



1688 – Yandex Market cross-border B2B

December, 2023


Yandex at a glance

In 1997
Yandex was founded

Since 2011
Listed on NASDAQ

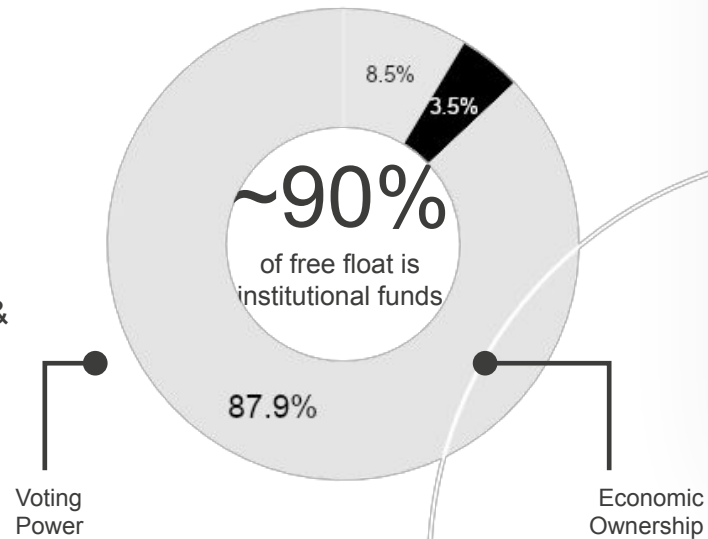
Since 2014
Listed on MOEX

US\$ 10.5 BN
Market Cap¹



Economic Ownership

- LASTAR Trust²
- Free Float
- Other Directors, Officers & Employees, pre-IPO Shareholders



KEY SERVICES

Search

Leading search engine in Russia

E-Commerce

One of the largest marketplaces in Russia offering seamless experience with high frequency FoodTech services

Mobility

Leading ride-hailing service in Russia operating in number of other international markets

Video / Audio Streaming

Leading video and music streaming services in Russia

AUDIENCE

Monthly active users



42.3 MM
Yandex Go⁴



35 MM
Yandex Maps (mobile)⁵



23.5 MM
Yandex Plus subscribers⁵












57 MM
Alice users³

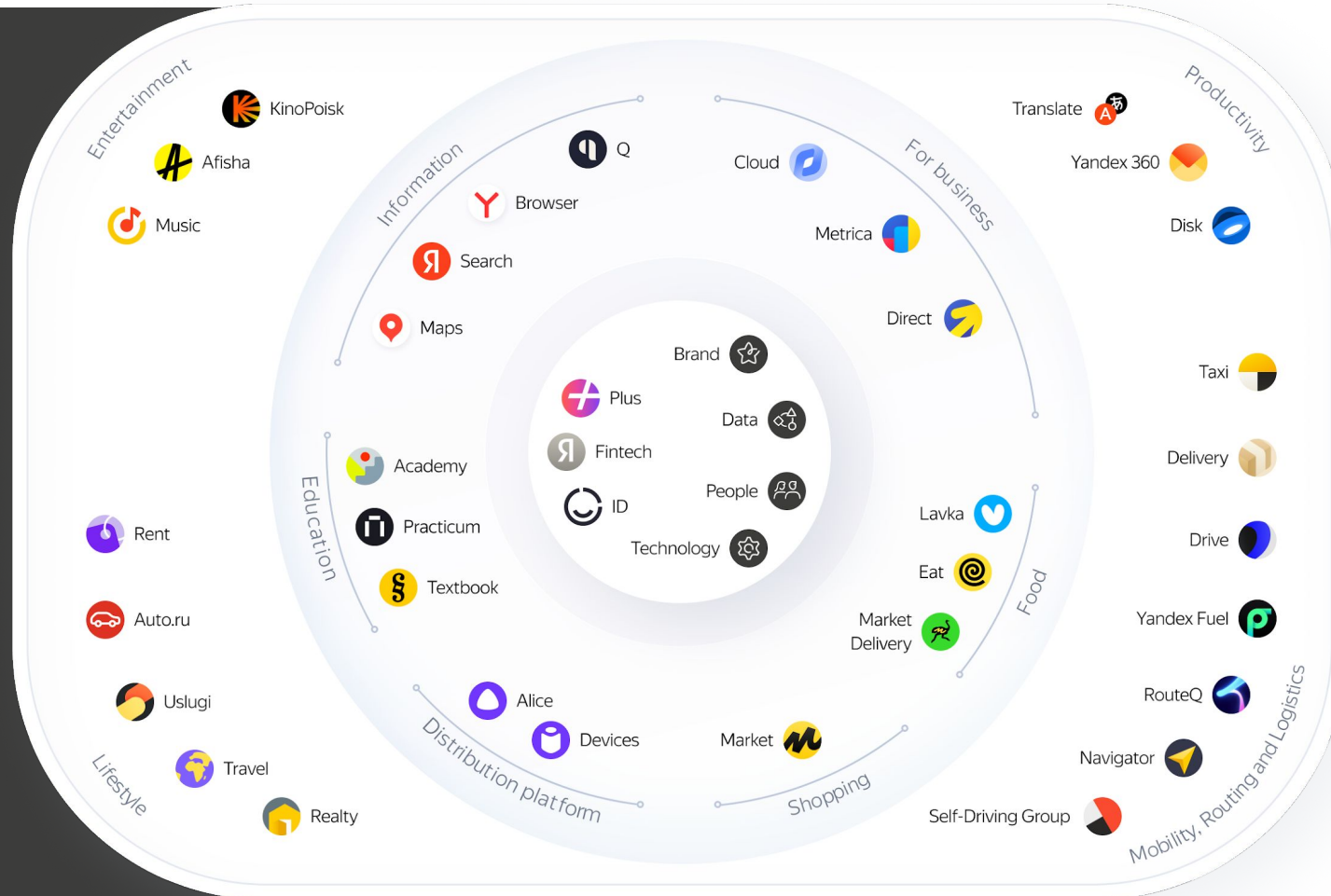
Source: Company data, public sources, June 2023

