

Dear all,

Please find the latest VK-related news and other relevant highlights below. Feel free to [reach out](#), if have any follow-up questions.

With best regards, VK IR team

IR/corporate matters:

- VK added a position of an ESG Officer, filled by Kseniia Toporkova, as a reflection of our rising focus on sustainable development agenda

Macro:

- Industrial production increased by [6.1% YoY](#) in Russia in December 2021, what implies 5.3% YoY growth of industrial production in full year 2021, according to Rosstat.
- Inflationary expectations of Russian slightly [declined to 13.7%](#) in January from 14.8% in December 2021, but remained elevated.
- Annual inflation could [reach 8.82%](#) as of 28 January 2022, according to the Ministry of Economic Development estimates.
- Russia Services PMI slightly increased [to 49.8](#) in January 2022 from 49.5 in December 2021, according to IHS Markit. Russia Manufacturing PMI grew [to 51.8](#) in January 2022 from 51.6 in December 2021.

Advertising & other market data:

- There are [~20mn subscribers of ecosystem services in Russia](#), according to Frank RG. VK Combo is among the most popular programs. On average active subscribers use 1.5 subscriptions. Frank RG expects the number of subscribers to increase by 30-40% in 2022, reaching 35mn in 2024 and 55mn in 2030.

Social & Communication products incl certain New Initiatives and ecosystem projects:

- VKontakte launched several initiatives [dedicated to Olympic Winter Games 2022](#): a thematic newsfeed, a special segment in mini-app Sport, campaign in Clips and etc. (*illustration attached*).
- VK Video showed a [live stream with starts](#) before the opening ceremony of the Olympics.
- OK launched several [initiatives dedicated to Olympic Winter Games 2022](#): a thematic newsfeed, thematic frames, Q&A between sportsmen and children and etc. (*illustration attached*)
- OK together with Russian Olympic Committee will show a series of [exclusive streams in own online show](#) "OK na svyazi" during Olympic Winter Games in Beijing.
- VKontakte [is testing](#) an addition of content from recommendations to the main newsfeed, with initial results showing an increase the number of subscriptions in newsfeed by ~25%.

Games & eSports:

- **MY.GAMES and The Farm 51 [arranged the Public Stress Test](#) of their tactical online FPS World War 3.** The Public Stress Test will help prepare World War 3 for its **Open Beta in March 2022**.
- Virtus.pro [launched](#) the League of Legends: Wild Rift roster under the VP.Prodigy brand.

Mobility and food-tech:

- Delivery Club [launched own delivery](#) service in Krasnaya Polyana (vs 3P only presence previously).
- Samokat placed [plant-based alternative products](#) from Russian suppliers on a start-up shelf.
- Media wrote about the [increased demand on delivery service](#) (particularly, food delivery, e-grocery) due to the ongoing Omicron wave in Russia.
- Retailers' **online sales of FMCG goods** (incl. Samokat and Delivery Club) jumped by [2.5x YoY to RUB 329bn](#) in 2021 in Russia, according to Data Insight estimates. Data Insight expects the **market to double to RUB 703bn in 2022**.

E-commerce:

- AliExpress Russia (AER) [published its CY2021 results](#). Total GMV (excl. services) increased by 46% YoY to RUB 306bn with local turnover growing by 124% YoY to RUB 110bn. In December 2021, average daily local orders reached 204,000 (+220% YoY), while total number of orders reached 309mn in 2021. AER remains the most popular marketplace in Russia, according to Mediascope (with 35mn+ MAU, according to internal data).
- **KazanExpress, controlled by AER (50.1% stake), [published its 2021 results](#). GMV increased by 542% to RUB 9bn, the number of orders grew by 470% YoY to 14mn.** A footprint expanded from 23 to 115 cities. The number of pick-up points was up from 73 to 450. In August KazanExpress launched a construction of 1mn sq m logistic center.

EdTech:

- **Online sales of educational services [increased by 57%](#) in 2021**, according to CloudPayments data mainly due to the 32% growth of the average check.

B2B

- VK's Tarantool [helped VTB simplify](#) the management of clients' personal data and integrate bank system with digital profiles in Gosuslugi and inter-agency electronic interaction system.
- VK Cloud Solutions clients will be [able to use Vertica](#), high-performance platform for big data analysis, in cloud.

