

VK IPJSC

Interim Condensed Consolidated Financial Statements

For the six months ended June 30, 2025



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Report on Review of Interim Consolidated Financial Information

To the shareholders and Board of Directors of
VK IPJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of VK IPJSC and its subsidiaries (the Group), which comprise the interim condensed consolidated statement of financial position as of June 30, 2025, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows and interim condensed consolidated statement of changes in equity for the six-month period then ended, and selected explanatory notes ("interim consolidated financial information").

Management of VK IPJSC is responsible for the preparation and presentation of this interim consolidated financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

Emphasis of matter

We draw attention to Note 2.1 "Going concern" in the interim condensed consolidated financial statements, which indicates that for the six-month period ended June 30, 2025 the Group incurred net loss in amount of 12,671 million Russian Rubles, and the amount of short-term liabilities exceeded the amount of current assets as of June 30, 2025 by 14,571 million Russian Rubles. As stated in Note 2.1 "Going concern" to the interim condensed consolidated financial statements, these events or conditions, along with other matters as set forth in Note 2.1 "Going concern" to the interim condensed consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



Ustimenko Anton Sergeevich
Partner
TSATR – Audit Services Limited Liability Company

August 12, 2025

Details of the auditor

Name: TSATR – Audit Services Limited Liability Company
Record made in the State Register of Legal Entities on December 5, 2002, State Registration Number 1027739707203.
Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 75.
TSATR – Audit Services Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo". TSATR – Audit Services Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

Details of the entity

Name: VK IPJSC
Record made in the State Register of Legal Entities on September 26, 2023, State Registration Number 1233900010585.
Address: Russia 236006, Kaliningrad region, Kaliningrad, Oktyabrskaya street, 12, room 23.

Interim Condensed Consolidated Statement of Financial Position

As of June 30, 2025

(in millions of Russian Roubles)

	Notes	As of June 30, 2025 (unaudited)	As of December 31, 2024
Assets			
Non-current assets			
Investments in equity accounted associates and joint ventures	8	22,787	24,321
Goodwill	6	146,438	151,470
Right-of-use assets		8,265	9,599
Other intangible assets	6	25,012	25,990
Property and equipment	7	48,742	54,833
Financial assets at fair value through profit or loss	16.2	533	533
Deferred income tax assets	13	2,590	3,240
Other financial assets	10, 16	1,165	2,357
Advance under office lease contracts		498	435
Total non-current assets		256,030	272,778
Current assets			
Trade accounts receivable and other receivables	16	19,702	23,651
Prepaid expenses and advances to suppliers		4,527	3,429
Loans issued	16	6,089	628
Inventories		223	287
Other current assets	10	4,971	4,295
Cash and cash equivalents	16	37,745	28,424
Assets held for sale	20	8,779	–
Total current assets		82,036	60,714
Total assets		338,066	333,492
Equity and liabilities			
Equity attributable to equity holders of the parent			
Issued capital		–	–
Share premium	17	192,407	80,279
Treasury shares		(1,039)	(1,039)
Retained earnings		(54,097)	(41,244)
Foreign currency translation reserve		6,107	6,113
Total equity attributable to equity holders of the parent		143,378	44,109
Non-controlling interests	9.1	35	700
Total equity		143,413	44,809
Non-current liabilities			
Deferred income tax liabilities	13	2,495	2,692
Deferred revenue		226	279
Non-current lease liabilities	16	3,118	4,018
Non-current financial liabilities at fair value through profit or loss	16.2	–	148
Long-term interest-bearing loans and bonds	16.3	84,253	97,456
Deferred income on loan obligations		7,301	9,094
Other non-current liabilities		653	746
Total non-current liabilities		98,046	114,433
Current liabilities			
Trade accounts payable	16	21,218	20,098
Income tax payable		2,291	1,978
VAT and other taxes payable		7,178	4,532
Deferred revenue and customer advances		9,208	9,358
Short-term portion of long-term interest-bearing loans and bonds	16.3	19,085	105,229
Current lease liabilities	16	4,598	5,086
Current financial liabilities at fair value through profit or loss	16.2	1,967	1,637
Other payables and accrued expenses	10	25,465	26,332
Liabilities related to assets held for sale	20	5,597	–
Total current liabilities		96,607	174,250
Total liabilities		194,653	288,683
Total equity and liabilities		338,066	333,492

General director _____ Bagudina E.G.
August 12, 2025

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2025

(in millions of Russian Roubles)

		Six months ended June 30	
	Notes	2025 (unaudited)	2024 (unaudited)
Continuing operations			
Online advertising		45,202	41,980
Community IVAS		11,231	10,905
Education technology services		3,770	3,117
Other revenue		12,364	8,414
Total revenue	5, 12	72,567	64,416
Personnel expenses	18	(30,618)	(30,987)
Agent/partner fees and media content		(20,935)	(21,578)
Marketing expenses		(6,353)	(8,310)
Professional services		(343)	(293)
Other operating income		29	11
Other operating expenses	19	(3,919)	(3,920)
Total operating expenses, net		(62,139)	(65,077)
Depreciation and amortisation	6, 7	(16,065)	(14,067)
Share of loss of equity accounted associates and joint ventures	8	2,963	1,572
Result of investments in other investments	8	5,882	–
Finance income	11	4,733	4,126
Finance expenses	11, 16.3	(18,023)	(12,341)
Other non-operating income		17	32
Net loss on financial assets and liabilities at fair value through profit or loss	16	(403)	(413)
Impairment of equity accounted associates and joint ventures	8	(720)	–
Loss on remeasurement of financial instruments	16	(622)	(3,886)
Foreign exchange		3,389	1,120
Loss before income tax expense from continuing operations		(8,421)	(24,518)
Income tax expense	13	(4,776)	(199)
Net loss from continuing operations		(13,197)	(24,717)
Discontinued operations			
Net profit from discontinued operations	20	526	100
Net loss		(12,671)	(24,617)
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Exchange difference on translation of foreign operations		(6)	(99)
Total other comprehensive loss that may be reclassified to profit or loss in subsequent periods		(6)	(99)
Total other comprehensive loss net of tax effect of 0		(6)	(99)
Total comprehensive loss, net of tax		(12,677)	(24,716)

Interim Condensed Consolidated Statement of Comprehensive Income (continued)

	Six months ended June 30	
	2025	2024
Notes	(unaudited)	(unaudited)
Net (loss)/profit, attributable to:		
Equity holders of the parent	(12,853)	(24,522)
Non-controlling interests	182	(95)
Total comprehensive (loss)/profit, net of tax, attributable to:		
Equity holders of the parent	(12,859)	(24,621)
Non-controlling interests	182	(95)
Loss per share, in RUB:		
Basic loss per share attributable to ordinary equity holders of the parent	(55)	(108)
Diluted earnings per share attributable to ordinary equity holders of the parent	n/a	n/a
Loss per share from continuing operations, in RUB:		
Basic loss per share attributable to ordinary equity holders of the parent	(57)	(109)
Diluted earnings per share attributable to ordinary equity holders of the parent	n/a	n/a
Profit per share from discontinued operations, in RUB:		
Basic profit per share attributable to ordinary equity holders of the parent	2	1
Diluted earnings per share attributable to ordinary equity holders of the parent	2	1

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

(in millions of Russian Roubles)