Source: 1 Mkt cap was calculated by multiplying the last price of a stock on Moscow Exchange as of 24 July, 2023 by its total number of issued and outstanding shares and converted at the CB exchange rate as of the same date; 2 LASTAR Trust, a family trust established by Mr. Volozh in December 2019. In July 2022, Mr. Volozh irrevocably undertook not to give voting instructions to the trustee in respect of the YNDX Class B shares held by the trust; pursuant to the trust agreement, the trustee will vote such shares at any general meeting of shareholders only in accordance with the recommendations of the independent members of the YNDX Board of Directors.; 3 Company data as of 2Q 2023; 4 Company data as of 2Q 2023, Yandex Go is a super app, which combines ride-hailing, car-sharing and public transport schedules, as well as food and grocery delivery services and delivery (logistics) service; 5 Company data, June 2023

Yandex: leading platform of consumer services in Russia

Strong market position in the following segments:

-  in digital search
-  in digital advertising
-  ride-hailing service
-  ready-to-eat delivery services
-  video-on-demand and music platform
-  auto classified
-  in maps and navigation
-  ecosystem subscription
-  in smart speakers



Yandex Plus

- Core segment loyalty program with the largest subscriber base in Russia of 23.5m subscribers²
- Yandex Plus subscribers generate c. 80% higher GMV in Yandex's key transactional services than non-Plus customers³



Yandex Fintech

- Deepening integration of payment services into the Yandex transactional businesses
- Development and launch of financial products for consumers and partners of Yandex services

¹ Market Delivery — the service was earlier known as Delivery Club; ² As of June 2023, ³ Based on Company data

...ensuring substantial achievements through continuous use of best-in-class in-house technologies

Search

Leading search engine in Russia



Taxi

Leading ride-hailing operator in Russia and CIS



Video-on-demand-platform

№1 in Russia



Supercomputers

The most powerful in Russia and 3 Yandex supercomputers were included in the list of 50 most powerful computers on the planet

Speech Processing

Real time translation and dubbing of movies and videos between 6 languages, including Chinese



Maps

The most detailed and popular consumer map of cities in Russia



















AI voice assistant

№1 in Russia. Yandex was the first in the world who integrated a next-generation large language model into a voice assistant



Unique position in the global context, with further international diversification upside

						
 Search	✓	✓	✓	✓	✗	✗
 Advertising	✓	✓	✓	✓	✓	✓
 Maps	✓	✓	✓	✓	✗	✗
 Ride-Hailing	✓	✓ ¹	✓ ²	✓ ²	✗	✗
 FoodTech	✓	✗	✓	✓ ³	✓	✗
 E-commerce	✓	✓	✓	✓	✓	✓
 Cloud	✓	✓	✓	✓	✓	✗
 Entertainment	✓	✓	✓	✓	✓	✗
 Autonomous driving	✓	✓	✓	✓	✓	✓ ⁴
 FinTech	✓	✓	✓ ⁵	✓	✗	✓

Source: Company data, public sources

Notes: 1 Minority investment in GoJek and Lyft, 2 Minority investment in DiDi, 3 Minority investment in Meituan, 4 In 2022 invested in San Andrés university research and development of first autonomous vehicle in Argentina, 5 33% stake in Ant Financial

Yandex: key businesses

SUSTAINABLY CASH-GENERATING SEGMENTS

SEARCH & ADVERTISING



Search
Leading search engine in Russia



Browser
Most popular non-native browser in Russia



Direct
Leading ad service for placing contextual ads in Russia



Maps and Navigation
Leading map and navigation app in Russia and CIS

MOBILITY



Taxi
Leading ride-hailing operator in Russia with presence in other CIS and EMEA markets¹



