,460	1,500	1,546	1,604	1,604	1,645	1,649	1,663	1,678	1,678	1,707	1,730
Other formats	33	30	28	28	28	28	28	28	28	28	28	28
DIXY	n/a	n/a	799	793	793	830	812	717	719	719	721	728
Convenience	n/a	n/a	725	718	718	757	754	717	719	719	721	728
Supermarket	n/a	n/a	75	75	75	73	58	0	0	0	0	0



Quarterly Operating Data Summary

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	FY 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	2022	1Q 2023	2Q 2023
LFL sales growth	4.1%	5.2%	8.6%	9.9%	7.0%	12.0%	13.1%	13.8%	10.0%	12.1%	6.1%	4.7%
Magnit	4.1%	5.2%	8.6%	9.9%	7.0%	12.0%	13.1%	14.2%	10.5%	12.4%	6.9%	5.5%
Convenience	4.9%	5.7%	10.2%	11.9%	8.2%	12.0%	13.6%	14.0%	9.6%	12.3%	8.0%	5.5%
Supermarket	-0.7%	2.0%	3.2%	3.1%	1.9%	6.6%	9.1%	12.5%	11.4%	9.9%	7.1%	5.1%
Drogerie	4.3%	5.5%	3.2%	4.7%	4.4%	19.7%	14.4%	19.3%	16.1%	17.4%	-1.2%	4.7%
Dixy (Convenience)								9.8%	6.4%	7.8%	0.6%	-0.9%
LFL traffic growth	-9.4%	10.0%	0.3%	-0.7%	-0.1%	0.8%	-1.6%	2.5%	4.3%	1.6%	1.6%	2.6%
Magnit	-9.4%	10.0%	0.3%	-0.7%	-0.1%	0.8%	-1.6%	2.6%	4.8%	1.6%	2.3%	3.2%
Convenience	-9.5%	10.5%	0.6%	-0.1%	0.2%	1.0%	-1.3%	3.0%	4.7%	1.8%	2.9%	3.6%
Supermarket	-11.4%	9.1%	-2.5%	-6.2%	-3.1%	-4.0%	-4.4%	0.2%	6.3%	-0.5%	4.2%	1.9%
Drogerie	-6.9%	6.2%	-0.4%	-1.5%	-0.8%	2.8%	-1.8%	1.4%	4.3%	1.7%	-4.3%	-0.7%
Dixy (Convenience)								1.4%	1.4%	1.4%	-3.3%	-1.4%
LFL ticket growth	14.9%	-4.4%	8.3%	10.7%	7.1%	11.1%	15.0%	11.0%	5.4%	10.3%	4.4%	2.0%
Magnit	14.9%	-4.4%	8.3%	10.7%	7.1%	11.1%	15.0%	11.3%	5.5%	10.6%	4.5%	2.2%
Convenience	15.9%	-4.4%	9.5%	11.9%	8.0%	10.8%	15.2%	10.7%	4.7%	10.2%	5.0%	1.9%
Supermarket	12.1%	-6.5%	5.9%	10.0%	5.2%	11.0%	14.0%	12.2%	4.8%	10.5%	2.8%	3.1%
Drogerie	12.0%	-0.7%	3.7%	6.3%	5.2%	16.4%	16.5%	17.7%	11.3%	15.4%	3.2%	5.5%
Dixy (Convenience)								8.3%	4.9%	6.3%	4.1%	0.5%



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