	Notes	Six months ended June 30	
		2025 (unaudited)	2024 (unaudited)
Loss before income tax		(7,889)	(24,415)
<i>Loss before income tax from continuing operations</i>		<i>(8,421)</i>	<i>(24,518)</i>
<i>Profit before income tax from discontinued operations</i>		<i>532</i>	<i>103</i>
<i>Adjustments to reconcile loss before income tax to cash flows</i>			
Depreciation and amortisation	6, 7	16,126	14,202
Share of loss of equity accounted associates and joint ventures	8	(2,963)	(1,572)
Result of investments in other investments	9.3	(5,882)	–
Finance income	11	(4,737)	(4,153)
Finance expenses	11	18,032	12,347
Expected credit loss allowance on trade receivables	19	344	136
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	16.2	178	(29)
Impairment of equity accounted associates and joint ventures	8	720	–
Loss on remeasurement of financial instruments		622	3,886
Foreign exchange		(3,383)	(1,113)
Cash settled and equity settled share-based payments		17	2
Other non-cash items		(7)	(46)
<i>Change in operating assets and liabilities</i>			
Decrease in accounts receivable		1,911	4,328
Increase in prepaid expenses and advances to suppliers		(2,217)	(1,015)
Decrease/(increase) in inventories and other assets		213	(1,319)
(Increase)/decrease current liabilities and accrued expenses		(90)	2,181
(Increase)/decrease in other non-current assets		(67)	11
Decrease in deferred revenue and customer advances		(824)	(229)
Operating cash flows before interest and income taxes		10,104	3,202
Interest received		2,834	2,553
Interest paid		(14,668)	(3,901)
Income tax paid	13	(3,496)	(164)
Net cash (used in)/provided by operating activities		(5,226)	1,690
<i>Cash flows from investing activities</i>			
Cash paid for property and equipment	7	(2,626)	(6,831)
Cash paid for intangible assets	6	(4,618)	(5,851)
Dividends and other income received from investments	8	14,564	39
Dividends received from venture capital investments		–	27
Loans issued		(2,849)	(333)
Loans collected		260	85
Cash paid for acquisitions of subsidiaries, net of cash acquired	9, 16.2	275	(4,717)
Cash paid for the acquisition of financial assets	16	–	(510)
Cash paid for acquiring long-term lease rights less cash received		–	(245)
Cash received from sale of subsidiaries	16	–	3,722
Cash received from sale of financial assets		–	109
Cash outflow from disposal of subsidiaries	9.3	(420)	–
Cash advanced for investments in associates and joint ventures	8	(95)	(1,550)
Net cash provided/(used in) investing activities		4,491	(16,055)

Interim Condensed Consolidated Statement of Cash Flows (continued)

		Six months ended June 30	
	Notes	2025 (unaudited)	2024 (unaudited)
Cash flows from financing activities			
Payment of lease liabilities		(2,373)	(2,095)
Loans received	16.3	18,350	–
Loans repaid	16.3, 17	(117,684)	(3,471)
Share issue	17	112,100	–
Cash paid by subsidiaries to non-controlling shareholders		–	(250)
Securing futures		(232)	–
Net cash provided/(used in) by financing activities		10,161	(5,816)
Net increase/(decrease) in cash and cash equivalents		9,426	(20,181)
Effect of exchange differences on cash balances		80	(21)
Change in expected credit loss allowance on restricted cash		–	–
Change in cash related to asset held for sale		(185)	–
Cash and cash equivalents at the beginning of the period		28,424	51,294
Cash and cash equivalents at the end of the period		37,745	31,092

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2024

(in millions of Russian Roubles)

	Share capital		Share premium	Treasury shares	Retained earnings	Accumulated other comprehensive income/(loss) (net of tax effect of 0)	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
	Number of shares issued and outstanding	Amount							
Balance at January 1, 2024	226,150,707	–	80,774	(1,039)	54,414	6,070	140,219	(2,685)	137,534
Loss for the year	–	–	–	–	(24,522)	–	(24,522)	(95)	(24,617)
<i>Other comprehensive loss</i>									
Foreign currency translation	–	–	–	–	–	(99)	(99)	–	(99)
Total other comprehensive loss	–	–	–	–	–	(99)	(99)	–	(99)
Total comprehensive loss	–	–	–	–	(24,522)	(99)	(24,621)	(95)	(24,716)
Share-based payment transactions	–	–	2	–	–	–	2	–	2
Recognition of non-controlling interests as a result of business acquisition (Note 9)	–	–	–	–	–	–	–	552	552
Balance at June 30, 2024 (unaudited)	226,150,707	–	80,776	(1,039)	29,892	5,971	115,600	(2,228)	113,372

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

(in millions of Russian Roubles)

	Share capital								
	Number of shares issued and outstanding	Amount	Share premium	Treasury shares	Retained earnings	Accumulated other comprehensive income/(loss) (net of tax effect of 0)	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Balance at January 1, 2025	226,150,707	–	80,279	(1,039)	(41,244)	6,113	44,109	700	44,809
Loss for the year	–	–	–	–	(12,853)	–	(12,853)	182	(12,671)
<i>Other comprehensive loss</i>									
Foreign currency translation	–	–	–	–	–	(6)	(6)	–	(6)
Total other comprehensive loss	–	–	–	–	–	(6)	(6)	–	(6)
Total comprehensive loss	–	–	–	–	(12,853)	(6)	(12,859)	182	(12,677)
Share-based payment transactions	–	–	28	–	–	–	28	–	28
Securing futures (Note 17)	345,029,240	–	112,100	–	–	–	112,100	–	112,100
Recognition of non-controlling interests as a result of business acquisition (Note 9)	–	–	–	–	–	–	–	(847)	(847)
Balance at June 30, 2025 (unaudited)	571,179,947	–	192,407	(1,039)	(54,097)	6,107	143,378	35	143,413

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended June 30, 2025

(in millions of Russian Roubles)

1 Corporate information and description of business

These Interim Condensed Consolidated Financial Statements of VK International Public Joint-Stock Company (hereinafter "the Company") and its subsidiaries (collectively – "the Group" or "VK") for the six months ended June 30, 2025 were authorised for issue by the directors of the Company on August 12, 2025.

The Company was registered on September 26, 2023 as an international company of a public joint stock company in accordance with Russian legislation in a special administrative region "Oktyabrsky Island" at the address: 236006, Kaliningrad region, Kaliningrad, Oktyabrskaya str., 12, room 23.

The company consolidates business units that manage Internet portals, social networks, content platforms, messengers, and online games. The company also develops online educational platforms and digital services for businesses. The Group has leading positions in Russia and other CIS states where its operations are present.

The parent of the Company is MF Technologies. MF Technologies does not have a single controlling shareholder.

2 Basis of preparation

The interim condensed consolidated financial statements for the six months ended June 30, 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2024.

2.1 Going concern

The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern.

The management has considered all relevant facts, including the Group's liquidity position, events after the reporting date, expected operating results, as well as credit resources and other cash available to the Group to assess the Group's ability to operate as a going concern.

Operating results and liquidity position

As of June 30, 2025, the Group had cash and cash equivalents of RUB 37,745. Notwithstanding the net loss under IFRS for the six months ended June 30, 2025 of RUB 12,671 (for the six months ended June 30, 2024: RUB 24,617) and negative working capital (current liabilities exceeding current assets) as of June 30, 2025 of RUB 14,571 (December 31, 2024: negative working capital RUB 113,536) and cash outflow from operating activities: cash provided by operating activities for the six months ended June 30, 2025 were RUB 5,226 (for the six months ended June 30, 2024: cash flow from operating activities RUB 1,690).

As of June 30, 2025, the Group violated a number of restrictive covenants in several loan agreements with banks that are related parties. As of June 30, 2025, the Group's management did not expect partial or full early repayment of long-term debt obligations.

The related party banks confirmed their waivers to early claim on the debt due to the violation of the restrictive conditions stipulated by the agreements as of June 30, 2025. See note 16.3.

Debt/equity ratio

As of June 30, 2025, the debt/equity ratio (total liabilities to total equity) was 1.36 (December 31, 2024: 6.44).

The likelihood and sources of the Group's repayment of its obligations indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The Group expects to be able to meet its obligations in the foreseeable future due to its operating activities and existing credit resources.

2.2 Presentation of comparative information

Certain comparative figures have been reclassified and/or regrouped to conform to the current presentation. This does not have an impact on the amounts of net loss reflected in these interim condensed consolidated financial statements for the reporting periods.

3 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new standards effective as of January 1, 2025.

In 2025, the Group applied the following amendments for the first time, but they had no impact on its interim condensed consolidated financial statements. The Group has not prematurely applied any standards, clarifications or amendments that has been issued but is not yet effective.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

3 Changes in accounting policies and disclosures (continued)

Amendments to IAS 21 Lack of Exchangeability

On August 20, 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The amendments introduce a definition of "convertible currency" and provide the following clarifications:

- a currency is convertible into another currency if the entity has the ability to obtain the other currency within a period allowing for normal administrative delay and through the market or through currency exchange mechanisms whereby the exchange transaction gives rise to legally enforceable rights and obligations;
- entities must evaluate whether a currency is convertible at the measurement date and for a particular purpose. If an entity cannot obtain more than an insignificant amount of another currency at the measurement date for a particular purpose, the currency is not convertible for that purpose;
- in situations where there are multiple exchange rates, the guidance in the standard has not changed, but the requirement that if it is not possible to temporarily exchange one currency for another, the rate of the first date on which the exchange can be made should be applied has been removed. In such cases, it will be necessary to estimate the current exchange rate.