Drive
Car-sharing service



Scooter
Electric scooter rental service

CLASSIFIEDS



Auto.ru, Yandex Realty, Yandex Rent and Yandex Travel
Leading online classifieds in the auto, real estate and travel verticals

KEY INVESTMENT AREAS

E-COMMERCE & FOODTECH & DELIVERY



Market
A multi-category marketplace



Lavka, Deli
Hyperlocal e-grocery delivery service



Eats & Market Delivery²
Delivery of ready-to-eat food from restaurants and various goods from offline stores



Delivery
Delivery solution for consumers and businesses

PLUS, ENTERTAINMENT SERVICES AND FINTECH



Kinopoisk
Leading video streaming platform in Russia



Music
Leading music streaming service in Russia



Plus
Leading subscription program in Russia combining all key Yandex services via cashbacks and benefits for users



Fintech
Retail lending focused digital financial services

OTHER



Cloud
Full-fledged cloud platform for B2B and B2C clients



Devices & Alice
A line of smart speakers and TV with an AI voice assistant



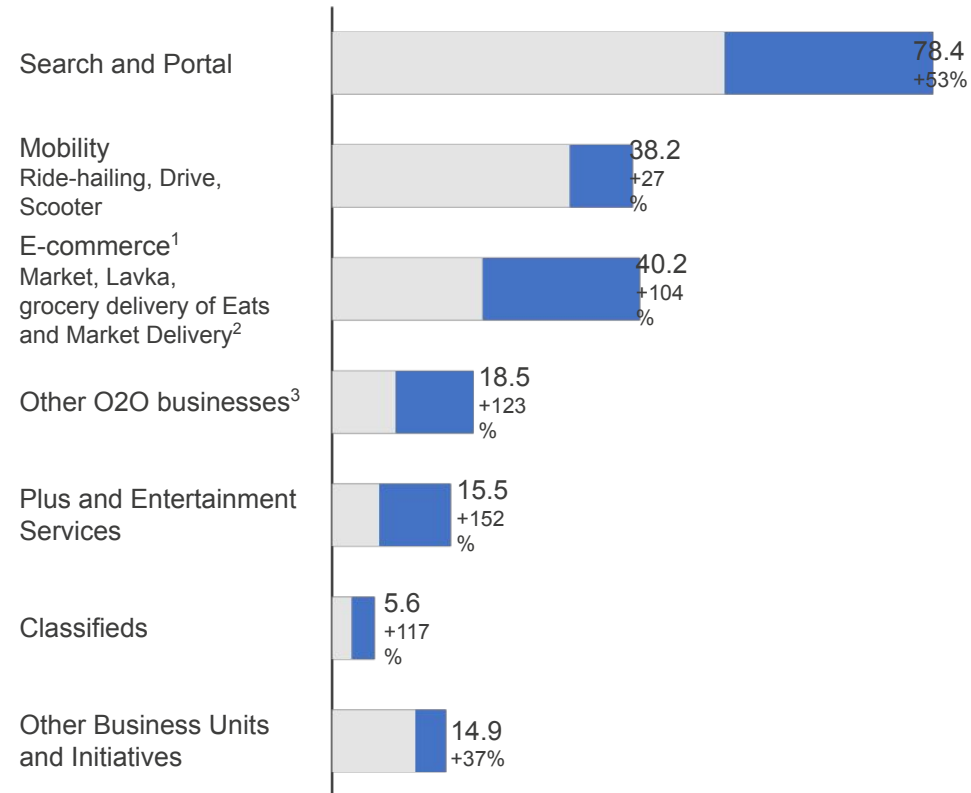
Practicum
The beginner-friendly online coding bootcamps with the highest completion rate and grad employment



