



# Press release

May 23, 2024

VK IPJSC (MOEX: VKCO, hereinafter referred to as "VK", or "the company") releases operating results and segment information for Q1 2024.

## VK HIGHLIGHTS FOR Q1 2024

### VK key financial results for Q1 2024

+24%

Revenue growth

+21%

Online advertising revenue growth

+29%

Online advertising revenue growth in the SME segment

VK's revenue for Q1 2024 increased by 24% YoY to RUB 33.8 bn.

- The main contributor to the growth was online advertising revenue, which increased by 21% YoY to RUB 19.8 bn.
- Revenue from online advertising of small and medium enterprises (SME) increased by 29% YoY.
- Revenue in the EdTech and VK Tech segments increased by 36% and 55% YoY, respectively.

### VK key audience indicators for Q1 2024<sup>1</sup>

78 mn

DAU

4.5 bn

Minutes per day, time spent

>95%

Monthly audience reach within the Russian internet segment

VK expanded its platforms' audience and user engagement rates:

- In Q1 2024, the average daily audience (DAU) of VK services amounted to 78 mn users;
- In Q1 2024, the time spent indicator averaged 4.5 bn minutes per day.

<sup>1</sup>Source: Mediascope, Q1 2024, Russia 0+, age 12+, desktop and mobile. Since January 1, 2024, Mediascope has been using an adjusted algorithm for tracking user activity on websites, which has had an impact on VK audience metrics and time spent, as well as on all web-resources on the Russian internet segment.

## RESULTS OF OPERATING SEGMENTS FOR Q1 2024

### Segment performance for Q1 2024

RUB bn, unless otherwise stated	Social platforms and media content	EdTech	VK Tech	Ecosystem services and other business lines	Elimination of intragroup transactions and non-allocated costs	Group
<b>Revenue</b>	22.1	4.7	1.8	5.4	(0.1)	33.8
<i>YoY</i>	<i>21.9%</i>	<i>36.3%</i>	<i>55.2%</i>	<i>11.5%</i>	-	<i>24.0%</i>


- In Q1 2024, revenue of the Social platforms and media content segment, VK's key segment, increased by 21.9% YoY to RUB 22.1 bn:
  - The growth of the VKontakte social network was the primary driver of the segment's revenue growth. In Q1 2024, the average daily audience (DAU) of VKontakte in Russia increased by 9% YoY to 57.3 mn users, the average monthly audience (MAU) in Russia increased by 9% YoY to 89 mn users<sup>2</sup>. Audience and engagement growth led to a 23% YoY increase in VKontakte's revenue in Q1 2024.
  - The segment's revenue growth was driven, among other things, by an increase in average daily views of VK Clips by 77% YoY to 1.7 bn in Q1 2024 and average daily views of VK Video by 21% YoY to 2.5 bn, as well as an increase in subscriber base of VK Music by 49% YoY at the end of Q1 2024.
- In Q1 2024, the EdTech segment's revenue grew by 36.3% to RUB 4.7 bn. The segment's revenue growth was driven by a steady demand for courses at Skillbox Holding Limited and Uchi.ru platforms, as well as the consolidation of Uchi.ru from February 17, 2023, and Tetrika from September 1, 2023.
- In Q1 2024, the VK Tech segment demonstrated a revenue growth of 55.2% YoY to RUB 1.8 bn. Cloud services of the VK Cloud platform and VK Workspace communication solutions were the primary drivers of the segment's growth.
- In Q1 2024, the revenue of Ecosystem services and other business lines segment increased by 11.5% YoY to RUB 5.4 bn, partly due to a 28% YoY increase in revenue from Mail.ru Email and Cloud Mail.ru, as well as the effect of the acquisition of the YCLIENTS platform in December 2023. The segment also includes the VK Play gaming platform, the RuStore application store, and smart devices.


In Q1 2024, VK's revenue grew significantly due to the company's continued investments in product and technology development, creation and promotion of exclusive content, and collaboration with content creators and bloggers. The revenue growth was also driven by a stable demand for VK's educational services and business technologies.


<sup>2</sup>Source: Internal company data, unless otherwise stated.