In addition, the amendments supplement the requirements for disclosure of information. The organisation must disclose:

- characteristics of non-convertible currency and its impact on financial statements;
- current exchange rate;
- valuation process;
- risks to which the entity is exposed due to non-convertible currency.

The amendments did not have an impact on the Group's interim condensed consolidated financial statements because the Group does not operate in an environment where exchange rates are not available.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective for interim and/or annual periods beginning on or after January 1, 2025.

4 Seasonality of operations

Due to the seasonal nature of the Group's operations, increase revenues and operating profits are usually expected in the second half of the year. Historically increase sales in the second half of the year are mainly attributed to the facts that a large portion of advertising budgets is spent in the last quarter of the year.

5 Operating segments

In order to assess operational performance and allocate resources, the Chief Executive Officer of the Group, who is the Group's Chief Operating Decision Maker (CODM), reviews selected items of each segment's statement of comprehensive income, assuming 100% ownership in all of the Group's key operating subsidiaries, based on management reporting.

In addition to IFRS-based disclosure, we have reported adjusted metrics, which are used in the management decision making process, with a clear transition between IFRS-based results and adjusted metrics to be provided, including within segmental disclosure.

Revenue in Segments Performance correspond with revenue according to IFRS. To supplement the financial information prepared and presented in accordance with IFRS, we have presented the following non-IFRS financial measures: Adjusted EBITDA.

Certain corporate expenses are considered non-allocated items: allocations now exclude services that are mostly related to general group issues, as well as expenses that cannot be tied to a particular business unit, such as Public Relations, Investor Relations, Government Relations, and certain other services. Comparative period numbers for each segment have also been restated in line with the current allocation approach for comparability purposes.

The "Social platforms and media content" segment comprises services and products aimed at the development of social networks, creation and management of content. The segment includes social networks VKontakte and Odnoklassniki. Social media revenue is generated mainly from revenue from online advertising and user payments in games and mini-apps, as well as for virtual gifts and stickers. The segment also includes content platforms Zen, entertainment services VK Clips and VK Video. The main share of the revenue of these services is generated from online-advertising. This segment also includes such entertainment services as VK Music and VK Dating which mainly earn revenue for user payments.

The businesses within this segment have similar nature and economic characteristics as they are associated with social media, content and online communication services, offer products and services to similar customer groups, and regulated in a similar regulatory environment.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

5 Operating segments (continued)

The "EdTech" segment includes online platforms with educational courses and programs for children: Uchi.ru, and Tetrica. Almost all revenue is generated from individuals paying for education courses, as well as a small share of the B2B segment.

The "Technologies for business" segment is represented by the VK Tech direction. The segment includes software licensed products and cloud services. VK Tech's product portfolio is structured into four areas: cloud platform, productivity services, data services, and business applications.

The "Ecosystem Services and other business lines" segment includes Mail services, RuStore, VK Play gaming platform, VK Pay payment service, a single account for VK ID authorization, and smart devices. Within this segment, VK develops products for small and medium businesses (SMB), including the YCLIENTS online booking and business automation service, and the VK Predict business analytics service.

The Group measures performance of its operating segments through a measure of earnings before interest, tax, depreciation and amortisation (adjusted EBITDA). Segment adjusted EBITDA is calculated as the respective segment's revenue less operating expenses (excluding depreciation and amortisation and impairment of intangible assets and share-based payments), including Group corporate expenses allocated to the respective segment.

Adjusted EBITDA is not a measure of financial performance under IFRS. The calculation of adjusted EBITDA by the Group may be different from the calculations of similarly labelled measures used by other companies, and it should therefore not be used to compare one company against another or as a substitute for analysis of the Group's operating results as reported under IFRS. Adjusted EBITDA is not a direct measure of the Group's liquidity, nor is it an alternative to cash flows from operating activities as a measure of liquidity, and it needs to be considered in the context of the Group's financial commitments. Adjusted EBITDA may not be indicative of the Group's historical operating results, nor is it meant to be predictive of the Group's potential future results. The Group believes that adjusted EBITDA provides useful information to the users of the Interim Condensed Consolidated Financial Statements because it is an indicator of the strength and performance of the Group's ongoing business operations, including the Group's ability to fund discretionary spending such as capital expenditure, acquisitions and other investments and the Group's ability to incur and service debt.

Not allocated expenses represent expenses of a general corporate center that have not been allocated to the relevant segments, except for the "Technologies for business".

The information about the breakdown of revenue from external customers by the customers' country of domicile and non-current assets by country is not available to the management of the Group, and it considers that the cost to develop such information would be excessive.

The statement of comprehensive income items for each segment for the six months ended June 30, 2025, as presented to the CODM, are stated below:

Segments	Social platforms and media content	Ecosystem services and other business lines	Technologies for business	EdTech	Not allocated	Elimination	Group
Revenue	50,496	12,750	6,682	3,874	4	(1,239)	72,567
Total operating expenses	(40,157)	(12,235)	(5,959)	(3,284)	(1,743)	1,239	(62,139)
<i>Adjustments</i>							
Share-based payment transactions	–	–	–	–	13	–	13
Adjusted EBITDA	10,339	515	723	590	(1,726)	–	10,441

The statement of comprehensive income items for each segment for the six months ended June 30, 2024, as presented to the CODM, are stated below (restated):

Segments	Social platforms and media content	Ecosystem services and other business lines	Technologies for business	EdTech	Not allocated	Elimination	Group
Revenue	46,578	10,824	4,509	3,120	(1)	(614)	64,416
Total operating expenses	(44,370)	(10,876)	(4,246)	(2,879)	(3,320)	614	(65,077)
<i>Adjustments</i>							
Share-based payment transactions	–	–	–	–	116	–	116
Adjusted EBITDA	2,208	(52)	263	241	(3,205)	–	(545)

A reconciliation of group adjusted EBITDA to comprehensive loss under IFRS, net of income tax for the six months ended June 30, 2024-2025 is presented below:

Notes to the Interim Condensed Consolidated Financial Statements (continued)

5 Operating segments (continued)

	2025	2024
Group adjusted EBITDA	10,441	(545)
Share-based payment transactions	(13)	(116)
Depreciation and amortisation	(16,065)	(14,067)
Result of investments in other investments	5,882	–
Share of loss of equity accounted associates and joint ventures	2,963	1,572
Finance income	4,733	4,126
Finance expenses	(18,023)	(12,341)
Other non-operating income	17	32
Net loss on financial assets and liabilities at fair value through profit or loss	(403)	(413)
Impairment of equity accounted associates and joint ventures	(720)	–
Loss on remeasurement of financial instruments	(622)	(3,886)
Net foreign exchange	3,389	1,120
Income tax expenses	(4,776)	(199)
Net profit from discontinued operations	526	100
Net loss under IFRS	(12,671)	(24,617)
Effect of foreign exchange differences on translation of transactions of foreign companies	(6)	(99)
Consolidated loss after income tax expense under IFRS	(12,677)	(24,716)

6 Goodwill and other intangible assets

During the six months ended June 30, 2025, the Group capitalised software development costs and otherwise acquired intangible assets with a cost of RUB 6,516 (for the six months ended June 30, 2024: RUB 5,104).

The amortisation charge for the six months ended June 30, 2025 was RUB 6,602 (for the six months ended June 30, 2024: RUB 6,880).

During the six months ended June 30, 2025, the Group recognised goodwill of RUB 214 as a result of a business combination (for the six months ended June 30, 2024: RUB 354). The Group also recognised an outflow of goodwill in the amount of RUB 5,246 as a result of the establishment of the joint venture United Video LLC (hereinafter referred to as "United Video") and Medium Quality Production LLC (hereinafter referred to as "MQP") (Note 9.3).