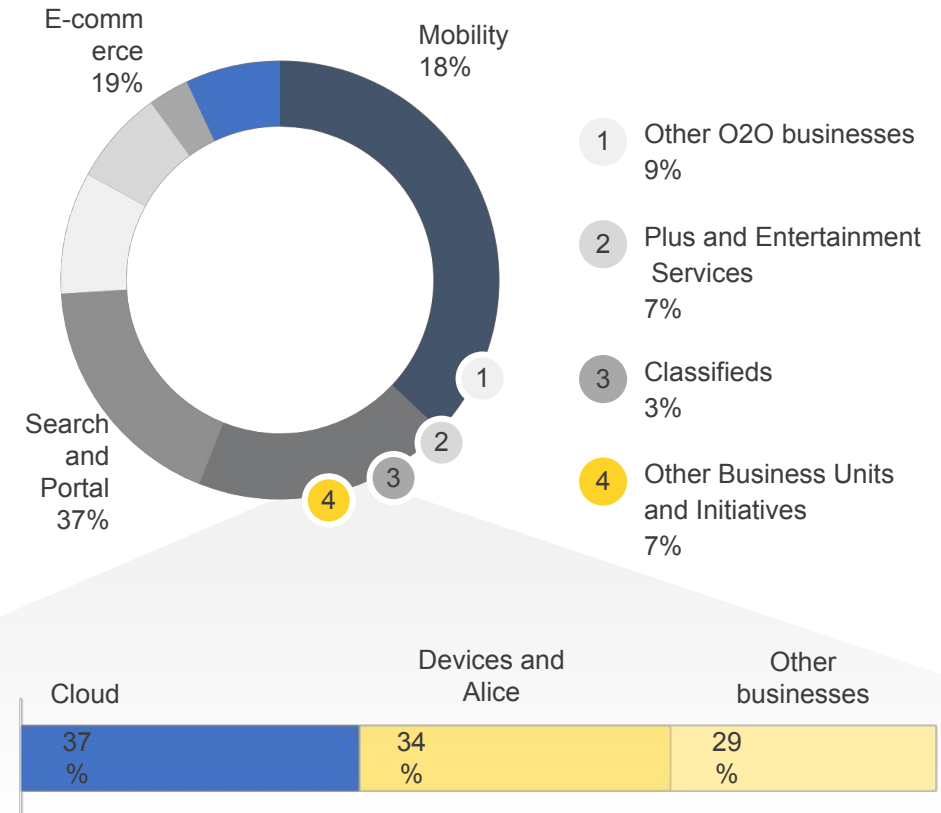
SDG
Self-driving vehicles and autonomous delivery robots business

Yandex Revenue Structure as of 2Q 2023

Revenue growth by segments as of 2Q 2023, RUB BN, %



Revenue Breakdown by Segments as of 2Q 2023, RUB BN, %



Note: The calculation excludes eliminations related to our total revenues in the amount of (26.8) RUB BN, including eliminations related to the E-commerce, Mobility and Delivery segment in the amount of (1.9) RUB BN

¹ The E-commerce businesses in Russia and CIS, including Yandex Market, our multi-category e-commerce marketplace, Yandex Lavka Russia, our hyperlocal convenience store delivery service, and the grocery delivery service of Yandex Eats and Market Delivery (since September 8, 2022, when the acquisition was completed; the service was earlier known as Delivery Club); ² Market Delivery — the service was earlier known as Delivery Club ³ Other O2O businesses, including Yandex Delivery, our last- and middle-mile logistics solution for individuals, enterprises and SMB (small and medium business); Yandex Eats and Market Delivery Food Delivery, our ready-to-eat delivery services from restaurants; Lavka Israel, our hyperlocal convenience store delivery service; and Yandex Fuel, our contactless payment service at gas stations, and several smaller experiments

Yandex Financial Results Second Quarter 2023

The indicators growth indicated in comparison with the Q2 2022.

Group revenue

182 ^{BN}
^{RU}
^B
+55
%

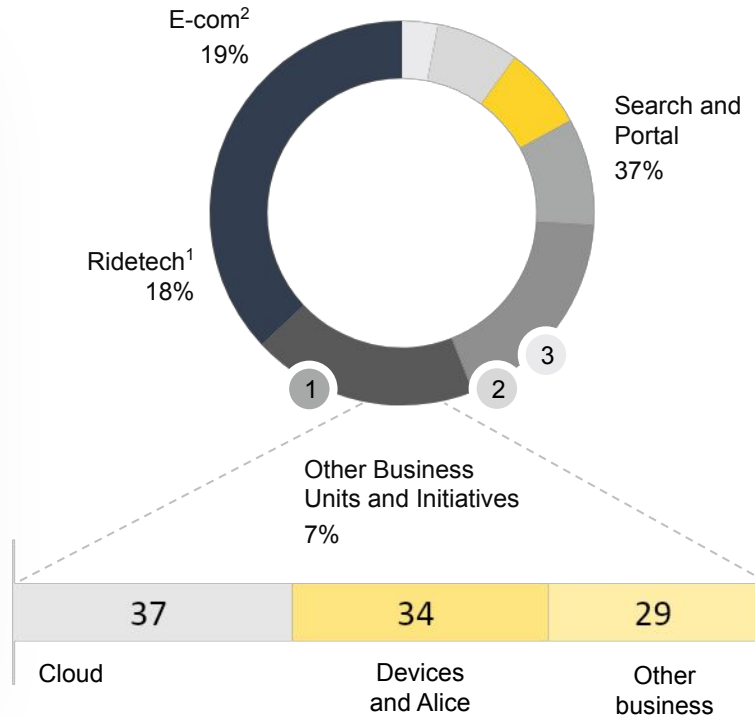
EBITDA
adj. EBITDA
13,6
%

Adj. net profit

9, ^{BN}
^{RU}
^B
6

1 Taxi, Drive, Scooters
2 Market, Lavka Russia, and grocery delivery service of Yandex Eats and Market Delivery
3 Growth indicated by Q2 2023, <https://radar.yandex.ru/search?group=quarter>

Revenue Breakdown by Segments



- 1 Other O2O – 9%
- 2 Plus and Entertainment Services – 7%
- 3 Classifieds – 3%

Operational indicators



Yandex Search share, growth³

+1,5 p.p.