## SOCIAL PLATFORMS AND MEDIA CONTENT SEGMENT

Audience performance of key segment assets in Q1 2024, Russia


**89 mn**  
 VKontakte, MAU


**35 mn**  
 Odnoklassniki, MAU


**31.8 mn**  
 Dzen, DAU
Social platforms and media content segment performance

RUB bn, unless otherwise stated	Q1 2024	Q1 2023	YoY
<b>Revenue</b>	<b>22.1</b>	<b>18.2</b>	<b>21.9%</b>

Main projects: VKontakte, Odnoklassniki, Dzen, VK Music, VK Clips, VK Video, VK Messenger

The revenue of the Social platforms and media content segment in Q1 2024 increased by 21.9% YoY, reaching RUB 22.1 bn. The growth in online advertising revenue was the primary driver of the segment's revenue growth. The revenue growth of its largest asset VKontakte reached 23%.

- In Q1 2024, the average **VKontakte** monthly audience in Russia grew by 9% YoY to 89 mn users, while the average daily audience in Russia grew by 9% YoY to 57.3 mn users. In Q1 2024, VKontakte average monthly reach was 88% of the Russian internet audience, with the daily reach amounting to 55% of the Russian internet audience<sup>3</sup>.

In Q1 2024, VKontakte continued to develop an interface for payments to content creators, adding an ability to transfer funds to Russian bank accounts via the Faster Payments System using the VK Pay platform.

- In Q1 2024, the average monthly audience of **Odnoklassniki (OK)** in Russia amounted to 35 mn. In the reporting period, users of the social network continued to show high activity on the platform and sent 10 bn virtual gifts, 691 mn postcards, and 496 mn stickers.

In Q1 2024, OK continued to improve the social network and content. The number of groups with original content increased by 18% YoY to over 100,000. The social network launched the Master Classes section – a new type of educational content about hobbies. OK, together with bloggers, media, and partners, filmed more than 150 master classes for this section and plans to increase their number on the platform in the future. OK announced a new season of original shows dedicated to users' hobbies, including the second season of the "OKnutye Lyudi" ("OK People") project.

- In Q1 2024, the average daily audience of **Dzen** amounted to 31.8 mn users<sup>4</sup>. During the reporting period, Dzen introduced "Topics", a new section of relevant content based on interests, as well as a showcase of popular animated films for children. VK Play creators can now set up automatic publishing of stream recordings on their Dzen channels.

<sup>3</sup> Source: Mediascope, Q1 2024, Russia 0+, age 12+, desktop and mobile.

<sup>4</sup> Audience of dzen.ru and mobile apps. Source: Mediascope, Q1 2024, Russia 0+, age 12+, desktop and mobile.

## Number of views and audience of content services in Q1 2024



2.5 bn  
+21% YoY

VK Video, views  
(excluding VK Clips)



1.7 bn  
+77% YoY

VK Clips, views



42 mn

VK Music, global MAU

- In Q1 2024, **VK Video** average daily views (excluding VK Clips) rose by 21% YoY to 2.5 bn. Since its official launch in September 2023, users have installed the VK Video app 9.8 mn times on mobile and Android TV devices.

As of the end of Q1 2024, the total time viewers spent watching VK Video increased by 95% YoY. The VK Video platform became available on Xiaomi Mi TV, Mi Box, and Mi Stick devices, Hisense TVs running VIDAA OS, as well as Apple TV.

In Q1 2024, the platform continued to add professional content. VK Video exclusively launched a new series "Serious Games: Paradoxes of Russian Game Development" about the development of the Russian game industry, a documentary series "Insane History" about the most unusual historical events in the USSR, a comedy show "Stars" together with the NTV channel, and "The Sidorovs" – a series premiere based on a neural network script. Users watched exclusive live broadcasts of matches of the best clubs from Russia, Kazakhstan, and the UAE at the Winline Media Football League Super Cup tournament in Abu Dhabi, as well as matches of the Hockey Media League.