7 Property and equipment

During the six months ended June 30, 2025, the Group acquired property and equipment with a cost of RUB 3,130 (for the six months ended June 30, 2024: RUB 6,968), the depreciation charge for the six months ended June 30, 2025 was RUB 7,058 (for the six months ended June 30, 2024: RUB 5,079).

8 Investments in equity accounted associates and joint ventures

The Group has investments in associates and joint ventures operating popular Internet websites and providing various services over the Internet. Investments in equity accounted associates and joint ventures as of June 30, 2025 and December 31, 2024 comprised the following:

	Main activity	Voting shares		Carrying value	
		June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Joint ventures					
Aliexpress Russia Holding Pte. Ltd.	E-commerce platform	18%	18%	–	–
International Company JC Skillbox Holding Joint Stock Company and its subsidiaries, hereinafter Skillbox (Russia) (Note 9, 13)	Educational technologies	n/a	55.96%	–	2,274
United Video LLC	Content video platform	51%	–	–	–
Associates					
Tochka JSC (Russia)	All-in-one services for small and medium-sized entrepreneurship	25%	25%	18,130	17,194
R7 JSC (Russia)	Software development	24.996%	24.996%	2,608	2,880
Umskul LLC	Educational portal	25%	25%	1,364	1,307
Haslop Company Limited (Cyprus) and Russian subsidiaries (collectively, "Mamba" JSC)	Provides content for www.love.mail.ru, one of the key services of the portal www.mail.ru managed by the Group	28.35%	28.35%	685	666
Other				–	–
Total				22,787	24,321

Notes to the Interim Condensed Consolidated Financial Statements (continued)

8 Investments in equity accounted associates and joint ventures (continued)

The above mentioned entities have the same reporting date as the Company. None of the entities were listed on a public exchange as of June 30, 2025.

The movement in investments in equity accounted associates and joint ventures for the six months ended June 30, 2024-2025 is presented below:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Investments in equity accounted associates and joint ventures as of January 1	24,321	13,909
Share in net profit of equity accounted associates and joint ventures	2,963	1,572
Additional contribution to joint ventures accounted	61	–
Acquisition of shares in equity accounted associates	150	–
Acquisition of control over associates and joint ventures (Note 9, 13)	(1,714)	–
Impairment of associates and joint ventures	(720)	–
Dividends received from equity accounted associates in cash	(2,274)	(39)
Investments in equity accounted associates and joint ventures as of June 30	22,787	15,442

For the six months ended June 30, 2025, the Group recognised a share in the net profit of associates and joint ventures accounted in the amount of RUB 2,963 (2024: RUB 1,572), a result from investments in other investments in the amount of RUB 5,882, consisting of a gain on revaluation of the investment in the amount of RUB 12,551, realised in the form of cash, and a loss on revaluation of the share in the formed joint venture in the amount of RUB 6,668 (Note 9.3).

9 Changes in the structure of the Group

9.1 Skillbox

In 2025, the Group obtained control over Skillbox Holding IJSC (hereinafter referred to as Skillbox) as a result of the amendment of the corporate agreement. As of June 30, 2025, Skillbox meets the recognition criteria as a discontinued operation under IFRS 5 (Note 20).

The fair value of the identifiable assets and liabilities of Skillbox at the date of acquisition is presented below:

	Provisional fair value
Intangible assets	3,113
Property and equipment and right-of-use assets	168
Deferred tax assets	38
Other current assets	17
Trade accounts receivable and other current assets	200
Cash and cash equivalents	377
Total assets	3,913
Deferred tax liabilities	404
VAT and other tax payables	1,442
Deferred revenue	2,559
Interest-bearing loans	19
Non-current financial liabilities at fair value through profit or loss	908
Lease liabilities	130
Trade accounts payable	671
Other payables, reserves and accrued expenses	591
Total liabilities	6,724
Total net assets	(2,811)
Goodwill was calculated as the excess of:	
(a) the consideration transferred by the Group measured at fair value:	
[1] fair value of the Group's share in the joint venture	1,714
[2] settlement of balances between the Group and Skillbox	1,469
Consideration transferred by the Group	3,183
(b) the amount of non-controlling interest in Skillbox measured at the proportionate share of the identifiable net assets	(838)
over	
(c) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at provisional fair value	(2,811)
Goodwill included in assets held for sale	5,156

Notes to the Interim Condensed Consolidated Financial Statements (continued)

9 Changes in the structure of the Group (continued)

9.1 Skillbox (continued)

Intangible assets consist primarily of software and customer base and are amortised over 4-5 years.

Cash paid (included in cash flows from investing activities)	–
Cash acquired (included in cash flows from investing activities)	377
Net cash flow on acquisition	377

9.2 Intickets

In 2024, the Group acquired control of Intickets LLC (hereinafter referred to as "Intickets") by acquiring a 40% share for a cash consideration of RUB 472. The current ownership share is sufficient to make decisions on key issues, which gives control. The Group also recognised an obligation to pay deferred remuneration in the amount of RUB 251.

If the Group acquired control of Intickets on January 1, 2024, this would increase the consolidated revenue of the Group by RUB 103 and increase the consolidated net profit of the Group by RUB 52.

Intickets is a cloud service for monitoring and managing ticket sales.

In 2025, the Group finalised the purchase price allocation of Intickets, which resulted in no change from provisional values.

The fair value of the identifiable assets and liabilities as of the date of acquisition were as follows:

	Fair value
Intangible assets and property and equipment	629
Trade accounts receivable and other current assets	102
Cash and cash equivalents	690
Total assets	1,421
VAT, other and deferred tax liabilities	157
Other payables, reserves and accrued expenses	343
Total liabilities	500
Total net assets	921
Goodwill was calculated as the excess of:	
(a) The consideration transferred by the Group measured at fair value:	
[1] cash consideration for the acquisition of a 40% stake in "Intickets"	472
[2] fair value of contingent consideration	251
Consideration transferred by the Group	723
(b) the amount of non-controlling interest in Intickets measured at the proportionate share of the identifiable net assets	552
over	
(c) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at provisional fair value	921
Goodwill	354

Goodwill relates mainly to new business lines and potential synergies with the Group's business. Goodwill is not expected to be deductible for income tax purposes.

Intangible assets are mainly represented by software and customer base and are amortised over 4-5 years.

The cash flows on acquisition were as follows:

Cash paid (included in cash flows from investing activities)	(80)
Cash acquired (included in cash flows from investing activities)	690
Net cash flow on acquisition	610

Notes to the Interim Condensed Consolidated Financial Statements (continued)

9 Changes in the structure of the Group (continued)

9.3 United Video and MQP

In the second quarter of 2025, the Group entered into a binding corporate agreement to establish a joint venture to develop the video platform. The Group's share in the joint venture was 51%. As a contribution to this joint venture, the Group has contributed 100% of shares in its subsidiaries, United Video LLC (hereinafter referred to as "United Video") and Medium Quality Production LLC (hereinafter referred to as "MQP"). These companies did not represent a separate major business line of the Group, therefore, the disposal does not qualify as discontinued operations in accordance with IFRS 5.

The carrying amount of assets and liabilities of United Video and MQP at the date of disposal is presented below:

	Carrying amount of disposal assets and liabilities
Intangible assets including goodwill	6,310
Property and equipment and right-of-use assets	2,104
Deferred tax assets	220
Advance payments under office lease agreements	4
Trade accounts receivable and other receivables	76
Prepaid expenses and advances to suppliers	1,094
Inventories	167
Other current assets	1,540
Cash and cash equivalents	420
Total assets	11,935
Deferred tax liabilities	253
Trade accounts payable	837
VAT and other taxes payable	190
Deferred revenue and customer advances	204
Other payables, reserves and accrued expenses	204
Total liabilities	1,688
Carrying amount of assets and liabilities of disposed subsidiaries	10,247

The fair value of the identifiable assets and liabilities of the joint venture at the time of creation is presented below:

	Provisional fair value of assets and liabilities received in the joint venture
Other current assets	1,970
Cash and cash equivalents	3,902
Total assets	5,872
Short-term portion of long-term interest-bearing loans	3,443
Other payables, reserves and accrued expenses	2,429
Total liabilities	5,872
Total net assets	–

The calculation of the loss from the formation of the joint venture as of the date of formation (April 29, 2025) is shown below:

Carrying amount of the Group's 51% stake in the joint venture	–
Carrying amount of assets and liabilities of disposed subsidiaries	10,247
Initial recognition of settlements with subsidiaries	(3,579)
Loss from revaluation of a previously owned interest in a joint venture	(6,668)

Notes to the Interim Condensed Consolidated Financial Statements (continued)

10 Long-term financial assets, other payables and accrued expenses and other current assets

Long-term financial assets include:

	June 30, 2025	December 31, 2024
Long-term net investment in the lease	821	808
Long-term accounts receivable	41	146
Long-term loans issued	303	1,403
Total non-current financial assets	1,165	2,357

Other current assets consist of the following:

	June 30, 2025	December 31, 2024
Advances for single tax account	3,391	2,568
Advances issued under agency contracts	931	1,448
Right of claim on compensation for losses	205	119
Current net investments in lease	61	60
Short-term security payments for government contracts	71	68
Dividends receivable	261	–
Other accounts receivable	51	32
Total other current assets	4,971	4,295

Other payables and accrued expenses consist of the following:

	June 30, 2025	December 31, 2024
Payables to personnel	12,270	13,119
Accrued vacations	4,465	4,200
Deferred income on loan obligations	3,679	3,542
Liabilities of payment systems and ticketing platforms	1,297	2,082
Accrued expenses	326	590
Contingent consideration liabilities	526	526
Liabilities for acquisition of interests in subsidiaries, associates and venture capital investees	440	373
Liabilities under agency contracts	2,028	1,244
Other current liabilities	434	656
Total other payables and accrued expenses	25,465	26,332

11 Finance income and expenses

Finance income consists of:

	For the six months ended June 30	
	2025	2024
Deferred income on loan obligations	1,656	1,479
Interest on loans and deposits	3,023	2,526
Interest on financial lease	54	46
Modification of bond-secured loans	–	48
Dividends from venture capital investments	–	27
Total finance income	4,733	4,126

Finance expenses consist of:

	For the six months ended June 30	
	2025	2024
Interest on loans and borrowings	17,199	11,421
Interest on lease liabilities	731	657
Bank charges and commissions	93	263
Total finance expenses	18,023	12,341

Notes to the Interim Condensed Consolidated Financial Statements (continued)

12 Revenue

Assets under contracts with customers include trade receivables presented as a separate line item in the interim condensed consolidated statement of financial position. Contract liabilities comprise deferred revenue and customer advances presented as separate line items in the interim condensed consolidated statement of financial position.

Detailed information on revenue from contracts with customers for the six months ended June 30, 2025 is presented below in accordance with the requirements of IFRS 15:

Segments	Social platforms and media content	Ecosystem services and other business lines	Technologies for business	EdTech	Not allocated	Eliminations	Group
Timing of revenue recognition							
Services transferred at a point in time	41,819	11,736	1,738	–	4	(1,239)	54,058
Services transferred over time	8,677	1,014	4,944	3,874	–	–	18,509
Total revenue	50,496	12,750	6,682	3,874	4	(1,239)	72,567

Detailed information on revenue from contracts with customers for the six months ended June 30, 2024 is presented below (restated):

Segments	Social platforms and media content	Ecosystem services and other business lines	Technologies for business	EdTech	Not allocated	Eliminations	Group
Timing of revenue recognition							
Services transferred at a point in time	39,788	10,053	1,176	–	(1)	(614)	50,402
Services transferred over time	6,790	771	3,333	3,120	–	–	14,014
Total revenue	46,578	10,824	4,509	3,120	(1)	(614)	64,416

13 Income tax

The Group calculates income tax expense for the period based on the actual income tax rate, as the Group expects it to be applied to the expected total profit for the year. The major components of income tax expense in the interim condensed consolidated statement of comprehensive income for the six months ended June 30, 2025 and 2024 are as follows:

	For the six months ended June 30	
	2025	2024
Current income tax expense	4,276	481
Deferred income tax expense/(benefit)	506	(279)
Total income tax expense	4,782	202

The reconciliation between theoretical income tax and the actual income tax for the six months ended June 30, 2025 and 2024 is as follows:

	For the six months ended June 30	
	2025	2024
(Loss)/profit before income tax	(7,889)	(24,415)
<i>From continuing operations</i>	<i>(8,421)</i>	<i>(24,518)</i>
<i>From discontinued operations</i>	<i>532</i>	<i>103</i>
Theoretical tax at domestic rates applicable to individual group entities	(210)	786
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Non-deductible expenses	(1,228)	(655)
Non-taxable foreign exchange and other gains	349	742
Adjustments in respect of current income tax of previous period	39	(33)
Tax accruals and penalties	(219)	(192)
Unrecognised deferred tax assets	(1,462)	(859)
Write-off of deferred tax assets	(555)	–
Effect of disposal from loss of control in a subsidiary	(1,500)	–
Other	4	9
Total income tax expense	(4,782)	(202)
<i>From continuing operations</i>	<i>(4,776)</i>	<i>(199)</i>
<i>From discontinued operations</i>	<i>(6)</i>	<i>(3)</i>

Notes to the Interim Condensed Consolidated Financial Statements (continued)

14 Commitments, contingencies and operating risks

14.1 Operating environment of the Group

Most of the Group's operations are in Russia. Russia continues economic reforms and development of its legal, tax and regulatory frameworks.

Starting in February 2022, the European Union, the United States and a number of other countries introduced new sanctions against a number of Russian companies, individuals and certain sectors of the economy, blocking and freezing of assets, restrictions on interaction with the Russian financial sector, as well as export control mechanisms to limit receipts a wide range of goods and technologies in the Russian Federation. Some international companies announced the suspension of activities in Russia or the cessation of supplies of products to Russia. All this led to increased economic uncertainty and increased volatility in the stock, currency and consumer markets of the Russian Federation.

The Russian Federation also introduced temporary economic restrictive measures aimed at stabilising the economy and financial system of the country, including a ban on a number of transactions with non-residents and settlements in US dollars and Euros, increasing the key rate of the Bank of Russia, etc. As of June 30, 2025, the key rate was still 20%.

As far as the Company's management is aware, neither the Company nor any of its subsidiaries is directly subject to any sanctions announced to date by the US, UK or EU.

The Group continues to monitor the impact of changes in micro- and macroeconomic conditions on its operations and financial results, and regularly reviews its contingency plans. The Interim Condensed Consolidated Financial Statements reflect management's assessment of the impact of the business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

14.2 Taxation

Tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. These changes may be significant and affect the growth of the tax burden in the countries where the Group operates. In February 2023, The European Union decided to add Russia to its blacklist of non-cooperative jurisdictions on tax matters, which may lead to an increase in the tax burden in the countries of the Group's presence. The Group monitors regulatory changes in these countries and assesses the effect of the implementation of measures.

On April 1, 2025, the provisions of Federal Law No. 479-FZ of December 26, 2024, will come into force, introducing a fee in the amount of 3% of quarterly income from the sale of services for the distribution of online advertising aimed at attracting the attention of Russian advertising consumers.

Currently, the Ministry of Digital Development of the Russian Federation has prepared a draft resolution of the Government of the Russian Federation for public discussion, which will establish the procedure and deadlines for paying the advertising fee.

If the draft Resolution is adopted, the deadline for paying the advertising fee will be no later than the 5th day of the third month of the quarter following the payment period (i.e., the deadline for paying the advertising fee for the 2nd quarter of 2025 will be September 5, 2025).

The Group's management is in the process of assessing the effect of the changes provided for within the framework of this legislative act.

There is a risk of increasing tax liabilities due to unfavourable changes in tax legislation for the Group, ambiguous interpretation by regulatory authorities and challenging transactions and approaches that have not been challenged previously. This may result in additional taxes, fines, penalties and orders from tax authorities, the impact of which on the financial statements of the Group may be significant. Tax audits may cover three calendar years of activity immediately preceding the year of audit. Under certain conditions, earlier periods may also be subject to audit.

According to management estimates, the amount of uncertain tax positions related to the above-mentioned aspects, the recognition of liabilities for which is not required by IFRS, will not exceed 5% of the Group's total assets reflected in the consolidated statement of financial position as of the reporting date. This estimate is provided in accordance with the requirement of IAS 37 to disclose information about possible taxes and should not be considered as an estimate of the Group's future tax liability.