Total
62,1% > 63,6%

+1,4 p.p.

iOS
48,4% > 49,7%



>7 MM smart speakers with Alice sold since the end of 2018

57 MM monthly Alice users



33% share of trips of total rides outside of Russia vs 27% Q2'22



x1,9 E-com services GMV growth

224 ^{BN}
^{RUB}

Ridetech partners revenue

+42%

GMV Ridetech growth

Audience

42,3 MM Monthly active users Yandex Go (+18%)

23,5 MM Yandex Plus Subscribers(+70%)

Employees

24,3 k Yandex employees (+29%)

Technology

~44 MM times

Users turned to YandexGPT since the launch in May 2023

Yandex – 1st company in the world

which built its own YandexGPT language model into its AI voice assistant Alice and then into other products

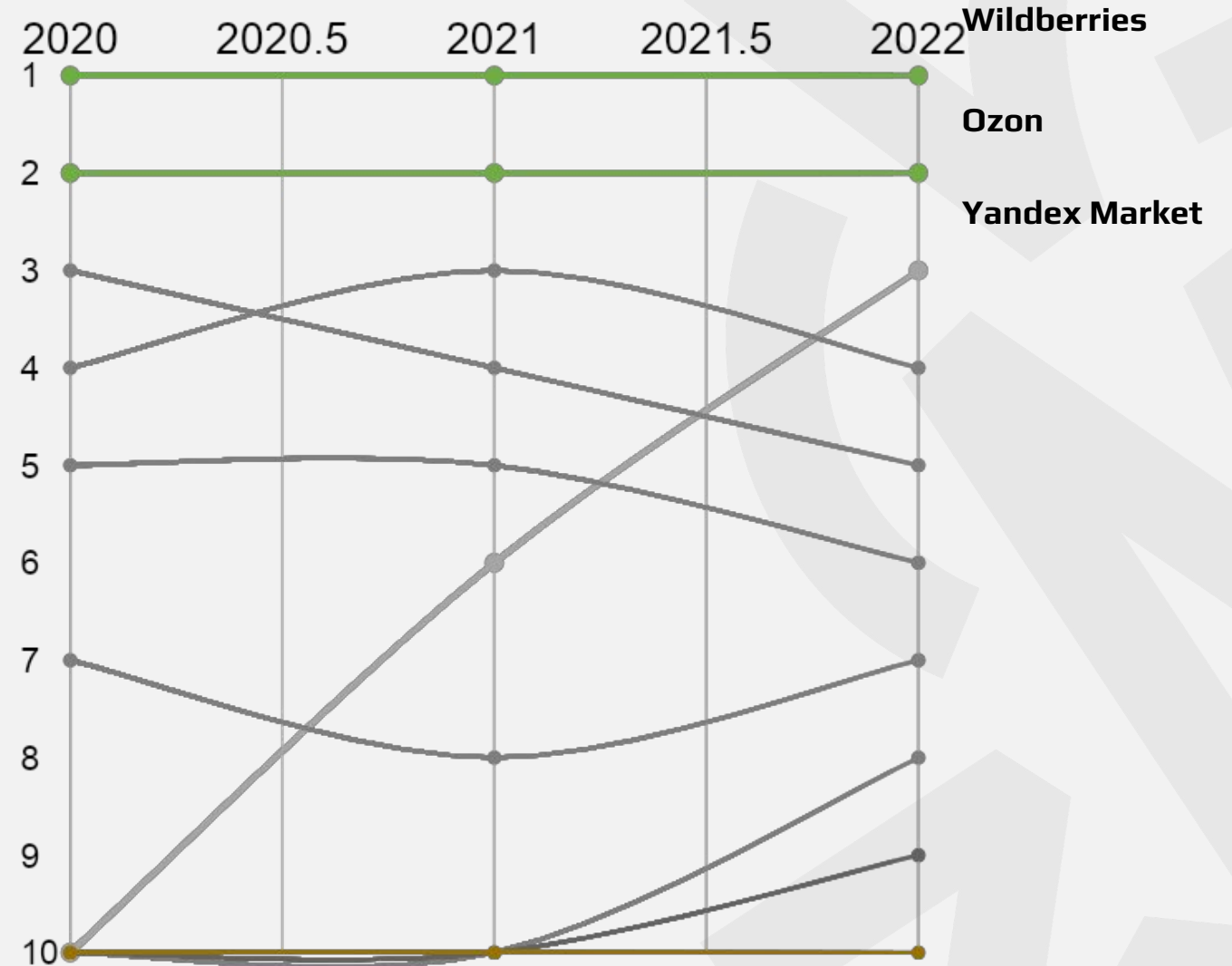


Russian Online leaders Rating 2023

**Yandex
Market is**

TOP3

in E-commerce



Market has a solid position for further growth and development

Significant cross-synergies allow Market to create unique offers for both users and businesses