Other

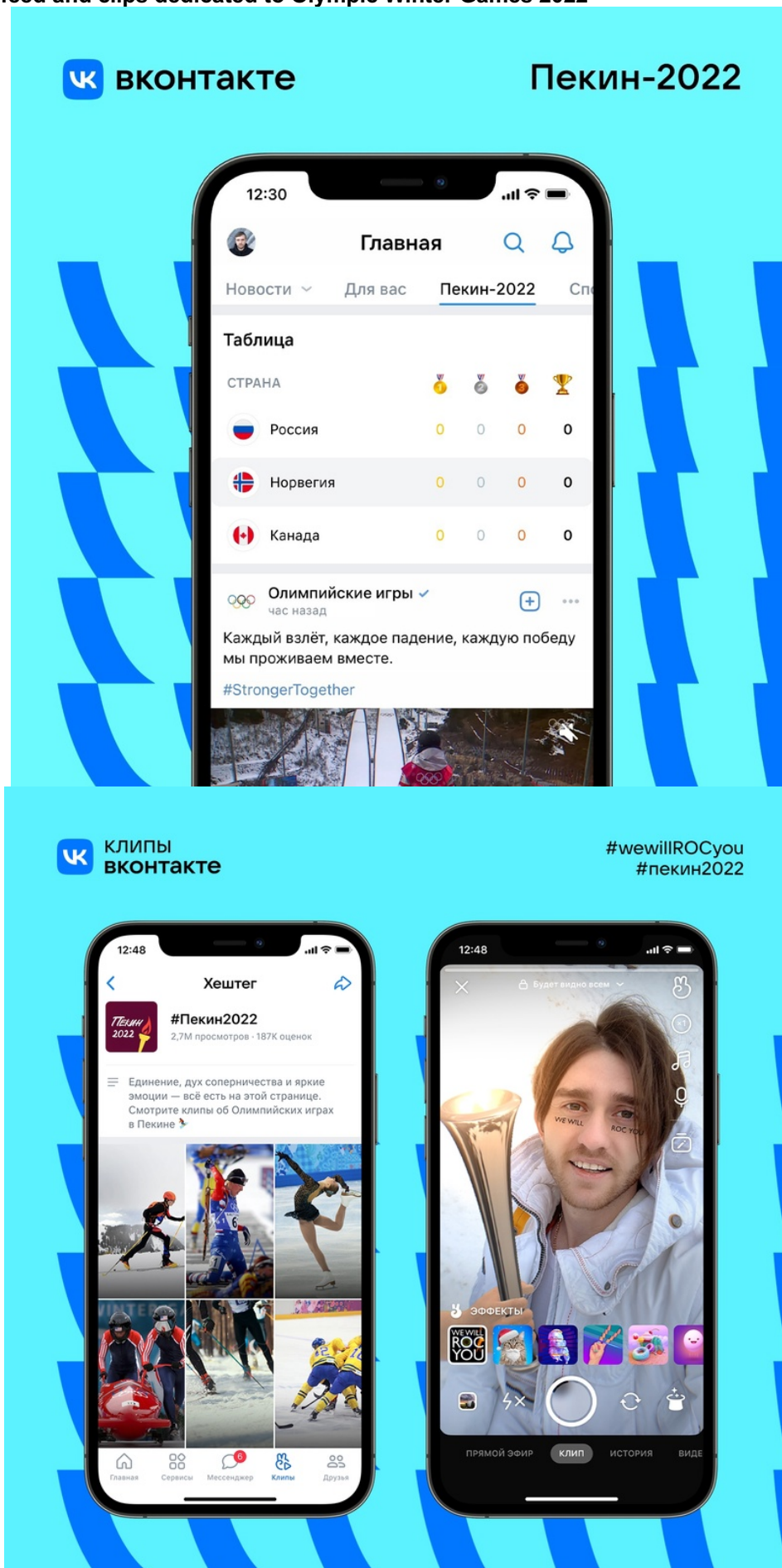
- Voice assistant Marusya is now [available on iRidium](#) platform (allows to control home and commercial appliance).
- VK guide on hybrid work regime (with 3 options available for employees: work in the office, remote work or combined) is now publicly [available](#).

ESG:

- VKontakte reinitiated and [expanded its Bug Bounty program](#) (part of VK Protect initiative), payments for a bug detection will increase by 20-50% or even 3x in some categories. Also, VKontakte made a two-factor authentication mandatory for administrators of communities with >10k audience.
- VK launched [enrollment in Digital Camp](#), educational project for students and recent alumnus, with 3 directions: "IT recruitment", "Marketing, communication, creative in IT" and "Digital marketing".

Product illustrations:

Vkontakte: newsfeed and clips dedicated to Olympic Winter Games 2022



OK: newsfeed and frames dedicated to Olympic Winter Games