14.3 Legal proceedings

The Group has been and continues to be the subject of legal proceedings and adjudications from time to time, none of which has had, individually or in the aggregate, a material adverse impact on the Group. Management believes that the resolution of all current and potential legal matters will not have a material adverse impact on the Group's financial position or operating results.

14.4 Data privacy

To become registered on a website operated by the Group, users have to input their personal data, which is then protected by the Group from access by third parties. Should such data become available to third parties as a result of hackers' attacks, the Group may become a party to litigation from its users. Management believes it takes all necessary steps to reduce the related risk to an acceptable level.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

14 Commitments, contingencies and operating risks (continued)

14.5 Intellectual property rights

The Group may be subject to infringement claims from third parties in the future resulting from the technology and intellectual property used in the provision and marketing of its services. If the Group is found liable for infringement, it may be required to pay significant damages, and if it is unable to licence or develop non-infringing technology on a timely basis, it may be unable to continue offering the affected services without risk of liability. Similarly, third parties may obtain and use the Group's intellectual property without authorisation. The validity, application, enforceability and scope of protection of intellectual property rights for many Internet-related activities are uncertain and still evolving, which may make it more difficult for the Group to protect its intellectual property and could have a material effect on its business, results of operations and financial condition. The Group has been subject to such proceedings. Although none of them was individually significant, similar potential claims may subject the Group to significant losses in the future, which currently cannot be reliably estimated.

14.6 Development

Possible risks of opportunity to innovate, to provide popular products and services or to react quickly to changes in the market could affect the popularity of the Group's sites and, in turn, could affect the Group's revenue. Potential difficulties in developing competitive products and services which are compatible with new mobile devices could result in a failure to capture a significant share of an increasingly important market.

14.7 Regulation

The Internet and its associated technologies are subject to government regulation. Substantial part of the Group's business is subject to Russian laws.

The following laws came into force in 2025:

- *Law On Amendments to the Federal Law "On Personal Data"*. The law tightens the requirements for the localisation of personal data. The previous version required storing personal data on the territory of the Russian Federation and allowed duplication of the database outside the Russian Federation. The amendments directly prohibit any storage of personal data outside the Russian Federation. The law came into force on July 1, 2025;
- *Law On Amendments to the Federal Law "On Advertising"*. The law prohibits the distribution of advertising on any foreign, international and Russian blocked resources (extremist, undesirable and other resources with restricted access). The law comes into force on September 1, 2025;
- *Law On the Creation of a Multifunctional Information Exchange Service and Amendments to Certain Legislative Acts of the Russian Federation*. The law provides for the creation of a multifunctional information exchange service. A specific service will be approved by the Government, taking into account certain requirements. The multifunctional information exchange service can be used, among other things, to make money transfers, sign documents with an electronic signature, facilitate interaction between participants in the educational environment, verify identity, and more. The multifunctional information exchange service is included in the list of programs that must be pre-installed on user devices. The law came into force on June 24, 2025, and its individual provisions will come into force on September 1, 2025;
- *The Law On Amendments to the Federal Law "On Protection of Consumer Rights"*. The law prohibits device manufacturers from restricting the operation of applications and application stores that are required for pre-installation. In addition, the consumer must be able to download, update programs, and make payments through third-party applications and a single application store. Special requirements cannot be set for pricing or for the technical capabilities of programs installed through a single application store. The law comes into force on September 1, 2025;
- *The Law On Amendments to the Following Laws: "On Banks and Banking Activities", "On Consumer Protection", "On the Federal Security Service", "On Operational Investigative Activities", "On State Security", "On Combating the Legalisation (Laundering) of Criminally Obtained Incomes and the Financing of Terrorism", "On the Central Bank of the Russian Federation (Bank of Russia)", "On Communications", "On Credit Histories", "On Information, Information Technologies and the Protection of Information", "On Microfinance Activities and Microfinance Organisations", "On the Investigative Committee of the Russian Federation", "On the Police"*. The law provides for a number of requirements for individual services:
 - Connection to the new state system for combating crimes in the IT sphere for communications operators, hosting providers, operators of Russian messengers, owners of social networks, classifieds 100k+. The requirements, terms and regulations for the operation of such a system will be reflected in by-laws;
 - It is prohibited to use foreign instant messengers to inform users/clients of credit institutions, state and municipal authorities, state-owned companies, representatives of telecom operators, commodity aggregators, social networks, and classifieds;
 - Microcredit organisations are required to provide their clients with the opportunity to undergo identification through the Unified Biometric System (EBS) for the purposes of remote servicing. Banks, credit bureaus, commodity aggregators, and classifieds provide such authentication on a voluntary basis;
 - Aggregators and classifieds are required to inform and provide sellers and owners of advertisements with the opportunity to undergo identification on their services through the Unified Identification and Authentication System (UIAS);
 - Increasing the storage period for logs for ORI services from 1 year to 3 years. The law comes into force on September 1, 2025.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

14 Commitments, contingencies and operating risks (continued)

14.7 Regulation (continued)

The following draft laws are being considered in the State Duma of the Russian Federation:

- Draft law *On Amendments to the Code of Administrative Offenses of the Russian Federation*. Liability is introduced for the activities of a hosting provider without inclusion in the register of hosting providers. The fine for such a violation for legal entities ranges from 600 thousand to 1 million rubles.
- A number of bills *On Amendments to the Federal Law "On Advertising"*. The following new prohibitions and requirements for the distribution of advertising and information on the Internet are established:
 - A ban on the distribution of advertising and information on esoteric services and spiritual practices on the Internet, including information on nutritionists, tarot readers, regressionists, magicians, etc.;
 - A ban on the distribution of advertising for non-alcoholic beer on the Internet;
 - Requirements for advertising tonic (energy) drinks. In particular, advertising must be accompanied by a warning about the dangers of excessive consumption. Advertising of energy drinks cannot be distributed to minors.

14.8 Personnel

As competition in Russia's internet industry increases, the Group's business and operations could be adversely affected by difficulties in hiring, motivating and retaining highly-skilled people. Competition for senior managers is high. The transfer of such specialists to competitors or the creation of competing companies by them may adversely affect the Group's operating results and profit and lead to the loss of strategic business areas, the outflow of users, technologies and employees.

14.9 Infrastructure and capacity

If the infrastructure in Russia were not able to support increased demand, the Group's services could be interrupted or the Group's systems damaged. A limited availability of third-party providers of network and server capacity could limit the Group's ability to offer certain services or to expand. Network or power failures could result in the loss of data and in a reduction in the number of users, which could have a material effect on the Group's business, results of operations and financial condition.

15 Balances and transactions with related parties

The following table provides the total amount of transactions with related parties conducted during the six months ended June 30, 2025, excluding Directors and key management of the Group (see Notes 15.1 and 15.2). All related party transactions were made in accordance with contractual terms and conditions agreed between the parties.

The Group applies the exemption from the disclosure requirements of IAS 24 *Related Parties*, paragraph 18, in relation to related party transactions and outstanding balances with respect to government entities that exercise control, joint control or have significant influence over the reporting entity:

	June 30, 2025		December 31, 2024	
	Amounts owed by related parties	Amounts owed to related parties	Amounts owed by related parties	Amounts owed to related parties
Trade accounts receivable and Trade and other payable				
Equity accounted associates	349	151	88	27
Joint ventures	1,228	1,048	32	142
Entities with significant influence over the Group including government related entities	1,727	560	2,407	239
Loans issued and Loans received				
Equity accounted associates	5,704	–	1,410	–
Entities with significant influence over the Group including government related entities	–	87,886	–	185,668
Advance under office lease contracts				
Entities with significant influence over the Group and government related entities	193	–	344	–
	Six months ended June 30, 2025		Six months ended June 30, 2024	
	Sales to related parties	Purchases from related parties	Sales to related parties	Purchases from related parties
Sales and Purchases				
Equity accounted associates	113	142	112	37
Joint ventures	549	169	116	–
Entities with significant influence over the Group and government related entities	2,615	789	3,186	1,445

Notes to the Interim Condensed Consolidated Financial Statements (continued)

15 Balances and transactions with related parties (continued)

	Six months ended June 30, 2025		Six months ended June 30, 2024	
	Finance income	Finance expenses	Finance income	Finance expenses
Finance income and expenses				
Entities with significant influence over the Group including government related entities	1,656	16,507	1,479	10,720

	June 30, 2025		December 31, 2024	
	Cash balances on current accounts	Cash balances on deposit accounts	Cash balances on current accounts	Cash balances on deposit accounts
Cash balances on current and deposit accounts with banks				
Equity accounted associates	206	3	76	–
Government related entities	13,864	21,925	3,526	23,217

	June 30, 2025		December 31, 2024	
	Lease liabilities at the end of the year	Lease payments during the year	Lease liabilities at the end of the year	Lease payments during the year
Lease				
Lease transactions with government related entities	3,747	1,493	4,845	1,287

As of June 30, 2025, the Russian Federation has significant influence over Sogaz as one shareholder of MF Technologies and controls the other group of shareholders of MF Technologies. Decisions over MF Technologies' relevant activities require consent of both groups of shareholders.