Logistic Infrastructure



Fast and convenient delivery methods with unique offers

Example

Purchase something extra in Lavka when ordering «Delivery-by-click» from Market

Yandex Plus loyalty program



More effective user attraction and retention

23.5 MM

Yandex Plus subscribers

x2 times

More orders on Yandex Market are made by Plus subscribers

Fintech products

Safe and fast payment with cashback in the Yandex services and partners



Split
Service that allows consumer to split purchase price



Debit card
Yandex Plus

Yandex Go super app concept

Fast access to our key transactional services from a single app



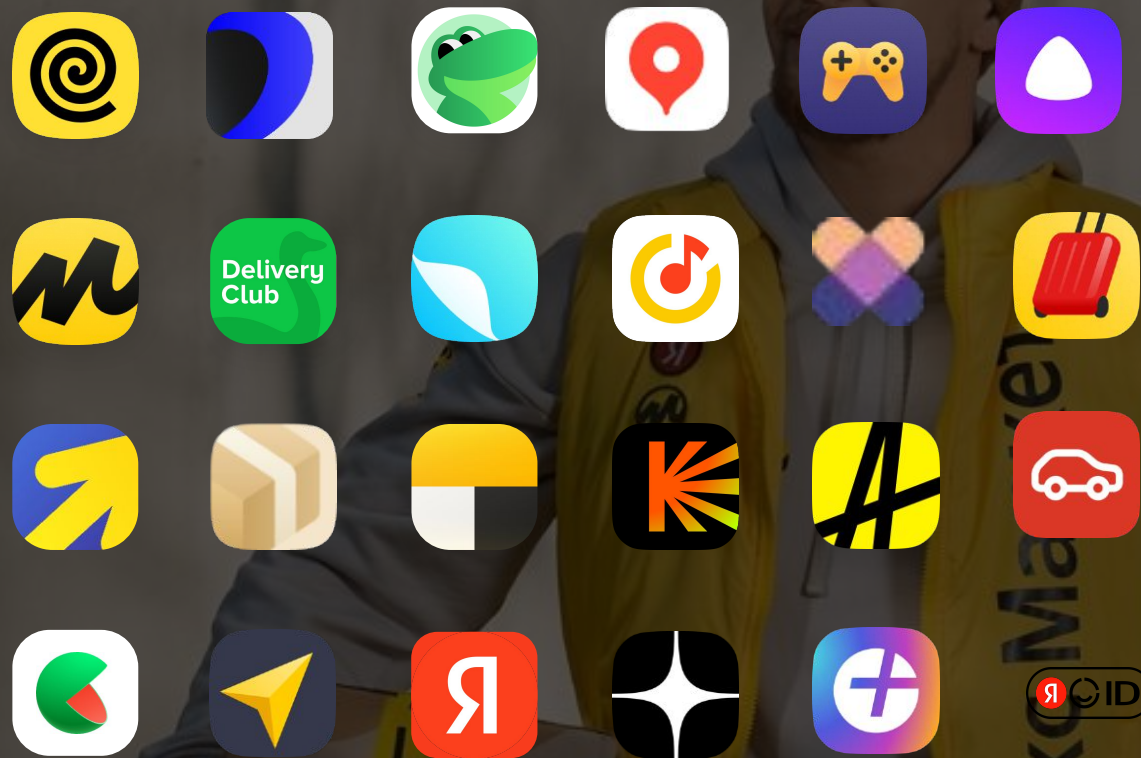
Example

Riding in a taxi, while tracking delivery, ordering food and buying smth on Market with Plus cashback