- In Q1 2024, daily views of **VK Clips** increased by 77% YoY to 1.7 bn. The time spent increased by 175% YoY partly due to a growth in the share of clips in the VKontakte feed and an improved recommendation system. The number of published clips increased by 59% YoY, while the number of content creators rose by 51%. In Q1 2024, VK Clips added an ability to group clips into themed playlists, allowing bloggers to focus their audience's attention on their new videos longer while also increasing views of previously published clips.
- In Q1 2024, the average monthly global audience of **VK Music** amounted to 42 mn, with 38 mn users in Russia. The subscriber base growth was 49% YoY as of the end of Q1 2024. VK Music continued to develop its recommendation and search technologies. Dislikes were added to the music player to make recommendations even more accurate, as well as mood-based playlist suggestions and new search hints to help users find music. Music recommendations are now available in the VKontakte news feed.
- In Q1 2024, the average monthly global audience of **VK Dating** increased by 32% YoY and reached 3.1 mn users, while the revenue for the same period increased 2.8 times. VK Dating added a new way to search for a match based on hobbies and interests: users can select profiles based on hobbies in one of 15 thematic selections.
- In Q1 2024, **VK Messenger** released an update of its channels. Administrators of VKontakte communities can now use VK Messenger to publish posts that are immediately visible to subscribers in a separate Channels folder. The application now allows users to comment and respond to posts, while the web version of the web.vk.me service now includes a search function for new channels. In Q1 2024, the average monthly audience of readers and senders of messages in VK Messenger in Russia rose by 14% YoY from 63.7 mn to 72.9 mn users. The number of installations of the VK Messenger standalone app reached 36.1 mn as of the end of Q1 2024.

## EDTECH SEGMENT

### EdTech segment performance

RUB bn, unless otherwise stated	Q1 2024	Q1 2023	YoY
<b>Revenue</b>	<b>4.7</b>	<b>3.4</b>	<b>36.3%</b>

*Main projects: Skillbox, GeekBrains, Skillfactory, Skillbox English, Lerna, Uchi.ru, Tetrika*

In Q1 2024, the EdTech segment's revenue increased by 36.3% YoY to RUB 4.7 bn due to a steady demand for courses at Skillbox Holding Limited and Uchi.ru platforms, as well as the consolidation of Uchi.ru and Tetrika.

- In Q1 2024, the sales of **Skillbox Holding Limited** educational products increased by 12% YoY, reaching 49,000. Skillbox educational platform launched Health section – a new direction in partnership with the Sechenov First Moscow State Medical University. Nutritional science and Biohacking programmes entered the top 20 of all Skillbox products in terms of revenue.
- In Q1 2024, the average monthly audience of **Uchi.ru** reached 4.9 mn people. In April 2023 – March 2024, 14.1 mn students, 6.9 mn parents, and 802,000 teachers were active on the platform's services. In that time, the number of paying students increased by 8% YoY and reached 1 mn. In Q1 2024, three Olympiads for students of grades 1-11 were held on the Uchi.ru platform, including Financial literacy and entrepreneurship, Ecology and the environment, and Mathematics. The total number of individual participants reached 3.8 mn.
- In Q1 2024, the sales in the tutoring segment of **Tetrika and Uchi.Doma** increased by 55% YoY to RUB 632 mn, the average check grew by 25% to RUB 29,000. The number of unique paying students increased by 23% to 21,500, while the number of teachers active on the platforms rose by 55% YoY to 4,700.

## VK TECH SEGMENT

### VK Tech segment performance

RUB bn, unless otherwise stated	Q1 2024	Q1 2023	YoY
<b>Revenue</b>	<b>1.8</b>	<b>1.1</b>	<b>55.2%</b>

*Main projects: VK Cloud, VK WorkSpace communication services*

In Q1 2024, **VK Tech's** revenue increased by 55.2% YoY, reaching RUB 1.8 bn. The key drivers of the revenue growth were the cloud services of the **VK Cloud** platform with a 60% YoY growth and **VK Workspace** communication solutions with its revenue rising 3.3 fold YoY.

- In Q1 2024, Private Cloud, a platform for building private cloud infrastructure for businesses from VK Cloud, was updated.
- The VK Cloud platform expanded the capabilities of its analytics tools in Kazakhstan.
- Tarantool Column Store launched a real-time hybrid data processing solution.

## ECOSYSTEM SERVICES AND OTHER BUSINESS LINES SEGMENT

### Ecosystem services and other business lines segment performance

RUB bn, unless otherwise stated	Q1 2024	Q1 2023	YoY
<b>Revenue</b>	<b>5.4</b>	<b>4.8</b>	<b>11.5%</b>

*Main projects: Mail.ru Email, Cloud Mail.ru, VK Capsula, VK Play, RuStore, VK Pay*

In Q1 2024, the revenue of Ecosystem services and other business lines segment increased by 11.5% YoY to RUB 5.4 bn. The segment includes, among other products, Mail.ru Email and Cloud Mail.ru services, smart devices and products that VK launched in 2022 and continues to actively develop, the RuStore application store, and the VK Play gaming platform.