15.1 Directors of the Company

For the six months ended June 30, 2025, total cash remuneration of the members of the Board of Directors (each a "Director" and collectively, "Directors") of the Company amounted to RUB 72 (2024: RUB 72).

15.2 Key management of the Group

For the six months ended June 30, 2025 total cash remuneration of the key management of the Group (excluding Directors) amounted to RUB 1,571 (2024: RUB 1,673).

For the six months ended June 30, 2025, expenses on incentive programs, including payment of share-based remuneration and long-term bonus plan, amounted to RUB 17 (2024: RUB 65).

16 Financial instruments

As of June 30, 2025 and December 31, 2024, the Group's financial instruments are presented by category in the table below:

	Category*	June 30, 2025	December 31, 2024
Financial assets at fair value through profit and loss			
<i>Non-current</i>			
Financial investments in venture capital investees	FAFVPL	533	533
Financial assets at amortised cost			
<i>Non-current</i>			
Loans issued	FAAC	303	1,403
Other accounts receivable	FAAC	41	–
<i>Current</i>			
Trade accounts receivable and other receivable	FAAC	19,702	23,651
Loans issued and interest receivable	FAAC	6,089	628
Cash and cash equivalents	FAAC	37,745	28,424
Financial lease			
Net investment lease, long-term	Other	821	808
Net investment lease, short-term	Other	61	60
Total financial assets		65,295	55,507

Notes to the Interim Condensed Consolidated Financial Statements (continued)

16 Financial instruments (continued)

	Category*	June 30, 2025	December 31, 2024
Financial liabilities at fair value through profit and loss			
<i>Current</i>			
Contingent consideration payable	FLFVPL	526	526
Financial liabilities at fair value through profit or loss	FLFVPL	1,967	1,637
<i>Non-current</i>			
Financial liabilities at fair value through profit or loss	FLFVPL	–	148
Financial liabilities at amortised cost			
<i>Current</i>			
Trade accounts payable	FLAC	21,218	20,098
Other payables and accrued expenses	FLAC	24,939	25,806
Short-term interest-bearing loans and bonds	FLAC	19,085	105,229
Short-term lease liabilities	FLAC	4,598	5,086
<i>Non-current</i>			
Long-term interest-bearing loans and bonds	FLAC	84,253	97,456
Deferred income on loan liabilities	FLAC	7,301	9,094
Non-current lease liabilities	FLAC	3,118	4,018
Total financial liabilities		167,005	269,098

* Financial instruments used by the Group are included in one of the following categories:

- FAFVPL – financial assets at fair value through profit or loss;
- FLFVPL – financial liabilities at fair value through profit or loss;
- FAAC – financial assets at amortised cost; or
- FLAC – financial liabilities at amortised cost.

None of the Group's financial investees are public companies and none of the Group's financial instruments are traded in active markets. The Group has exchange-traded futures that are traded on organised markets and valued at market prices (Level 1 of the fair value hierarchy). The Group uses exchange-traded currency futures to hedge the foreign exchange risk of its issued bonds. Accordingly, fair values of the Group's financial assets and liabilities at fair value through profit or loss are determined using valuation techniques, including discounted cash flow models, comparison to similar instruments for which observable market prices exist, option pricing models and other relevant valuation models. Such valuation techniques require management to make certain assumptions about model inputs, including credit risk and volatility.

Fair value of cash and cash equivalents, short-term time deposits, short-term accounts receivable, other current assets, trade accounts payable approximate their carrying amounts largely due to the short-term maturities of these instruments.

As of June 30, 2025, restricted cash amounted to RUB 1,690 (December 31, 2024: RUB 2,110), the reserve for expected credit losses was formed in full. The balances are held by subsidiaries operating in countries where currency controls are applied.

16.1 Financial assets at amortised cost

The Group classifies the following financial assets at amortised cost:

- The asset is held within a business model with the objective of collecting the contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding;
- Trade account receivable; and
- Cash and cash equivalents.

16.2 Financial assets at fair value through profit or loss

Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2025, the majority of the Group's financial instruments were classified within Level 3 of the fair value hierarchy, except for exchange-traded futures (Level 1) used to hedge foreign exchange risks on bonds. As at December 31, 2024, all of the Group's financial instruments measured at fair value through profit or loss were classified within Level 3 of the fair value hierarchy.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

16 Financial instruments (continued)

16.2 Financial assets at fair value through profit or loss (continued)

The following is a reconciliation of balances of financial assets and liabilities at fair value through profit or loss as of January 1, 2025 and June 30, 2025, also of January 1, 2024 and June 30, 2024:

	Balance as of January 1, 2025	Gains/(losses) recognised in profit and loss	Purchases/ settlement	Reclas-sification from non-current to current	Business combination (Note 9)	Balance as of June 30, 2025
Financial assets measured at fair value through profit or loss						
Financial investments in venture capital investees	533	–	–	–	–	533
Total financial assets at fair value through profit or loss	533	–	–	–	–	533
Financial liability measured at fair value through profit or loss						
Non-current financial derivative	(148)	(6)	–	154	–	–
Current financial derivative	(1,637)	(397)	282	(154)	(61)	(1,967)
Contingent consideration payable	(526)	–	–	–	–	(526)
Total financial liabilities measured at fair value through profit or loss	(2,311)	(403)	282	–	(61)	(2,493)

	Balance as of January 1, 2024	Gains/(losses) recognised in profit and loss	Purchases/ settlement	Reclas-sification from non-current to current	Business combination (Note 9)	Sale of venture capital investments	Balance as of June 30, 2024
Financial assets measured at fair value through profit or loss							
Financial investments in venture capital investees	471	35	508	–	(180)	(109)	725
Total financial assets at fair value through profit or loss	471	35	508	–	(180)	(109)	725
Financial liability measured at fair value through profit or loss							
Non-current financial derivative	(3,948)	64	50	1,275	(167)	–	(2,726)
Current financial derivative	(2,443)	(70)	2,504	(1,275)	(84)	–	(1,368)
Contingent consideration payable	(526)	–	–	–	–	–	(526)
Deferred consideration for the acquisition of a subsidiary's non-controlling interest	(415)	–	250	–	–	–	(165)
Total financial liabilities measured at fair value through profit or loss	(7,332)	(6)	2,804	–	(251)	–	(4,785)

During the six months ended June 30, 2024, the Group acquired a 10% stake in Kassir.ru LLC for a cash consideration of RUB 510. The Group accounts for this acquisition as a financial asset (venture capital investment) measured at fair value through profit or loss.

For the six months ended June 30, 2024, the Group settled the deferred consideration obligation for the acquisition of YClients in the amount of RUB 1,204, and also exercised a call option to acquire a non-controlling interest in MQP and acquired the corresponding 16.3% share.