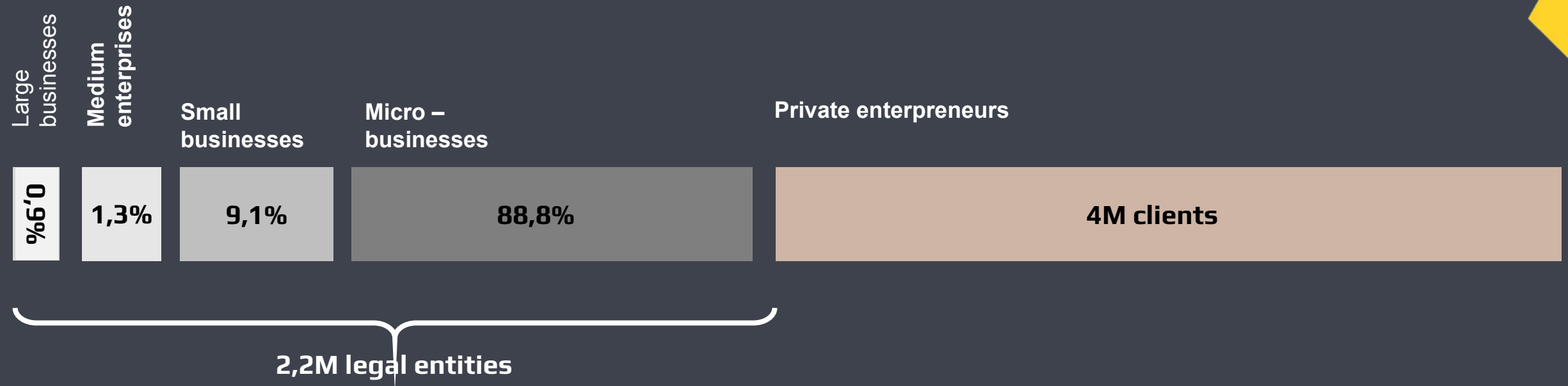
Yandex as an ecosystem

Relevance, high frequency and personalization

40M
active users



There are around ~6 million potential B2B buyers on Russian market



Но при этом на рынке e-com не так много предложений для B2B клиентов But in spite of this the amount of B2B offers on e-com market is still tiny