- In Q1 2024, the average monthly audience of **Mail.ru Email** in Russia amounted to 50.2 mn users, its average daily audience was 17.4 mn users<sup>5</sup>. In Q1 2024, email service's revenue increased by 31% to RUB 1 bn, which was facilitated by new advertising formats, as well as important product changes. In February 2024, Mail.ru Email added new AI-based features: a neural network can write a brief summary of an incoming email and highlight key points. The new features are available in Mail.ru Cloud, Calendar, and Notes.
- In Q1 2024, the average monthly audience of **Cloud Mail.ru** in Russia amounted to 22.5 mn users, while the average daily audience increased by 10% YoY to 2.7 mn users<sup>6</sup>. In Q1 2024, users uploaded about 7.6 bn files to the Cloud. In addition to the neural networks, Cloud Mail.ru introduced ePub e-books: users can now download and read books in the app and web versions of the Cloud.
- As of the end of Q1 2024, **VK Play** had 43.5 mn registered accounts. In Q1 2024, the project's average monthly global audience was 15.2 mn users, including 12 mn users in Russia. The VK Play Store game catalog began testing a new recommendation system and players now have access to a feature for recording in-game videos and sharing them with communities. VK Play Live can now automatically duplicate stream recordings on the Dzen platform, and the category search was also modified. The VK Play Cloud service is now available through the Dom.ru internet provider.
- As of the end of Q1 2024, the number of installations of the **RuStore** application store exceeded 50 mn<sup>7</sup>. RuStore continued to actively develop its catalog: as of the end of Q1 2024, users had access to over 37,000 apps and games, a significant part of which were made by international developers. RuStore now offers mini-apps, a new format of services and games that provide quick access to content. They do not require installation or updates and only require a VK ID account. More than 1,000 Russian and international companies have moved to the RuStore infrastructure to develop and publish apps.
- In Q1 2024, users collectively spent 50% more time using the **Marusia** voice assistant in VK services than in Q1 2023, while Marusia's total time spent in VK Capsulas increased by 53% YoY. A new request recognition model was released, which uses the previous context to process the current spoken phrase, as well as a user speech recognition model for text conversion and an end of conversation recognition model. The ability to call on smart speakers was added, as well as a baby monitor feature for iOS devices, and the activation of gift subscriptions in CIS countries was improved.

<sup>5</sup> Source: Mediascope, Q1 2024, Russia 0+, age 12+, desktop and mobile.

<sup>6</sup> Source: Mediascope, Q1 2024, Russia 0+, age 12+, desktop and mobile.

<sup>7</sup> Since the product's launch in May 2022.

For additional information, please contact:

VK IR team

Email: [ir@vk.team](mailto:ir@vk.team)

VK PR team

Email: [pr@vk.team](mailto:pr@vk.team)

## Disclaimer

Investment in securities, including shares, involves substantial risk. Returns from prior periods do not guarantee future returns. References to possible future returns are not promises or even estimates of actual returns an investor may achieve. The information contained herein is for illustrative purposes only and is not to be relied upon as advice or interpreted as an investment consultation or recommendation in accordance with any legislation, including Russian legislation.

Investing in securities may be restricted by applicable law, and therefore the investor should carefully and independently study the possibilities of investing in the company's shares, applicable restrictions, and tax consequences.

## About VK

VK is one of the largest technology companies in Russia by user numbers. Its products help millions of people with their day-to-day needs online. More than 95% of the Russian internet audience use VK services, which enable people to keep in touch, play video games, master new skills, listen to music, watch and create video content, discover and buy goods and services, and fulfill wide range of other needs. The company provides a number of solutions for digitizing business processes, from online promotion and predictive analytics to corporate social networks, cloud services and enterprise automation.

Since January 1, 2024, Mediascope has been using an adjusted algorithm for tracking user activity on websites, which has had an impact on VK audience metrics and time spent, as well as on all web-resources on the Russian internet segment.