For the six months ended June 30, 2024, the Group settled deferred consideration for the purchase of a non-controlling interest in Skillfactory LLC in the amount of RUB 250.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

16 Financial instruments (continued)

16.3 Interest-bearing loans and bonds

The table below represents the major loans and bonds as of June 30, 2025 and December 31, 2024:

Type	Original currency	Type of rate	Average nominal interest rate	Maturity date	Outstanding amount as of June 30, 2025	Outstanding amount as of December 31, 2024
Unsecured and secured loans	RUB	Floating	22.65%	2025-2029	27,390	125,100
Unsecured loans	USD	Fixed	3.00%	2025	–	72
Unsecured loans	EUR	Fixed	2.50%	2025	58	64
Bonds	USD	Fixed	1.63%	On demand	8,690	11,176
Convertible bonds	USD	Fixed	1.63%	2025	2,323	3,007
Bonds	RUB	Fixed	4.15%	2026-2028	64,877	63,266
Total interest-bearing loans and bonds					103,338	202,685

In June 2025, the Group issued 345,029,240 shares. As a result, RUB 112,100 were raised. The funds received were used to repay loans with a floating interest rate, which led to a reduction in the debt burden.

As of June 30, 2025, the Group received bank waivers, according to which the banks confirmed that the violated restrictive conditions under a number of loan agreements are not grounds for early repayment of loan funds, as a result of which the corresponding liabilities for interest-bearing loans were classified as long-term liabilities.

Movements in loans and bonds, including related interest, for the six months ended June 30, 2025 are presented below:

	January 1, 2025	Principal amount, proceeds	Principal amount, repayment	Interest, accruals with discounting	Interest, repayment	Reclassification from non-current to current	Foreign exchange differences	Recognition in connection with consolidation	Other	Liabilities related to assets held for sale	June 30, 2025
Current	105,229	18,350	(117,684)	17,199	(13,937)	13,217	(3,263)	32	(27)	(31)	19,085
Interest bearing loans	85,381	18,339	(117,682)	13,999	(12,427)	13,217	(14)	–	(27)	–	786
Bonds issued by closed subscription	5,331	–	–	2,509	(898)	–	–	–	–	–	6,942
MOEX replacement bonds	3,007	–	–	24	(20)	–	(688)	–	–	–	2,323
LSE convertible bonds	11,176	–	–	75	–	–	(2,561)	–	–	–	8,690
MOEX bonds	334	–	–	591	(591)	–	–	–	–	–	334
Other borrowings	–	11	(2)	1	(1)	–	–	32	–	(31)	10
Non-current	97,456	–	–	–	–	(13,217)	–	14	–	–	84,253
Interest bearing loans	39,855	–	–	–	–	(13,217)	–	14	–	–	26,652
Bonds issued by closed subscription	42,601	–	–	–	–	–	–	–	–	–	42,601
MOEX bonds	15,000	–	–	–	–	–	–	–	–	–	15,000
Total liabilities from financing activities	202,685	18,350	(117,684)	17,199	(13,937)	–	(3,263)	46	(27)	(31)	103,338

Movements in loans and bonds, including related interest, for the six months ended June 30, 2024 are presented below:

	January 1, 2024	Principal amount, repayment	Interest, accruals with discounting	Interest, repayment	Reclassification from non-current to current	Foreign exchange differences	Modification of financial liabilities	Other	June 30, 2024
Current	52,954	(2,833)	11,421	(3,238)	6,955	(414)	(48)	–	64,797
Interest bearing loans	40,384	(2,672)	8,369	(1,727)	6,955	22	–	–	51,331
Bonds issued by closed subscription	2,295	–	2,363	(898)	–	–	–	–	3,760
MOEX replacement bonds	34	–	21	(22)	–	(1)	–	–	32
LSE convertible bonds	9,913	(161)	77	–	–	(435)	(48)	–	9,346
MOEX bonds	328	–	591	(591)	–	–	–	–	328
Non-current	115,208	(638)	–	–	(6,955)	(114)	–	(121)	107,380
Interest bearing loans	54,988	(638)	–	–	(6,955)	(6)	–	(121)	47,268
Bonds issued by closed subscription	42,601	–	–	–	–	–	–	–	42,601
MOEX replacement bonds	2,619	–	–	–	–	(108)	–	–	2,511
MOEX bonds	15,000	–	–	–	–	–	–	–	15,000
Total liabilities from financing activities	168,162	(3,471)	11,421	(3,238)	–	(528)	(48)	(121)	172,177

17 Share premium

On June 25, 2025, the Group placed 345,029,240 new shares through a closed subscription at a placement price of 324.9 rubles per share, which corresponds to an increase in capital by RUB 112,100. The funds received were used to repay loans with a floating interest rate, which led to a reduction in the debt burden.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

18 Personnel expenses

Personnel expenses for six months ended June 30, 2025 and 2024 consist of:

	Six months ended June 30	
	2025	2024
Salary and related taxes	22,416	20,761
Share-based payments	13	116
Reserves and other	8,189	10,110
Total personnel expenses	30,618	30,987

19 Other operating expenses

Other operating expenses for the six months ended June 30, 2025 and 2024 consist of:

	Six months ended June 30	
	2025	2024
Office maintenance	798	693
VAT and other taxes*	754	851
Advertising fee	363	—
Change of expected credit loss allowance on trade receivables	344	125
Travel expenses	311	201
Corporate events	200	135
Cost of sales	139	521
Training and recruiting	138	453
Security	100	74
Write-off of low-value assets	77	79
Charity	36	67
Other operating expenses	659	721
Total operating expenses	3,919	3,920

* As of June 30, 2025, the Group updated the assessment of tax risks and recognised expenses for VAT and other taxes of RUB 177 (six months ended June 30, 2024: RUB 163) and also expenses for non-recoverable VAT write-off in the amount of RUB 49 (six months ended June 30, 2024: RUB 84). In addition, the Group recognised RUB 469 (six months ended June 30, 2024: RUB 523) expenses related to write-off of input VAT due to 5% limit established by the Tax Code of the Russian Federation.

20 Non-current assets held for sale and discontinued operations

As of June 30, the Group is actively searching for a buyer for the Group's stake, and in accordance with IFRS 5, it considers Skillbox and its subsidiaries as assets held for sale. Skillbox continues to operate as usual, implementing a strategy to strengthen its position at the online education market for adults.

The financial results related to Skillbox are presented below:

	April-June 2025	Six months ended June 30, 2024
Education technology services	1,985	5,767
Other revenue	—	5
Total revenue	1,985	5,772
Personnel expenses	(788)	(2,585)
Agent/partner fees	(294)	(979)
Marketing expenses	(415)	(1,990)
Professional services	(11)	(67)
Other operating expenses	(97)	(322)
Total operating expenses, net	(1,605)	(5,943)
Depreciation and amortisation	(61)	(135)
Finance income	4	27
Finance expenses	(9)	(6)
Other non-operating expenses	(1)	(47)
Net gain on financial assets and liabilities at fair value through profit or loss	225	442
Foreign exchange	(6)	(7)
Profit before income tax expense from discontinued operations	532	103
Income tax expense	(6)	(3)
Net profit from discontinued operations	526	100

Notes to the Interim Condensed Consolidated Financial Statements (continued)

20 Non-current assets held for sale and discontinued operations (continued)

Breakdown of assets and liabilities related to assets held for sale as of June 30, 2025:

Goodwill	5,156
Right-of-use assets	114
Intangible assets	3,075
Property and equipment	28
Deferred income tax assets	11
Trade accounts receivable and other receivables	81
Prepaid expenses and advances to suppliers	83
Inventories	10
Other current assets	37
Cash and cash equivalents	184
Total assets	8,779
Deferred income tax liabilities	374
Non-current financial liabilities at fair value through profit or loss	683
Trade accounts payable	442
VAT and other taxes payable	1,575
Deferred revenue and customer advances	1,962
Short-term portion of long-term interest-bearing loans and bonds	31
Current lease liabilities	119
Current financial liabilities at fair value through profit or loss	165
Other payables, reserves and accrued expenses	246
Total liabilities	5,597

Breakdown of the statement of cash flows related to assets held for sale:

	April-June 2025	Six months ended June 30, 2024
Operating activities		
Discontinued operations	(419)	(753)
Net cash used in operating activities	(419)	(753)
Investing activities		
Discontinued operations	(4)	(139)
Net cash used in investing activities	(4)	(139)
Financing activities		
Discontinued operations	–	–
Intra-group transactions	231	241
Net cash provided by financing activities	231	241
Net cash outflow from discontinued operations	(192)	(651)

21 Events after the reporting period

There have been no events subsequent to the reporting period that require adjustment or mention in the interim condensed consolidated financial statements in accordance with IAS 10 *Events after the Reporting Date*.