45%

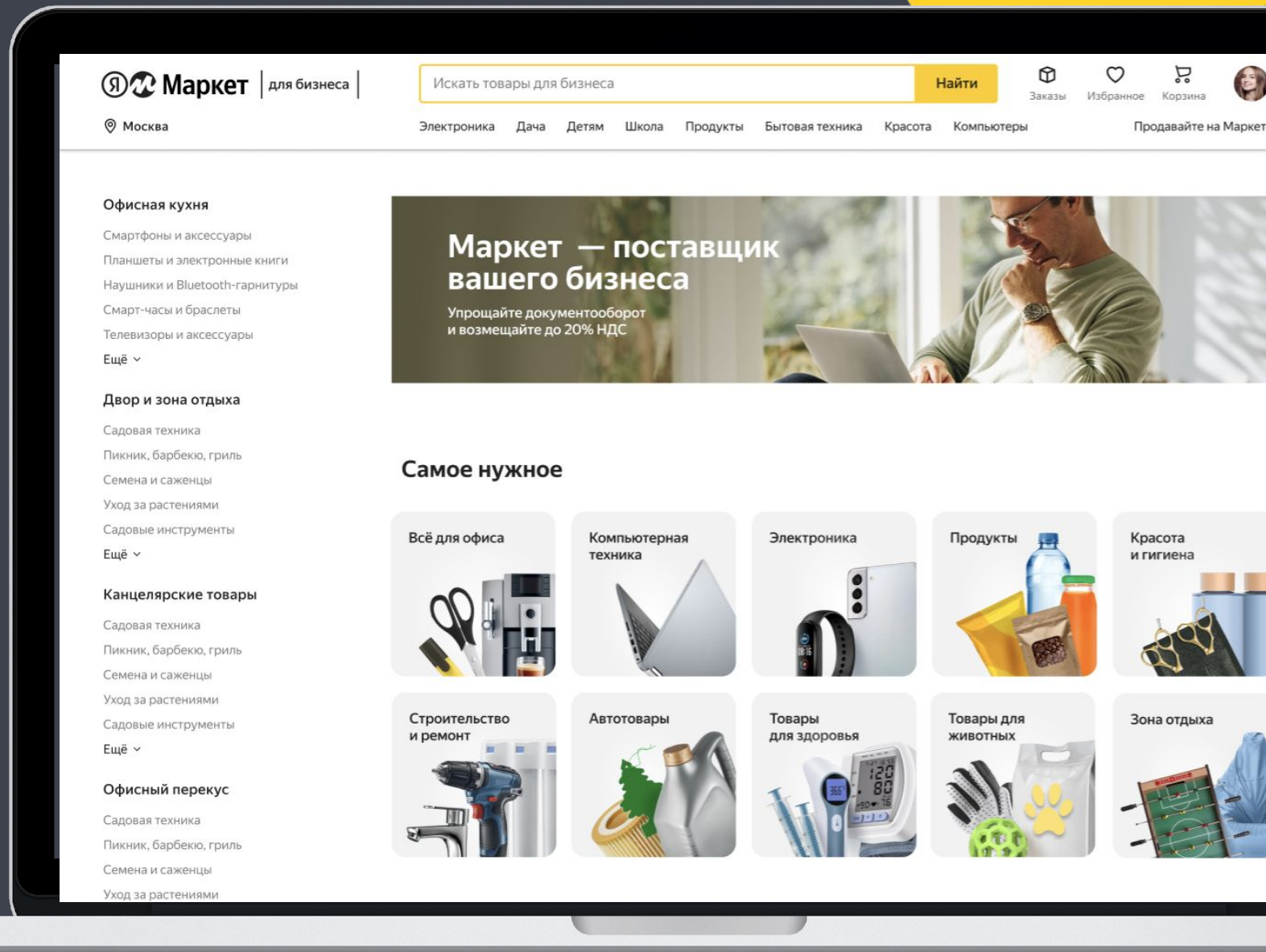
30%

4%

Yandex Market for Business

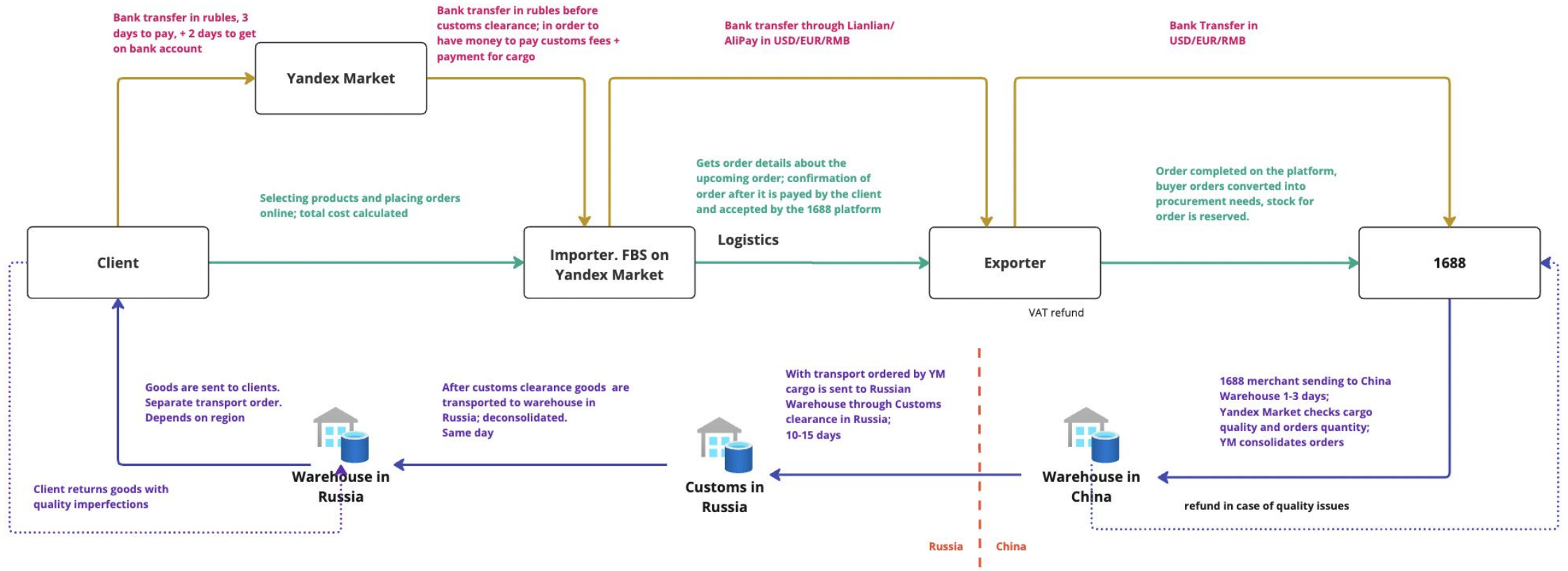
x5

1,3%



Process diagram

- Order flow
- Money flow
- Logistics
- ⋯→ Return logistics



User experience options

	Items from 1688 feed are displayed on Yandex Market for business	Yandex Market for Business is connected directly to 1688 platform for all users from Russia
Familiar interface, technical support	+	-
Have a ready to go customers with saved payment information and delivery addresses	+	-
Rich content and visualization	-	+
Technical performance	-	+

Investments

- **Robust integration with 1688** (including the automatic transfer of custom information on export and import side)
- **GR resources** needed to improve and streamline automatic import (including certification, VAT refund and other points due to large SKU pools)
- Strong investment needed in **software/hardware infrastructure development** in order to ensure content is correctly transferred and stored, (large SKU quantity), dynamic pricing, content localization
- Vital to have **strong SOP for logistics** in order to handle large quantity of b2b order flow (especially considering the need for an automatic process in this regard)



Thank you!

December, 2023